

Commerce Committee

Friday, March 17, 2023
8:00 AM - 10:00 AM
Webster Hall (212 Knott)

Meeting Packet

Paul Renner
Speaker

Bob Rommel
Chair

The Florida House of Representatives

Commerce Committee

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Meeting Agenda

Friday, March 17, 2023
8:00 am – 10:00 am
Webster Hall (212 Knott)

I. Call to Order

II. Roll Call

III. Welcome and Opening Remarks

IV. Consideration of the following bill(s):

- HB 5 Economic Programs by Esposito
- HB 489 Professional Licensing Requirements for Barbers and Cosmetologists by Chambliss, Plakon
- HB 719 Practice of Veterinary Medicine by Killebrew

V. Closing Remarks

VI. Adjournment

303 House Office Building, 402 South Monroe Street, Tallahassee, FL 32399-1300
(850) 717-4870

HB 5

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 5 Economic Programs
SPONSOR(S): Esposito
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Commerce Committee		Walsh	Hamon
2) Ways & Means Committee			
3) Appropriations Committee			

SUMMARY ANALYSIS

The bill eliminates EFI and provides that all duties, functions, records, pending issues, existing contracts, administrative authority, administrative rules, and unexpended balances of appropriations, allocations, and other public funds relating to the programs in EFI are transferred by a type two transfer to the Department of Economic Opportunity (DEO).

The bill provides that VISIT FLORIDA and the Florida Sports Foundation may enter into agreements with DEO to continue any existing programs, activities, duties, or functions necessary for their operation.

The bill provides for the repeal of the following programs and incentives; however, the bill authorizes continuation of payments for existing related commitments:

- Urban High-Crime Area Job Tax Credit Program
- Entertainment industry tax credit
- Capital Investment Tax Credit
- Qualified defense and space flight tax refund
- Qualified target industry businesses tax refund
- Brownfield Redevelopment Bonus Tax Refunds
- High-Impact Sector Performance Grants
- Economic Gardening Programs
- Quick Action Closing Fund
- Innovation Incentive Program
- Florida Small Business Development Center Network
- Scripps Florida Funding Corporation
- Cooperative advertising matching grants program
- Professional Sports Franchise Incentive
- Motorsports Entertainment Complex
- Spring Training Baseball Franchises
- Retention of Spring Training Baseball Franchises
- International Game Fish Association World Center
- Florida Small Business Technology Program
- New Markets Development Program
- Microfinance programs
- Economic Development Transportation Projects
- Office of Film and Entertainment
- Florida Film Advisory Council
- Entertainment industry sales tax exemptions

The bill has an indeterminate, but likely positive recurring, impact on state and local revenues, however, the Revenue Estimating Conference has not yet reviewed the bill. The bill has an indeterminate impact on state expenditures, and no impact on local expenditures. *See* Fiscal Analysis & Economic Impact Statement.

The bill provides an effective date of July 1, 2023.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Background

Florida's economic development system is multi-faceted and includes public agencies, non-profit corporations, and private entities at the state, regional, and local level. The Legislature created some of these organizations, while others are units of local government or privately formed associations or alliances. Many of the organizations have similar missions (e.g., encouraging economic development and enhancing the state's business climate) and serve the same constituencies (e.g., in- and out-of-state businesses and the state's economic and workforce development communities). The most prominent of these organizations are Enterprise Florida, Inc. (EFI) and the Department of Economic Opportunity (DEO). To achieve their economic development missions, EFI and DEO perform numerous activities and collaborate via contracts as directed by statute.[1]

Prior to the creation of EFI, the Department of Commerce and Department of Labor and Employment Security were responsible for the state's economic development activities. In 1996, the Legislature created EFI as a public-private partnership to serve as the state's principal economic development marketing and promotion organization.[2]

To support the ongoing evolution of the state's economic development system, the 2011 Legislature created DEO, transferring functions from the Agency for Workforce Innovation (AWI), Department of Community Affairs (DCA), and Governor's Office of Tourism, Trade, and Economic Development (OTTED) to the new agency.[3] AWI had performed functions related to workforce, unemployment compensation, and early learning services, while DCA was the state's land planning and community development agency. OTTED assisted the Governor in formulating economic development policies and strategies and administered the state's economic programs.[4]

Department of Economic Opportunity

DEO has seven divisions and offices established by statute, four of which carry out DEO's objectives and statutory responsibilities. Three of these divisions are Strategic Business Development, Community Development, and Workforce Services. These divisions help fulfill DEO's statutorily mandated responsibilities, which include, but are not limited to:

- Ensuring that Florida's goals and policies relating to economic development, community planning and development, workforce development, and affordable housing are fully integrated with appropriate implementation strategies;
- Recruiting new businesses to Florida and promoting the expansion of businesses by expediting permitting and location decisions, worker placement and training, and incentive awards;
- Promoting viable, sustainable communities by providing technical assistance and guidance on growth and development issues, grants, and other assistance to local communities;
- Coordinating with state agencies on the processing of state development approvals or permits to minimize the duplication of information provided by the applicant and the time before approval or disapproval; and

[1] OPPAGA, Report No. 16-09, *Agency Review-Enterprise Florida, Inc., and Department of Economic Opportunity*, p.3 (December 2016).
[2] *Id.* at 7.
[3] Chapter 2011-142, Laws of Fla. DEO began operations in October 2011.
[4] OPPAGA, Report No. 16-09, *supra* n. 1, p.7.

- Managing the activities of public-private partnerships and state agencies in order to avoid duplication and promote coordinated and consistent implementation of various programs.[5]

DEO's Office of Economic Accountability and Transparency was created in 2021.[6] The Office of Economic Accountability and Transparency is tasked with:

- Overseeing critical objectives and ensuring key objectives are clearly communicated to the public;
- Organizing resources, expertise, data, and research to focus on and solving the complex economic challenges facing the state;
- Providing leadership for priority issues that require integration of policy, managements, and critical objectives from multiple programs and organizations internal and external to DEO;
- Promoting and facilitating key initiatives to address priority economic issues and exploring data and identify opportunities for innovative approaches to address such economic issues; and
- Promoting strategic planning.[7]

Enterprise Florida, Inc.

EFI is a nonprofit corporation established by the Legislature to serve as the state's main economic development organization.[8] EFI is required to enter into a performance-based contract with DEO, which includes annual measurements of the performance of EFI.[9] The corporation is responsible for:

- Marketing the state as a pro-business location for new investment and as a tourist destination;
- Advancing international and domestic trade opportunities;
- Providing support to small and minority-owned businesses;
- Assisting, promoting, and enhancing economic opportunities in the state's rural and urban communities;
- Advocating for Florida's military bases and administering defense grants; and
- Promotion and development of professional, amateur, recreational sports, and physical fitness opportunities.[10]

EFI has the following duties:

- Responsibly and prudently manage all public and private funds received, and ensure that the use of such funds is in accordance with all applicable laws, bylaws, or contractual requirements;
- Administer certain entities and programs;
- Prepare an annual report;
- Prepare, in conjunction with DEO, an annual incentives report;
- Assist DEO with the development of an annual and a long-range strategic business blueprint for economic development;
- In coordination with CareerSource Florida, Inc., identify education and training programs that will ensure that Florida businesses have access to a skilled and competent workforce necessary to compete successfully in the domestic and global marketplace;
- Submit all proposed contracts with a cost in excess of a specified amount in accordance with the notice and review procedures required in statute;
- Not create or establish any other entity unless authorized by law; and
- Comply with per diem and travel expense provisions.[11]

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[5] S. 20.60(4), F.S.
[6] Chapter 2021-25, Laws of Fla.
[7] S. 20.60 (3)(a), F.S.
[8] S. 288.901, F.S. Chapter 92-277, Laws of Fla., created EFI, while ch. 96-320, Laws of Fla, established EFI as a public-private partnership.
[9] S. 20.60(11), F.S., requires DEO to "establish annual performance standards for Enterprise Florida, Inc., CareerSource Florida, Inc., the Florida Tourism Industry Marketing Corporation, and Space Florida and report annually on how these performance measures are being met."
[10] Office of Program Policy Analysis and Governmental Accountability, *Enterprise Florida, Inc.*, https://oppaga.fl.gov/ProgramSummary/BackPageDetail?programNumber=6112&backPageNumber=03 (last visited Mar. 10, 2023).
[11] S. 299.903, F.S.

At a minimum, EFI is required to have divisions related to:

- International Trade and Business Development;
- Business Retention and Recruitment;
- Tourism Marketing;
- Minority Business Development; and
- Sports Industry Development.[12]

EFI is governed by a board of directors, of which the Governor serves as chairperson. The board of directors biennially elects one of its members as vice chairperson.[13] Including the Governor or his or her designee, the board of directors of EFI is comprised of twenty members: seven from the public sector and twelve from the private sector.[14] The eight members of the board from the public sector include the following: the Governor or the Governor's designee; the Commissioner of Education or his or her designee; the Chief Financial Officer or his or her designee; the Attorney General or his or her designee; the Commissioner of Agriculture or his or her designee; the chairperson of the board of directors for CareerSource Florida, Inc.; the Secretary of State or his or her designee; and the Secretary of Economic Opportunity or his or her designee.[15]

Of the twelve members from the private sector, the Governor appoints six[16] and the President of the Senate and Speaker of the Florida House of Representatives each appoint three. Such members are appointed to four year terms and must include at least one director for each of the following areas of expertise:[17] international business; tourism marketing; the space or aerospace industry; managing or financing a minority-owned business; manufacturing; finance and accounting; and sports marketing. In addition, the President of the Senate must appoint a member of the Senate and the Speaker of the House must appoint a member of the House of Representatives, both of which serve as ex officio members.[18] The board must meet at least four times each year, upon the call of the chairperson, at the request of the vice chairperson, or at the request of a majority of the membership. A majority of the total number of current voting members constitutes a quorum.[19]

Florida law directs the board of directors to "integrate its efforts in business recruitment and expansion, job creation, marketing the state for tourism and sports, and promoting economic opportunities for minority-owned businesses and promoting economic opportunities for rural and distressed urban communities with those of the department, to create an aggressive, agile, and collaborative effort to reinvigorate the state's economy."[20] To that end, Florida law authorizes the Board to:

- secure funding for its programs and activities from federal, state, local, and private sources and from fees charged for services and published materials;
- solicit, receive, hold, invest, and administer any grant, payment, or gift of funds or property and make expenditures;
- make and enter into contracts and other instruments necessary or convenient with its powers and functions;
- elect or appoint officers, employees, and agents as required for its activities and for its divisions;
- carry forward any unexpended state appropriations into succeeding fiscal years;
- create and dissolve advisory councils, working groups, task forces, or other similar organizations, as necessary to carry out its mission;
- establish an executive committee consisting of the chairperson or a designee, the vice chairperson, and as many additional members of the board of directors as the board deems appropriate (with a minimum of five members);

[12] S. 288.92(1), F.S.
[13] S. 288.901(4), F.S.
[14] S. 288.901(5), F.S.
[15] *Id*.
[16] Members appointed by the Governor are subject to Senate confirmation. s. 288.901(5)(a), F.S.
[17] S. 288.901(5)(b), F.S.
[18] S. 288.901(7), F.S.
[19] S. 288.901(8), F.S.
[20] S. 288.9015(1), F.S.

- sue and be sued, and appear and defend all actions and proceedings;
- adopt, use, and alter a common corporate seal for EFI and its divisions;
- adopt, amend, and repeal bylaws;
- acquire, enjoy, use, and dispose of patents, copyrights, and trademarks and any licenses, royalties, and other rights or interests;
- use the state seal when appropriate for standard corporate identity applications; and
- procure insurance or require bond against any loss in connection with the property of EFI. [21]

As a public-private partnership, EFI is expected to obtain private sector support to help pay for its operational costs. The Legislature provides an annual appropriation to EFI for its operations. According to state law, the agency's legislative appropriations must be matched with private sector support equal to at least 100% of state operational funding.[22] Under state law, private sector support includes:

- Cash given directly to EFI for its operations, including contributions from at-large members of the board of directors;
- Cash donations from organizations assisted by EFI's divisions;
- Cash jointly raised by EFI, private local economic development organizations, a group of such organizations, or a statewide private business organization that supports collaborative projects;
- Cash generated by fees charged for products or services of EFI and its divisions by sponsorship of events, missions, programs, and publications; and
- Copayments, stock, warrants, royalties, or other private resources dedicated to Enterprise Florida or its divisions.[23]

In 2016, the Office of Program Policy Analysis and Government Accountability (OPPAGA) published a report indicating that EFI's state funding has always exceeded private sector funding.[24] Based on EFI's audited financial statements for fiscal year 2021-22, EFI received: $1,865,000 in private investment contributions; $1,405,918 in event revenue; and $1,153,795 in other income.[25] EFI's total state appropriation for fiscal year 2021-22 was $14,400,000.[26]

Division of Tourism Marketing and Florida Tourism Industry Marketing Corporation

EFI's Division of Tourism Marketing is the entity created through statute that interacts and contracts with its direct support organization,[27] the Florida Tourism Industry Marketing Corporation. The Florida Tourism Industry Marketing Corporation was created by the legislature in 1996 and is otherwise known by the service mark "VISIT FLORIDA," which operates as a non-profit corporation that serves as Florida's statewide destination marketing organization, representing the state's tourism industry.[28] In practice, VISIT FLORIDA (VF) is EFI's tourism marketing division. The division is staffed by VF, but that staff is not employed by EFI.[29]

VF's primary responsibilities include:

- Administering domestic and international advertising campaigns;
- Coordinating domestic and international marketing activities;
- Coordinating marketing efforts with local tourism marketing organizations;
- Managing Florida's four welcome centers;

[21] S. 288.9015(2), F.S.
[22] S. 288.904(2)(a), F.S.
[23] S. 288.904(2)(b), F.S.
[24] OPPAGA Report No. 16-09, *supra* n. 1, p. 19.
[25] *Enterprise Florida, Inc. and Consolidated Entities, Consolidated Financial Statements*, p.5, available at https://www.enterpriseflorida.com/about/transparency/ (last visited Mar. 13, 2023).
[26] General Appropriations Act of 2022 (HB 5001).
[27] "Direct support organization" means a not-for-profit Florida corporation incorporated under the provisions of chapter 617, F.S., and authorized by Florida law to exist as a direct support organization to benefit or provide assistance to a governmental entity. *See* State of Florida Auditor General, *Audits of Certain Nonprofit Organizations*, Rules of the Auditor General (Jun. 30, 2022), available at https://flauditor.gov/pages/pdf_files/10_700.pdf (last visited Mar. 13, 2023).
[28] S. 288.1226, F.S. The fictitious name "VISIT FLORIDA" is registered with the Department of State, registration no. G18000088414.
[29] S. 288.923(5), F.S.

