

Council Substitute for  
Council Substitute for House Bill No. 7031

An act relating to economic development; amending s. 288.1089, F.S.; defining the terms “commission,” “industry wage,” “naming opportunities,” and “net royalty revenues”; expanding the definition of “project” to include alternative and renewable energy applicants; requiring that an application for an incentive award include certain information; authorizing the waiver or reduction of requirements relating to matching funds for alternative and renewable energy projects; requiring that Enterprise Florida, Inc., evaluate proposals for all categories of innovation incentive awards and solicit comments from the Florida Energy and Climate Commission before making its recommendations; providing requirements for such evaluations and recommendations; providing additional criteria for a research and development facility; deleting qualifying criteria for alternative and renewable energy projects; creating additional evaluation criteria for alternative and renewable energy projects; requiring that the Executive Office of the Governor release funds upon review and approval of an award by the Legislative Budget Commission; requiring the Office of Tourism, Trade, and Economic Development and the recipient of an award to enter into a contract setting forth conditions for the payment of incentive funds; requiring that such agreement include certain provisions; requiring that agreements signed after a specified date contain certain additional provisions; requiring that Enterprise Florida, Inc., submit a report containing certain information within a specified period after the conclusion of such agreement to the Governor, the President of the Senate, and the Speaker of the House of Representatives; requiring that each recipient of an award comply with certain business ethics standards developed by Enterprise Florida, Inc.; deleting provisions authorizing Enterprise Florida, Inc., to collaborate with the State University System in reviewing and evaluating business ethics standards; requiring that the office submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives a report containing certain information; specifying a date on which the office shall begin submitting such reports; requiring that the Office of Program Policy Analysis and Government Accountability and the Office of the Auditor General submit a report; requiring that such reports be submitted at specified intervals; requiring that such reports include certain information; authorizing the office to seek the assistance of certain government entities for certain purposes; amending s. 166.231, F.S.; revising industry code designations; providing a definition; amending s. 212.05, F.S.; extending the time nonresident purchasers have to remove a boat from the state after purchase; providing for an extension decal to be issued by a dealer; imposing a decal cost; revising industry code designations; amending s. 212.097, F.S.; specifying a review and certification requirement for the urban high crime area job tax credit applications;

amending s. 212.098, F.S.; revising the definition for “qualified area”; amending s. 213.053, F.S.; granting the Office of Tourism, Trade, and Economic Development access to certain confidential and exempt records held by the Department of Revenue and related to certain tax incentive and tax refund programs; amending s. 220.15, F.S.; revising industry code designations; providing a definition; amending s. 220.191, F.S.; specifying a review and certification requirement for capital investment tax credit applications; creating s. 288.061, F.S.; providing requirements and procedures for an economic development incentive application process; providing time periods and requirements for certification for economic development incentive applications; providing duties and responsibilities of Enterprise Florida, Inc., and the Office of Tourism, Trade, and Economic Development; amending s. 288.063, F.S.; revising required criteria for review and certification of transportation projects by the Office of Tourism, Trade, and Economic Development; amending s. 288.065, F.S.; revising county population criteria for loans from the Rural Community Development Revolving Loan Fund; amending s. 288.0655, F.S.; authorizing the Office of Tourism, Trade, and Economic Development to award grants for a certain percentage of total infrastructure project costs for certain catalyst site funding applications; expanding eligible facilities for authorized infrastructure projects; providing for waiver of the local matching requirement; specifying a review and certification requirement for the office for certain Rural Infrastructure Fund grant applications; amending s. 288.0656, F.S.; providing legislative intent; revising and providing definitions; providing additional review and action requirements for the Rural Economic Development Initiative relating to rural communities; revising representation on the initiative; deleting a limitation on characterization as a rural area of critical economic concern; authorizing rural areas of critical economic concern to designate certain catalyst projects for certain purposes; providing project requirements; revising certain reporting requirements for the initiative; amending s. 288.06561, F.S., conforming cross-references; amending s. 288.0657, F.S.; revising the definition of the term “rural community”; amending s. 288.1045, F.S.; revising provisions relating to the application and refund process for the qualified defense contractor tax refund program; specifying a review and certification requirement for program refunds; revising the cap on refunds per applicant; deleting a report requirement; amending s. 288.106, F.S.; revising certain definitions; revising industry code designation requirements for certain activities under the tax refund program for qualified target industry businesses; revising program application and approval process provisions; specifying a review and certification requirement for program applications; revising tax refund agreement requirements; revising an economic-stimulus exemption request provision; extending a final date for exemption requests; extending a certification expiration provision; amending s. 288.107, F.S.; revising a definition; revising criteria for participation in brownfield redevelopment bonus refunds; specifying a review and certification requirement for brownfield redevelopment bonus refund applications; amending s. 288.108, F.S.; specifying a review

and certification requirement for applications for high-impact business performance grants; deleting certain final order and report requirements; amending s. 288.1088, F.S.; specifying a review requirement for Quick Action Closing Fund project applications; providing a time period for the director to recommend approval or disapproval of a project for receipt of funds from the Quick Action Closing Fund; amending ss. 257.193, 288.019, and 627.6699, F.S.; conforming cross-references; amending s. 288.9015, F.S.; specifying that Enterprise Florida, Inc., is responsible for responding to inquiries related to the state's business incentives and opportunities; amending s. 288.9622, F.S.; expanding the types of investments that may be made by the Florida Opportunity Fund; amending s. 288.9624, F.S.; providing a limitation on how the originally appropriated funds may be invested; allowing the Florida Opportunity Fund to form or create other entities for investment purposes; revising a reporting requirement; amending s. 443.1715, F.S.; allowing disclosure of certain confidential unemployment compensation data to the Office of Tourism, Trade, and Economic Development; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsections (1), (2), and (3), paragraph (d) of subsection (4), and subsections (5), (7), (8), (9), and (10) of section 288.1089, Florida Statutes, are amended, and subsections (11) and (12) are added to that section, to read:

288.1089 Innovation Incentive Program.—

(1) The Innovation Incentive Program is created within the Office of Tourism, Trade, and Economic Development to ensure that sufficient resources are available to allow the state to respond expeditiously to extraordinary economic opportunities and to compete effectively for high-value research and development, and innovation business, and alternative and renewal energy projects.

(2) As used in this section, the term:

(a) “Alternative and renewable energy” means electrical, mechanical, or thermal energy produced from a method that uses one or more of the following fuels or energy sources: ethanol, cellulosic ethanol, biobutanol, biodiesel, biomass, biogas, hydrogen fuel cells, ocean energy, hydrogen, solar, hydro, wind, or geothermal.

(b) “Average private sector wage” means the statewide average wage in the private sector or the average of all private sector wages in the county or in the standard metropolitan area in which the project is located as determined by the Agency for Workforce Innovation.

(c) “Brownfield area” means an area designated as a brownfield area pursuant to s. 376.80.

(d) “Commission” means the Florida Energy and Climate Commission.

(e)(d) “Cumulative investment” means cumulative capital investment and all eligible capital costs, as defined in s. 220.191.

(f)(e) “Director” means the director of the Office of Tourism, Trade, and Economic Development.

(g)(f) “Enterprise zone” means an area designated as an enterprise zone pursuant to s. 290.0065.

(h)(g) “Fiscal year” means the state fiscal year.

(i) “Industry wage” means the average annual wage paid to employees in a particular industry, as designated by the North American Industry Classification System (NAICS), and compiled by the Bureau of Labor Statistics of the United States Department of Labor.

(j)(h) “Innovation business” means a business expanding or locating in this state that is likely to serve as a catalyst for the growth of an existing or emerging technology cluster or will significantly impact the regional economy in which it is to expand or locate.

(k)(i) “Jobs” means full-time equivalent positions, as that term is consistent with terms used by the Agency for Workforce Innovation and the United States Department of Labor for purposes of unemployment compensation tax administration and employment estimation, resulting directly from a project in this state. The term does not include temporary construction jobs.

(l) “Naming opportunities” means charitable donations from any person or entity in consideration for the right to have all or a portion of the facility named for or in the memory of any person, living or dead, or for any entity.

(m) “Net royalty revenues” means all royalty revenues less the cost of obtaining, maintaining, and enforcing related patent and intellectual property rights, both foreign and domestic.

(n)(j) “Match” means funding from local sources, public or private, which will be paid to the applicant and which is equal to 100 percent of an award. Eligible match funding may include any tax abatement granted to the applicant under s. 196.1995 or the appraised market value of land, buildings, infrastructure, or equipment conveyed or provided at a discount to the applicant. Complete documentation of a match payment or other conveyance must be presented to and verified by the office prior to transfer of state funds to an applicant. An applicant may not provide, directly or indirectly, more than 5 percent of match funding in any fiscal year. The sources of such funding may not include, directly or indirectly, state funds appropriated from the General Revenue Fund or any state trust fund, excluding tax revenues shared with local governments pursuant to law.

(o)(k) “Office” means the Office of Tourism, Trade, and Economic Development.

(p)(l) “Project” means the location to or expansion in this state by an innovation business, a ~~or~~ research and development applicant, or an alter-

native and renewable energy applicant approved for an award pursuant to this section.

~~(q)(m)~~ “Research and development” means basic and applied research in the sciences or engineering, as well as the design, development, and testing of prototypes or processes of new or improved products. Research and development does not include market research, routine consumer product testing, sales research, research in the social sciences or psychology, nontechnological activities, or technical services.

~~(r)(n)~~ “Research and development facility” means a facility that is predominately engaged in research and development activities. For purposes of this paragraph, the term “predominantly” means at least 51 percent of the time.

~~(s)(o)~~ “Rural area” means a rural city, rural community, or rural county as defined in s. 288.106.

(3) To be eligible for consideration for an innovation incentive award, an innovation business, ~~a or~~ research and development entity, or an alternative and renewable energy company project must submit a written application to Enterprise Florida, Inc., before making a decision to locate new operations in this state or expand an existing operation in this state. The application must include, but not be limited to:

(a) The applicant’s federal employer identification number, unemployment account number, and state sales tax registration number. If such numbers are not available at the time of application, they must be submitted to the office in writing prior to the disbursement of any payments under this section.

(b) The location in this state at which the project is located or is to be located.

(c) A description of the type of business activity, product, or research and development undertaken by the applicant, including six-digit North American Industry Classification System codes for all activities included in the project.

(d) The applicant’s projected investment in the project.

(e) The total investment, from all sources, in the project.

(f) The number of net new full-time equivalent jobs in this state the applicant anticipates having created as of December 31 of each year in the project and the average annual wage of such jobs.

(g) The total number of full-time equivalent employees currently employed by the applicant in this state, if applicable.

(h) The anticipated commencement date of the project.

(i) A detailed explanation of why the innovation incentive is needed to induce the applicant to expand or locate in the state and whether an award would cause the applicant to locate or expand in this state.

(j) If applicable, an estimate of the proportion of the revenues resulting from the project that will be generated outside this state.

