

CHAPTER 2023-200

Committee Substitute for House Bill No. 7041

An act relating to Space Florida; amending s. 20.60, F.S.; requiring the Secretary of Economic Opportunity to serve as the manager for the state with respect to contracts with Space Florida; requiring a certain report by the Department of Economic Opportunity to include an annual report on Space Florida; amending s. 288.0001, F.S.; requiring the Office of Economic and Demographic Research and the Office of Program Policy and Government Accountability to provide to the Governor and the Legislature an analysis of Space Florida by a date certain and thereafter at certain intervals; amending s. 331.303, F.S.; revising definitions; amending s. 331.305, F.S.; making a technical change; amending s. 331.3051, F.S.; revising the duties of Space Florida; amending s. 331.3081, F.S.; revising membership of the board of directors of Space Florida; providing that members appointed to the board by the Governor are subject to Senate confirmation; providing for staggered terms, appointments, filling of vacancies, removal of members, and meetings of the board; providing that members serve without compensation but may receive reimbursement for per diem and travel expenses; requiring the board to conduct certain education for new board members; prohibiting Space Florida from endorsing a candidate or contributing moneys to a campaign; amending s. 331.310, F.S.; conforming a cross-reference; amending s. 331.3101, F.S.; requiring the annual report of Space Florida to include certain information; prohibiting Space Florida from expending funds on certain expenses; providing that certain expenses may not exceed a certain amount; revising the scheduled expiration of provisions requiring certain information in an annual report; abrogating the scheduled expiration of provisions relating to the expenditure of certain funds; amending s. 331.312, F.S.; providing Space Florida with certain authority; amending s. 331.313, F.S.; requiring Space Florida to consult with certain agencies and jurisdictions; requiring Space Florida to advise the Department of Transportation of certain determinations and take certain actions relating to certain construction projects; amending s. 331.324, F.S.; requiring Space Florida to make and obtain certain assessments; requiring the submission of a final assessment report to certain persons; requiring the board of directors to submit a certain statement to the Department of Economic Opportunity; requiring Space Florida to complete a certain assessment at certain intervals beginning on a certain date; providing that the provisions of this act shall control to the extent of certain conflicts; providing an effective date.

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

Section 1. Paragraph (b) of subsection (9) and paragraph (b) of subsection (10) of section 20.60, Florida Statutes, are amended to read:

20.60 Department of Economic Opportunity; creation; powers and duties.—

(9) The secretary shall:

(b) Serve as the manager for the state with respect to contracts with Space Florida, Enterprise Florida, Inc., and all applicable direct-support organizations. To accomplish the provisions of this section and applicable provisions of ~~chapters~~ chapter 288 and 331, and notwithstanding the provisions of part I of chapter 287, the secretary shall enter into specific contracts with Space Florida, Enterprise Florida, Inc., and other appropriate direct-support organizations. Such contracts may be for multiyear terms and must include specific performance measures for each year. For purposes of this section, the Florida Tourism Industry Marketing Corporation and the Institute for Commercialization of Florida Technology are not appropriate direct-support organizations.

(10) The department, with assistance from Enterprise Florida, Inc., shall, by November 1 of each year, submit an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives on the condition of the business climate and economic development in the state.

(b) The report must incorporate annual reports of other programs, including:

1. Information provided by the Department of Revenue under s. 290.014.
2. Information provided by enterprise zone development agencies under s. 290.0056 and an analysis of the activities and accomplishments of each enterprise zone.
3. The Economic Gardening Business Loan Pilot Program established under s. 288.1081 and the Economic Gardening Technical Assistance Pilot Program established under s. 288.1082.
4. A detailed report of the performance of the Black Business Loan Program and a cumulative summary of quarterly report data required under s. 288.714.
5. The Rural Economic Development Initiative established under s. 288.0656.
6. The Florida Unique Abilities Partner Program.
7. A detailed report of the performance of the Florida Development Finance Corporation and a summary of the corporation's report required under s. 288.9610.
8. Information provided by Space Florida under s. 331.3051 and an analysis of the activities and accomplishments of Space Florida.