- Conducting research on tourism and travel trends;
- Administering marketing activities for Veterans Florida;[30] and
- Marketing to assist the state following critical events, such as storms.[31]

Through a contractual relationship with the Department of Economic Opportunity (DEO), VF is held to performance measures and standards. VF's 31-member board of directors is appointed by DEO in conjunction with EFI and meets three times a year to provide guidance, input, and insight to, and work directly with VF executive staff.[32] VF is required to develop a four-year marketing plan[33] for the state that addresses issues such as continuation of tourism growth in Florida, expansion to new or underrepresented markets, coordination with local and private sector partners on tourism advertising, and addressing emergency responses to disasters from a marketing standpoint.[34]

As a public-private partnership, VF is required to obtain private sector contributions to match public contributions. Eligible matching contributions come from four categories:

- Direct cash contributions;
- Fees for services;
- Cooperative advertising, which is limited to partner expenditures for paid media placement and actual market value of contributed products, air time, and print space; and
- In-kind contributions, which is limited to the actual market value of promotional contributions of partner-supplied benefits or of non-partner supplied airtime or print space.[35]

Economic Development Incentives

Florida has a number of incentive programs intended to promote economic development in the state. These programs are housed in several different agencies and come in a variety of forms including tax refunds, tax credits, tax exemptions, and cash grants. Businesses interested in expanding or relocating in Florida learn about the state's economic incentive programs through several channels, including EFI and state and local economic development organizations. EFI markets the benefits of doing business in Florida. EFI works to develop leads on businesses, then EFI identifies the specifics of each business's project to determine whether any economic development programs may be available. If EFI determines that a business is eligible for an economic development award, EFI makes a recommendation to DEO for the project.[36] Businesses can apply for more than one incentive to support their expansion or relocation projects.

Once a company begins the application process, DEO begins the formal due diligence process to determine the business's statutory eligibility and financial standing. Once a business successfully completes the evaluation process, DEO approves the business for an award and issues a certification letter. Businesses that receive an award, except for businesses that receive an award under the Capital Investment Tax Credit, Enterprise Zone, and New Markets Development programs, must enter into contractual agreements with DEO. These agreements include a schedule for meeting performance requirements. DEO must ensure that each business complies with state law and the terms of the

[30] Veterans Florida is a non-profit corporation created by the State of Florida to help military veterans transition to civilian life and to promote Florida's status as the nation's most veteran-friendly state. *See* Veterans Florida, *About Us*, https://www.veteransflorida.org/about/ (last visited Mar. 13, 2023).
[31] Office of Program Policy Analysis and Government Accountability, *Florida Economic Development Program Evaluations – Year 8*, 13 (December 2020), available at https://oppaga.fl.gov/Documents/Reports/20-08.pdf (last visited Mar. 10, 2023).
[32] *Id.* at 12.
[33] This plan is annual in construction and ongoing in nature. *See* S. 288.923(4)(c), F.S.
[34] S. 288.923(4)(c), F.S.
[35] S. 288.1226(6), F.S.
[36] DEO, 2021-2022 Annual Incentives Report, p.3. Section 288.907, F.S., requires EFI, in conjunction with DEO, to provide a detailed incentives report quantifying the economic benefits for all the economic development incentive programs marketed by EFI.

agreement. Businesses found to be out of compliance with performance requirements may be subject to penalties (e.g., clawback provisions) or could be terminated from the incentive program.[37, 38]

Incentive Type	Description	Overview of Claims Process	Revenue Source
Tax Refunds	Refund of taxes paid	- Business pays taxes - State verifies job creation, wages, and tax payments - State issues refund to eligible business	Annual appropriation
Tax Credits	Credit against taxes owed	- State verifies jobs and capital investment (if applicable) - Eligible business claims credits on state taxes after meeting program requirements	Foregone revenue
Tax Exemptions	Exemption from taxes owed	- DOR issues tax exemption permit to business for approved tax- exempt purchases - Business uses permit to make eligible tax-exempt purchases	Foregone revenue
Grants	Grant with a performance-based agreement	- Business achieves performance milestones - State verifies job creation, wages, and capital investment (ass applicable) -State issues payment	Annual appropriation

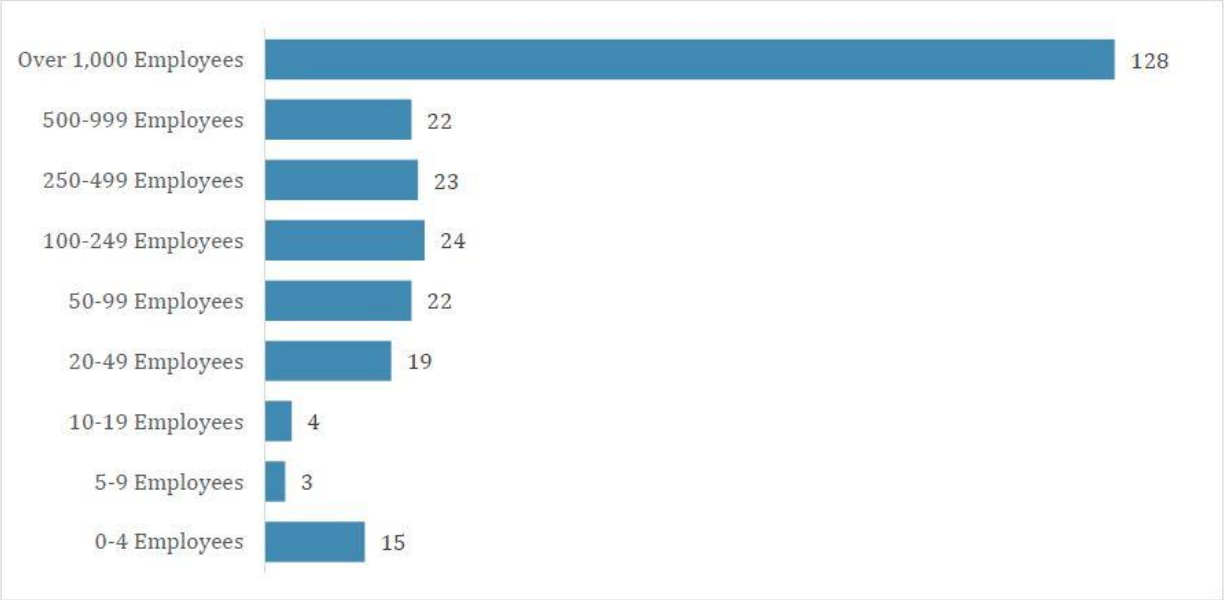
[39]

For the 2021-22 fiscal year, DEO reports paying 114 projects, with the total amount of state funds paid coming to $20,642,994. The confirmed average annual wage of these projects is $59,986.[40]

In 2022, OPPAGA published an updated analysis of Florida's economic development programs. For this report, OPPAGA analyzed incentive payments, revealing that 64% of the 260 projects which received incentive payments were expansions of existing Florida businesses rather than new companies to the state. During the same review period, OPPAGA reported that almost half of incentives were provided to businesses with over 1,000 employees.[41]

Employment of Businesses that have Received Incentives

[37] *Id*. at 2.
[38] Office of Program Policy Analysis and Government Accountability, *Florida Economic Development Program Evaluations – Year 10*, 2 (November 2022), available at https://oppaga.fl.gov/Documents/Reports/22-06.pdf (last visited Mar. 13, 2023).
[39] DEO, 2021-2022 Annual Incentives Report, p.2.
[40] *Id*. at 5.
[41] Office of Program Policy Analysis and Government Accountability, *Florida Economic Development Program Evaluations – Year 10 supra* n. 38, p.7.



[42]

Tax Credits, Tax Refunds, Cash Grants

Qualified Target Industry Tax Refund Program

The Qualified Target Industry (QTI) Tax Refund Program was established in 1995 to attract new high quality, high wage jobs for Floridians.[43] Tax refunds are made to qualifying, pre-approved businesses creating new jobs within Florida's target industries. All QTI projects include a performance-based contract with the state, which outlines specific milestones that must be achieved and verified by the state prior to payment of refunds. Unless waived by the Department of Economic Opportunity, 20% of the award must come from the local city or county government in which the project is located.[44]

A project must propose to create at least ten new jobs, or in the case of a business expansion, must result in a net increase in employment of at least 10% at that business. The jobs proposed to be created or retained must pay an average annual wage of at least 115% of the average private sector wage in the area where the business is located, or the statewide private sector average wage. The amount of the refund is based on the average wages paid by the business, number of jobs created, and where in the state the eligible business chooses to locate or expand. The minimum tax refund is $3,000 per employee. Jobs created in rural communities and enterprise zones, as well as those paying higher annual average wages, are eligible for more incentives.

The authority to certify new applicants for the QTI program expired on June 30, 2020, but existing tax refund agreements continue in accordance with the contract terms. Based on current contracts, the anticipated program end date is fiscal year 2037-38.[45]

The Office of Economic and Demographic Research (EDR) analyzes the Return on Investment (ROI) of QTI every three years. For 2023, EDR reports that the ROI of the program does not break even at 0.23, however, the state does recover a portion of the cost of the program.[46] Furthermore, EDR indicates that during the review process, DEO discovered a data error that was consistent through all prior review periods. EDR analyzed the corrected data sets for prior review periods and published the following chart with updated ROIs for each review period:

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[42] *Id.*
[43] S. 288.061(1), F.S.
[44] S. 288.106(2)(j), F.S.
[45] Office of Program Policy Analysis and Government Accountability, *Florida Economic Development Program Evaluations – Year 10 supra* n. 38, p. 1.
[46] Office of Economic and Demographic Research, *Economic Evaluation for Select State Economic Development Incentive Programs*, 20 (February 2023), available at http://edr.state.fl.us/Content/returnoninvestment/ROISELECTPROGRAMS2023final.pdf (last visited Mar. 13, 2023).

Report Year	Old ROI	New ROI
2014	6.40	-0.27
2017	4.40	0.84
2020	4.34	0.66

[47]

Qualified Defense Contractor and Space Flight Tax Refund (QDSC)

In 1996, the Legislature implemented the Qualified Defense Contractor and Space Flight Business Tax Refund Program (QDSC) to create and retain high quality, high wage jobs for Floridians in the defense and space industries.[48] Historically, the program was designed to protect the state's defense businesses and jobs from reductions in federal defense spending.[49] The program provides tax refunds for job creation similar to those awarded through the Qualified Target Industry Tax Refund Program (QTI). However, the programs differ in that tax refunds under the QDSC program are paid for both created and retained jobs. In addition, QDSC program participation is limited to certain defense and space flight contractors, while QTI includes a wider range of industries.[50] Incentive awards range from $3,000 to $8,000 per job.[51]

QDSC tax refunds were provided to qualifying businesses bidding on new competitive contracts or consolidating existing defense or space flight business contracts, converting defense production jobs to nondefense production jobs, or reusing defense-related facilities. A business could not apply for the tax refund after submitting a proposal or deciding to consolidate a defense or space flight contract. Businesses seeking to qualify for the program were required to meet several requirements including deriving not less than 60% of gross receipts in the state from defense or space flight business contracts over the last fiscal year and over the five years preceding the date an application was submitted; creating net new Florida jobs; paying an annual average wage of at least 115% of the average wage in the area where the project was located; and providing a local government resolution of financial support amounting to 20% of the total tax refund.

The QDSC program was a performance-based incentive tied directly to defense or space flight business contracts. Businesses qualified for the program in three ways:

- Contract or subcontract consolidations that resulted in either a 25 percent increase in employment or at least 80 new Florida jobs;
- Defense production conversion projects that resulted in a net increase in nondefense employment at the applicant's facilities in Florida; or
- Reuse projects that resulted in the creation of at least 100 jobs for contracts with a duration of two or more years.[52]

A recent OPPAGA report recommends that the Legislature consider eliminating or modifying the QDSC program, given that the program expired in 2014 and no businesses remain in the program.[53]

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[47] *Id.*

[48] S. 288.1045, F.S.

[49] The 2008 Legislature amended the program to include space flight businesses (ch. 2008-89, Laws of Fla.).

[50] According to state law, a program applicant is a business that holds or is a subcontractor under a valid U.S. Department of Defense contract or space flight contract, or a business entity that holds a valid contract for the reuse of a defense-related facility.

[51] S. 288.1045, F.S. The per-job award increases from the $3,000 base when wages exceed 150 percent of the area or statewide annual wage, and when projects are located in specified locations. These included a rural county, an Enterprise Zone, or until 6/30/14, in any of the eight counties that were disproportionately affected by the BP Gulf Oil Spill: Bay, Escambia, Franklin, Gulf, Okaloosa, Santa Rosa, Walton and Wakulla Counties. From 7/1/11 through 6/30/14, DEO could waive wage or local financial support eligibility requirements for Disproportionately Affected Counties.

[52] S. 288.1045, F.S.

[53] Office of Program Policy Analysis and Government Accountability, *Florida Economic Development Program Evaluations – Year 9*, 7 (December 2021), available at https://oppaga.fl.gov/Documents/Reports/21-09.pdf (last visited Mar. 13, 2023).

Brownfield Redevelopment Bonus Refund

The Brownfield Redevelopment Bonus Refund was established in 1997 to improve economic activity in designated Brownfield areas.[54] These areas are designated by the respective community for the presence or perceived presence of economic blight or environmental contamination. Legislation passed in 2013 changed the Brownfield Redevelopment Bonus Tax Refund requirements so that projects only qualify if the project is either on a parcel designated as a Brownfield site or on any real property abutting the Brownfield site within a Brownfield area. Prior to 2013, projects qualified if the development was simply within a Brownfield area.

As with the QTI and QDSC programs, the Brownfield program requires 20 percent of the award to come from the local government. These incentives are grant programs, subject to annual appropriations. The Brownfield Redevelopment Bonus Refund allows eligible businesses to claim an additional $2,500 tax refund per employee for each new Florida job created in a Brownfield area eligible for bonus refunds.

Eligible businesses include: certified QTI businesses; businesses 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 eligible for bonus refunds, and that provides benefits to its employees.

As with other programs, the Brownfield program requires performance-based contracts and specific milestones to be met in order for a project to receive awards.

Because DEO can no longer approve a qualified target industry business to be eligible for tax refunds after DEO's authority to certify applicants expired on June 30, 2020, DEO may also not currently approve such business under the Brownfield Redevelopment Bonus Program.[55]

EDR's most recent analysis of the Brownfield program reflects an ROI of -0.89, indicating that for the review period the State lost all of its investment and incurred additional costs.[56] This number reflects a decrease from the 2020 review, when EDR reported an ROI of 1.51 for the program.[57]

Urban High-Crime Area Job Tax Credit Program

In 1997, the Legislature created the program to encourage job creation in certain urban high-crime areas. The Urban High-Crime Area Job Tax Credit Program provides job tax credits to businesses that are in specified industries and are located in designated urban areas of the state.[58] Businesses can use the credits to reduce sales and use tax or corporate income tax liability.

Eligible industries include agriculture, forestry, and fishing; manufacturing; retail; public warehousing and storage; hotels and other lodging places; research and development; motion picture production and allied services; public golf courses; amusement parks, and call centers or similar customer service operations that service multistate or international markets.[59]

[54] S. 288.107, F.S.
[55] Office of Program Policy Analysis and Government Accountability, *Florida Economic Development Program Evaluations – Year 10 supra* n. 38, p. 14.
[56] Office of Economic and Demographic Research, *Economic Evaluation for Select State Economic Development Incentive Programs supra* n. 46, p.22.
[57] *Id*. at 5.
[58] S. 212.097, F.S.
[59] S. 212.097(1)(a), F.S.

DEO is responsible for determining whether areas nominated by local governments are eligible for designation as a high-crime area.[60] Every third year, the department is statutorily required to rank and tier nominated areas according to five criteria:[61]

- Highest arrest rates within the geographic area for violent crime and for such other crimes as drug sale, drug possession, prostitution, vandalism, and civil disturbances.
- Highest reported crime volume and rate of specific property crimes such as business and residential burglary, motor vehicle theft, and vandalism.
- Highest percentage of reported index crimes that are violent in nature.
- Highest overall index crime volume for the area.
- Highest overall index crime rate for the geographic area.