(4) To qualify for review by the office, the applicant must, at a minimum, establish the following to the satisfaction of Enterprise Florida, Inc., and the office:

(d) For an alternative and renewable energy project in this state, the project must:

1. Demonstrate a plan for significant collaboration with an institution of higher education;

2. Provide the state, at a minimum, a break-even return on investment within a 20-year period;

3. Include matching funds provided by the applicant or other available sources. The match requirement may be reduced or waived in rural areas of critical economic concern or reduced in rural areas, brownfield areas, and enterprise zones ~~This requirement may be waived if the office and the department determine that the merits of the individual project or the specific circumstances warrant such action;~~

4. Be located in this state; and

5. Provide at least 35 direct, new jobs that pay an estimated annual average wage that equals at least 130 percent of the average private sector wage. ~~The average wage requirement may be waived if the office and the commission determine that the merits of the individual project or the specific circumstances warrant such action; and~~

6. ~~Meet one of the following criteria:~~

a. ~~Result in the creation of at least 35 direct, new jobs at the business.~~

b. ~~Have an activity or product that uses feedstock or other raw materials grown or produced in this state.~~

c. ~~Have a cumulative investment of at least \$50 million within a 5-year period.~~

d. ~~Address the technical feasibility of the technology, and the extent to which the proposed project has been demonstrated to be technically feasible based on pilot project demonstrations, laboratory testing, scientific modeling, or engineering or chemical theory that supports the proposal.~~

e. ~~Include innovative technology and the degree to which the project or business incorporates an innovative new technology or an innovative application of an existing technology.~~

f. ~~Include production potential and the degree to which a project or business generates thermal, mechanical, or electrical energy by means of a renewable energy resource that has substantial long-term production potential. The project must, to the extent possible, quantify annual production potential in megawatts or kilowatts.~~

g. ~~Include and address energy efficiency and the degree to which a project demonstrates efficient use of energy, water, and material resources.~~

h. ~~Include project management and the ability of management to administer and complete the business project.~~

(5) Enterprise Florida, Inc., shall evaluate proposals for all three categories of innovation incentive awards and transmit recommendations for awards to the office. Before making its recommendations on alternative and renewable energy projects, Enterprise Florida, Inc., shall solicit comments and recommendations from the Florida Energy and Climate Commission ~~for alternative and renewable energy project proposals.~~ For each project, the ~~Such~~ evaluation and recommendation to the office must include, but need not be limited to:

(a) A description of the project, its required facilities, and the associated product, service, or research and development associated with the project.

(b) The percentage of match provided for the project.

(c) The number of full-time equivalent jobs that will be created by the project, the total estimated average annual wages of such jobs, and the types of business activities and jobs likely to be stimulated by the project.

(d) The cumulative investment to be dedicated to the project within 5 years and the total investment expected in the project if more than 5 years.

(e) The projected economic and fiscal impacts on the local and state economies relative to investment.

(f) A statement of any special impacts the project is expected to stimulate in a particular business sector in the state or regional economy or in the state's universities and community colleges.

(g) A statement of any anticipated or proposed relationships with state universities.

(h) A statement of the role the incentive is expected to play in the decision of the applicant to locate or expand in this state.

(i) A recommendation and explanation of the amount of the award needed to cause the applicant to expand or locate in this state.

(j) A discussion of the efforts and commitments made by the local community in which the project is to be located to induce the applicant's location or expansion, taking into consideration local resources and abilities.

(k) A recommendation for specific performance criteria the applicant would be expected to achieve in order to receive payments from the fund and penalties or sanctions for failure to meet or maintain performance conditions.

(l) Additional evaluative criteria for a research and development facility project, including:

1. A description of the extent to which the project has the potential to serve as catalyst for an emerging or evolving cluster.
2. A description of the extent to which the project has or could have a long-term collaborative research and development relationship with one or more universities or community colleges in this state.
3. A description of the existing or projected impact of the project on established clusters or targeted industry sectors.
4. A description of the project's contribution to the diversity and resiliency of the innovation economy of this state.
5. A description of the project's impact on special needs communities, including, but not limited to, rural areas, distressed urban areas, and enterprise zones.

(m) Additional evaluative criteria for alternative and renewable energy proposals, including:

1. The availability of matching funds or other in-kind contributions applied to the total project from an applicant. The commission shall give greater preference to projects that provide such matching funds or other in-kind contributions.

2. The degree to which the project stimulates in-state capital investment and economic development in metropolitan and rural areas, including the creation of jobs and the future development of a commercial market for renewable energy technologies.

3. The extent to which the proposed project has been demonstrated to be technically feasible based on pilot project demonstrations, laboratory testing, scientific modeling, or engineering or chemical theory that supports the proposal.

4. The degree to which the project incorporates an innovative new technology or an innovative application of an existing technology.

5. The degree to which a project generates thermal, mechanical, or electrical energy by means of a renewable energy resource that has substantial long-term production potential.

6. The degree to which a project demonstrates efficient use of energy and material resources.

7. The degree to which the project fosters overall understanding and appreciation of renewable energy technologies.

8. The ability to administer a complete project.

9. Project duration and timeline for expenditures.

10. The geographic area in which the project is to be conducted in relation to other projects.



11. The degree of public visibility and interaction.

(7) Upon receipt of the evaluation and recommendation from Enterprise Florida, Inc., ~~and from the Florida Energy and Climate Commission for alternative and renewable energy project proposals,~~ the director shall recommend to the Governor the approval or disapproval of an award. In recommending approval of an award, the director shall include proposed performance conditions that the applicant must meet in order to obtain incentive funds and any other conditions that must be met before the receipt of any incentive funds. The Governor shall consult with the President of the Senate and the Speaker of the House of Representatives before giving approval for an award. Upon review and approval of an award by the Legislative Budget Commission, the Executive Office of the Governor shall release the funds ~~pursuant to the legislative consultation and review requirements set forth in s. 216.177.~~

(8)(a) ~~After the conditions Upon approval by the Governor and release of the funds as set forth in subsection (7) have been met,~~ the director shall issue a letter certifying the applicant as qualified for an award. The office and the award recipient applicant shall enter into an agreement that sets forth the conditions for payment of the incentive funds ~~incentives~~. The agreement must include, at a minimum:

1. The total amount of funds awarded;
2. The performance conditions that must be met in order to obtain the award or portions of the award, including, but not limited to, net new employment in the state, average wage, and total cumulative investment;
3. Demonstration of a baseline of current service and a measure of enhanced capability;
4. The methodology for validating performance;
5. The schedule of payments; ~~and~~
6. Sanctions for failure to meet performance conditions, including any clawback provisions.

(b) Additionally, agreements signed on or after July 1, 2009, must include the following provisions:

1. Notwithstanding subsection (4), a requirement that the jobs created by the recipient of the incentive funds pay an annual average wage at least equal to the relevant industry's annual average wage or at least 130 percent of the average private-sector wage, whichever is greater.

2. A reinvestment requirement. Each recipient of an award shall reinvest up to 15 percent of net royalty revenues, including revenues from spin-off companies and the revenues from the sale of stock it receives from the licensing or transfer of inventions, methods, processes, and other patentable discoveries conceived or reduced to practice using its facilities in Florida or its Florida-based employees, in whole or in part, and to which the recipient

of the grant becomes entitled during the 20 years following the effective date of its agreement with the office. Each recipient of an award also shall reinvest up to 15 percent of the gross revenues it receives from naming opportunities associated with any facility it builds in this state. Reinvestment payments shall commence no later than 6 months after the recipient of the grant has received the final disbursement under the contract and shall continue until the maximum reinvestment, as specified in the contract, has been paid. Reinvestment payments shall be remitted to the office for deposit in the Biomedical Research Trust Fund for companies specializing in biomedicine or life sciences, or in the Economic Development Trust Fund for companies specializing in fields other than biomedicine or the life sciences. If these trust funds no longer exist at the time of the reinvestment, the state's share of reinvestment shall be deposited in their successor trust funds as determined by law. Each recipient of an award shall annually submit a schedule of the shares of stock held by it as payment of the royalty required by this paragraph and report on any trades or activity concerning such stock. Each recipient's reinvestment obligations survive the expiration or termination of its agreement with the state.

3. Requirements for the establishment of internship programs or other learning opportunities for educators and secondary, postsecondary, graduate, and doctoral students.

4. A requirement that the recipient submit quarterly reports and annual reports related to activities and performance to the office, according to standardized reporting periods.

5. A requirement for an annual accounting to the office of the expenditure of funds disbursed under this section.

6. A process for amending the agreement.

(9) Enterprise Florida, Inc., shall assist the office in validating the performance of an innovation business, ~~a or~~ a research and development facility, ~~or an alternative and renewable energy business~~ that has received an award. At the conclusion of the innovation incentive award agreement, or its earlier termination, Enterprise Florida, Inc., shall, within 90 days, submit a report the results of the innovation incentive award to the Governor, the President of the Senate, and the Speaker of the House of Representatives detailing whether the recipient of the innovation incentive grant achieved its specified outcomes.

(10) Each recipient of an award shall comply with Enterprise Florida, Inc., shall develop business ethics standards developed by Enterprise Florida, Inc., which are based on appropriate best industry practices which shall be applicable to all award recipients. The standards shall address ethical duties of business enterprises, fiduciary responsibilities of management, and compliance with the laws of this state. Enterprise Florida, Inc., may collaborate with the State University System in reviewing and evaluating appropriate business ethics standards. Such standards shall be provided to the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 31, 2006. An award agreement entered into

~~on or after December 31, 2006, shall require a recipient to comply with the business ethics standards developed pursuant to this section.~~

(11)(a) Beginning January 5, 2010, and every year thereafter, the office shall submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives a report summarizing the activities and accomplishments of the recipients of grants from the Innovation Incentive Program during the previous 12 months and an evaluation by the office of whether the recipients are catalysts for additional direct and indirect economic development in Florida.

(b) Beginning March 1, 2010, and every third year thereafter, the Office of Program Policy Analysis and Government Accountability, in consultation with the Auditor General's Office, shall release a report evaluating the Innovation Incentive Program's progress toward creating clusters of high-wage, high-skilled, complementary industries that serve as catalysts for economic growth specifically in the regions in which they are located, and generally for the state as a whole. Such report should include critical analyses of quarterly and annual reports, annual audits, and other documents prepared by the Innovation Incentive program awardees; relevant economic development reports prepared by the office, Enterprise Florida, Inc., and local or regional economic development organizations; interviews with the parties involved; and any other relevant data. Such report should also include legislative recommendations, if necessary, on how to improve the Innovation Incentive Program so that the program reaches its anticipated potential as a catalyst for direct and indirect economic development in this state.

(12) The office may seek the assistance of the Office of Program Policy Analysis and Government Accountability, the Legislature's Office of Economic and Demographic Research, and other entities for the purpose of developing performance measures or techniques to quantify the synergistic economic development impacts that awardees of grants are having within their communities.