Section 2. Paragraph (e) is added to subsection (2) of section 288.0001, Florida Statutes, to read:

288.0001 Economic Development Programs Evaluation.—The Office of Economic and Demographic Research and the Office of Program Policy Analysis and Government Accountability (OPPAGA) shall develop and present to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the chairs of the legislative appropriations committees the Economic Development Programs Evaluation.

(2) The Office of Economic and Demographic Research and OPPAGA shall provide a detailed analysis of economic development programs as provided in the following schedule:

(e) By January 1, 2024, and every 3 years thereafter, an analysis of Space Florida established under part II of chapter 331.

Section 3. Subsections (1) and (9) of section 331.303, Florida Statutes, are amended to read:

331.303 Definitions.—

(1) “Aerospace” means the technology and industry related to the design, manufacture, maintenance, repair, and operation of aircraft or any other device intended to be used or designed for flight or reentry, including that designs and manufactures aircraft, rockets, missiles, spacecraft, satellites, space vehicles, space stations, space and aircraft facilities or components thereof, and related equipment, systems, facilities, simulators, programs, and related activities, including, but not limited to, the application of aerospace and aviation technologies in air-based, land-based, space-based, and sea-based platforms for commercial, civil, and defense purposes.

(9) “Landing area” means the geographical area designated by Space Florida or another appropriate body within the spaceport territory for or intended for the landing, controlling, assisting, flying, navigating, piloting, maintenance, construction, and surface maneuvering of any launch or other space vehicle or aerospace technology or craft.

Section 4. Subsection (13) of section 331.305, Florida Statutes, is amended to read:

331.305 Powers of Space Florida.—Space Florida may:

(13) Own, acquire, construct, reconstruct, equip, operate, maintain, extend, or improve electric power plants, transmission lines and related facilities, gas mains and facilities of any nature for the production or distribution of natural gas, transmission lines and related facilities and plants and facilities for the generation and transmission of power through traditional and new and experimental sources of power and energy; purchase electric power, natural gas, and other sources of power for distribution within any spaceport territory; develop and operate water

and sewer systems and waste collection and disposal consistent with chapter 88-130, Laws of Florida; and develop and operate such new and experimental public utilities, including, but not limited to, centrally distributed heating and air-conditioning facilities and services, closed-circuit television systems, and computer services and facilities, as the board may from time to time determine. However, Space Florida may not construct any system, work, project, or utility authorized to be constructed under this subsection paragraph in the event that a system, work, project, or utility of a similar character is being actually operated by a municipality or private company in the municipality or territory adjacent thereto, unless such municipality or private company consents to such construction.

Section 5. Subsection (11) of section 331.3051, Florida Statutes, is renumbered as subsection (16), subsections (2), (3), and (6), paragraph (e) of subsection (7), and present subsection (11) are amended, and a new subsection (11) and subsections (12) through (15) are added to that section, to read:

331.3051 Duties of Space Florida.—Space Florida shall:

(2) Enter into agreement with the Department of Education, the Department of Transportation, the Department of Economic Opportunity Enterprise Florida, Inc., and CareerSource Florida, Inc., for the purpose of implementing this act.

(3) In cooperation with the Department of Economic Opportunity Enterprise Florida, Inc., develop a plan to retain, expand, attract, and create aerospace industry entities, public or private, which results in the creation of high-value-added businesses and jobs in this state.

(6) Develop, in cooperation with the Department of Economic Opportunity Enterprise Florida, Inc., a plan to provide financing assistance to aerospace businesses. The plan may include the following activities:

(a) Assembling, publishing, and disseminating information concerning financing opportunities and techniques for aerospace projects, programs, and activities; sources of public and private aerospace financing assistance; and sources of aerospace-related financing.

(b) Organizing, hosting, and participating in seminars and other forums designed to disseminate information and technical assistance regarding aerospace-related financing.