Designated urban high-crime areas are ranked into three tiers. There is no threshold level of crime that qualifies or disqualifies an area for designation as an urban high-crime area; instead, nominees ranked 1 to 5 are tier one, those ranked 6 to 10 are tier two, and those ranked 11 to 15 are tier three. The tax credit amount awarded to an eligible business varies depending on the tier ranking of the area in which the business is located, whether the business is new or existing, and the number of qualified employees. A qualified employee must work for an eligible business at least 36 hours per week for at least three months.[62]

Tier	Eligibility Requirements	Credit Amount
Tier 1	• New business – At least 10 qualified employees • Existing business – At least 5 qualified employees	$1,500 per employee
Tier 2	• New business – At least 20 qualified employees • Existing business – At least 10 qualified employees	$1,000 per employee
Tier 3	• New business – At least 30 qualified employees • Existing business – At least 15 qualified employees	$500 per employee

[63]

The maximum credit amount that may be approved during any calendar year is $5 million, of which $1 million shall be exclusively reserved for tier-one areas.[64] The Department of Revenue, in conjunction with the Department of Economic Opportunity, shall notify the governing bodies in areas designated as urban high-crime areas when the $5 million maximum amount has been reached. Applications must be considered for approval in the order in which they are received without regard to whether the credit is for a new or existing business. This limitation applies to the value of the credit as contained in approved applications. Approved credits may be taken in the time and manner allowed pursuant to this section.

Between 2014 and 2022, a handful of businesses accounted for over 90% of the approved tax credits. Universal City Development Partners, LTD (i.e., Universal Studios) received the most approved credits at over $6.5 million (54% of the tax credits approved).[65] The top ten companies account for the majority of the tax credits, as follows:[66]

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[60] OPPAGA, Research Memorandum, Urban High-Crime Area Job Tax Credit Program, p. 1 (January 5, 2015). The local government must provide DEO the (a) overall index crime rate for the geographic area; (b) overall index crime volume for the area; (c) percentage of reported index crimes that are violent in nature; (d) reported crime volume and rate of specific property crimes such as business and residential burglary, motor vehicle theft, and vandalism; and (e) arrest rates within the geographic area for violent crime and for such other crimes as drug sale, drug possession, prostitution, disorderly conduct, vandalism, and other public-order offenses.

[61] *Id.*

[62] *Id* at 2.

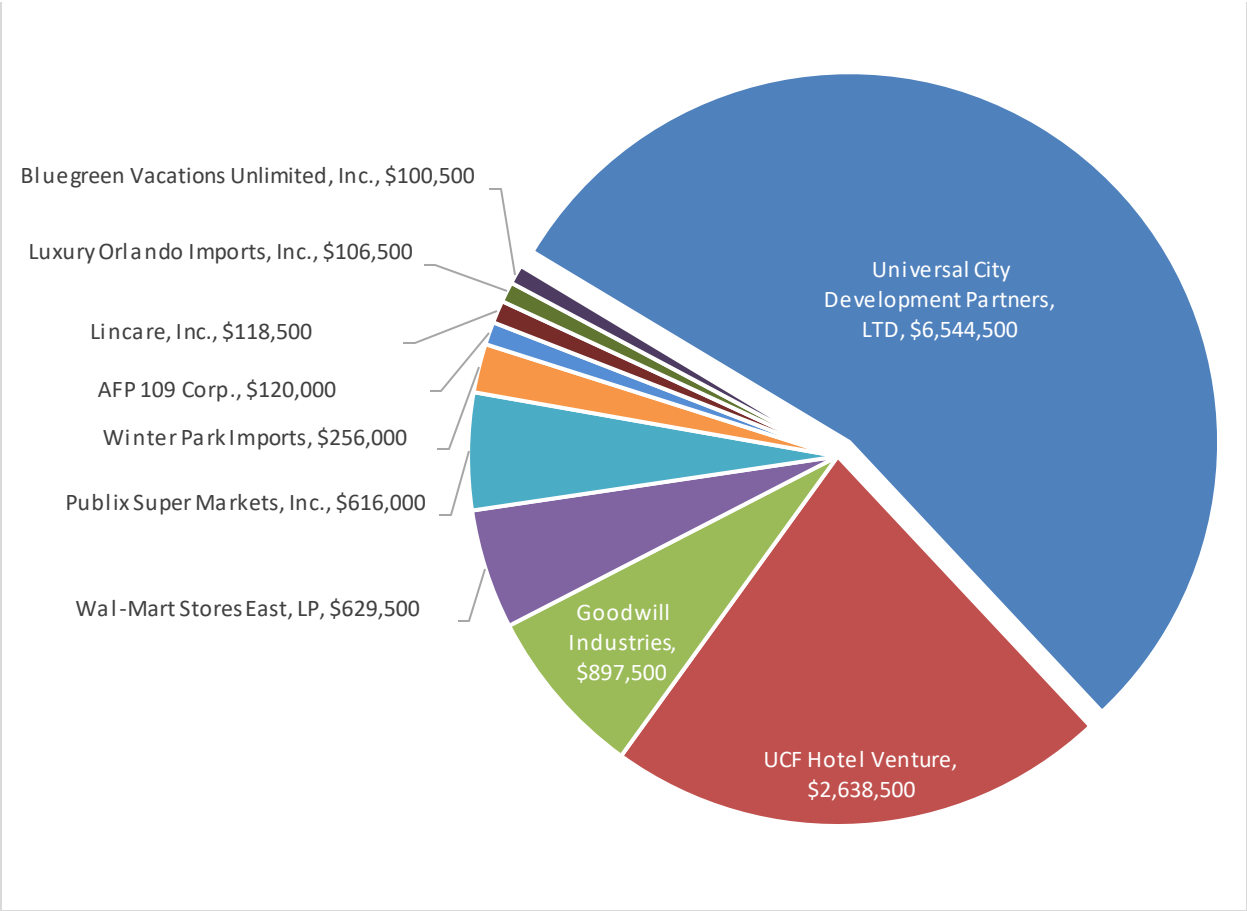
[63] S. 212.097(2)-(3), F.S.

[64] S. 212.097(10)(c), F.S

[65] Email from Emily Leventhal, Staff Director, Office of Program Policy Analysis & Government Accountability, RE: Completed chart enclosed (Mar. 15, 2023).

[66] *Id.*

Top Ten Approved Urban High-Crime Area Job Tax Credits From 2014 Through 2022



Capital Investment Tax Credit

The Capital Investment Tax Credit (CITC) is designed to attract and grow capital-intensive industries in Florida.[67] Eligible projects must be in designated high-impact portions of certain sectors, determined by DEO, including clean energy, life sciences, financial services, information technology, semi-conductors, transportation equipment manufacturing, or advanced manufacturing. Corporate headquarters facilities are also eligible.[68] The annual credit can be provided for up to twenty years against corporate income tax liability. DEO reported that $61,179,087 in tax credits were claimed in 2021, and $70,111,200 were claimed in 2020.[69]

To apply for the CITC, a business must meet cumulative capital investment requirements, among other criteria. For the purposes of the CITC tax credit "cumulative capital investment" is defined as the total capital investment in land, buildings, and equipment made in connection with a qualifying project during the period from the beginning of construction of the project to the commencement of operations.[70]

EDR projects the ROI for the CITC program at -0.48, which indicates that the State loses all of its investment and incurs additional costs.[71]

New Markets Development Program

[67] S. 220.191, F.S.
[68] DEO, 2021-2022 Annual Incentives Report, p. 39.
[69] *Id*. at 34.
[70] S. 220.191(1)(b), F.S.
[71] Office of Economic and Demographic Research, *Economic Evaluation for Select State Economic Development Incentive Programs supra* n. 46, p.5.

In 2009, the Legislature passed the New Markets Development Program Act (NMDP).[72] The program, which is modeled after the federal New Markets Tax Credit Program, allows taxpayers to earn credits against specified taxes by making qualified investments in qualified community development entities that, in turn, invest in businesses in low-income communities to create and retain jobs in such communities.[73]

Qualified community development entities apply to DEO for approval of a proposed investment as a qualified investment.[74] A qualified community development entity is a federally-certified Community Development Entity, which has entered into an allocation agreement with the U.S. Department of Treasury with respect to tax credits and is authorized under the allocation agreement to serve Florida businesses.[75] A qualified investment is an equity investment in, or a long-term debt security issued by, a qualified community development entity that is issued solely in exchange for cash and is approved by DEO.[76] Often, the equity investor will make its investment with the help of a loan.[77]

The applications, which DEO reviews and approves on a first-come first-serve basis,[78] must include the following:

- the name, address, and tax identification number of the qualified community development entity;
- proof of certification as a qualified community development entity under 26 U.S.C. s. 45D;
- a copy of an allocation agreement executed by the qualified community development entity, or its controlling entity, and the Community Development Financial Institutions Fund, which authorizes the entity to serve businesses in this state;
- a verified statement by the chief executive officer of the entity that the allocation agreement remains in effect;
- a description of the proposed amount, structure, and purchaser of an equity investment or long-term debt security;
- the name and tax identification number of any person authorized to claim a tax credit earned as a result of the purchase of the proposed qualified investment;
- a detailed explanation of the proposed use of the proceeds from a proposed qualified investment;
- a nonrefundable application fee of $1,000, payable to the department; and
- a statement that the entity will invest only in the industries designated by the department.[79]

Once DEO has approved the qualified investment, the taxpayer is eligible to receive tax credits, and the qualified community development entities can invest the proceeds received from the qualified investment in a qualified active low-income community business (up to $10 million per qualified active low-income community business).[80] A qualified active low-income community business is a business that, among other requirements, derives at least 50% of its total gross income from within a low-income community.[81] A low-income community means a population census tract within the state with a particular poverty rate or average median family income (depending on where the tract is).[82]

Taxpayers that make a qualified investment in qualified community development entities may receive tax credits against the corporate income tax found in s. 220.11, F.S. or the insurance premium tax found in s. 624.509, F.S. The taxpayer may not claim the credit in the first two years after the investment. In year three after the investment, the credit is worth 7% of the qualified investment, and

[72] Ch. 2009-50, Laws of Fla.
[73] S. 288.9912, F.S.
[74] S. 288.9914, F.S.
[75] S. 288.9913(6), F.S.
[76] S. 288.9913(7), F.S.
[77] The loan allows the taxpayer to make a larger investment, to in turn receive a greater amount of tax credits through the program. Current law does not dictate where the loan must come from. Accordingly, the loan may come from an affiliate of the qualified active low income community business.
[78] S. 288.9914(3), F.S.
[79] S. 288.9914(2), F.S.
[80] S. 288.9915, F.S.
[81] S. 288.9913(5), F.S.
[82] S. 288.9913(3), F.S

from the fourth year through the seventh year the credit is worth 8%. As in the federal program, over seven years the credit totals 39% of the total qualified investment in the qualified community development entity. Therefore, a taxpayer with qualified investments approved for both the federal and state programs could receive 78% of the purchase price of the investment in tax credits over seven years. [83]

Any unused portion of the tax credit may be carried forward for future tax years. The department may not approve a cumulative amount of qualified investments that may result in the claim of more than $216.34 million in tax credits during the existence of the program or more than $36.6 million in tax credits in a single state fiscal year.[84]

Qualified community development entities must follow certain time limits relating to qualified investment applications and issuance: [85]

- The department must approve or deny an application for a proposed investment to become a qualified investment within thirty days after receipt. If the department intends to deny an application, the department must inform the applicant of the basis of the proposed denial. The applicant then has fifteen days after it receives such notice to submit a revised application to the department. The department must issue a final order approving or denying the revised application within thirty days after receipt of the revised application.
- A qualified community development entity must issue a qualified investment in exchange for cash within sixty days after it receives the order approving an investment as a qualified investment.
- A qualified community development entity must provide the department with evidence of the receipt of the cash they received in exchange for the qualified investment within thirty business days after receipt.
- Within thirty days after a credit allowance date, a qualified community development entity that has issued a qualified investment shall submit extensive information to the department relating to all investments they made in qualified active low-income community businesses since the last credit allowance date.

Section 288.9918, F.S., requires qualified community development entities that have issued a qualified investment to submit an annual report to the department by January 31 after the end of each year that includes a "credit allowance date," or date on which a qualified investment is made and the six subsequent anniversaries of that date. In addition, by April 30 after the end of each year that includes a credit allowance date, each qualified community development entity shall submit to the department annual financial statements for the preceding tax year, audited by an independent certified public accountant.[86]

Section 288.9922, F.S., provides that the New Markets Development Program expired on December 31, 2022.

The ROI for the New Markets Development Program is -0.98, indicating that the state lost all of its investment in the program and incurred additional costs.[87]

High-Impact Sector Performance Incentive

The High Impact Performance Incentive (HIPI)[88] grant program is designed to spur capital investment and job creation in designated portions of high-impact sectors including clean energy, life sciences, financial services, information technology, silicon technology, transportation equipment manufacturing,

[83] *See* s. 288.9916(1), F.S.
[84] S. 288.9914(3)(c), F.S.
[85] S. 288.9914(3), F.S.
[86] S. 288.9918(2), F.S.
[87] Office of Economic and Demographic Research, *Economic Evaluation for Select State Economic Development Incentive Programs supra* n. 46, p.5.
[88] S. 288.108, F.S.

or a corporate headquarters facility.[89] This performance-based cash award is paid in two equal installments, one upon commencement of operations and the other upon commencement of full operations.[90] The program has an annual cap of $30 million for scheduled performance grant payments.[91] This program authorizes the recapture of funds if a business fails to meet its contractual performance requirements. Currently, the DEO "certifies" a qualified high impact business for program participation.

An "eligible high-impact business" is a business in one of the high-impact sectors identified by EFI, and certified by DEO, which is making a cumulative investment in the state of at least $50 million and creating at least fifty new full-time equivalent jobs, or a research and development facility making a cumulative investment of at least $25 million and creating at least twenty-five new full-time equivalent jobs. Such investment and employment must be achieved in a period not to exceed three years after the date the business is certified as a qualified high-impact business.[92]

DEO reviews the application before the business has made a decision to locate or expand a facility in this state. The business must provide the following information:

- A complete description of the type of facility, business operations, and product or service associated with the project.
- The number of full-time equivalent jobs that will be created by the project and the average annual wage of those jobs.
- The cumulative amount of investment to be dedicated to this project within three years.
- A statement concerning any special impacts the facility is expected to stimulate in the sector, the state, or regional economy and in state universities and community colleges.
- A statement concerning the role the grant will play in the decision of the applicant business to locate or expand in this state.
- Any additional information requested by the department.[93]

Amounts of the awards vary based on certain guidelines used by DEO in conjunction with other relevant applicant impact and cost information and analysis. The awards can range anywhere from $500,000 for a cumulative investment of $50 million and creating 50 jobs to $12 million for a cumulative investment of $800 million and creating 800 jobs.[94]

Within ten business days after DEO receives the submitted High-Impact Sector Performance Incentive application, the executive director of DEO must approve or disapprove the application and issue a letter of certification which includes a justification of that decision, unless the business requests an extension of that time. DEO has the authority to grant awards to qualifying High-Impact Sector Performance Incentive projects without approval by the Governor or Legislative Budget Commission (LBC).[95]

For fiscal year 2021-2022, DEO reports that it did not receive any applications for the HIPI program, thus, no applications were approved and no agreements were executed.[96]

EDR reports an ROI of -0.79 for the HIPI Program, which mean that the State lost all of its investment and incurred additional costs.[97]

Quick Action Closing Fund

[89] DEO, 2021-2022 Annual Incentives Report, p. 38.
[90] *Id*.
[91] S. 288.108(4)(a), F.S.
[92] S. 288.108(2)(c), F.S.
[93] S. 288.108(5), F.S.
[94] S. 288.108(3)(b), F.S.
[95] S. 288.108(3)-(5), F.S.
[96] DEO, 2021-2022 Annual Incentives Report, p. 9.
[97] Office of Economic and Demographic Research, *Economic Evaluation for Select State Economic Development Incentive Programs supra* n. 46, p.5.