Section 2. Subsection (6) of section 166.231, Florida Statutes, is amended to read:

166.231 Municipalities; public service tax.—

(6) A municipality may exempt from the tax imposed by this section any amount up to, and including, the total amount of electricity, metered natural gas, liquefied petroleum gas either metered or bottled, or manufactured gas either metered or bottled purchased per month, or reduce the rate of taxation on the purchase of such electricity or gas when purchased by an industrial consumer which uses the electricity or gas directly in industrial manufacturing, processing, compounding, or a production process, at a fixed location in the municipality, of items of tangible personal property for sale. The municipality shall establish the requirements for qualification for this exemption in the manner prescribed by ordinance. Possession by a seller of a written certification by the purchaser, certifying the purchaser's entitlement to an exemption permitted by this subsection, relieves the seller from the responsibility of collecting the tax on the nontaxable amounts, and the

municipality shall look solely to the purchaser for recovery of such tax if it determines that the purchaser was not entitled to the exemption. Any municipality granting an exemption pursuant to this subsection shall grant the exemption to all companies classified in the same five-digit NAICS SIC Industry Major Group Number. As used in this subsection, "NAICS" means those classifications contained in the North American Industry Classification System, as published in 2007 by the Office of Management and Budget, Executive Office of the President.

Section 3. Paragraphs (a) and (i) of subsection (1) of section 212.05, Florida Statutes, are amended to read:

212.05 Sales, storage, use tax.—It is hereby declared to be the legislative intent that every person is exercising a taxable privilege who engages in the business of selling tangible personal property at retail in this state, including the business of making mail order sales, or who rents or furnishes any of the things or services taxable under this chapter, or who stores for use or consumption in this state any item or article of tangible personal property as defined herein and who leases or rents such property within the state.

(1) For the exercise of such privilege, a tax is levied on each taxable transaction or incident, which tax is due and payable as follows:

(a)1.a. At the rate of 6 percent of the sales price of each item or article of tangible personal property when sold at retail in this state, computed on each taxable sale for the purpose of remitting the amount of tax due the state, and including each and every retail sale.

b. Each occasional or isolated sale of an aircraft, boat, mobile home, or motor vehicle of a class or type which is required to be registered, licensed, titled, or documented in this state or by the United States Government shall be subject to tax at the rate provided in this paragraph. The department shall by rule adopt any nationally recognized publication for valuation of used motor vehicles as the reference price list for any used motor vehicle which is required to be licensed pursuant to s. 320.08(1), (2), (3)(a), (b), (c), or (e), or (9). If any party to an occasional or isolated sale of such a vehicle reports to the tax collector a sales price which is less than 80 percent of the average loan price for the specified model and year of such vehicle as listed in the most recent reference price list, the tax levied under this paragraph shall be computed by the department on such average loan price unless the parties to the sale have provided to the tax collector an affidavit signed by each party, or other substantial proof, stating the actual sales price. Any party to such sale who reports a sales price less than the actual sales price is guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083. The department shall collect or attempt to collect from such party any delinquent sales taxes. In addition, such party shall pay any tax due and any penalty and interest assessed plus a penalty equal to twice the amount of the additional tax owed. Notwithstanding any other provision of law, the Department of Revenue may waive or compromise any penalty imposed pursuant to this subparagraph.

2. This paragraph does not apply to the sale of a boat or aircraft by or through a registered dealer under this chapter to a purchaser who, at the

time of taking delivery, is a nonresident of this state, does not make his or her permanent place of abode in this state, and is not engaged in carrying on in this state any employment, trade, business, or profession in which the boat or aircraft will be used in this state, or is a corporation none of the officers or directors of which is a resident of, or makes his or her permanent place of abode in, this state, or is a noncorporate entity that has no individual vested with authority to participate in the management, direction, or control of the entity's affairs who is a resident of, or makes his or her permanent abode in, this state. For purposes of this exemption, either a registered dealer acting on his or her own behalf as seller, a registered dealer acting as broker on behalf of a seller, or a registered dealer acting as broker on behalf of the purchaser may be deemed to be the selling dealer. This exemption shall not be allowed unless:

a. The purchaser removes a qualifying boat, as described in subparagraph f., from the state within 90 days after the date of purchase or extension, or the purchaser removes a nonqualifying boat or an aircraft from this state within 10 days after the date of purchase or, when the boat or aircraft is repaired or altered, within 20 days after completion of the repairs or alterations;

b. The purchaser, within 30 days from the date of departure, shall provide the department with written proof that the purchaser licensed, registered, titled, or documented the boat or aircraft outside the state. If such written proof is unavailable, within 30 days the purchaser shall provide proof that the purchaser applied for such license, title, registration, or documentation. The purchaser shall forward to the department proof of title, license, registration, or documentation upon receipt.

c. The purchaser, within 10 days of removing the boat or aircraft from Florida, shall furnish the department with proof of removal in the form of receipts for fuel, dockage, slippage, tie-down, or hangaring from outside of Florida. The information so provided must clearly and specifically identify the boat or aircraft;

d. The selling dealer, within 5 days of the date of sale, shall provide to the department a copy of the sales invoice, closing statement, bills of sale, and the original affidavit signed by the purchaser attesting that he or she has read the provisions of this section;

e. The seller makes a copy of the affidavit a part of his or her record for as long as required by s. 213.35; and

f. Unless the nonresident purchaser of a boat of 5 net tons of admeasurement or larger intends to remove the boat from this state within 10 days after the date of purchase or when the boat is repaired or altered, within 20 days after completion of the repairs or alterations, the nonresident purchaser shall apply to the selling dealer for a decal which authorizes 90 days after the date of purchase for removal of the boat. The nonresident purchaser of a qualifying boat may apply to the selling dealer within 60 days after the date of purchase for an extension decal that authorizes the boat to remain in this state for an additional 90 days, but not more than a total of

180 days, before the nonresident purchaser is required to pay the tax imposed by this chapter. The department is authorized to issue decals in advance to dealers. The number of decals issued in advance to a dealer shall be consistent with the volume of the dealer's past sales of boats which qualify under this sub-subparagraph. The selling dealer or his or her agent shall mark and affix the decals to qualifying boats in the manner prescribed by the department, prior to delivery of the boat.

(I) The department is hereby authorized to charge dealers a fee sufficient to recover the costs of decals issued, except the extension decal shall cost \$425.

(II) The proceeds from the sale of decals will be deposited into the administrative trust fund.

(III) Decals shall display information to identify the boat as a qualifying boat under this sub-subparagraph, including, but not limited to, the decal's date of expiration.

(IV) The department is authorized to require dealers who purchase decals to file reports with the department and may prescribe all necessary records by rule. All such records are subject to inspection by the department.

(V) Any dealer or his or her agent who issues a decal falsely, fails to affix a decal, mismarks the expiration date of a decal, or fails to properly account for decals will be considered prima facie to have committed a fraudulent act to evade the tax and will be liable for payment of the tax plus a mandatory penalty of 200 percent of the tax, and shall be liable for fine and punishment as provided by law for a conviction of a misdemeanor of the first degree, as provided in s. 775.082 or s. 775.083.

(VI) Any nonresident purchaser of a boat who removes a decal prior to permanently removing the boat from the state, or defaces, changes, modifies, or alters a decal in a manner affecting its expiration date prior to its expiration, or who causes or allows the same to be done by another, will be considered prima facie to have committed a fraudulent act to evade the tax and will be liable for payment of the tax plus a mandatory penalty of 200 percent of the tax, and shall be liable for fine and punishment as provided by law for a conviction of a misdemeanor of the first degree, as provided in s. 775.082 or s. 775.083.

(VII) The department is authorized to adopt rules necessary to administer and enforce this subparagraph and to publish the necessary forms and instructions.

(VIII) The department is hereby authorized to adopt emergency rules pursuant to s. 120.54(4) to administer and enforce the provisions of this subparagraph.

If the purchaser fails to remove the qualifying boat from this state within the maximum 180 ~~90~~ days after purchase or a nonqualifying boat or an aircraft from this state within 10 days after purchase or, when the boat or

aircraft is repaired or altered, within 20 days after completion of such repairs or alterations, or permits the boat or aircraft to return to this state within 6 months from the date of departure, or if the purchaser fails to furnish the department with any of the documentation required by this subparagraph within the prescribed time period, the purchaser shall be liable for use tax on the cost price of the boat or aircraft and, in addition thereto, payment of a penalty to the Department of Revenue equal to the tax payable. This penalty shall be in lieu of the penalty imposed by s. 212.12(2) and is mandatory and shall not be waived by the department. The maximum 180-day 90-day period following the sale of a qualifying boat tax-exempt to a nonresident may not be tolled for any reason. Notwithstanding other provisions of this paragraph to the contrary, an aircraft purchased in this state under the provisions of this paragraph may be returned to this state for repairs within 6 months after the date of its departure without being in violation of the law and without incurring liability for the payment of tax or penalty on the purchase price of the aircraft if the aircraft is removed from this state within 20 days after the completion of the repairs and if such removal can be demonstrated by invoices for fuel, tie-down, hangar charges issued by out-of-state vendors or suppliers, or similar documentation.

(i)1. At the rate of 6 percent on charges for all:

a. Detective, burglar protection, and other protection services (NAICS National SIC Industry Numbers 561611, 561612, 561613, 7381 and 561621 7382). Any law enforcement officer, as defined in s. 943.10, who is performing approved duties as determined by his or her local law enforcement agency in his or her capacity as a law enforcement officer, and who is subject to the direct and immediate command of his or her law enforcement agency, and in the law enforcement officer's uniform as authorized by his or her law enforcement agency, is performing law enforcement and public safety services and is not performing detective, burglar protection, or other protective services, if the law enforcement officer is performing his or her approved duties in a geographical area in which the law enforcement officer has arrest jurisdiction. Such law enforcement and public safety services are not subject to tax irrespective of whether the duty is characterized as "extra duty," "off-duty," or "secondary employment," and irrespective of whether the officer is paid directly or through the officer's agency by an outside source. The term "law enforcement officer" includes full-time or part-time law enforcement officers, and any auxiliary law enforcement officer, when such auxiliary law enforcement officer is working under the direct supervision of a full-time or part-time law enforcement officer.

b. Nonresidential cleaning and nonresidential pest control services (NAICS National Numbers 561710 and 561720 SIC Industry Group Number 734).

2. As used in this paragraph, "NAICS SIC" means those classifications contained in the North American Industry Standard Industrial Classification System Manual, 1987, as published in 2007 by the Office of Management and Budget, Executive Office of the President.

3. Charges for detective, burglar protection, and other protection security services performed in this state but used outside this state are exempt from

taxation. Charges for detective, burglar protection, and other protection security services performed outside this state and used in this state are subject to tax.

4. If a transaction involves both the sale or use of a service taxable under this paragraph and the sale or use of a service or any other item not taxable under this chapter, the consideration paid must be separately identified and stated with respect to the taxable and exempt portions of the transaction or the entire transaction shall be presumed taxable. The burden shall be on the seller of the service or the purchaser of the service, whichever applicable, to overcome this presumption by providing documentary evidence as to which portion of the transaction is exempt from tax. The department is authorized to adjust the amount of consideration identified as the taxable and exempt portions of the transaction; however, a determination that the taxable and exempt portions are inaccurately stated and that the adjustment is applicable must be supported by substantial competent evidence.

5. Each seller of services subject to sales tax pursuant to this paragraph shall maintain a monthly log showing each transaction for which sales tax was not collected because the services meet the requirements of subparagraph 3. for out-of-state use. The log must identify the purchaser's name, location and mailing address, and federal employer identification number, if a business, or the social security number, if an individual, the service sold, the price of the service, the date of sale, the reason for the exemption, and the sales invoice number. The monthly log shall be maintained pursuant to the same requirements and subject to the same penalties imposed for the keeping of similar records pursuant to this chapter.

