

CHAPTER 2010-226

Council Substitute for Committee Substitute for House Bill No. 1389

An act relating to space and aerospace infrastructure; providing a short title; amending s. 288.1088, F.S.; providing legislative findings; authorizing the use of a specified amount of resources for projects to retain or create high-technology jobs directly associated with developing a more diverse aerospace economy in the state; authorizing Enterprise Florida, Inc., to waive eligibility criteria for projects receiving funds from the Quick Action Closing Fund which would mitigate the impact of the conclusion of the space shuttle program; revising authorized uses of specified Space Florida appropriations; providing an effective date.

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

Section 1. This act may be cited as the “Space Transition and Revitalization Act.”

Section 2. Section 288.1088, Florida Statutes, is amended to read:

288.1088 Quick Action Closing Fund.—

(1)(a) The Legislature finds that attracting, retaining, and providing favorable conditions for the growth of certain high-impact business facilities, privately developed critical rural infrastructure, or key facilities in economically distressed urban or rural communities which provide widespread economic benefits to the public through high-quality employment opportunities in such facilities or in related facilities attracted to the state, through the increased tax base provided by the high-impact facility and related businesses, through an enhanced entrepreneurial climate in the state and the resulting business and employment opportunities, and through the stimulation and enhancement of the state’s universities and community colleges. In the global economy, there exists serious and fierce international competition for these facilities, and in most instances, when all available resources for economic development have been used, the state continues to encounter severe competitive disadvantages in vying for these business facilities. Florida’s rural areas must provide a competitive environment for business in the information age. This often requires an incentive to make it feasible for private investors to provide infrastructure in those areas.

(b) The Legislature finds that the conclusion of the space shuttle program and the gap in civil human space flight will result in significant job losses that will negatively impact families, companies, the state and regional economies, and the capability level of this state’s aerospace workforce. Thus, the Legislature also finds that this loss of jobs is a matter of state interest and great public importance. The Legislature further finds that it is in the state’s interest for provisions to be made in incentive programs for economic

development to maximize the state's ability to mitigate these impacts and to develop a more diverse aerospace economy.

~~(c)~~(b) The Legislature therefore declares that sufficient resources shall be available to respond to extraordinary economic opportunities and to compete effectively for these high-impact business facilities, critical private infrastructure in rural areas, and key businesses in economically distressed urban or rural communities, and that up to 20 percent of these resources may be used for projects to retain or create high-technology jobs that are directly associated with developing a more diverse aerospace economy in this state.

(2) There is created within the Office of Tourism, Trade, and Economic Development the Quick Action Closing Fund. Projects eligible for receipt of funds from the Quick Action Closing Fund shall:

- (a) Be in an industry as referenced in s. 288.106.
- (b) Have a positive payback ratio of at least 5 to 1.
- (c) Be an inducement to the project's location or expansion in the state.
- (d) Pay an average annual wage of at least 125 percent of the areawide or statewide private sector average wage.
- (e) Be supported by the local community in which the project is to be located.

(3)(a) Enterprise Florida, Inc., shall review applications pursuant to s. 288.061 and determine the 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:

1. Based on extraordinary circumstances;
2. In order to mitigate the impact of the conclusion of the space shuttle program; or
3. In rural areas of critical economic concern if the project would significantly benefit the local or regional economy.

(b) Enterprise Florida, Inc., shall evaluate individual proposals for high-impact business facilities and forward recommendations regarding the use of moneys 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.

~~(c)~~(b) Within 22 calendar days after receiving 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. 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.

~~(d)~~(e) 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.

(e)(d) Enterprise Florida, Inc., shall validate contractor performance. Such validation shall be reported within 6 months after completion of the contract to the Governor, President of the Senate, and the Speaker of the House of Representatives.

Section 3. Notwithstanding any other provisions of law, funds provided in Specific Appropriation 2649 of chapter 2008-152, Laws of Florida, for Space and Aerospace Infrastructure to make improvements to Launch Complex 36 on the 45th Space Wing property may also be used by Space Florida for improvements to other launch complexes and space transportation facilities in order to attract new space vehicle testing and launch business to the state; to address intermodal requirements and impacts of the launch ranges, spaceports, and other space transportation facilities; to advance aerospace technology to meet the current and future needs of the United States commercial space transportation industry; and to assist in the development of joint-use facilities and technology that support aviation and aerospace operations, including high-altitude and suborbital flights and range technology development.

Section 4. This act shall take effect July 1, 2010.

Approved by the Governor June 4, 2010.

Filed in Office Secretary of State June 4, 2010.