The Quick Action Closing Fund (QAC) was created in 1999 as a discretionary "deal closing" tool in highly competitive negotiations where the state's traditional incentives are not enough to compel a business to relocate, initiate, or expand a project in Florida.[98] The program was created in reaction to the announcement that the space shuttle program was being discontinued by NASA with expected job losses that would negatively impact families, companies, the state, and regional economies.[99]

Under current law, in order to be eligible for QAC funds a project must meet the following criteria:

- Be in a qualified target industry;
- Have a positive economic benefit ratio of at least 5 to 1;
- Pay an average annual wage of at least 125 percent of the area-wide or statewide private sector average wage; and
- Be supported by the local community in which the project is to be located.[100]

DEO and EFI jointly review applications[101] and determine the eligibility of each project. Waiver of the criteria may be considered under the following criteria:

- Based on extraordinary circumstances;
- In order to mitigate the impact of the conclusion of the space shuttle program; or
- In rural areas of opportunity if the project would significantly benefit the local or regional economy.[102]

DEO is required to evaluate proposals for high-impact business facilities based on the following:

- a description of the type of facility or infrastructure, its operations, and the product or service associated with the facility;
- the number of full-time equivalent jobs that will be created by the facility and the total estimated average annual wages of those jobs;
- the cumulative amount of capital investment to be made in the facility;
- a statement of any special impacts the facility is expected to stimulate in a particular business sector in the state or region or in the state's universities or colleges;
- a statement of the role the award will play in the decision of the company to locate or expand in the state; and
- a report evaluating the quality and value of the company submitting the proposal.[103]

Within seven business days of evaluating a project, DEO must recommend to the Governor that a project be approved or disapproved for an award. The Governor is authorized to award projects less than $2 million without Legislative approval. For project awards between $2 million and $5 million, the Governor must provide a written description and evaluation of a project award to the chair and vice chair of the LBC at least ten days prior to giving final approval for a project award. Project awards over $5 million must be approved by the LBC prior to funds being released. Following approval, DEO is required to enter into a contract with the business which specifies the conditions for payment of funds.[104] The contract must include the total amount of funds awarded, the performance conditions for the project,[105] a baseline of current service with a measure of enhanced capability following the project, methodology for measuring performance, the schedule of payments, and sanctions for failure to meet performance conditions.[106]

[98] S. 288.1088, F.S.
[99] S. 288.1088(1)(b), F.S.
[100] S. 288.1088(2), F.S.
[101] S. 288.061, F.S.
[102] S. 288.1088(2), F.S.
[103] S. 288.1088(3), F.S.
[104] S. 288.1088(3)(d), F.S.
[105] Performance conditions include net new employment in the state, average salary, and total capital investment. *See* s. 288.1088(3)(d), F.S.
[106] S. 288.1088(3)(d), F.S.

The program is funded by a specific annual appropriation, and has no cap. DEO reports that the Quick Action Closing Fund was last funded in 2015-16. Additionally, the report stated that DEO did not receive any applications for the program.[107]

Innovation Incentive Program

The Innovation Incentive Program (IIP) [108] was established in 2006 to provide financial resources so that the state can "respond expeditiously to extraordinary economic opportunities and to compete effectively for high-value research and development, innovation business, and alternative and renewal energy projects." To be eligible for consideration to receive an IIP award, an innovation business, a research and development entity, or an alternative and renewable energy company must submit a written application to DEO before making a decision to locate new operations in the state or expand an existing operation in the state.

To qualify for review by DEO, the applicant must establish that the jobs created by the project must pay an estimated annual wage of at least 130% of the average private sector wage and state awards must be matched by local sources. IIP performance contracts also include a reinvestment requirement, obliging recipients to remit a portion of their royalty revenue back to the state for reinvestment. [109]

DEO is authorized to waive the average wage requirement and the one-to-one match from the local community at the request of EFI, for a project located in a rural area, a brownfield area, or an enterprise zone, when the merits of the individual project or the specific circumstances in the community in relationship to the project warrant such action.

DEO must make a recommendation to the Governor to approve or deny an Innovation Incentive Program award. If the project is recommended, DEO must include in their recommendation proposed performance conditions that the applicant must meet in order to obtain incentive funds and any other conditions that are required to be met before the receipt of any incentive funds. The Governor must approve or deny the award based on the valuation and recommendation received from DEO, and consult with the President of the Senate and the Speaker of the House of Representatives prior to approving an award. The funds may not be released until the award has been reviewed and approved by the LBC.[110]

Upon approval, DEO and the award recipient must enter into an agreement that specifies the amount of the award, the performance conditions and measures, and a schedule of payments and sanctions for failure to comply with performance conditions, including claw back provisions. Agreements signed on or after July 1, 2009, must also include, among other things, provisions related to job creation, reinvestment of royalty revenues, reporting requirements, and a process for amending the agreement.[111]

DEO has not received an appropriation for the program since fiscal year 2011-12, and the last approved gran under the IIP was at that time.[112]

Cooperative Matching Grants Program

Under current law, EFI is authorized to administer a cooperative matching grants program to expend funds and enter into contracts with local governments and nonprofit corporations for the purpose of promoting the tourism advantages of the state.[113] The total annual allocation of funds for the program

[107] DEO, 2021-2022 Annual Incentives Report, p. 9.
[108] S. 288.1089, F.S.
[109] Office of Program Policy Analysis and Government Accountability, *Florida Economic Development Program Evaluations – Year 10 supra* n. 38, p. 18.
[110] S. 288.1089(7), F.S.
[111] S. 288.1089(8), F.S.
[112] Office of Program Policy Analysis and Government Accountability, *Florida Economic Development Program Evaluations – Year 10 supra* n. 38, p. 1.
[113] S. 288.017(1), F.S.

may not be more than $40,000, and each grant award is limited to $2,500. Each grant award must be matched by nonstate funds.[114] EFI is required to conduct an annual competitive selection process for the grants and make recommendations to DEO regarding potential grant recipients, however, DEO has ultimate approval authority for the grant program.[115]

Sports Programs

Florida Sports Foundation

EFI is responsible for assisting and marketing professional and amateur sports teams and sporting events in Florida and is required to create a division to carry out such responsibility.[116] The Florida Sports Foundation, Inc. (FSF) is a 501(c)(3) non-profit corporation, serving as the official sports promotion and development organization for the State of Florida. It is charged with the promotion and development of professional, amateur, and recreational sports, physical fitness opportunities, and assisting communities and host organizations in attracting major and minor sports events to help produce a thriving Florida sports industry and environment.

The 1989, the Legislature provided that the Office of Tourism, Trade, and Economic Development (OTTED) could authorize a "direct support organization" to assist the office with a number of sports related responsibilities. The direct-support organization that ultimately fulfilled such role was the FSF.

In 2011, when Florida lawmakers reorganized certain governmental agencies to create the Department of Economic Opportunity (which, among other responsibilities, took over the operations of OTTED), the statute providing for the direct support organization (s. 288.1229, F.S.) was repealed.[117] EFI continued as the official sports promotion and development organization for the state and the FSF is currently housed within EFI and serves as EFI's Division of Sports Industry Development. The FSF's stated mission is to:

- Provide grants to support sporting events that bring out-of-state visitors to Florida;
- Produce and distribute annual golf, fishing and boating, and baseball spring training guides for both in-state and out-of-state tourists; and
- Organize the annual Sunshine State Games, an Olympic-style festival for Floridians of all ages, and the Florida Senior Games State Championships for senior athletes, age 50 and over.[118]

International Game Fish Association World Center

The International Game Fish Association (IGFA) is a nonprofit organization founded in 1939 that focuses on the conservation of game fish and the promotion of responsible and ethical angling practices. The association is currently headquartered in Dania Beach, Florida.

In 1996, the Florida Legislature created a funding program for the IGFA to build and maintain its "World Center" facility in Florida.[119] The program required the IGFA to apply for and receive certification from DEO, which the IGFA accomplished in February, 2000.[120]

IGFA received funding after initially meeting the following requirements:

- The IGFA World Center must be the only fishing museum, hall of fame, and international administrative headquarters in the U.S. recognized by the IGFA, and that one or more private sector entities committed to donate to the IGFA land upon which the facility will operate;
- IGFA is a nonprofit Florida corporation that has contracted to construct and operate the facility;
- The municipality or county (if located in an unincorporated area) in which the facility is located has passed a resolution that states the facility serves a public purpose;

[114] S. 288.017(2), F.S.
[115] S. 288.017(3), F.S.
[116] Ss. 288.901 and 288.9015, F.S.
[117] Ch. 2011-142, Laws of Fla.
[118] Florida Sports Foundation, *ABOUT US*, https://playinflorida.com/about-us/ (last visited Mar. 13, 2023).
[119] Ch. 96-415, Laws of Fla.
[120] OPPAGA, Report No. 15-01, Economic Development Program Evaluations-Year 2, at 52 (Jan. 1, 2015).

- There are existing projections that the facility and co-located privately-owned facilities will attract an attendance of more than 1.8 million annually;
- There is an independent analysis which demonstrates that the amount of sales tax generated by sales at the facility will at least equal $1 million annually;
- There are existing projections that the project will attract more than 300,000 out-of-state visitors annually;
- The applicant has submitted an agreement to provide $500,000 annually in national and international media promotion of the facility during the period of time that it receives state funds;
- Documentation exists that demonstrates the applicant has provided, or is capable of providing, more than one-half of the cost related to the improvements and the development of the facility; and
- The application for certification is signed by senior officials of the IFGA and is notarized according to state law. [121]

In addition, Florida law required the World Center to be recertified every ten years by demonstrating that it was open, continued to be the only international administrative headquarters, fishing museum, and hall of fame in the country recognized by the IGFA, and was meeting at least one of the minimum projections established at the time of original certification: 300,000 annual visitors or $1 million in annual sales tax revenue.[122]

Upon the granting of certification, the Department of Revenue distributed a lump sum payment of $999,996 to the IGFA and $83,333 per month thereafter for up to 168 months (for a total of $13,999,944). The state made its last disbursement to the facility in February 2014.[123]

Professional Sports Franchise Program

Authorized by the Legislature in 1988, the Professional Sports Franchise incentive is the state's funding mechanism to attract and retain pro sport franchises in Florida. Since 1991, qualified/certified applicants are eligible for up to $2 million annually for 30 years. These dollars are pledged with other local government resources to secure bonds to fund the acquisition, construction, reconstruction or renovation of pro sport facilities.[124]

State law provides certification and state funding for new or retained professional sports franchises in Florida to pay for acquiring, constructing, reconstructing, or renovating facilities. DEO is responsible for screening and certifying applicants for state funding, and the FSF provides access to information about the program.

"New professional sports franchise" means a professional sports franchise that was not based in this state before April 1, 1987. "Retained professional sports franchise" means a professional sports franchise that has had a league-authorized location in this state on or before December 31, 1976, and has continuously remained at that location, and has never been located at a facility that has been previously certified under any provision of this section.[125]

Before certifying an applicant as a facility for a new or retained professional sports franchise, DEO must determine that:

- A "unit of local government" as defined in s. 218.369, F.S., is responsible for the construction, management, or operation of the professional sports franchise facility or holds title to the property on which the professional sports franchise facility is located.
- The applicant has a verified copy of a signed agreement with a new professional sports franchise for the use of the facility for a term of at least 10 years, or in the case of a retained professional sports franchise, an agreement for use of the facility for a term of at least 20 years.

[121] S. 288.1169(2), F.S.
[122] *Id*.
[123] OPPAGA, Report No. 15-01 *supra* n. 120, p. 52.
[124] S. 288.1162, F.S.
[125] S. 288.1162(3), F.S.

- The applicant has a verified copy of the approval from the governing authority of the league in which the new professional sports franchise exists authorizing the location of the professional sports franchise in this state after April 1, 1987, or in the case of a retained professional sports franchise, verified evidence that it has had a league-authorized location in this state on or before December 31, 1976. As used in this section, the term "league" means the National League or the American League of Major League Baseball, the National Basketball Association, the National Football League, or the National Hockey League.
- The applicant has projections, verified by DEO, which demonstrate that the new or retained professional sports franchise will attract a paid attendance of more than 300,000 annually.
- The applicant has an independent analysis or study, verified by DEO, which demonstrates that the amount of the revenues generated by the taxes imposed under chapter 212 with respect to the use and operation of the professional sports franchise facility will equal or exceed $2 million annually.
- The municipality in which the facility for a new or retained professional sports franchise is located, or the county if the facility for a new or retained professional sports franchise is located in an unincorporated area, has certified by resolution after a public hearing that the application serves a public purpose.
- The applicant has demonstrated that it has provided, is capable of providing, or has financial or other commitments to provide more than one-half of the costs incurred or related to the improvement and development of the facility.
- An applicant previously certified under any provision of this section who has received funding under such certification is not eligible for an additional certification.[126]

No more than eight facilities can be certified as facilities for a new professional sports franchise or as facilities for a retained professional sports franchise, including in the total any facilities certified by the former Department of Commerce before July 1, 1996, and no more than one certification may be granted for any facility.[127]

Currently, under s. 218.64(3), F.S., counties may use up to $3 million annually of the local government half-cent sales tax allocated to that county for a number of purposes, including, as specified in s. 218.64(3)(a), F.S., "funding a certified applicant as a facility for a new or retained professional sports franchise under s. 288.1162, F.S., or a certified applicant as defined in s. 288.11621, F.S., for a facility for a spring training franchise."[128]

Under s. 212.20(6)(b), F.S., DEO distributes:
- $166,667 monthly to each applicant certified as a facility for a new or retained professional sports franchise pursuant to s. 288.1162, F.S., and
- Up to $41,667 monthly to each certified applicant as defined in s. 288.11621, F.S., for a facility for a spring training franchise.[129]

Distributions begin 60 days after such certification and continue for not more than 30 years, except as otherwise provided in s. 288.11621, F.S. An applicant certified as a facility for a new or retained professional sports franchise may use funds provided under s. 212.20, F.S., only for the public purpose of paying for the acquisition, construction, reconstruction, or renovation of a facility for a new or retained professional sports franchise to pay or pledge for the payment of debt service on, or to fund debt service reserve funds, arbitrage rebate obligations, or other amounts payable with respect to, bonds issued for the acquisition, construction, reconstruction, or renovation of such facility or for the reimbursement of such costs or the refinancing of bonds issued for such purposes.[130]

Spring Training Baseball Franchise Program

[126] S. 288.1162(4), F.S.
[127] S. 288.1162(6), F.S.
[128] S. 218.64(3), F.S.
[129] S. 212.20(6)(a), F.S.
[130] S. 288.1162(5), F.S.

The Spring Training Baseball Franchise incentive is the state's funding mechanism to attract and retain facilities for Major League Baseball (MLB) spring training in Florida. Qualified applicants are eligible for up to $500,000 annually for up to 30 years. These dollars are typically pledged with designated Tourist Development Tax revenue and other local government resources to secure bonds to fund the acquisition, construction, reconstruction or renovation of spring training facilities.