Section 4. Paragraph (b) of subsection (10) of section 212.097, Florida Statutes, are amended to read:

212.097 Urban High-Crime Area Job Tax Credit Program.—

(10)

~~(b) Applications shall be reviewed and certified pursuant to s. 288.061. Within 30 working days after receipt of an application for credit, the Office of Tourism, Trade, and Economic Development shall review the application to determine whether it contains all the information required by this subsection and meets the criteria set out in this section. Subject to the provisions of paragraph (c), the Office of Tourism, Trade, and Economic Development shall approve all applications that contain the information required by this subsection and meet the criteria set out in this section as eligible to receive a credit.~~

Section 5. Paragraph (c) of subsection (1) of section 212.098, Florida Statutes, is amended to read:

212.098 Rural Job Tax Credit Program.—

(1) As used in this section, the term:

(c) “Qualified area” means any area that is contained within a rural area of critical economic concern designated under s. 288.0656, a county that has



a population of fewer than 75,000 persons, ~~a or any~~ county that has a population of ~~125,000~~ 100,000 or less and is contiguous to a county that has a population of less than 75,000, selected in the following manner: every third year, the Office of Tourism, Trade, and Economic Development shall rank and tier the state's counties according to the following four factors:

1. Highest unemployment rate for the most recent 36-month period.
2. Lowest per capita income for the most recent 36-month period.
3. Highest percentage of residents whose incomes are below the poverty level, based upon the most recent data available.
4. Average weekly manufacturing wage, based upon the most recent data available.

Section 6. Subparagraph 3. of paragraph (k) of subsection (8) of section 213.053, Florida Statutes, is created to read:

213.053 Confidentiality and information sharing.—

(8) Notwithstanding any other provision of this section, the department may provide:

(k)1. Payment information relative to chapters 199, 201, 202, 212, 220, 221, and 624 to the Office of Tourism, Trade, and Economic Development, or its employees or agents that are identified in writing by the office to the department, in the administration of the tax refund program for qualified defense contractors and space flight business contractors authorized by s. 288.1045 and the tax refund program for qualified target industry businesses authorized by s. 288.106.

2. Information relative to tax credits taken by a business under s. 220.191 and exemptions or tax refunds received by a business under s. 212.08(5)(j) to the Office of Tourism, Trade, and Economic Development, or its employees or agents that are identified in writing by the office to the department, in the administration and evaluation of the capital investment tax credit program authorized in s. 220.191 and the semiconductor, defense, and space tax exemption program authorized in s. 212.08(5)(j).

3. Information relative to tax credits taken by a taxpayer pursuant to the tax credit programs created in ss. 193.017; 212.08(5)(g),(h),(n),(o) and (p); 212.08(15); 212.096; 212.097; 212.098; 220.181; 220.182; 220.183; 220.184; 220.1845; 220.185; 220.1895; 220.19; 220.191; 220.192; 220.193; 288.0656; 288.99; 290.007; 376.30781; 420.5093; 420.5099; 550.0951; 550.26352; 550.2704; 601.155; 624.509; 624.510; 624.5105; and 624.5107 to the Office of Tourism, Trade, and Economic Development, or its employees or agents that are identified in writing by the office to the department, for use in the administration or evaluation of such programs.

Disclosure of information under this subsection shall be pursuant to a written agreement between the executive director and the agency. Such agencies, governmental or nongovernmental, shall be bound by the same require-

ments of confidentiality as the Department of Revenue. Breach of confidentiality is a misdemeanor of the first degree, punishable as provided by s. 775.082 or s. 775.083.

Section 7. Paragraph (b) of subsection (5) of section 220.15, Florida Statutes, is amended to read:

220.15 Apportionment of adjusted federal income.—

(5) The sales factor is a fraction the numerator of which is the total sales of the taxpayer in this state during the taxable year or period and the denominator of which is the total sales of the taxpayer everywhere during the taxable year or period.

(b)1. Sales of tangible personal property occur in this state if the property is delivered or shipped to a purchaser within this state, regardless of the f.o.b. point, other conditions of the sale, or ultimate destination of the property, unless shipment is made via a common or contract carrier. However, for industries in NAICS National SIC Industry Number 311411 2037, if the ultimate destination of the product is to a location outside this state, regardless of the method of shipment or f.o.b. point, the sale shall not be deemed to occur in this state. As used in this paragraph, "NAICS" means those classifications contained in the North American Industry Classification System, as published in 2007 by the Office of Management and Budget, Executive Office of the President.

2. When citrus fruit is delivered by a cooperative for a grower-member, by a grower-member to a cooperative, or by a grower-participant to a Florida processor, the sales factor for the growers for such citrus fruit delivered to such processor shall be the same as the sales factor for the most recent taxable year of that processor. That sales factor, expressed only as a percentage and not in terms of the dollar volume of sales, so as to protect the confidentiality of the sales of the processor, shall be furnished on the request of such a grower promptly after it has been determined for that taxable year.

3. Reimbursement of expenses under an agency contract between a cooperative, a grower-member of a cooperative, or a grower and a processor is not a sale within this state.

Section 8. Subsection (5) of section 220.191, Florida Statutes, is amended to read:

220.191 Capital investment tax credit.—

(5) Applications shall be reviewed and certified pursuant to s. 288.061. The office, upon a recommendation by Enterprise Florida, Inc., shall first certify a business as eligible to receive tax credits pursuant to this section prior to the commencement of operations of a qualifying project, and such certification shall be transmitted to the Department of Revenue. Upon receipt of the certification, the Department of Revenue shall enter into a written agreement with the qualifying business specifying, at a minimum, the method by which income generated by or arising out of the qualifying project will be determined.

Section 9. Section 288.061, Florida Statutes, is created to read:

288.061 Economic development incentive application process.—

(1) Within 10 business days after receiving a submitted economic development incentive application, Enterprise Florida, Inc., shall review the application and inform the applicant business whether or not its application is complete. Within 10 business days after the application is deemed complete, Enterprise Florida, Inc., shall evaluate the application and recommend approval or disapproval of the application to the director of the Office of Tourism, Trade, and Economic Development. In recommending an applicant business for approval, Enterprise Florida, Inc., shall include in its evaluation a recommended grant award amount and a review of the applicant's ability to meet specific program criteria.

(2) Within 10 calendar days after the Office of Tourism, Trade, and Economic Development receives the evaluation and recommendation from Enterprise Florida, Inc., the office shall notify Enterprise Florida, Inc., whether or not the application is reviewable. Within 22 calendar days after the office receives the recommendation from Enterprise Florida, Inc., the director of the office shall review the application and issue a letter of certification to the applicant that approves or disapproves an applicant business and includes a justification of that decision, unless the business requests an extension of that time. The final order shall specify the total amount of the award, the performance conditions that must be met to obtain the award, and the schedule for payment.

Section 10. Subsection (4) of section 288.063, Florida Statutes, is amended to read:

288.063 Contracts for transportation projects.—

(4) The Office of Tourism, Trade, and Economic Development may adopt criteria by which transportation projects are to be reviewed and certified in accordance with s. 288.061 ~~specified and identified~~. In approving transportation projects for funding, the Office of Tourism, Trade, and Economic Development shall consider factors including, but not limited to, the cost per job created or retained considering the amount of transportation funds requested; the average hourly rate of wages for jobs created; the reliance on the program as an inducement for the project's location decision; the amount of capital investment to be made by the business; the demonstrated local commitment; the location of the project in an enterprise zone designated pursuant to s. 290.0055; the location of the project in a spaceport territory as defined in s. 331.304; the unemployment rate of the surrounding area; the poverty rate of the community; and the adoption of an economic element as part of its local comprehensive plan in accordance with s. 163.3177(7)(j). The Office of Tourism, Trade, and Economic Development may contact any agency it deems appropriate for additional input regarding the approval of projects.

Section 11. Subsection (2) of section 288.065, Florida Statutes, is amended to read:

## 288.065 Rural Community Development Revolving Loan Fund.—

(2) The program shall provide for long-term loans, loan guarantees, and loan loss reserves to units of local governments, or economic development organizations substantially underwritten by a unit of local government, within counties with populations of 75,000 or fewer less, or within any county ~~with that has~~ a population of 125,000 ~~100,000~~ or fewer which less and is contiguous to a county with a population of 75,000 or fewer less, based on as determined by the most recent official population estimate as determined under pursuant to s. 186.901, including those residing in incorporated areas and those residing in unincorporated areas of the county, or to units of local government, or economic development organizations substantially underwritten by a unit of local government, within a rural area of critical economic concern. Requests for loans shall be made by application to the Office of Tourism, Trade, and Economic Development. Loans shall be made pursuant to agreements specifying the terms and conditions agreed to between the applicant and the Office of Tourism, Trade, and Economic Development. The loans shall be the legal obligations of the applicant. All repayments of principal and interest shall be returned to the loan fund and made available for loans to other applicants. However, in a rural area of critical economic concern designated by the Governor, and upon approval by the Office of Tourism, Trade, and Economic Development, repayments of principal and interest may be retained by the applicant if such repayments are dedicated and matched to fund regionally based economic development organizations representing the rural area of critical economic concern.

Section 12. Paragraphs (b) and (e) of subsection (2) and subsection (3) of section 288.0655, Florida Statutes, are amended to read:

## 288.0655 Rural Infrastructure Fund.—

(2)

(b) To facilitate access of rural communities and rural areas of critical economic concern as defined by the Rural Economic Development Initiative to infrastructure funding programs of the Federal Government, such as those offered by the United States Department of Agriculture and the United States Department of Commerce, and state programs, including those offered by Rural Economic Development Initiative agencies, and to facilitate local government or private infrastructure funding efforts, the office may award grants for up to 30 percent of the total infrastructure project cost. If an application for funding is for a catalyst site, as defined in s. 288.0656, the office may award grants for up to 40 percent of the total infrastructure project cost. Eligible projects must be related to specific job-creation or job-retention opportunities. Eligible projects may also include improving any inadequate infrastructure that has resulted in regulatory action that prohibits economic or community growth or reducing the costs to community users of proposed infrastructure improvements that exceed such costs in comparable communities. Eligible uses of funds shall include improvements to public infrastructure for industrial or commercial sites and upgrades to or development of public tourism infrastructure. Authorized infrastructure may include the following public or public-private partner-

ship facilities; storm water systems; telecommunications facilities; broadband facilities; roads or other remedies to transportation impediments; nature-based tourism facilities; or other physical requirements necessary to facilitate tourism, trade, and economic development activities in the community. Authorized infrastructure may also include publicly or privately owned self-powered nature-based tourism facilities, publicly owned telecommunications facilities, and broadband facilities, and additions to the distribution facilities of the existing natural gas utility as defined in s. 366.04(3)(c), the existing electric utility as defined in s. 366.02, or the existing water or wastewater utility as defined in s. 367.021(12), or any other existing water or wastewater facility, which owns a gas or electric distribution system or a water or wastewater system in this state where:

1. A contribution-in-aid of construction is required to serve public or public-private partnership facilities under the tariffs of any natural gas, electric, water, or wastewater utility as defined herein; and

2. Such utilities as defined herein are willing and able to provide such service.

(e) To enable local governments to access the resources available pursuant to s. 403.973(18), the office may award grants for surveys, feasibility studies, and other activities related to the identification and preclearance review of land which is suitable for preclearance review. Authorized grants under this paragraph shall not exceed \$75,000 each, except in the case of a project in a rural area of critical economic concern, in which case the grant shall not exceed \$300,000. Any funds awarded under this paragraph must be matched at a level of 50 percent with local funds, except that any funds awarded for a project in a rural area of critical economic concern must be matched at a level of 33 percent with local funds. If an application for funding is for a catalyst site, as defined in s. 288.0656, the requirement for local match may be waived pursuant to the process in s. 288.06561. In evaluating applications under this paragraph, the office shall consider the extent to which the application seeks to minimize administrative and consultant expenses.