(c) Coordinating with programs and goals of the Department of Defense, the National Aeronautics and Space Administration, the Export-Import Bank of the United States, the International Trade Administration of the United States Department of Commerce, the Foreign Credit Insurance Association, and other private and public programs and organizations, domestic and foreign.

(d) Establishing a network of contacts among those domestic and foreign public and private organizations that provide information, technical assistance, and financial support to the aerospace industry.

(e) Financing aerospace business development projects or initiatives using funds provided by the Legislature.

(7) Carry out its responsibilities for spaceport operations by:

(e) Consulting regularly, ~~as necessary~~, with the appropriate federal, state, and local authorities, including the National Aeronautics and Space Administration, the Federal Aviation Administration, the Department of Defense, the Department of Transportation, the Florida National Guard, and industry on all aspects of establishing and operating spaceport infrastructure and related aerospace facilities within the state.

(11) Regularly solicit input on Space Florida plans and activities from the aerospace industry, private sector spaceport territory stakeholders, each entity that owns or has ownership interest in a facility within spaceport territory, and other political subdivisions within spaceport territory.

(12) Partner with the Board of Governors to foster technological advancement and economic development for spaceport activities by strengthening higher education programs and supporting aerospace activities.

(13) Partner with the Division of Workforce Services of the Department of Economic Opportunity, CareerSource Florida, Inc., and local workforce development boards to support initiatives that address the high technology skills and staff resources needed to better promote the state’s efforts in becoming the nation’s leader in aerospace and space exploration.

(14) Partner with the Metropolitan Planning Organization Advisory Council to coordinate and specify how aerospace planning and programming will be part of the state’s cooperative transportation planning process.

(15) By October 1, 2023, and each year thereafter, submit to the Department of Economic Opportunity for inclusion in the annual report required under s. 20.60 a complete and detailed written report setting forth:

(a) Its operations and accomplishments during the fiscal year.

(b) Accomplishments and progress concerning the implementation of the spaceport master plan and other measurable goals, and any updates to such plan and measurable goals.

(c) Any other information required by the Department of Economic Opportunity.

(16)(a)(11) In addition to the reporting requirements in chapter 189, annually report on its performance with respect to its business plan, to

include finance, spaceport operations, research and development, workforce development, and education.

(b) Space Florida shall submit the report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by November 30 for the previous fiscal year.

(c) The annual report must include operations information as required under s. 331.310(2)(e) and data on the economic impact of the aerospace industry in the state during the previous year, including, but not limited to, the amount and sources of capital investment, the number of jobs created and retained, and annualized average wages, listed by geographic areas within the state as specified by the board.

Section 6. Section 331.3081, Florida Statutes, is amended to read:

331.3081 Board of directors.—

(1) Space Florida shall be governed by an a 13-member independent board of directors that consists of the Governor, who shall serve ex officio, or who may appoint a designee to serve, as the chair and a voting member of the board, and the following appointed members:

(a) The Secretary of Transportation or his or her designee.

(b) Five members appointed by the Governor who must each reflect the state's interests in the aerospace sector and represent the intent, duties, and purpose of Space Florida, or have at least 5 years of experience in at least one of the following areas:

1. The aerospace industry. Such member may not be currently employed by an entity that is under contract with Space Florida.

2. Bond financing.

3. Academic experience in aerospace, aviation, or a relevant science.

4. An aircraft facilities manager, a fixed-based operator, or a commercial airport operator.

(c) One member appointed by the President of the Senate, who has at least 5 years of experience as provided in paragraph (b).

(d) One member appointed by the Speaker of the House of Representatives, who has at least 5 years of experience as provided in paragraph (b).

(e) A representative of each of the following entities, who shall serve as an ex officio, nonvoting member of the board, appointed by the Governor:

1. The Jacksonville Aviation Authority.

2. The Titusville-Cocoa Airport Authority.

3. An employee or official of a port district or port authority as defined in s. 315.02(2).

(2) All members of the board who are appointed by the Governor are subject to confirmation by the Senate.

(3)(a) Appointed members shall serve 4-year terms, except that initially, to provide for staggered terms, the Governor shall appoint two members to serve 2-year terms and two members to serve 3-year terms. All subsequent appointments shall be for 4-year terms.