In 1991, the law establishing incentives to attract professional franchises to the state was significantly revised and expanded to include an incentive for spring training baseball franchises. Certification criteria for the spring training franchise incentive included a commitment by the franchise to use the facility for fifteen years, projections for paid attendance (at least 50,000 annually), demonstration of the financial capability to provide more than one-half of the costs incurred or related to the improvement or development of the facility, proof that the facility was located within 20 miles of an interstate or other limited-access highway system, and a requirement that the county levy a four-percent Tourist Development Tax, with 87.5% of the proceeds dedicated for the construction of the complex.[131] This law also limited the total number of awards for both the professional sports franchises and new spring training franchises to six, and prohibited facilities from receiving more than one award.

In 1999, the Legislature extended the use of the Professional Sports and Additional Professional Sports Tourist Development Taxes to fund debt service on spring training franchise facilities.[132] At that point, no local governments had applied for the incentive. In 2000, the law was amended to limit the incentive to "retained" rather than "new" spring training franchises; delete the requirement that the facility be located within 20 miles of an interstate or other limited-access highway system; establish ranking criteria for awards;[133] and limit the awards to publicly-owned facilities, authorized for in-state relocations.[134]

In 2006, the number of authorized awards for spring training facilities was expanded to ten, with the imposition of additional certification criteria. Counties were authorized to use up to $2 million of their local option half-cent sales tax revenues annually to fund facilities for new or retained professional sports franchises and facilities for retained spring training franchises.[135] Finally, the scope of the incentive was expanded in 2010, to include any spring training franchise rather than only "retained" spring training franchises.[136]

Currently, under s. 218.64(3), F.S., counties may use up to $3 million annually of the local government half-cent sales tax allocated to that county for a number of purposes, including, as specified in s. 218.64(3)(a), F.S., "funding a certified applicant as a facility for a new or retained professional sports franchise under s. 288.1162, F.S., or a certified applicant as defined in s. 288.11621, F.S., for a facility for a spring training franchise."[137]

Before certifying an applicant to receive state funding for a facility for a spring training franchise, DEO must verify that:

- The applicant is responsible for the acquisition, construction, management, or operation of the facility for a spring training franchise or holds title to the property on which the facility for a spring training franchise is located.
- The applicant has a certified copy of a signed agreement with a spring training franchise for the use of the facility for a term of at least 20 years. The agreement also must require the franchise to reimburse the state for state funds expended by an applicant under this section if the franchise relocates before the agreement expires. The agreement may be contingent on an award of funds under this section and other conditions precedent.

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[131] Ch. 91-274, Laws of Fla.
[132] Ch. 99-287, Laws of Fla.
[133] EDR, Return on Investment for the Florida Sports Foundation Grants and Related Programs, p. 21. (January 2015).
[134] Ch. 2000-186, Laws of Fla.
[135] Ch. 2006-262, Laws of Fla.
[136] Ch. 2010-140, Laws of Fla. (with provisions relating to the spring training incentive were transferred from s. 288.1162 to newly created s. 288.11621, F.S.)
[137] S. 218.64(3), F.S.

- The applicant has made a financial commitment to provide 50 percent or more of the funds required by an agreement for the acquisition, construction, or renovation of the facility for a spring training franchise. The commitment may be contingent upon an award of funds under this section and other conditions precedent.
- The applicant demonstrates that the facility for a spring training franchise will attract a paid attendance of at least 50,000 annually to the spring training games.
- The facility for a spring training franchise is located in a county that levies a tourist development tax under s. 125.0104.[138]

Each applicant certified since July 1, 2010, enters into an agreement that:
- Specifies the amount of the state incentive funding to be distributed.
- States the criteria that the certified applicant must meet in order to remain certified.
- States that the certified applicant is subject to decertification if the certified applicant fails to comply with this section or the agreement.
- States that DEO may recover state incentive funds if the certified applicant is decertified.
- Specifies information that the certified applicant must report to DEO.
- Includes any provision deemed prudent by DEO.[139]

A certified applicant may use funds provided under s. 212.20(6)(d)(6)(b), F.S., to:
- Serve the public purpose of acquiring, constructing, reconstructing, or renovating a facility for a spring training franchise.
- Pay or pledge for the payment of debt service on, or to fund debt service reserve funds, arbitrage rebate obligations, or other amounts payable with respect thereto, bonds issued for the acquisition, construction, reconstruction, or renovation of such facility, or for the reimbursement of such costs or the refinancing of bonds issued for such purposes.
- Assist in the relocation of a spring training franchise from one unit of local government to another only if the governing board of the current host local government by a majority vote agrees to relocation. [140]

Additionally, state funds awarded to a certified applicant for a facility for a spring training franchise may not be used to subsidize facilities that are privately owned, maintained, and used only by a spring training franchise.[141] The expenditure of state funds distributed to a certified applicant, must begin within 48 months after the initial receipt of the state funds, with the additional requirement of the construction of, or capital improvements to, a spring training facility being completed within 24 months after the project's commencement.[142]

Major League Baseball Spring Training Retention Program

Section 288.11631, F.S., authorizes local governments that partner with a spring training baseball franchise to apply for certification from DEO to receive state distributions for the purpose of renovating or constructing a spring training baseball facility.[143]

Certified applicants receive a distribution from state sales tax revenue of up to $83,333 per month for 20 years for a facility used by a single spring training franchise facility or up to $166,667 per month for 25 years for a facility used by more than one spring training franchise.[144] The amount of state incentive funding per certified applicant may not exceed $20 million if the applicant's facility is used by one franchise and $50 million if the applicant's facility is used by more than one franchise.[145]

[138] S. 288.11621(2)(a), F.S.
[139] S. 288.11621(2)(c), F.S.
[140] S. 288.11621(3)(a), F.S.
[141] S. 288.11621(3)(b), F.S.
[142] S. 288.11621(3)(d)(3), F.S.
[143] S. 288.11631(1)-(2), F.S.
[144] S. 212.20(6)(d)(6)(e), F.S.
[145] S. 288.11631(2)(c), F.S.

Section 288.11631, F.S., which became law in 2013, mostly mirrors the provisions of s. 288.11621, F.S. The differences between the sections include:

- The agreement must be for a minimum of the length of the term of the bonds issued for the construction or renovation of the facility, or if no such bonds are issued, at least 20 years.
- A new agreement may not be signed unless the previous agreement, if any, is within 4 years of expiring.
- There is no limit to the number of applicants which may be certified.
- The net increase in recreational areas represented by the facility is not considered in the evaluation process.
- The amount of state funding provided in the agreement between the applicant and DEO may not exceed $20 million, or if the applicant hosts 2 or more franchises, $50 million.
- Funds provided as a result of certification under this section may not be used to acquire or reconstruct a facility, or to assist a franchise in moving from one local government to another.

Motorsports Entertainment Complex

The motor sports entertainment complex incentive provides funding for the construction or expansion of motor sports entertainment complexes. A motorsports entertainment complex is a closed course racing facility.[146] DEO screens applications for the program. Before certifying an applicant, DEO must determine that:

- A unit of local government holds title to the land on which the motorsports entertainment complex is located or holds title to the motorsports entertainment complex.
- The municipality in which the motorsports entertainment complex is located, or the county if the complex is located in an unincorporated area, has certified by resolution that the complex serves a public purpose.[147]

An applicant certified as a motorsports entertainment complex may receive funding from the local government half-cent sales tax pursuant to s. 218.64, F.S. Similar to other sports programs, counties may use up to $3 million annually of the local government half-cent sales tax allocated to that county for a number of purposes, including a motor sports entertainment complex.[148] Funding for each motorsport complex shall begin 60 days after certification and shall continue for not more than 30 years.[149]

Per OPPAGA's most recent review of the sports related economic development programs, the Motorsports Entertainment Complex has not had any applicants or funds dispersed since the program's inception.[150]

Florida Sports Specialty License Plates

Florida law authorizes the Legislature to create "specialty" license plates that are available to any owner or lessee of a motor vehicle willing to pay an annual fee.[151] The collected fees are distributed by the Department of Highway Safety and Motor Vehicles (DMSMV) to statutorily designated organizations in support of a particular cause or charity. With respect to specialty license plates related to sports, the DHSMV distributes collected fees to EFI, which in turn administers the fees as statutorily directed. Currently, such sports-related specialty license plates include the following:

- the Florida United States Olympic Committee license plate;
- Florida Professional Sports Team license plates;
- the Florida Golf license plate;
- the Florida NASCAR license plate; and

[146] S. 288.1171(1), F.S.
[147] S. 288.1171(3), F.S.
[148] S. 218.64(3), F.S.
[149] *Id*.
[150] Office of Program Policy Analysis and Government Accountability, *Florida Economic Development Program Evaluations – Year 8 supra* n. 31, p. 35.
[151] S. 320.08058, F.S.

- the Florida Tennis license plate.

Entertainment Industry Incentives

Office of Film and Entertainment

The Office of Film and Entertainment (OFE) within the DEO develops, markets, promotes, and provides services to Florida's entertainment industry, including serving as a liaison between the industry and government entities and facilitating access to filming locations.[152] The Commissioner of Film and Entertainment is selected through a national search and must meet certain qualifications. The OFE is assisted by the Florida Film and Entertainment Advisory Council (council), which is composed of seventeen members, of which seven members are appointed by the Governor, and five members each are appointed by the President of the Senate and the Speaker of the House of Representatives.[153]

The OFE gathers statistical information related to the state's entertainment industry; provides information and services to businesses, communities, organizations, and individuals engaged in entertainment industry activities; administers field offices outside the state; and coordinates with regional offices maintained by counties and regions of the state. The OFE is also required to develop a five-year strategic plan to guide its activities, which is updated on an annual basis and aligns with the DEO's Strategic Plan for Economic Development. The OFE's mission is to build, support, and market the entertainment industry in Florida.

Entertainment Industry Incentive Programs

In 2003, the Legislature created the Entertainment Industry Financial Incentive Program,[154] which is a six-year program that began July 1, 2010, and the program expired on July 1, 2016. The program provided tax credits for qualified expenditures related to filming and production activities in Florida. These tax credits could be applied against the corporate income tax or sales and use taxes. Additionally, these tax credits could be transferred or sold one time.[155]

Over the six-year period, a total of $296 million in tax credits were authorized. Annual limitations for tax credits were set at:
- $53.5 million in Fiscal Year 2010-11;
- $74.5 million in Fiscal Year 2011-12; and
- $42 million in each Fiscal Year 2012-13, 2013-14, 2014-15, and 2015-16.[156]

Entertainment industry qualified production companies are eligible for several exemptions from taxes under ch. 212, F.S. A qualified production company can obtain a certificate to avoid paying tax at the point of sale, rather than claiming a refund after paying the tax.[157] Qualified production companies are exempt from paying sales tax for the following:
- *Lease or rental of real property* that is used as an integral part of an activity or service performed directly in connection with the production of a qualified motion picture (the term "activity or service" includes photography, casting, location scouting, and designing sets).[158]
- *Fabrication labor* when a producer uses his or her own equipment and personnel to produce a qualified motion picture.[159]

[152] S. 288.1251, F.S.; *see also* Florida Office of Film & Entertainment, http://filminflorida.com/ (last visited Mar. 13, 2023).
[153] S. 288.1252, F.S.
[154] S. 288.1254, F.S. *See* ch. 2003-81, Laws of Fla. In 2010, the incentive program was changed from a cash reimbursement type program to the current form. *See* ch. 2010-147, Laws of Fla.
[155] Also, tax credits may be relinquished to the Department of Revenue for 90% of the amount of the relinquished tax credit.
[156] S. 288.1254(7), F.S. In 2012, an additional year was added to the program. See s. 15, Ch. 2012-32, Laws of Fla.
[157] S. 288.1258, F.S.
[158] S. 212.031(1)(a)(9), F.S.
[159] Section 212.06(1)(b), F.S., provides a definition of the term "qualified motion picture" for purposes of ch. 212, F.S.

- *Purchase or lease of motion picture and video equipment and sound recording equipment* used in Florida for motion picture or television production or for the production of master tapes or master records.[160]
- *Sale, lease, storage, or use of blank master tapes, records, films, and video tapes*.[161]

The OFE reviews and approves applications for the exemptions and the Department of Revenue (DOR) issues certificates of exemption to the production companies.

Other Programs

Economic Gardening

In 2009, the Florida Legislature created the "Economic Gardening Technical Assistance Pilot Program" and "Economic Gardening Business Loan Pilot Program" to stimulate investment in Florida's economy by providing technical assistance and loans to expanding businesses in the state, respectively.[162]

The technical assistance program provides an avenue through which eligible companies can receive counseling services, access to technology and information, marketing services and advice, business management support, and other similar services.[163] To carry out the program, DEO contracted with the University of Central Florida (UCF), which in turn established the Florida Economic Gardening Institute or "GrowFL."[164]

To be eligible for assistance through GrowFL, a business must be a for-profit, privately held, investment-grade business that:
- employs at least ten persons but not more than fifty persons;
- has maintained its principal place of business in the state for at least the previous two years;
- generates at least $1 million but not more than $25 million in annual revenue;
- qualifies for the tax refund program for qualified target industry businesses under s. 288.106, F.S.; and
- has increased both its number of full-time equivalent employees in this State and its gross revenues during three of the previous five years.[165]

The loan program expired on July 1, 2016.[166]

Microfinance Loan Guarantee Program

The Microfinance Loan Guarantee Program is designed to stimulate access to credit for entrepreneurs and small businesses by providing guarantees for loans made to eligible entrepreneurs and small businesses. Microloan guarantees may be used for any allowable business purpose such as startup costs, working capital, and the acquisition of materials, supplies, furniture, fixtures, and equipment. Loan guarantees cannot exceed 50 percent of the total loan amount, and are limited to loans that range between $50,000 and $250,000.[167]

Economic Development Transportation Projects

The Economic Development Transportation Projects (Road Fund) is a grant fund administered by the Department of Transportation (DOT). Section 339.2821, F.S., provides for DOT, in consultation with

[160] S. 212.08(5)(f), F.S.
[161] S. 212.08(12), F.S.
[162] Ss. 288.1081 and 288.1082, F.S.
[163] S. 288.1082(2), F.S.
[164] DEO, 2015- 2016 Annual Incentives Report Page, p. 19.
[165] S. 288.1082(4), F.S.
[166] S. 288.1081(10), F.S.
[167] S. 288.9935, F.S.

DEO and EFI, to make and approve expenditures and contract with governmental bodies[168] for the direct costs of transportation projects.[169]

DOT, in consultation with DEO, reviews each transportation project for approval and funding. Transportation projects must be deemed "necessary to facilitate the economic development and growth of the state"[170] and the review must consider:

- 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 any program as an inducement for determining the transportation project's location;
- The amount of capital investment to be made by a business;
- The demonstrated local commitment;
- The location of the transportation project in an enterprise zone as designated in s. 290.0055, F.S.;
- The location of the transportation project in a spaceport territory as defined in s. 331.304, F.S.;
- The unemployment rate of the surrounding area; and
- The poverty rate of the community.[171]

DOT must approve a transportation project if it determines that the project will:

- Attract new employment opportunities to the state or expand or retain employment in existing companies operating within the state.
- Allow for the construction or expansion of a state or federal correctional facility in a county having a population of 75,000 or fewer which creates new employment opportunities or expands or retains employment in the county.[172]

The Road Fund is funded by the State Transportation Trust Fund.[173] The amount appropriated for this transfer varies from year to year. In 2012, the Legislature moved oversight of the fund from the DEO to DOT.