(3) The office, in consultation with Enterprise Florida, Inc., VISIT Florida, the Department of Environmental Protection, and the Florida Fish and Wildlife Conservation Commission, as appropriate, shall review and certify applications pursuant to s. 288.061. The review shall include an evaluation of and evaluate the economic benefit of the projects and their long-term viability. The office shall have final approval for any grant under this section ~~and must make a grant decision within 30 days of receiving a completed application.~~

Section 13. Section 288.0656, Florida Statutes, is amended to read:

288.0656 Rural Economic Development Initiative.—

(1)(a) Recognizing that rural communities and regions continue to face extraordinary challenges in their efforts to significantly improve their economies, specifically in terms of personal income, job creation, average wages, and strong tax bases, it is the intent of the Legislature to encourage and

facilitate the location and expansion of major economic development projects of significant scale in such rural communities.

(b) The Rural Economic Development Initiative, known as “REDI,” is created within the Office of Tourism, Trade, and Economic Development, and the participation of state and regional agencies in this initiative is authorized.

(2) As used in this section, the term:

(a) “Catalyst project” means a business locating or expanding in a rural area of critical economic concern to serve as an economic generator of regional significance for the growth of a regional target industry cluster. The project must provide capital investment on a scale significant enough to affect the entire region and result in the development of high-wage and high-skill jobs.

(b) “Catalyst site” means a parcel or parcels of land within a rural area of critical economic concern that has been prioritized as a geographic site for economic development through partnerships with state, regional, and local organizations. The site must be reviewed by REDI and approved by the Office of Tourism, Trade, and Economic Development for the purposes of locating a catalyst project.

(c)(a) “Economic distress” means conditions affecting the fiscal and economic viability of a rural community, including such factors as low per capita income, low per capita taxable values, high unemployment, high underemployment, low weekly earned wages compared to the state average, low housing values compared to the state average, high percentages of the population receiving public assistance, high poverty levels compared to the state average, and a lack of year-round stable employment opportunities.

(d) “Rural area of critical economic concern” means a rural community, or a region composed of rural communities, designated by the Governor, that has been adversely affected by an extraordinary economic event, severe or chronic distress, or a natural disaster or that presents a unique economic development opportunity of regional impact.

(e)(b) “Rural community” means:

1. A county with a population of 75,000 or less.
2. A county with a population of ~~125,000~~ 100,000 or fewer ~~which less that~~ is contiguous to a county with a population of 75,000 or fewer less.
3. A municipality within a county described in subparagraph 1. or subparagraph 2.
4. An unincorporated federal enterprise community or an incorporated rural city with a population of 25,000 or less and an employment base focused on traditional agricultural or resource-based industries, located in a county not defined as rural, which has at least three or more of the economic distress factors identified in paragraph (c) (a) and verified by the Office of Tourism, Trade, and Economic Development.

For purposes of this paragraph, population shall be determined in accordance with the most recent official estimate pursuant to s. 186.901.

(3) REDI shall be responsible for coordinating and focusing the efforts and resources of state and regional agencies on the problems which affect the fiscal, economic, and community viability of Florida's economically distressed rural communities, working with local governments, community-based organizations, and private organizations that have an interest in the growth and development of these communities to find ways to balance environmental and growth management issues with local needs.

(4) REDI shall review and evaluate the impact of statutes and rules on rural communities and shall work to minimize any adverse impact and undertake outreach and capacity building efforts.

(5) REDI shall facilitate better access to state resources by promoting direct access and referrals to appropriate state and regional agencies and statewide organizations. REDI may undertake outreach, capacity-building, and other advocacy efforts to improve conditions in rural communities. These activities may include sponsorship of conferences and achievement awards.

(6)(a) By August 1 of each year, the head of each of the following agencies and organizations shall designate a deputy secretary or higher-level high-level staff person from within the agency or organization to serve as the REDI representative for the agency or organization:

1. The Department of Community Affairs.
2. The Department of Transportation.
3. The Department of Environmental Protection.
4. The Department of Agriculture and Consumer Services.
5. The Department of State.
6. The Department of Health.
7. The Department of Children and Family Services.
8. The Department of Corrections.
9. The Agency for Workforce Innovation.
10. The Department of Education.
11. The Department of Juvenile Justice.
12. The Fish and Wildlife Conservation Commission.
13. Each water management district.
14. Enterprise Florida, Inc.

15. Workforce Florida, Inc.
16. The Florida Commission on Tourism or VISIT Florida.
17. The Florida Regional Planning Council Association.
18. The Agency for Health Care Administration ~~Florida State Rural Development Council.~~
19. The Institute of Food and Agricultural Sciences (IFAS).

An alternate for each designee shall also be chosen, and the names of the designees and alternates shall be sent to the director of the Office of Tourism, Trade, and Economic Development.

(b) Each REDI representative must have comprehensive knowledge of his or her agency's functions, both regulatory and service in nature, and of the state's economic goals, policies, and programs. This person shall be the primary point of contact for his or her agency with REDI on issues and projects relating to economically distressed rural communities and with regard to expediting project review, shall ensure a prompt effective response to problems arising with regard to rural issues, and shall work closely with the other REDI representatives in the identification of opportunities for preferential awards of program funds and allowances and waiver of program requirements when necessary to encourage and facilitate long-term private capital investment and job creation.

(c) The REDI representatives shall work with REDI in the review and evaluation of statutes and rules for adverse impact on rural communities and the development of alternative proposals to mitigate that impact.

(d) Each REDI representative shall be responsible for ensuring that each district office or facility of his or her agency is informed about the Rural Economic Development Initiative and for providing assistance throughout the agency in the implementation of REDI activities.

(7)(a) ~~REDI may recommend to the Governor up to three rural areas of critical economic concern. A rural area of critical economic concern must be a rural community, or a region composed of such, that has been adversely affected by an extraordinary economic event or a natural disaster or that presents a unique economic development opportunity of regional impact that will create more than 1,000 jobs over a 5-year period.~~ The Governor may by executive order designate up to three rural areas of critical economic concern which will establish these areas as priority assignments for REDI as well as to allow the Governor, acting through REDI, to waive criteria, requirements, or similar provisions of any economic development incentive. Such incentives shall include, but not be limited to: the Qualified Target Industry Tax Refund Program under s. 288.106, the Quick Response Training Program under s. 288.047, the Quick Response Training Program for participants in the welfare transition program under s. 288.047(8), transportation projects under s. 288.063, the brownfield redevelopment bonus refund under s. 288.107, and the rural job tax credit program under ss. 212.098 and 220.1895.



(b) Designation as a rural area of critical economic concern under this subsection shall be contingent upon the execution of a memorandum of agreement among the Office of Tourism, Trade, and Economic Development; the governing body of the county; and the governing bodies of any municipalities to be included within a rural area of critical economic concern. Such agreement shall specify the terms and conditions of the designation, including, but not limited to, the duties and responsibilities of the county and any participating municipalities to take actions designed to facilitate the retention and expansion of existing businesses in the area, as well as the recruitment of new businesses to the area.

(c) Each rural area of critical economic concern may designate catalyst projects, provided that each catalyst project is specifically recommended by REDI, identified as a catalyst project by Enterprise Florida, Inc., and confirmed as a catalyst project by the Office of Tourism, Trade, and Economic Development. All state agencies and departments shall use all available tools and resources to the extent permissible by law to promote the creation and development of each catalyst project and the development of catalyst sites.

(8) REDI shall submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives each year on or before September ~~February~~ 1 on all REDI activities for the prior fiscal year. This report shall include a status report on all projects currently being coordinated through REDI, the number of preferential awards and allowances made pursuant to this section, the dollar amount of such awards, and the names of the recipients. The report shall also include a description of all waivers of program requirements granted. The report shall also include information as to the economic impact of the projects coordinated by REDI, and recommendations based on the review and evaluation of statutes and rules having an adverse impact on rural communities, and proposals to mitigate such adverse impacts.

Section 14. Section 288.06561, Florida Statutes, is amended to read:

288.06561 Reduction or waiver of financial match requirements.—Notwithstanding any other law, the member agencies and organizations of the Rural Economic Development Initiative (REDI), as defined in s. 288.0656(6)(a), shall review the financial match requirements for projects in rural areas as defined in s. 288.0656(2)(b).

(1) Each agency and organization shall develop a proposal to waive or reduce the match requirement for rural areas.

(2) Agencies and organizations shall ensure that all proposals are submitted to the Office of Tourism, Trade, and Economic Development for review by the REDI agencies.

(3) These proposals shall be delivered to the Office of Tourism, Trade, and Economic Development for distribution to the REDI agencies and organizations. A meeting of REDI agencies and organizations must be called within 30 days after receipt of such proposals for REDI comment and recommendations on each proposal.

(4) Waivers and reductions must be requested by the county or community, and such county or community must have three or more of the factors identified in s. 288.0656(2)(c)(a).

(5) Any other funds available to the project may be used for financial match of federal programs when there is fiscal hardship, and the match requirements may not be waived or reduced.

(6) When match requirements are not reduced or eliminated, donations of land, though usually not recognized as an in-kind match, may be permitted.

(7) To the fullest extent possible, agencies and organizations shall expedite the rule adoption and amendment process if necessary to incorporate the reduction in match by rural areas in fiscal distress.

(8) REDI shall include in its annual report an evaluation on the status of changes to rules, number of awards made with waivers, and recommendations for future changes.

Section 15. Subsection (1) of section 288.0657, Florida Statutes, is amended to read:

288.0657 Florida rural economic development strategy grants.—

(1) As used in this section, the term “rural community” means:

(a) A county with a population of 75,000 or fewer less.

(b) A county with a population of 125,000 ~~100,000~~ or fewer which less ~~that~~ is contiguous to a county with a population of 75,000 or fewer less.

(c) A municipality within a county described in paragraph (a) or paragraph (b).

For purposes of this subsection, population shall be determined in accordance with the most recent official estimate pursuant to s. 186.901.

Section 16. Paragraph (c) of subsection (2), paragraphs (a), (e), (f), (g), (h), (i), (j), and (k) of subsection (3), and paragraph (c) of subsection (5) of section 288.1045, Florida Statutes, are amended to read:

288.1045 Qualified defense contractor and space flight business tax refund program.—

(2) GRANTING OF A TAX REFUND; ELIGIBLE AMOUNTS.—

(c) A qualified applicant may not receive more than \$5 ~~\$7.5~~ million in tax refunds pursuant to this section in all fiscal years.