(b) Initial appointments must be made by October 1, 2023. Terms end on September 30.

(c) Any member is eligible for reappointment, except that a member may not serve more than two 4-year terms.

(d) A vacancy on the board of directors shall be filled for the remainder of the unexpired term in the same manner as the original appointment.

(e) Appointed members may be removed by the appointing official for cause. Absence from three consecutive meetings is cause for removal.

(4) Board members shall serve without compensation, but are entitled to receive reimbursement for per diem and travel expenses pursuant to s. 112.061. Such expenses must be paid out of funds of Space Florida.

(5)(a) The board of directors shall meet at least quarterly, upon the call of the chairperson, or at the request of a majority of the membership.

(b) A majority of the total number of current voting members shall constitute a quorum. The board of directors may take official action by a majority vote of the members present at any meeting at which a quorum is present.

(c) Meetings may be held via teleconference or other electronic means.

(6) The board shall conduct education for newly appointed board members as provided by the Department of Economic Opportunity in accordance with s. 189.063.

(7) Space Florida may not endorse any candidate for elected public office or contribute moneys to the campaign of any such candidate ~~the members appointed to the board of directors of Enterprise Florida, Inc., by the Governor, the President of the Senate, and the Speaker of the House of Representatives pursuant to s. 288.901(5)(a)8. and the Governor, who shall serve ex officio, or who may appoint a designee to serve, as the chair and a voting member of the board.~~

Section 7. Paragraph (e) of subsection (2) of section 331.310, Florida Statutes, is amended to read:

331.310 Powers and duties of the board of directors.—

(2) The board of directors shall:

(e) Prepare an annual report of operations as a supplement to the annual report required under s. 331.3051(16) ~~s. 331.3051(11)~~. The report must include, but not be limited to, a balance sheet, an income statement, a statement of changes in financial position, a reconciliation of changes in equity accounts, a summary of significant accounting principles, the auditor's report, a summary of the status of existing and proposed bonding projects, comments from management about the year's business, and prospects for the next year.

Section 8. Subsections (5) and (6) of section 331.3101, Florida Statutes, are amended to read:

331.3101 Space Florida; travel and entertainment expenses.—

(5) In addition to the requirements set forth for the annual report under subsection (3), the ~~2022~~ annual report by Space Florida must also:

(a) Provide an itemized accounting, by date of travel, of all travel, entertainment, and incidental expenses incurred;

(b) To the extent such expenses exceed the generally allowable expense limits under s. 112.061, provide reasons behind the need to exceed the statutory expense limits in s. 112.061;

(c) Categorize expenses for Space Florida board members, staff, employees, and business clients. The report must also set forth any expenses authorized by the board or its designee for a guest; and

(d) Include information related to corrective actions and steps taken by Space Florida to address the findings in Auditor General Report No. 2022-049. This paragraph expires July 1, 2024.

~~This subsection expires July 1, 2023.~~

(6) Notwithstanding the provisions of this section, travel and entertainment expenses incurred by Space Florida may only be for expenses that are solely and exclusively incurred in connection with the performance of its statutory duties and made in accordance with this subsection.

(a) ~~For the 2022-2023 fiscal year,~~ Space Florida may not expend any funds, whether appropriated by the Legislature or from income earned by Space Florida, on travel and entertainment expenses for the fiscal year in excess of an amount equal to 4 percent of the amount appropriated to Space Florida in the General Appropriations Act. No funds may be expended on any recreational activities for any Space Florida board member, staff, employee, business client, or guest.

(b) ~~For the 2022-2023 fiscal year,~~ Lodging expenses for a board member, staff, or employee of Space Florida may not exceed \$150 per day, excluding taxes, unless Space Florida is participating in a negotiated group rate discount or Space Florida provides documentation of at least three comparable alternatives demonstrating that such lodging at the required rate is not available. However, a board member, staff, or employee of Space Florida may expend his or her own funds for any lodging expenses in excess of \$150 per day.