Funds for approved transportation projects may be used for expenses that are necessary for building new, or improving existing, transportation facilities, as well as administrative costs and equipment purchases specified in the contract. Funds may not be expended for the relocation of a business from one community to another community within the state unless DOT determines that, without the relocation, the business will move outside the state or determines that the business has a compelling economic reason for the relocation, such as creating additional jobs.[174] Approved projects are terminated if construction does not begin within four years after the date of the initial grant award.

The Florida Small Business Development Center Network

The Florida Small Business Development Center Network (network) provides oversight and coordination of entrepreneurial and business development services to support economic development in Florida by assisting entrepreneurs at every stage of the business life cycle.[175] The network was codified in Florida law in response to a federal program established by the U.S. Congress, which provides funding to small business development centers hosted by institutions of higher education.

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[168] Section 339.2821(1)(b)2., F.S. defines "Governmental body" as an instrumentality of the state or a county, municipality, district, authority, board, or commission, or an agency thereof, within which jurisdiction the transportation project is located and which is responsible to the department for the transportation project. Section 339.2821(2), F.S. provides that Space Florida may serve as the governmental body or as the contracting agency for a project within a spaceport territory.
[169] S. 339.2821, F.S.
[170] S. 339.2821(1)(b)2., F.S.
[171] S. 339.2821(2), F.S.
[172] S. 339.2821(3)(a), F.S.
[173] S. 339.08(1)(f), F.S.
[174] S. 339.2821(3)(c), F.S.
[175] S. 288.001, F.S.

The network must maintain a statewide advisory board, which represents various segments and industries of the economy in Florida, brings knowledge and skills that enhance the board's collective knowledge of small business assistance needs. The advisory board is formed to advise, counsel, and confer with the network's statewide director on matters pertaining to the operation of the network.[176] The Florida network consist of centers in nine different regions, with centers hosted at institutes of higher education throughout the state. Actual program services are delivered through regional centers. These centers provide professional expertise, tools, and information to small businesses to support business decisions in a complex and ever-changing marketplace.

Florida Small Business Technology Growth Program

Florida Small Business Technology Growth Program (SBTGP) is a subset of EFI that provides financial assistance to businesses in this state having high job growth and emerging technology potential and fewer than 100 employees.**[177]** SBTGP and its associated nonprofit[178] are under the guidance of EFI. EFI must establish and monitor a separate small business technology growth account in the Florida Technology Research Investment Fund for the Florida SBTGP. This fund consists of appropriations by the Legislature, proceeds of any collateral used to secure such assistance, transfers, fees assessed for providing or processing such financial assistance, grants, interest earnings, and earnings on financial assistance.

Scripps Florida Funding Corporation

The Scripps Florida Funding Corporation is a non-profit created by the Legislature to receive, hold, invest, administer, and disburse legislatively appropriated funds to Scripps Florida. Scripps Florida is an institute in Florida that the Scripps Research Institute planned to open to create a biotech hub in Palm Beach County. The facility was going to focus on conducting biomedical research related to AIDS, Alzheimer's disease, cancer, diabetes, hepatitis C, and Schizophrenia.[179] Scripps received $310 million from the state and $269 million from Palm Beach County to build its campus.[180] Scripps opened in 2009 on land adjacent to Florida Atlantic University. However, the biotech village promised by Scripps on a nearby 70 acres of land bought by Palm Beach County was never built. Instead the land was turned over to the Scripps Research Institute in May of 2021 for just $1. The University of Florida recently purchased the three buildings previously built by the Scripps Research Institute and the accompanying vacant land.[181]

International Offices Program

Section 288.012, F.S., establishes the International Offices Program to promote foreign direct investment. Current law authorizes DEO to contract with EFI to carry out the program.[182] EFI maintains 18 international offices locations in 15 different countries.[183]

EFI utilizes the international offices to: identify potential opportunities for investment in Florida; promote Florida for foreign direct investment; facilitate partnerships with local suppliers and distributors; and provide market specific information to Florida businesses.[184] A recent study by OPPAGA indicates that

[176] S. 288.001(4), F.S.
[177] S. 288.95155, F.S.
[178] S. 288.9519, F.S.
[179] OPPAGA, Report No. 09-36, *Scripps Florida Funding Corporation Complies with Requirements and Should be Continued*, p.1-2 (October 2009).
[180] Katherine Kokal, *UF will take over Jupiter Scripps campus, 70 acres nearby. Check out the price tag,* The Palm Beach Post (Jan. 12, 2022), available at https://www.palmbeachpost.com/story/news/local/pbgardens/2022/01/18/scripps-sells-palm-beach-county-research-campus-university-florida/9198371002/ (last visited Mar. 15, 2023).
[181] *Id*.
[182] S. 288.012(6), F.S.
[183] Office of Program Policy Analysis and Government Accountability, *Florida Economic Development Program Evaluations – Year 9 supra* n. 53, p. 80.
[184] *Id*. at 81.

during the review period, EFI's international offices reported generating $333.8 million in foreign direct investment from 121 projects.[185]

Florida International Trade and Promotion Trust Fund

The Florida International Trade and Promotion Trust Fund[186] is administered by DEO for the operation of EFI and for the operation of Florida international offices under s. 288.012, F.S. The Florida International Trade and Promotion Trust Fund receives 4.25% of the state's rental car surcharge tax.[187]

Return on Investment

The Legislature has directed the Office of Economic and Demographic Research (EDR) and the Office of Program Policy Analysis and Government Accountability (OPPAGA) to analyze and evaluate 21 state economic development incentive programs on a recurring three-year schedule.[188]

As part of their evaluation, EDR calculates the state's ROI in addition to reporting the impact on the key economic variables. In their most recent report, EDR reviewed the following programs:

- The Capital Investment Tax Credit (CITC) established under s. 220.191, F.S.;
- The Qualified Target Industry Tax Refund (QTI) established under s. 288.106, F.S.;
- The Brownfield Redevelopment Bonus Refund (BFR) established under s. 288.107, F.S.;
- High-Impact Business Performance Grants (HIPI) established under s. 288.108, F.S.;
- The Quick Action Closing Fund (QACF) established under s. 288.1088, F.S.;
- The Innovation Incentive Program (IIP) established under s. 288.1089, F.S.;
- Enterprise Zone Program (EZ) incentives established under ss. 212.08(5) and (15) , F.S.; and
- The New Markets Development Program established under ss. 288.991-288.9922, F.S.

[185] *Id*. at 85.
[186] S. 288.826, F.S.
[187] S. 212.0606(3)(a), F.S.
[188] S. 288.0001, F.S.

Return On Investment Analyses

Conducted by the Office of Economic and Demographic Research

Ranked Incentives and Investments	Working ROI*	3rd 3-yr ROUND	2nd 3-yr ROUND	1st 3-yr ROUND	STATUS
Economic Evaluation of Florida's Investment in Beaches	5.4				
International Offices Program	4.4	4.4	4.3	4.0	
Florida Sports Foundation Grant Program	4.3	4.3	4.8	4.7*	More than Breaks Even
VISIT FLORIDA Advertising	3.3	3.3	2.2	3.2	(State makes money from the investment)
Transportation: Seaports Program Area	2.7				
Transportation: Aviation Program Area	1.7				
Quick Action Closing Fund (QACF)	0.84	0.84	0.60	1.10	
Professional Sports Franchise Incentive	0.75	0.75	0.32	0.30	
Spring Training Baseball Franchise Incentive	0.54	0.54	0.22	0.11	
Entertainment Industry Sales Tax Exemption (STE)	0.49	0.49	0.58	0.54	
Qualified Target Industry (QTI)--*all years have been revised*	0.23	0.66	0.84	-0.27	
Transportation: Roads & Highways	0.19				
Microfinance Loan Program	0.15				
Professional Golf Hall of Fame Facility Incentive	0.15	0.15	0.12	-0.08	Does Not Break Even
Innovation Incentive Program (IIP)	0.10	n/a	0.10	0.20	(however, the State recovers a portion of the cost)
Microfinance Guarantee Program	0.08				
Entertainment Industry Financial Incentives Program (Tax Credit or FTC)	0.07	0.07	0.18	0.43	
Urban High-Crime Area Job Tax Credit	0.07				
Quick Response Training Program (QRT)	0.06	0.06	0.19	0.09	
Transportation: Public Transit	0.05				
Export Assistance Program	0.04	0.04	1.05	1.85	
Veterans Florida Entrepreneurship Program**	0.04				
Transportation: Rails	0.02				
Enterprise Zones***	-0.05				
International Game Fish Association World Center Facility Incentive	-0.09				
Capital Investment Tax Credit (CITC)--*all years have been revised*	-0.58	-0.22	-0.49	n/a	State Loses All of Its Investment
High-Impact Sector Performance Grant (HIPI)	-0.79	-0.85	0.05	0.70	(plus incurs additional costs)
Brownfield	-0.89	1.5	1.7	1.1	
New Markets Development Program	-0.98	-0.79	0.18	n/a	

NOTEs:

**All Incentives and Investments are ranked by using the last ROI that could be calculated--in some cases, the 4th Round. Two initiatives had to reach back to reviews from prior years.*

***The Veterans Florida Workforce Training Grant Program was also reviewed, but no ROI was calculated.*

****The Enterprise Zone Program has effectively sunset; the ROI was calculated in 2015.*

Effect of Proposed Changes

The bill eliminates EFI and provides that all duties, functions, records, pending issues, existing contracts, administrative authority, administrative rules, and unexpended balances of appropriations, allocations, and other public funds relating to the programs in EFI are transferred by a type two transfer to DEO.

The bill provides that VF may enter into an agreement with DEO to continue any existing program, activity, duty, or function necessary for operation of the foundation and that any funds held in trust for the corporation may be used for the purpose for which the funds were received.

Under the bill, the Florida Sports Foundation may enter into an agreement with DEO to continue any existing program, activity, duty, or function necessary for operation of the foundation and that any funds held in trust for the foundation may be used for the purpose for which the funds were received.

The bill removes DEO's ability to contract with EFI to administer the international offices program, moving the international offices program to DEO.

The bill provides for the repeal of the following programs and incentives:

- Urban High-Crime Area Job Tax Credit Program
- Entertainment industry tax credit
- Capital Investment Tax Credit
- Qualified defense contractor and space flight business tax refund program
- Qualified target industry businesses tax refund
- Brownfield Redevelopment Bonus Tax Refunds
- High-Impact Sector Performance Grants
- Economic Gardening Business Loan Pilot Program

- Economic Gardening Technical Assistance Pilot Program
- Quick Action Closing Fund
- Innovation Incentive Program
- Professional Sports Franchise Incentive
- Motorsports Entertainment Complex
- Spring Training Baseball Franchises
- Retention of Spring Training Baseball Franchises
- International Game Fish Association World Center Facility
- Florida Small Business Technology Growth Program
- New Markets Development Program
- Microfinance Loan program
- Microfinance Guarantee Program
- Economic Development Transportation Projects

In accordance with these repeals, the bill provides that no new or additional applications, certifications, contracts, agreements, or awards will be made, approved, issued, or executed. All certifications are rescinded except for those certified applicants or projects that continue to meet the criteria in effect before July 1, 2023. Existing contracts and agreements will continue in full force and effect in accordance with the statutory requirements in effect when the contract or agreement was executed or last modified.

Furthermore, the bill eliminates provisions related to the following programs and incentives:

- Office of Film and Entertainment
- Florida Film Advisory Council
- Entertainment industry sales tax exemptions
- Cooperative advertising matching grants program
- Florida Small Business Development Center Network[189]
- Scripps Florida Funding Corporation

The bill removes the language referencing EFI in the International Trade and Promotion Trust Fund, and likewise updates language throughout the Florida Statutes consistent with the repeals and changes in the bill.

The bill provides an effective date of July 1, 2023.

B. SECTION DIRECTORY:

Section 1: Amends s. 11.45, F.S., by deleting language referring to EFI.
Section 2: Amends s. 14.32, F.S., by deleting language referring to EFI.
Section 3: Amends s. 15.18, F.S., by deleting language referring to EFI.
Section 4: Amends s. 15.182, F.S., by deleting provisions relating to Department of State consulting EFI.
Section 5: Amends s. 20.435. F.S., by deleting cross reference.
Section 6: Amends s. 20.60, F.S., by deleting provisions relating to EFI and provisions relating the economic gardening business loan program.
Section 7: Repeals s. 20.601, F.S., relating to requiring DEO to conduct an annual report on EFI.
Section 8: Provides for the transfer of function, records, pending issues, existing contracts, administrative rules, and unexpected balances to be transferred; permits the Florida Sports Foundation to enter into an agreement with Department of Economic Opportunity.
Section 9: Provides that no new or additional applications shall be approved for specified programs.
Section 10: Amends s.125.0104, F.S., by adding new definition and deleting definition referencing the Professional sports franchises program and deleting cross reference.
Section 11: Amends s. 159.803, F.S., by deleting provision relating to Qualified Target Industry Tax Refund Program.

[189] While the bill does repeal the Florida statute regarding the Florida Small Business Development Center Network, the bill does not prohibit the SBDC from continuing to operate in the state.

Section 12: Amends s. 166.231, F.S., by updating cross reference relating to Enterprise Zones benefits.
Section 13: Amends s. 189.033, F.S., by adding new definition and deletes reference Qualified Target Industry Tax Refund Program.
Section 14: Renumbers and amends s. 196.012, F.S., by moving the definition for "Target industry business"; moving cross reference.
Section 15: Amends s. 196.101, F.S., by updating cross reference.
Section 16: Amends s. 196.121, F.S., by updating cross reference.
Section 17: Amends s. 196.198, F.S., by deleting provision relating to sales tax exemption repealed under Section 23 of the bill.
Section 18: Amends s. 196.1995, F.S., by updating cross references.
Section 19: Amends s. 194.3181, F.S., by updating cross references.
Section 20: Amends s. 197.319, F.S., by updating cross reference.
Section 21: Amends s. 212.02, F.S., by updating cross reference.
Section 22: Amends s. 212.031, F.S., by deleting language pertaining to a tax exemption repealed in Section 23 of the bill.
Section 23: Amends s. 212.06, F.S., by removing a tax exemption for fabrication labor for a "qualified motion picture".
Section 24: Repeals s. 212.0602, F.S., by repealing tax exemption for certain educational institutions' purchase of materials and equipment, or lease of real property, to teach students about film production.
Section 25: Amends s. 212.08, F.S., by repealing sales, rental, use, consumption, and storage tax exemption on motion picture or video equipment used in a motion picture or television production; by updating cross reference; deleting provision relating to EFI; deletes provision relating to Department of Economic Opportunity's Division of Strategic Business Development; repealing partial tax exemption for master tapes, records, films, or video tapes.
Section 26: Repeals s. 212.097, F.S., relating to Urban High-Crime Area Job Tax Credit Program.
Section 27: Amends s. 212.098, F.S., by deleting provision relating to Qualified Target Industry Tax Refund Program.
Section 28: Amends s. 212.20, F.S., by updating references to repealed sections; deleting provision relating to International Game Fish Association World Center facility.
Section 29: Amends 218.61, F.S., by deleting provision relating to professional sports franchise and motorsport entertainment complex.
Section 30: Amends s. 218.64, F.S. updating references to repealed sections; deleting provision relating to the professional sports franchises.
Section 31: Amends s. 220.02, F.S., by updating language referencing repealed sections.
Section 32: Amends s. 220.13, F.S., by deleting provision relating to New Markets Development Program.
Section 33: Amends s. 220.183, F.S., by updating cross reference.
Section 34: Amends s. 220.1895, F.S., by deleting provisions relating to the Urban High-Crime Tax Credit.
Section 35: Repeals s. 220.1899, F.S., relating to the Entertainment Industry Tax Credit.
Section 36: Repeals s. 220.191, F.S., relating to the Capital investment Tax Credit.
Section 37: Amends s. 220.194, F.S., by updating cross references.
Section 38: Amends s. 220.196, F.S., by moving definition for "Target industry business"; updating cross references.
Section 39: Amends s. 272.11, F.S., by replacing language referencing EFI with language referencing Department of Economic Opportunity.
Section 40: Amends s. 287.0947, F.S., by replacing language referencing EFI with language referencing Department of Economic Opportunity.
Section 41: Amends s. 287.137, F.S., by replacing language referencing EFI with language referencing Department of Economic Opportunity.
Section 42: Amends s. 288.0001, F.S., by deleting EDR review for programs that are repealed.
Section 43: Repeals s. 288.001, F.S., relating to the Florida Small Business Development Center Network.
Section 44: Amends s. 288.012, F.S., by moving program to Department of Economic Opportunity; deleting ability to contract with EFI.
Section 45: Repeals s. 288.017, F.S., relating to the cooperative advertising matching grants program.