(3) APPLICATION PROCESS; REQUIREMENTS; AGENCY DETERMINATION.—

(a) To apply for certification as a qualified applicant pursuant to this section, an applicant must file an application with the office which satisfies

the requirements of paragraphs (b) and (e), paragraphs (c) and (e), paragraphs (d) and (e), or paragraphs (e) and (j) ~~(k)~~. An applicant may not apply for certification pursuant to this section after a proposal has been submitted for a new Department of Defense contract, after the applicant has made the decision to consolidate an existing Department of Defense contract in this state for which such applicant is seeking certification, after a proposal has been submitted for a new space flight business contract in this state, after the applicant has made the decision to consolidate an existing space flight business contract in this state for which such applicant is seeking certification, or after the applicant has made the decision to convert defense production jobs to nondefense production jobs for which such applicant is seeking certification.

(e) To qualify for review by the office, the application of an applicant must, at a minimum, establish the following to the satisfaction of the office:

1. The jobs proposed to be provided under the application, pursuant to subparagraph (b)6., subparagraph (c)6., or subparagraph (j) ~~(k)~~6., must pay an estimated annual average wage equaling at least 115 percent of the average wage in the area where the project is to be located.

2. The consolidation of a Department of Defense contract must result in a net increase of at least 25 percent in the number of jobs at the applicant's facilities in this state or the addition of at least 80 jobs at the applicant's facilities in this state.

3. The conversion of defense production jobs to nondefense production jobs must result in net increases in nondefense employment at the applicant's facilities in this state.

4. The Department of Defense contract or the space flight business contract cannot allow the business to include the costs of relocation or retooling in its base as allowable costs under a cost-plus, or similar, contract.

5. A business unit of the applicant must have derived not less than 60 percent of its gross receipts in this state from Department of Defense contracts or space flight business contracts over the applicant's last fiscal year, and must have derived not less than an average of 60 percent of its gross receipts in this state from Department of Defense contracts or space flight business contracts over the 5 years preceding the date an application is submitted pursuant to this section. This subparagraph does not apply to any application for certification based on a contract for reuse of a defense-related facility.

6. The reuse of a defense-related facility must result in the creation of at least 100 jobs at such facility.

7. A new space flight business contract or the consolidation of a space flight business contract must result in net increases in space flight business employment at the applicant's facilities in this state.

(f) Each application meeting the requirements of paragraphs (b) and (e), paragraphs (c) and (e), paragraphs (d) and (e), or paragraphs (e) and (j) ~~(k)~~

must be submitted to the office for a determination of eligibility. The office shall review and evaluate each application based on, but not limited to, the following criteria:

1. Expected contributions to the state strategic economic development plan adopted by Enterprise Florida, Inc., taking into account the extent to which the project contributes to the state's high-technology base, and the long-term impact of the project and the applicant on the state's economy.
2. The economic benefit of the jobs created or retained by the project in this state, taking into account the cost and average wage of each job created or retained, and the potential risk to existing jobs.
3. The amount of capital investment to be made by the applicant in this state.
4. The local commitment and support for the project and applicant.
5. The impact of the project on the local community, taking into account the unemployment rate for the county where the project will be located.
6. The dependence of the local community on the defense industry or space flight business.
7. The impact of any tax refunds granted pursuant to this section on the viability of the project and the probability that the project will occur in this state if such tax refunds are granted to the applicant, taking into account the expected long-term commitment of the applicant to economic growth and employment in this state.
8. The length of the project, or the expected long-term commitment to this state resulting from the project.

~~(g) Applications shall be reviewed and certified pursuant to s. 288.061. The office shall forward its written findings and evaluation on each application meeting the requirements of paragraphs (b) and (e), paragraphs (c) and (e), paragraphs (d) and (e), or paragraphs (e) and (k) to the director within 60 calendar days after receipt of a complete application. The office shall notify each applicant when its application is complete, and when the 60-day period begins. In its written report to the director, the office shall specifically address each of the factors specified in paragraph (f), and shall make a specific assessment with respect to the minimum requirements established in paragraph (e). The office shall include in its report projections of the tax refunds the applicant would be eligible to receive in each fiscal year based on the creation and maintenance of the net new Florida jobs specified in subparagraph (b)6., subparagraph (c)6., subparagraph (d)7., or subparagraph (k)6. as of December 31 of the preceding state fiscal year.~~

~~(h) Within 30 days after receipt of the office's findings and evaluation, the director shall issue a letter of certification which either approves or disapproves an application. The decision must be in writing and provide the justifications for either approval or disapproval. If appropriate, the director shall enter into a written agreement with the qualified applicant pursuant to subsection (4).~~

(h)(i) The director may not certify any applicant as a qualified applicant when the value of tax refunds to be included in that letter of certification exceeds the available amount of authority to certify new businesses as determined in s. 288.095(3). A letter of certification that approves an application must specify the maximum amount of a tax refund that is to be available to the contractor for each fiscal year and the total amount of tax refunds for all fiscal years.

(i)(j) This section does not create a presumption that an applicant should receive any tax refunds under this section.

(j)(k) Applications for certification based upon a new space flight business contract or the consolidation of a space flight business contract must be submitted to the office as prescribed by the office and must include, but are not limited to, the following information:

1. The applicant's federal employer identification number, the applicant's Florida sales tax registration number, and a signature of an officer of the applicant.

2. The permanent location of the space flight business facility in this state where the project is or will be located.

3. The new space flight business contract number, the space flight business contract numbers of the contract to be consolidated, or the request-for-proposal number of a proposed space flight business contract.

4. The date the contract was executed and the date the contract is due to expire, is expected to expire, or was canceled.

5. The commencement date for project operations under the contract in this state.

6. The number of net new full-time equivalent Florida jobs included in the project as of December 31 of each year and the average wage of such jobs.

7. The total number of full-time equivalent employees employed by the applicant in this state.

8. The percentage of the applicant's gross receipts derived from space flight business contracts during the 5 taxable years immediately preceding the date the application is submitted.

9. The number of full-time equivalent jobs in this state to be retained by the project.

10. A brief statement concerning the applicant's need for tax refunds and the proposed uses of such refunds by the applicant.

11. A resolution adopted by the governing board of the county or municipality in which the project will be located which recommends the applicant be approved as a qualified applicant and indicates that the necessary commitments of local financial support for the applicant exist. Prior to the adoption of the resolution, the county commission may review the proposed

public or private sources of such support and determine whether the proposed sources of local financial support can be provided or, for any applicant whose project is located in a county designated by the Rural Economic Development Initiative, a resolution adopted by the county commissioners of such county requesting that the applicant's project be exempt from the local financial support requirement.

12. Any additional information requested by the office.

(5) ANNUAL CLAIM FOR REFUND.—

(c) A tax refund may not be approved for any qualified applicant unless local financial support has been paid to the Economic Development Trust Fund for that refund. If the local financial support is less than 20 percent of the approved tax refund, the tax refund shall be reduced. The tax refund paid may not exceed 5 times the local financial support received. Funding from local sources includes tax abatement under s. 196.1995 or the appraised market value of municipal or county land, including any improvements or structures, conveyed or provided at a discount through a sale or lease to that applicant. The amount of any tax refund for an applicant approved under this section shall be reduced by the amount of any such tax abatement granted or the value of the land granted, including the value of any improvements or structures; and the limitations in subsection (2) and ~~paragraph (3)(h)~~ shall be reduced by the amount of any such tax abatement or the value of the land granted, including any improvements or structures. A report listing all sources of the local financial support shall be provided to the office when such support is paid to the Economic Development Trust Fund.

Section 17. Paragraphs (k) and (t) of subsection (1), subsection (3), paragraph (b) of subsection (4), paragraph (c) of subsection (5), and subsection (8) of section 288.106, Florida Statutes, are amended to read:

288.106 Tax refund program for qualified target industry businesses.—

(1) DEFINITIONS.—As used in this section:

(k) “Local financial support exemption option” means the option to exercise an exemption from the local financial support requirement available to any applicant whose project is located in a brownfield area or a county with a population of 75,000 or fewer or a county with a population of 125,000 ~~100,000~~ or fewer which is contiguous to a county with a population of 75,000 or fewer. Any applicant that exercises this option shall not be eligible for more than 80 percent of the total tax refunds allowed such applicant under this section.

(t) “Rural community” means:

1. A county with a population of 75,000 or fewer ~~less~~.

2. A county with a population of 125,000 ~~100,000~~ or fewer ~~which less that~~ is contiguous to a county with a population of 75,000 or fewer ~~less~~.

3. A municipality within a county described in subparagraph 1. or subparagraph 2.

For purposes of this paragraph, population shall be determined in accordance with the most recent official estimate pursuant to s. 186.901.

(3) APPLICATION AND APPROVAL PROCESS.—

(a) To apply for certification as a qualified target industry business under this section, the business must file an application with the office before the business has made the decision to locate a new business in this state or before the business had made the decision to expand an existing business in this state. The application shall include, but is not limited to, the following information:

1. The applicant's federal employer identification number and the applicant's state sales tax registration number.

2. The permanent location of the applicant's facility in this state at which the project is or is to be located.

3. A description of the type of business activity or product covered by the project, including a minimum of a five-digit NAICS code ~~four-digit SIC codes~~ for all activities included in the project. As used in this paragraph, "NAICS" means those classifications contained in the North American Industry Classification System, as published in 2007 by the Office of Management and Budget, Executive Office of the President.

4. The number of net new full-time equivalent Florida jobs at the qualified target industry business as of December 31 of each year included in the project and the average wage of those jobs. If more than one type of business activity or product is included in the project, the number of jobs and average wage for those jobs must be separately stated for each type of business activity or product.

5. The total number of full-time equivalent employees employed by the applicant in this state.

6. The anticipated commencement date of the project.

7. A brief statement concerning the role that the tax refunds requested will play in the decision of the applicant to locate or expand in this state.

8. An estimate of the proportion of the sales resulting from the project that will be made outside this state.

9. A resolution adopted by the governing board of the county or municipality in which the project will be located, which resolution recommends that certain types of businesses be approved as a qualified target industry business and states that the commitments of local financial support necessary for the target industry business exist. In advance of the passage of such resolution, the office may also accept an official letter from an authorized local economic development agency that endorses the proposed target industry project and pledges that sources of local financial support for such project

exist. For the purposes of making pledges of local financial support under this subsection, the authorized local economic development agency shall be officially designated by the passage of a one-time resolution by the local governing authority.

10. Any additional information requested by the office.

(b) To qualify for review by the office, the application of a target industry business must, at a minimum, establish the following to the satisfaction of the office:

1. The jobs proposed to be provided under the application, pursuant to subparagraph (a)4., must pay an estimated annual average wage equaling at least 115 percent of the average private sector wage in the area where the business is to be located or the statewide private sector average wage. In determining the average annual wage, the office shall include only new proposed jobs, and wages for existing jobs shall be excluded from this calculation. The office may waive ~~the~~ this average wage requirement at the request of the local governing body recommending the project and Enterprise Florida, Inc. The wage requirement may only be waived for a project located in a brownfield area designated under s. 376.80 or in a rural city or county or in an enterprise zone and only when the merits of the individual project or the specific circumstances in the community in relationship to the project warrant such action. If the local governing body and Enterprise Florida, Inc., make such a recommendation, it must be transmitted in writing and the specific justification for the waiver recommendation must be explained. If the director elects to waive the wage requirement, the waiver must be stated in writing and the reasons for granting the waiver must be explained.