(c) ~~This subsection expires July 1, 2023.~~

Section 9. Section 331.312, Florida Statutes, is amended to read:

331.312 Furnishing facilities and services within the spaceport territory. Space Florida may own, acquire, construct, develop, create, maintain, equip, extend, improve, reconstruct, and operate its projects within the geographical limits of the spaceport territory, including any portions of the spaceport territory located inside the boundaries of any ~~incorporated municipality or other~~ political subdivision, and offer, supply, maintain, and furnish the facilities and services provided for in this act to, and establish and collect fees, rentals, and other charges from, persons, public or private, within the geographical limits of the spaceport territory and for the use of Space Florida itself.

Section 10. Section 331.313, Florida Statutes, is amended to read:

331.313 Power of Space Florida with respect to roads.—

(1) Within the territorial limits of any spaceport territory, Space Florida may acquire, through purchase or interagency agreement, or as otherwise provided in law, and construct, control, and maintain, roads deemed necessary by Space Florida and connections thereto and extensions thereof now or hereafter acquired, constructed, or maintained in accordance with established highway safety standards. ~~However; provided that,~~ in the event a road being addressed by Space Florida is owned by another agency or jurisdiction, Space Florida, before proceeding with the proposed project or work activity, must consult with ~~shall have either coordinated the desired work with the owning agency or jurisdiction that owns the road or shall have successfully executed an interagency agreement with the owning agency or jurisdiction.~~

(2) Space Florida shall advise the Department of Transportation of any determination Space Florida makes to construct or maintain a road or bridge within its territory; provide the department with complete copies of all documents, agreements, resolutions, contracts, and instruments relating thereto; and, if necessary, request the department to conduct such construction or maintenance work, including the acquisition of necessary rights-of-way, planning, surveying, and actual construction of the project. Space Florida shall transfer to the department any funds provided for such construction or maintenance. The department is authorized to proceed with

such construction or maintenance and to use such funds for such work in the same manner that the department is authorized to use the funds otherwise provided by law for use in construction of roads and bridges.

Section 11. Section 331.324, Florida Statutes, is amended to read:

331.324 Contracts, grants, and contributions.—

(1) Space Florida may make and enter all contracts and agreements necessary or incidental to the performance of the functions of Space Florida and the execution of its powers, and contract with, and accept and receive grants or loans of money, material, or property from, any person, private or public, as the board shall determine to be necessary or desirable to carry out the purposes of this act, and, in connection with any such contract, grant, or loan, stipulate and agree to such covenants, terms, and conditions as the board shall deem appropriate.

(2)(a) After execution of a contract with a service organization, Space Florida shall make and obtain independent and periodic assessments of the effectiveness of the executed contract document, the service organization, and any other providers relevant to the contract, to ensure that adequate internal controls are in place for complying with the terms and conditions of the contract, for the validation and receipt of goods and services, and to determine that the contracted service is cost effective and meets Space Florida's requirements and goals.

(b) A final assessment report shall be submitted to the Space Florida board of directors and the Secretary of Economic Opportunity or his or her designee. Within 30 days after receipt of the final assessment report, the board shall submit to the Department of Economic Opportunity a written statement of explanation or rebuttal concerning findings requiring corrective action, including corrective action to be taken to preclude a recurrence.

(c) Beginning October 1, 2023, and every 3 years thereafter, Space Florida shall complete a risk-based compliance assessment of all internal contracts executed by Space Florida for the preceding 3 fiscal years. The assessment must include steps to reasonably ensure that contracted service organizations' controls relevant to services provided are suitably designed and operating effectively. The assessment findings must be submitted to the board of directors, the Secretary of Economic Opportunity or his or her designee, the Governor, the President of the Senate, and the Speaker of the House of Representatives.

Section 12. In the event of a conflict of any provision of this act with the provisions of any other act, the provisions of this act shall control to the extent of such conflict.

Section 13. This act shall take effect July 1, 2023.

Approved by the Governor June 5, 2023.

Filed in Office Secretary of State June 5, 2023.