Section 46: Amends s. 288.018, F.S., by deleting provision relating to Department of Economic Opportunity contracting with EFI.
Section 47: Amends s. 288.047, F.S., by deleting provisions relating to EFI.
Section 48: Amends s. 288.061, F.S., by deleting language pertaining to Department of Economic Opportunity's Division of Strategic Business Development and EFI; updating cross reference.
Section 49: Amends s. 288.0655, F.S., by updating cross reference; deleting language pertaining to EFI; removes out of date requirement for Economic Opportunity to reevaluate guidelines criteria for the Rural Infrastructure Fund.
Section 50: Amends s. 288.0656, F.S., by deleting language referring to EFI, the Qualified Target Industry Tax Refund, and the brownfield redevelopment refund.
Section 51: Amends s. 288.0658, F.S., by deleting language referring to EFI.
Section 52: Amends s. 288.075, F.S., by language referring to the Qualified defense contractor and space flight business tax refund program.
Section 53: Amends s. 288.076, F.S., by moving definitions from repealed sections; deletes language related to the Quick Action Closing Fund and Qualified target industry businesses.
Section 54: Amends s. 288.095, F.S., by updating language to reflect repealed sections; places limit on when the Economic Development Incentives Account may be used to pay tax refunds under repealed sections.
Section 55: Amends s. 288.101, F.S., by deleting language referencing EFI; deleting provision relating to the Herbert Hoover Dike; updating cross reference.
Section 56: Repeals s. 288.1045, F.S., relating to the qualified defense contractor and space flight business tax refund program.
Section 57: Repeals s. 288.106, F.S., relating to the retention of Major League Baseball spring training baseball franchises.
Section 58: Repeals s. 288.107, F.S., relating to the Brownfield redevelopment bonus refunds.
Section 59: Repeals s. 288.108, F.S., relating to the High-Impact Sector Performance Grants.
Section 60: Repeals s. 288.1081, F.S., relating to the Economic Gardening Business Loan Pilot Program.
Section 61: Repeals s. 288.1082, F.S., relating to the Economic Gardening Technical Assistance Pilot Program.
Section 62: Repeals s. 288.1088, F.S., relating to the Quick Action Closing Fund.
Section 63: Repeals s. 288.1089, F.S., relating to the Innovation Incentive Program
Section 64: Amends s. 288.111, F.S., by deleting language referring to EFI.
Section 65: Repeals s. 288.1162, F.S., relating to the professional sports franchises.
Section 66: Repeals s. 288.11621, F.S., relating to the spring training baseball franchises.
Section 67: Repeals s. 288.11631, F.S., relating to the retention of Major League Baseball spring training baseball franchises.
Section 68: Repeals s. 288.1169, F.S., relating to the International Game Fish Association World Center facility.
Section 69: Repeals s. 288.1171, F.S., relating to the Motorsports entertainment complex.
Section 70: Amends s. 288.12265, F.S., by deleting language referring to EFI; reallocates Welcome Center duties from EFI to VF.
Section 71: Repeals s. 288.125, F.S., relating to the definition of "entertainment industry".
Section 72: Repeals s. 288.1251, F.S., relating to the Office of Film and Entertainment.
Section 73: Repeals s. 288.1252, F.S., relating to the Florida Film and Entertainment Advisory Council.
Section 74: Repeals s. 288.1253, F.S., relating to the travel and entertainment expenses provision for Office of Film and Film Advisory Council.
Section 75: Repeals s. 288.1254, F.S., relating to the Entertainment industry financial incentive program.
Section 76: Repeals s. 288.1258, F.S., relating to the Entertainment industry qualified production companies tax exemption.
Section 77: Amends s. 288.7015, F.S., deletes language referring to EFI.
Section 78: Amends s. 288.706, F.S., deletes language referring to EFI.
Section 79: Amends s. 288.773, F.S., replaces language referencing EFI with language referencing Department of Economic Opportunity.
Section 80: Amends s. 288.776, F.S., replaces language referencing EFI with language referencing Department of Economic Opportunity.

Section 81: Amends s. 288.7771, F.S., replaces language referencing EFI with language referencing Department of Economic Opportunity.
Section 82: Amends s. 288.816, F.S., replaces language referencing EFI with language referencing Department of Economic Opportunity.
Section 83: Amends s. 288.826, F.S., removes EFI as a beneficiary of the trust fund**.**
Section 84: Repeals s. 288.901, F.S., relating to EFI.
Section 85: Repeals s.288.9015, F.S., relating to EFI.
Section 86: Repeals s. 288.903, F.S., relating to EFI.
Section 87: Repeals s. 288.904, F.S., relating to EFI.
Section 88: Repeals s. 288.905, F.S., relating to EFI.
Section 89: Repeals s. 288.906, F.S., relating to EFI.
Section 90: Amends s. 288.907, F.S., moves annual incentives report requirement; assigns report only to DEO; deletes language referring to EFI.
Section 91: Repeals s. 288.911, F.S., relating to an EFI requirement.
Section 92: Amends s. 288.912, F.S., moving reporting requirement for counties and municipalities; deleting language relating to EFI.
Section 93: Repeals s. 288.92, F.S., relating to divisions of EFI.
Section 94: Amends s. 288.923, F.S., deleting language referring to EFI and moving divisions to DEO.
Section 95: Repeals s. 288.95155, F.S., relating to the Florida Small Business Technology Growth Program.
Section 96: Repeals s. 288.9519, F.S., relating to the Florida Small Business Technology Growth Program.
Section 97: Repeals s. 288.9520, F.S., relating to the Florida Small Business Technology Growth Program.
Section 98: Repeals s. 288.955, F.S., relating to the Scripps Florida Funding Corporation.
Section 99: Amends s. 288.9603, F.S., replacing language referencing EFI with language referencing DEO.
Section 100: Amends s. 288.6905, F.S., replacing language referencing EFI with language referencing DEO.
Section 101: Amends s. 288.9614, F.S., replacing language referencing EFI with language referencing DEO.
Section 102: Amends s. 288.9624, F.S., replacing language referencing EFI with language referencing DEO; Directing that the board of the fund shall be appointed by the Governor.
Section 103: Amends s. 288.96255, F.S., updating cross references.
Section 104: Amends s. 288.980, F.S., relating to the New Market Development Program.
Section 105: Repeals s. 288.991, F.S., relating to the New Market Development Program.
Section 106: Repeals s. 288.9912, F.S., relating to the New Market Development Program.
Section 107: Repeals s. 288.9913, F.S., relating to the New Market Development Program.
Section 108: Repeals s. 288.9914, F.S., relating to the New Market Development Program.
Section 109: Repeals s. 288.9915, F.S., relating to the New Market Development Program.
Section 110: Repeals s. 288.9916, F.S., relating to the New Market Development Program.
Section 111: Repeals s. 288.9917, F.S., relating to the New Market Development Program.
Section 112: Repeals s. 288.9918, F.S., relating to the New Market Development Program.
Section 113: Repeals s. 288.9919, F.S., relating to the New Market Development Program.
Section 114: Repeals s. 288.9920, F.S., relating to the New Market Development Program.
Section 115: Repeals s. 288.9921, F.S., relating to the New Market Development Program.
Section 116: Repeals s. 288.9922, F.S., relating to the New Market Development Program.
Section 117: Repeals s. 288.993, F.S., relating to the Microfinance Loan Program.
Section 118: Repeals s. 288.9932, F.S., relating to the Microfinance Loan Program.
Section 119: Repeals s. 288. 9932, F.S., relating to the Microfinance Loan Program.
Section 120: Repeals s. 288.9933, F.S., relating to the Microfinance Loan Program.
Section 121: Repeals s. 288.9934, F.S., relating to the Microfinance Loan Program.
Section 122: Repeals s. 288.9935, F.S., relating to the Microfinance Loan Program.
Section 123: Repeals s. 288.9936, F.S., relating to the Microfinance Loan Program.
Section 124: Repeals s. 288.9937, F.S., relating to the Microfinance Loan Program.
Section 125: Amends s. 288.9961, F.S., deleting language referring to EFI.
Section 126: Amends s. 290.0056, F.S., updating cross references.

Section 127: Amends s. 290.0065, F.S., deleting language referring to EFI and the Department of Revenue.
Section 128: Amends s. 290.00677, F.S., deleting cross references and moves definition of "rural community."
Section 129: Amends s. 290.007, F.S., updating cross references.
Section 130: Amends s. 290.053, F.S., deleting language referring to EFI.
Section 131: Amends s. 295.22, F.S., deleting language referring to EFI and "target industry business."
Section 132: Amends s. 320.08058, F.S., updating cross references.
Section 133: Amends s. 331.3051, F.S., deleting language referring to EFI.
Section 134: Amends s. 331.3081, F.S., deleting language referring to EFI and how the Space Florida Board is constructed.
Section 135: Amends s. 339.08, F.S., deleting language referring to Economic Development Transportation Projects.
Section 136: Repeals s. 339.2821, F.S., relating to Economic Development Transportation Projects.
Section 137: Amends s. 376.82, F.S., deleting language referring to Brownfield.
Section 138: Amends s. 377.703, F.S., deleting language referring to EFI.
Section 139: Amends s. 377.804, F.S., deleting language referring to EFI.
Section 140: Amends s. 377.809, F.S., deleting language related to multiple programs repealed by the bill; updating cross references.
Section 141: Amends s. 380.0657, F.S., deleting language related to multiple programs repealed by the bill.
Section 142: Amends s. 401.23, F.S., updating cross references.
Section 143: Amends s. 403.7032. F.S., deleting language referring to EFI.
Section 144: Amends s. 403.973, F.S., deleting language referring to DEO and the Innovation Incentive Program.
Section 145: Amends s. 443.091, F.S., deleting language referring to EFI.
Section 146: Amends s. 445.004, F.S., deleting language referring to EFI; updating cross references.
Section 147: Amends s. 445.045, F.S., deleting language referring to EFI.
Section 148: Amends s. 446.44, F.S., deleting language referring to EFI.
Section 149: Amends s. 465.003, F.S., updating cross references.
Section 150: Amends s. 477.0135, F.S., deleting a cross reference.
Section 151: Amends s. 570.81, F.S., deleting language referring to EFI.
Section 152: Amends s. 570.85, F.S., deleting language referring to EFI.
Section 153: Amends s. 624.5105, F.S., updating cross references.
Section 154: Amends s. 625.3255, F.S., repealing ability of insurers to invest in any capital participation instrument.
Section 155: Amends s. 657.042, F.S., repealing ability of any credit unions to invest in any capital participation instrument
Section 156: Amends s. 658.67, F.S., repealing ability of any banks or trust companies to invest in any capital participation instrument.
Section 157: Amends s. 1004.015, F.S., deleting language referring to EFI.
Section 158: Amends s. 1004.65, F.S., deleting language referring to EFI.
Section 159: Amends s. 1004.78, F.S., replacing language referencing EFI with language referencing DEO.
Section 160: Amends s. 1011.76, F.S., deleting language referring to EFI.
Section 161: Amends s. 1011.94, F.S., updating a cross reference.
Section 162: Provides an effective date of July 1, 2023.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

Indeterminate. The bill will likely have a positive recurring fiscal impact on state revenues, however, the Revenue Estimating Conference has not yet reviewed the bill.

2. Expenditures:

   Indeterminate. The elimination of certain programs and incentives will reduce current and future state expenditures. The exact reduction will depend on the state budget process.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

   Indeterminate. The bill will likely have a positive recurring fiscal impact on local revenues, however, the Revenue Estimating Conference has not yet reviewed the bill.

2. Expenditures:

   None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Indeterminate.

D. FISCAL COMMENTS:

The bill eliminates many of the incentive programs that did not have a positive return on investment, which will have a positive impact on state revenues, however, the Revenue Estimating Conference has not yet reviewed the bill.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

   Not applicable. This bill does not appear to affect county or municipal governments.

2. Other:

   Article VII, Section 19 of the Florida Constitution requires a supermajority vote to impose or raise a tax or fee. Under this provision, raise means "to decrease or eliminate a state tax or fee exemption or credit." Article VII, Section 19 also requires that any bill attempting to impose or raise a tax or fee "must be contained in a separate bill the contains no other subject." The bill repeals multiple state tax exemptions and credits; therefore, certain additional legislative action may be required.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

The bill fails to strike or replace language referencing EFI from certain provisions relating to VF in s. 288.1226, F.S., and the Tourism Promotion Trust Fund in s. 288.122, F.S., and on lines 2565-2566. The bill sponsor is anticipated to file amendments to correct these drafting issues.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

A bill to be entitled

An act relating to economic programs; amending ss. 11.45, 14.32, 15.18, 15.182, 20.435, and 20.60, F.S.; conforming provisions to changes made by the act; repealing s. 20.601, F.S., relating to review of the Department of Economic Opportunity; transferring all duties, records, pending issues, rules, and unexpended balances of appropriations, allocations, and other public funds relating to programs in Enterprise Florida, Inc., to the Department of Economic Opportunity by a type two transfer; authorizing the Florida Sports Foundation to enter into an agreement with the Department of Economic Opportunity for certain purposes and use certain funds; providing legislative intent; providing transitional provisions for terminated programs established pursuant to certain statutes; amending ss. 125.0104, 159.803, 166.231, 189.033, 196.012, 196.101, 196.121, 196.198, 196.1995, 197.3181, 197.319, 212.02, 212.031, and 212.06, F.S.; conforming provisions to changes made by the act; conforming cross-references; repealing s. 212.0602, F.S., relating to an exemption from sales and use taxes for certain education-related purchases or leases; amending s. 212.08, F.S.; conforming provisions to changes made by the act; repealing s.