2. The target industry business's project must result in the creation of at least 10 jobs at such project and, if an expansion of an existing business, must result in a net increase in employment of at least ~~not less than~~ 10 percent at the ~~such~~ business. Notwithstanding the definition of the term "expansion of an existing business" in paragraph (1)(g), at the request of the local governing body recommending the project and Enterprise Florida, Inc., the office may define an "expansion of an existing business" in a rural community or an enterprise zone as the expansion of a business resulting in a net increase in employment of less than 10 percent at such business if the merits of the individual project or the specific circumstances in the community in relationship to the project warrant such action. If the local governing body and Enterprise Florida, Inc., make such a request, the request ~~it~~ must be transmitted in writing and the specific justification for the request must be explained. If the director elects to grant the ~~such~~ request, the grant ~~such election~~ must be stated in writing and the reason for granting the request must be explained.

3. The business activity or product for the applicant's project is within an industry or industries that have been identified by the office to be high-value-added industries that contribute to the area and to the economic growth of the state and that produce a higher standard of living for residents ~~citizens~~ of this state in the new global economy or that can be shown to make



an equivalent contribution to the area and state's economic progress. The director must approve requests to waive the wage requirement for brown-field areas designated under s. 376.80 unless it is demonstrated that such action is not in the public interest.

(c) Each application meeting the requirements of paragraph (b) must be submitted to the office for determination of eligibility. The office shall review and evaluate each application based on, but not limited to, the following criteria:

1. Expected contributions to the state strategic economic development plan adopted by Enterprise Florida, Inc., taking into account the long-term effects of the project and of the applicant on the state economy.

2. The economic benefit of the jobs created by the project in this state, taking into account the cost and average wage of each job created.

3. The amount of capital investment to be made by the applicant in this state.

4. The local commitment and support for the project.

5. The effect of the project on the local community, taking into account the unemployment rate for the county where the project will be located.

6. The effect of any tax refunds granted pursuant to this section on the viability of the project and the probability that the project will be undertaken in this state if such tax refunds are granted to the applicant, taking into account the expected long-term commitment of the applicant to economic growth and employment in this state.

7. The expected long-term commitment to this state resulting from the project.

8. A review of the business's past activities in this state or other states, including whether such business has been subjected to criminal or civil fines and penalties. ~~Nothing in This subparagraph~~ does not shall require the disclosure of confidential information.

(d) ~~Applications shall be reviewed and certified pursuant to s. 288.061. The office shall forward its written findings and evaluation concerning each application meeting the requirements of paragraph (b) to the director within 45 calendar days after receipt of a complete application. The office shall notify each target industry business when its application is complete, and of the time when the 45-day period begins. In its written report to the director, the office shall specifically address each of the factors specified in paragraph (c) and shall make a specific assessment with respect to the minimum requirements established in paragraph (b). The office shall include in its review report projections of the tax refunds the business would be eligible to receive in each fiscal year based on the creation and maintenance of the net new Florida jobs specified in subparagraph (a)4. as of December 31 of the preceding state fiscal year.~~

~~(e)1.~~ Within 30 days after receipt of the office's findings and evaluation, the director shall issue a letter of certification that either approves or disapproves the application of the target industry business. The decision must be in writing and must provide the justifications for approval or disapproval.

2. If appropriate, the director shall enter into a written agreement with the qualified target industry business pursuant to subsection (4).

~~(e)~~(f) The director may not certify any target industry business as a qualified target industry business if the value of tax refunds to be included in that letter of certification exceeds the available amount of authority to certify new businesses as determined in s. 288.095(3). However, if the commitments of local financial support represent less than 20 percent of the eligible tax refund payments, or to otherwise preserve the viability and fiscal integrity of the program, the director may certify a qualified target industry business to receive tax refund payments of less than the allowable amounts specified in paragraph (2)(b). A letter of certification that approves an application must specify the maximum amount of tax refund that will be available to the qualified industry business in each fiscal year and the total amount of tax refunds that will be available to the business for all fiscal years.

~~(f)(g)~~ ~~Nothing in~~ This section ~~does not shall~~ create a presumption that an applicant ~~shall will~~ receive any tax refunds under this section. However, the office may issue nonbinding opinion letters, upon the request of prospective applicants, as to the applicants' eligibility and the potential amount of refunds.

#### (4) TAX REFUND AGREEMENT.—

(b) Compliance with the terms and conditions of the agreement is a condition precedent for the receipt of a tax refund each year. The failure to comply with the terms and conditions of the tax refund agreement results in the loss of eligibility for receipt of all tax refunds previously authorized under this section and the revocation by the director of the certification of the business entity as a qualified target industry business, unless the business is eligible to receive and elects to accept a prorated refund under paragraph (5)(d) or the office grants the business an economic-stimulus exemption.

1. A qualified target industry business may submit, in writing, a request to the office for an economic-stimulus exemption. The request must provide quantitative evidence demonstrating how negative economic conditions in the business's industry, the effects of the impact of a named hurricane or tropical storm, or specific acts of terrorism affecting the qualified target industry business have prevented the business from complying with the terms and conditions of its tax refund agreement.

2. Upon receipt of a request under subparagraph 1., the director shall have 45 days to notify the requesting business, in writing, if its exemption has been granted or denied. In determining if an exemption should be granted, the director shall consider the extent to which negative economic conditions in the requesting business's industry have occurred in the state

or, the effects of the impact of a named hurricane or tropical storm, or specific acts of terrorism affecting the qualified target industry business have prevented the business from complying with the terms and conditions of its tax refund agreement. The office shall consider current employment statistics for this state by industry, including whether the business's industry had substantial job loss during the prior year, when determining whether an exemption shall be granted.

3. As a condition for receiving a prorated refund under paragraph (5)(d) or an economic-stimulus exemption under this paragraph, a qualified target industry business must agree to renegotiate its tax refund agreement with the office to, at a minimum, ensure that the terms of the agreement comply with current law and office procedures governing application for and award of tax refunds. Upon approving the award of a prorated refund or granting an economic-stimulus exemption, the office shall renegotiate the tax refund agreement with the business as required by this subparagraph. When amending the agreement of a business receiving an economic-stimulus exemption, the office may extend the duration of the agreement for a period not to exceed 2 years.

4. A qualified target industry business may submit a request for an economic-stimulus exemption to the office in lieu of any tax refund claim scheduled to be submitted after January 1, 2009 ~~2005~~, but before July 1, 2011 ~~2006~~.

5. A qualified target industry business that receives an economic-stimulus exemption may not receive a tax refund for the period covered by the exemption.

(5) ANNUAL CLAIM FOR REFUND.—

(c) A tax refund may not be approved for a qualified target industry business unless the required local financial support has been paid into the account for that refund. If the local financial support provided is less than 20 percent of the approved tax refund, the tax refund must be reduced. In no event may the tax refund exceed an amount that is equal to 5 times the amount of the local financial support received. Further, funding from local sources includes any tax abatement granted to that business under s. 196.1995 or the appraised market value of municipal or county land conveyed or provided at a discount to that business. The amount of any tax refund for such business approved under this section must be reduced by the amount of any such tax abatement granted or the value of the land granted; and the limitations in subsection (2) and paragraph (3)~~(e)~~~~(f)~~ must be reduced by the amount of any such tax abatement or the value of the land granted. A report listing all sources of the local financial support shall be provided to the office when such support is paid to the account.

(8) EXPIRATION.—An applicant may not be certified as qualified under this section after June 30, 2010. A tax refund agreement existing on that date shall continue in effect in accordance with its terms.

Section 18. Paragraph (e) of subsection (1), paragraph (b) of subsection (3), and paragraph (f) of subsection (4) of section 288.107, Florida Statutes,

are amended, and paragraph (e) is added to subsection (3) of that section, to read:

288.107 Brownfield redevelopment bonus refunds.—

(1) Definitions.—As used in this section:

(e) “Eligible business” means:

1. A qualified target industry business as defined in s. 288.106(1)(o); or
2. A business that can demonstrate a fixed capital investment of at least \$2 million in mixed-use business activities, including multiunit housing, commercial, retail, and industrial in brownfield areas, or at least \$500,000 in brownfield areas that do not require site cleanup, and which provides benefits to its employees.

(3) CRITERIA.—The minimum criteria for participation in the brownfield redevelopment bonus refund are:

(b) The completion of a fixed capital investment of at least \$2 million in mixed-use business activities, including multiunit housing, commercial, retail, and industrial in brownfield areas, or at least \$500,000 in brownfield areas that do not require site cleanup, by an eligible business applying for a refund under paragraph (2)(b) which provides benefits to its employees.

(e) A resolution adopted by the governing board of the county or municipality in which the project will be located that recommends that certain types of businesses be approved.

(4) PAYMENT OF BROWNFIELD REDEVELOPMENT BONUS REFUNDS.—

(f) Applications shall be reviewed and certified pursuant to s. 288.061. The office shall review all applications submitted under s. 288.106 or other similar application forms for other eligible businesses as defined in paragraph (1)(e) which indicate that the proposed project will be located in a brownfield and determine, with the assistance of the Department of Environmental Protection, that the project location is within a brownfield as provided in this act.

Section 19. Paragraphs (b), (c), and (d) of subsection (5) and subsections (7) and (8) of section 288.108, Florida Statutes, are amended to read:

288.108 High-impact business.—

(5) APPLICATIONS; CERTIFICATION PROCESS; GRANT AGREEMENT.—

(b) Applications shall be reviewed and certified pursuant to s. 288.061. ~~Enterprise Florida, Inc., shall review each submitted application and inform the applicant business whether or not its application is complete within 10 working days. Once the application is deemed complete, Enterprise Florida, Inc., has 10 working days within which to evaluate the application and~~

recommend approval or disapproval of the application to the director. In recommending an applicant business for approval, Enterprise Florida, Inc., shall include a recommended grant award amount in its evaluation forwarded to the office.

~~(c) Upon receipt of the evaluation and recommendation of Enterprise Florida, Inc., the director has 5 working days to enter a final order that either approves or disapproves an applicant business as a qualified high-impact business facility, unless the business requests an extension of the time. The final order shall specify the total amount of the qualified high-impact business facility performance grant award, the performance conditions that must be met to obtain the award, and the schedule for payment of the performance grant.~~

~~(c)(d) The director and the qualified high-impact business shall enter into a performance grant agreement setting forth the conditions for payment of the qualified high-impact business performance grant. The agreement shall include the total amount of the qualified high-impact business facility performance grant award, the performance conditions that must be met to obtain the award, including the employment, average salary, investment, the methodology for determining if the conditions have been met, and the schedule of performance grant payments.~~

~~(7) REPORTING.—The office shall by December 1 of each year issue a complete and detailed report of all designated high-impact sectors, all applications received and their disposition, all final orders issued, and all payments made, including analyses of benefits and costs, types of projects supported, and employment and investments created. The report shall be submitted to the Governor, the President of the Senate, and the Speaker of the House of Representatives.~~

~~(7)(8) RULEMAKING.—The office may adopt rules necessary to carry out the provisions of this section.~~

Section 20. Paragraphs (a), (b), and (c) of subsection (3) of section 288.1088, Florida Statutes, are amended to read:

288.1088 Quick Action Closing Fund.—

(3)(a) Enterprise Florida, Inc., shall review applications pursuant to s. 288.061 and determine eligibility of each project consistent with the criteria in subsection (2). Enterprise Florida, Inc., in consultation with the Office of Tourism, Trade, and Economic Development, may waive these criteria based on extraordinary circumstances or in rural areas of critical economic concern if the project would significantly benefit the local or regional economy. Enterprise Florida, Inc., shall evaluate individual proposals for high-impact business facilities and forward recommendations regarding the use of monies in the fund for such facilities to the director of the Office of Tourism, Trade, and Economic Development. Such evaluation and recommendation must include, but need not be limited to:

1. A description of the type of facility or infrastructure, its operations, and the associated product or service associated with the facility.

2. The number of full-time-equivalent jobs that will be created by the facility and the total estimated average annual wages of those jobs or, in the case of privately developed rural infrastructure, the types of business activities and jobs stimulated by the investment.

3. The cumulative amount of investment to be dedicated to the facility within a specified period.

4. A statement of any special impacts the facility is expected to stimulate in a particular business sector in the state or regional economy or in the state's universities and community colleges.

5. A statement of the role the incentive is expected to play in the decision of the applicant business to locate or expand in this state or for the private investor to provide critical rural infrastructure.

6. A report evaluating the quality and value of the company submitting a proposal. The report must include:

a. A financial analysis of the company, including an evaluation of the company's short-term liquidity ratio as measured by its assets to liability, the company's profitability ratio, and the company's long-term solvency as measured by its debt-to-equity ratio;

b. The historical market performance of the company;

c. A review of any independent evaluations of the company;

d. A review of the latest audit of the company's financial statement and the related auditor's management letter; and

e. A review of any other types of audits that are related to the internal and management controls of the company.

(b) Within 22 calendar days after receiving ~~Upon receipt of~~ the evaluation and recommendation from Enterprise Florida, Inc., the director shall recommend to the Governor approval or disapproval of a project for receipt of funds from the Quick Action Closing Fund ~~to the Governor~~. In recommending a project, the director shall include proposed performance conditions that the project must meet to obtain incentive funds. The Governor shall provide the evaluation of projects recommended for approval to the President of the Senate and the Speaker of the House of Representatives and consult with the President of the Senate and the Speaker of the House of Representatives before giving final approval for a project. The Executive Office of the Governor shall recommend approval of a project and the release of funds pursuant to the legislative consultation and review requirements set forth in s. 216.177. The recommendation must include proposed performance conditions that the project must meet in order to obtain funds.

(c) Upon the approval of the Governor, the director of the Office of Tourism, Trade, and Economic Development and the business shall enter into a contract that sets forth the conditions for payment of moneys from the fund. The contract must include the total amount of funds awarded; the performance conditions that must be met to obtain the award, including, but not

limited to, net new employment in the state, average salary, and total capital investment; demonstrate a baseline of current service and a measure of enhanced capability; the methodology for validating performance; the schedule of payments from the fund; and sanctions for failure to meet performance conditions. The contract must provide that payment of moneys from the fund is contingent upon sufficient appropriation of funds by the Legislature and upon sufficient release of appropriated funds by the Legislative Budget Commission.

Section 21. Subsection (2) of section 257.193, Florida Statutes, is amended to read:

257.193 Community Libraries in Caring Program.—

(2) The purpose of the Community Libraries in Caring Program is to assist libraries in rural communities, as defined in s. 288.0656(2)(b) and subject to the provisions of s. 288.06561, to strengthen their collections and services, improve literacy in their communities, and improve the economic viability of their communities.

Section 22. Section 288.019, Florida Statutes, is amended to read:

288.019 Rural considerations in grant review and evaluation processes.—Notwithstanding any other law, and to the fullest extent possible, the member agencies and organizations of the Rural Economic Development Initiative (REDI) as defined in s. 288.0656(6)(a) shall review all grant and loan application evaluation criteria to ensure the fullest access for rural counties as defined in s. 288.0656(2)(b) to resources available throughout the state.

(1) Each REDI agency and organization shall review all evaluation and scoring procedures and develop modifications to those procedures which minimize the impact of a project within a rural area.

(2) Evaluation criteria and scoring procedures must provide for an appropriate ranking based on the proportionate impact that projects have on a rural area when compared with similar project impacts on an urban area.

(3) Evaluation criteria and scoring procedures must recognize the disparity of available fiscal resources for an equal level of financial support from an urban county and a rural county.

(a) The evaluation criteria should weight contribution in proportion to the amount of funding available at the local level.

(b) In-kind match should be allowed and applied as financial match when a county is experiencing financial distress through elevated unemployment at a rate in excess of the state's average by 5 percentage points or because of the loss of its ad valorem base.

(4) For existing programs, the modified evaluation criteria and scoring procedure must be delivered to the Office of Tourism, Trade, and Economic Development for distribution to the REDI agencies and organizations. The

REDI agencies and organizations shall review and make comments. Future rules, programs, evaluation criteria, and scoring processes must be brought before a REDI meeting for review, discussion, and recommendation to allow rural counties fuller access to the state's resources.

Section 23. Paragraph (d) of subsection (15) of section 627.6699, Florida Statutes, is amended to read:

627.6699 Employee Health Care Access Act.—

(15) SMALL EMPLOYERS ACCESS PROGRAM.—

(d) Eligibility.—

1. Any small employer that is actively engaged in business, has its principal place of business in this state, employs up to 25 eligible employees on business days during the preceding calendar year, employs at least 2 employees on the first day of the plan year, and has had no prior coverage for the last 6 months may participate.

2. Any municipality, county, school district, or hospital employer located in a rural community as defined in s. 288.0656(2)(b) may participate.

3. Nursing home employers may participate.

4. Each dependent of a person eligible for coverage is also eligible to participate.

Any employer participating in the program must do so until the end of the term for which the carrier providing the coverage is obligated to provide such coverage to the program. Coverage for a small employer group that ceases to meet the eligibility requirements of this section may be terminated at the end of the policy period for which the necessary premiums have been paid.

Section 24. Subsection (8) is added to section 288.9015, Florida Statutes, to read:

288.9015 Enterprise Florida, Inc.; purpose; duties.—

(8) Enterprise Florida, Inc., shall be responsible for responding to all inquiries related to Florida's business requirements, economic incentives, and business development opportunities.

Section 25. Subsection (2) of section 288.9622, Florida Statutes, is amended to read:

288.9622 Findings and intent.—

(2) It is the intent of the Legislature that ss. 288.9621-288.9625 serve to mobilize private investment in a broad variety of venture capital partnerships in diversified industries and geographies; retain private sector investment criteria focused on rate of return; use the services of highly qualified managers in the venture capital industry regardless of location; facilitate



the organization of the Florida Opportunity Fund as ~~an a fund of funds~~ investor in seed and early stage businesses, infrastructure projects, venture capital funds, and angel funds; and precipitate capital investment and extensions of credit to and in the Florida Opportunity Fund.

Section 26. Subsection (4) and paragraph (a) of subsection (5) of section 288.9624, Florida Statutes, are amended to read:

288.9624 Florida Opportunity Fund; creation; duties.—

(4) For the purpose of mobilizing investment in a broad variety of Florida-based, new technology companies and generating a return sufficient to continue reinvestment, the fund shall:

(a) Invest ~~directly only~~ in seed and early stage venture capital funds that have experienced managers or management teams with demonstrated experience, expertise, and a successful history in the investment of venture capital funds, focusing on opportunities in this state. The fund also may ~~not~~ make direct investments, including loans, in individual businesses and infrastructure projects. While not precluded from investing in venture capital funds that have investments outside this state, the fund must require a venture capital fund to show a record of successful investment in this state, to be based in this state, or to have an office in this state staffed with a full-time, professional venture investment executive in order to be eligible for investment.

(b) Negotiate for investment capital or loan proceeds from private, institutional, or banking sources.

(c) Negotiate any and all terms and conditions for its investments.

(d) Invest only in funds, businesses, and infrastructure projects that have raised capital from other sources so that the amount invested in such funds, businesses, or infrastructure projects ~~an entity in this state~~ is at least twice the amount invested by the fund. Direct investments must be made in Florida infrastructure projects or businesses that are Florida-based or have significant business activities in Florida and operate in technology sectors that are strategic to Florida companies, including, but not limited to, enterprises in life sciences, information technology, advanced manufacturing processes, aviation and aerospace, and homeland security and defense, as well as other strategic technologies.

(e) Form or operate other entities and accept additional funds from other public and private sources to further its purpose.

The Opportunity Fund may not use its original legislative appropriation of \$29.5 million for direct investments, including loans, in businesses or infrastructure projects, or for any purpose not specified in chapter 2007-189, Laws of Florida.

(5) By December 1 of each year, the board shall issue an annual report concerning the activities conducted by the fund to the Governor, the Presi-

dent of the Senate, and the Speaker of the House of Representatives. The annual report, at a minimum, must include:

(a) An accounting of the amount of investments disbursed by the fund and the progress of the fund, including the progress of business and infrastructure projects that have been provided direct investment by the fund.

Section 27. Paragraph (a) of subsection (2) of section 443.1715, Florida Statutes, is amended to read:

443.1715 Disclosure of information; confidentiality.—

(2) DISCLOSURE OF INFORMATION.—

(a) Subject to restrictions the Agency for Workforce Innovation or the state agency providing unemployment tax collection services adopts by rule, information declared confidential under this section is available to any agency of this or any other state, or any federal agency, charged with the administration of any unemployment compensation law or the maintenance of the one-stop delivery system, or the Bureau of Internal Revenue of the United States Department of the Treasury, the Governor's Office of Tourism, Trade, and Economic Development, or the Florida Department of Revenue. Information obtained in connection with the administration of the one-stop delivery system may be made available to persons or agencies for purposes appropriate to the operation of a public employment service or a job-preparatory or career education or training program. The Agency for Workforce Innovation shall, on a quarterly basis, furnish the National Directory of New Hires with information concerning the wages and unemployment benefits paid to individuals, by the dates, in the format, and containing the information specified in the regulations of the United States Secretary of Health and Human Services. Upon request, the Agency for Workforce Innovation shall furnish any agency of the United States charged with the administration of public works or assistance through public employment, and may furnish to any state agency similarly charged, the name, address, ordinary occupation, and employment status of each recipient of benefits and the recipient's rights to further benefits under this chapter. Except as otherwise provided by law, the receiving agency must retain the confidentiality of this information as provided in this section. The tax collection service provider may request the Comptroller of the Currency of the United States to examine the correctness of any return or report of any national banking association rendered under this chapter and may in connection with that request transmit any report or return for examination to the Comptroller of the Currency of the United States as provided in s. 3305(c) of the federal Internal Revenue Code.

Section 28. This act shall take effect July 1, 2009.

Approved by the Governor May 21, 2009.

Filed in Office Secretary of State May 21, 2009.