212.097, F.S., relating to the Urban High-Crime Area Job Tax Credit Program; amending ss. 212.098, 212.20, 218.61, 218.64, 220.02, 220.13, 220.183, and 220.1895, F.S.; conforming provisions to changes made by the act; conforming a cross-reference; repealing ss. 220.1899 and 220.191, F.S., relating to an entertainment industry tax credit and a capital investment tax credit, respectively; amending s. 220.194, F.S.; conforming a cross-reference; amending ss. 220.196, 272.11, 287.0947, 287.137, and 288.0001, F.S.; conforming provisions to changes made by the act; repealing s. 288.001, F.S., relating to the Florida Small Business Development Center Network; amending s. 288.012, F.S.; conforming provisions to changes made by the act; repealing s. 288.017, F.S., relating to a cooperative advertising matching grants program; amending ss. 288.018, 288.047, 288.061, 288.0655, 288.0656, 288.0658, 288.075, 288.076, and 288.095, F.S.; conforming provisions to changes made by the act; conforming a cross-reference; amending s. 288.101, F.S.; removing a provision authorizing the Governor to approve certain infrastructure funding; repealing ss. 288.1045, 288.106, 288.107, 288.108, 288.1081, 288.1082, 288.1088, and 288.1089, F.S., relating to the qualified defense contractor and space

flight business tax refund program, a tax refund program for qualified target industry businesses, brownfield redevelopment bonus refunds, high-impact business, the Economic Gardening Business Loan Pilot Program, the Economic Gardening Technical Assistance Pilot Program, the Quick Action Closing Fund, and the Innovation Incentive Program, respectively; amending s. 288.111, F.S.; conforming a provision to changes made by the act; repealing ss. 288.1162, 288.11621, 288.11631, 288.1169, and 288.1171, F.S., relating to professional sports franchises, spring training baseball franchises, retention of Major League Baseball spring training baseball franchises, the International Game Fish Association World Center facility, and motorsports entertainment complexes, respectively; amending s. 288.12265, F.S.; transferring responsibility for administering and operating welcome centers from Enterprise Florida, Inc., to the Florida Tourism Industry Marketing Corporation; repealing ss. 288.125, 288.1251, 288.1252, 288.1253, 288.1254, and 288.1258, F.S., relating to a definition of the term "entertainment industry," the promotion and development of the entertainment industry by the Office of Film and Entertainment, the Florida Film and Entertainment

Advisory Council, certain travel and entertainment expenses, an entertainment industry financial incentive program, and entertainment industry qualified production companies, respectively; amending ss. 288.7015, 288.706, 288.773, 288.776, 288.7771, 288.816, and 288.826, F.S.; conforming provisions to changes made by the act; repealing ss. 288.901, 288.9015, 288.903, 288.904, 288.905, and 288.906, F.S., relating to Enterprise Florida, Inc., powers of board of directors of Enterprise Florida, Inc., duties of Enterprise Florida, Inc., funding for Enterprise Florida, Inc., the president and employees of Enterprise Florida, Inc., and the annual report and audits of Enterprise Florida, Inc., and its divisions, respectively; transferring, renumbering, and amending s. 288.907, F.S.; conforming provisions to changes made by the act; repealing s. 288.911, F.S., relating to the creation and implementation of a marketing and image campaign; transferring, renumbering, and amending s. 288.912, F.S.; conforming provisions to changes made by the act; repealing s. 288.92, F.S., relating to the divisions of Enterprise Florida, Inc.; amending s. 288.923, F.S.; conforming provisions to changes made by the act; repealing ss. 288.95155, 288.9519, 288.9520, and 288.955, F.S., relating to the

Florida Small Business Technology Growth Program, a not-for-profit corporation intended to promote the competitiveness and profitability of high-technology business and industry, public records exemption, and the Scripps Florida Funding Corporation, respectively; amending ss. 288.9603, 288.9605, 288.9614, and 288.9624, F.S.; conforming provisions to changes made by the act; amending s. 288.96255, F.S.; conforming a cross-reference; amending s. 288.980, F.S.; conforming a provision to changes made by the act; repealing ss. 288.991, 288.9912, 288.9913, 288.9914, 288.9915, 288.9916, 288.9917, 288.9918, 288.9919, 288.9920, 288.9921, and 288.9922, F.S., relating to the New Markets Development Program; repealing ss. 288.993, 288.9931, 288.9932, 288.9933, 288.9934, 288.9935, 288.9936, and 288.9937, F.S., relating to the Florida Microfinance Act, definitions relating to certain programs, the Microfinance Loan Program, the Microfinance Guarantee Program, annual reports for certain programs, and the evaluation of certain programs, respectively; amending ss. 288.9961, 290.0056, 290.0065, 290.00677, 290.007, 290.053, and 295.22, F.S.; conforming provisions to changes made by the act; conforming cross-references; amending ss. 320.08058, 331.3051, 331.3081, and 339.08, F.S.;

conforming provisions to changes made by the act; repealing s. 339.2821, F.S., relating to economic development transportation projects; amending ss. 376.82, 377.703, 377.804, 377.809, 380.0657, 401.23, 403.7032, 403.973, 443.091, 445.004, 445.045, 446.44, 465.003, 477.0135, 570.81, 570.85, and 624.5105, F.S.; conforming provisions to changes made by the act; conforming a cross-reference; repealing s. 625.3255, F.S., relating to a capital participation instrument; amending ss. 657.042, 658.67, 1004.015, 1004.65, 1004.78, 1011.76, and 1011.94, F.S.; conforming provisions to changes made by the act; conforming a cross-reference; providing an effective date.

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

Section 1. Paragraph (i) of subsection (3) of section 11.45, Florida Statutes, is amended to read:

11.45 Definitions; duties; authorities; reports; rules.—

(3) AUTHORITY FOR AUDITS AND OTHER ENGAGEMENTS.—The Auditor General may, pursuant to his or her own authority, or at the direction of the Legislative Auditing Committee, conduct audits or other engagements as determined appropriate by the Auditor General of:

~~(i) Enterprise Florida, Inc., including any of its boards,~~

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

~~advisory committees, or similar groups created by Enterprise Florida, Inc., and programs. The audit report may not reveal the identity of any person who has anonymously made a donation to Enterprise Florida, Inc., pursuant to this paragraph. The identity of a donor or prospective donor to Enterprise Florida, Inc., who desires to remain anonymous and all information identifying such donor or prospective donor are confidential and exempt from the provisions of s. 119.07(1) and s. 24(a), Art. I of the State Constitution. Such anonymity shall be maintained in the auditor's report.~~

Section 2. Paragraph (a) of subsection (3) of section 14.32, Florida Statutes, is amended to read:

14.32 Office of Chief Inspector General.—

(3) Related to public-private partnerships, the Chief Inspector General:

(a) Shall advise public-private partnerships~~, including Enterprise Florida, Inc.,~~ in their development, utilization, and improvement of internal control measures necessary to ensure fiscal accountability.

Section 3. Section 15.18, Florida Statutes, is amended to read:

15.18 International and cultural relations.—The Divisions of Arts and Culture, Historical Resources, and Library and Information Services of the Department of State promote programs having substantial cultural, artistic, and indirect economic

significance that emphasize American creativity. The Secretary of State, as the head administrator of these divisions, shall hereafter be known as "Florida's Chief Arts and Culture Officer." As this officer, the Secretary of State is encouraged to initiate and develop relationships between the state and foreign cultural officers, their representatives, and other foreign governmental officials in order to promote Florida as the center of American creativity. The Secretary of State shall coordinate international activities pursuant to this section with ~~Enterprise Florida, Inc., and~~ any ~~other~~ organization the secretary deems appropriate. For the accomplishment of this purpose, the Secretary of State shall have the power and authority to:

(1) Disseminate any information pertaining to the State of Florida which promotes the state's cultural assets.

(2) Plan and carry out activities designed to cause improved cultural and governmental programs and exchanges with foreign countries.

(3) Plan and implement cultural and social activities for visiting foreign heads of state, diplomats, dignitaries, and exchange groups.

(4) Encourage and cooperate with other public and private organizations or groups in their efforts to promote the cultural advantages of Florida.

(5) Serve as the liaison with all foreign consular and

ambassadorial corps, as well as international organizations, that are consistent with the purposes of this section.

(6) Provide, arrange, and make expenditures for the achievement of any or all of the purposes specified in this section.

Section 4. Subsection (2) of section 15.182, Florida Statutes, is amended to read:

15.182 International travel by state-funded musical, cultural, or artistic organizations; notification to the Department of State.—

(2) The Department of State, in conjunction with the Department of Economic Opportunity ~~and Enterprise Florida, Inc.~~, shall act as an intermediary between performing musical, cultural, and artistic organizations and Florida businesses to encourage and coordinate joint undertakings. Such coordination may include, but is not limited to, encouraging business and industry to sponsor cultural events, assistance with travel of such organizations, and coordinating travel schedules of cultural performance groups and international trade missions.

Section 5. Paragraph (a) of subsection (7) of section 20.435, Florida Statutes, is amended to read:

20.435 Department of Health; trust funds.—The following trust funds shall be administered by the Department of Health:

(7) Biomedical Research Trust Fund.

(a) Funds to be credited to the trust fund shall consist

of funds appropriated by the Legislature. Funds shall be used for the purposes of the James and Esther King Biomedical Research Program, the Casey DeSantis Cancer Research Program, and the William G. "Bill" Bankhead, Jr., and David Coley Cancer Research Program as specified in ss. 215.5602, ~~288.955,~~ 381.915, and 381.922. The trust fund is exempt from the service charges imposed by s. 215.20.

Section 6. Subsection (4), paragraph (a) of subsection (5), paragraph (b) of subsection (9), and subsections (10) and (11) of section 20.60, Florida Statutes, are amended to read:

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

(4) The purpose of the department is to assist the Governor in working with the Legislature, state agencies, business leaders, and economic development professionals to formulate and implement coherent and consistent policies and strategies designed to promote economic opportunities for all Floridians. To accomplish such purposes, the department shall:

(a) Facilitate the direct involvement of the Governor and the Lieutenant Governor in economic development and workforce development projects designed to create, expand, and retain businesses in this state, to recruit business from around the world, and to facilitate other job-creating efforts.

(b) Recruit new businesses to this state and promote the expansion of existing businesses by expediting permitting and

location decisions, worker placement and training, and incentive awards.

(c) Promote viable, sustainable communities by providing technical assistance and guidance on growth and development issues, grants, and other assistance to local communities.

(d) Ensure that the state's goals and policies relating to economic development, workforce development, community planning and development, and affordable housing are fully integrated with appropriate implementation strategies.

(e) Manage the activities of public-private partnerships and state agencies in order to avoid duplication and promote coordinated and consistent implementation of programs in areas including, but not limited to, tourism; international trade and investment; business recruitment, creation, retention, and expansion; minority and small business development; rural community development; and the development and promotion of professional and amateur sporting events.

(f) Coordinate with state agencies on the processing of state development approvals or permits to minimize the duplication of information provided by the applicant and the time before approval or disapproval.

(5) The divisions within the department have specific responsibilities to achieve the duties, responsibilities, and goals of the department. Specifically:

(a) The Division of Strategic Business Development shall:

1. Analyze and evaluate business prospects identified by the Governor and~~,~~ the secretary~~, and Enterprise Florida, Inc~~.

2. Administer certain tax refund, tax credit, and grant programs created in law. Notwithstanding any other provision of law, the department may expend interest earned from the investment of program funds deposited in the Grants and Donations Trust Fund to contract for the administration of those programs, or portions of the programs, assigned to the department by law, by the appropriations process, or by the Governor. Such expenditures shall be subject to review under chapter 216.

3. Develop measurement protocols for the state incentive programs and for the contracted entities which will be used to determine their performance and competitive value to the state. Performance measures, benchmarks, and sanctions must be developed in consultation with the legislative appropriations committees and the appropriate substantive committees, and are subject to the review and approval process provided in s. 216.177. The approved performance measures, standards, and sanctions shall be included and made a part of the strategic plan for contracts entered into for delivery of programs authorized by this section.

4. Develop a 5-year statewide strategic plan. The strategic plan must include, but need not be limited to:

a. Strategies for the promotion of business formation,

expansion, recruitment, and retention through aggressive marketing, international development, and export assistance, which lead to more and better jobs and higher wages for all geographic regions, disadvantaged communities, and populations of the state, including rural areas, minority businesses, and urban core areas.

b. The development of realistic policies and programs to further the economic diversity of the state, its regions, and their associated industrial clusters.

c. Specific provisions for the stimulation of economic development and job creation in rural areas and midsize cities and counties of the state, including strategies for rural marketing and the development of infrastructure in rural areas.

d. Provisions for the promotion of the successful long-term economic development of the state with increased emphasis in market research and information.

e. Plans for the generation of foreign investment in the state which create jobs paying above-average wages and which result in reverse investment in the state, including programs that establish viable overseas markets, assist in meeting the financing requirements of export-ready firms, broaden opportunities for international joint venture relationships, use the resources of academic and other institutions, coordinate trade assistance and facilitation services, and facilitate availability of and access to education and training programs

that assure requisite skills and competencies necessary to compete successfully in the global marketplace.

f. The identification of business sectors that are of current or future importance to the state's economy and to the state's global business image, and development of specific strategies to promote the development of such sectors.

g. Strategies for talent development necessary in the state to encourage economic development growth, taking into account factors such as the state's talent supply chain, education and training opportunities, and available workforce.

5. Update the strategic plan every 5 years.

6. Involve ~~Enterprise Florida, Inc.;~~ CareerSource Florida, Inc.; local governments; the general public; local and regional economic development organizations; other local, state, and federal economic, international, and workforce development entities; the business community; and educational institutions to assist with the strategic plan.

(9) The secretary shall:

(b) Serve as the manager for the state with respect to contracts with ~~Enterprise Florida, Inc., and~~ all applicable direct-support organizations. To accomplish the provisions of this section and applicable provisions of chapter 288, and notwithstanding the provisions of part I of chapter 287, the secretary shall enter into specific contracts with ~~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.

(a) The report must include the identification of problems and a prioritized list of recommendations.

(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.~~

3.~~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.

4.~~5.~~ The Rural Economic Development Initiative established under s. 288.0656.

5.~~6.~~ The Florida Unique Abilities Partner Program.

6.~~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.

(11) The department shall establish annual performance standards for ~~Enterprise Florida, Inc.;~~ CareerSource Florida, Inc.; the Florida Tourism Industry Marketing Corporation; Space Florida; and the Florida Development Finance Corporation and report annually on how these performance measures are being met in the annual report required under subsection (10).

Section 7. Section 20.601, Florida Statutes, is repealed.

Section 8. (1) All duties, functions, records, pending issues, existing contracts, administrative authority, administrative rules, and unexpended balances of appropriations, allocations, and other public funds relating to the programs in Enterprise Florida, Inc., are transferred by a type two transfer to the Department of Economic Opportunity.

(2)(a) The Florida Sports Foundation, incorporated under chapter 617, Florida Statutes, which was previously merged into and transferred to Enterprise Florida, Inc., may enter into an agreement with the Department of Economic Opportunity to continue any existing program, activity, duty, or function

necessary for the operation of that foundation.

(b) Any funds held in trust which were donated to or earned by the Florida Sports Foundation may be used by that foundation for the original purposes for which the funds were received.

(3) It is the intent of the Legislature that the changes made by this act be accomplished with minimal disruption of services provided to the public and with minimal disruption to employees of any organization.

Section 9. For programs established pursuant to ss. 212.097, 220.1899, 220.191, 288.1045, 288.106, 288.107, 288.108, 288.1081, 288.1082, 288.1088, 288.1089, 288.1162, 288.11621, 288.11631, 288.1169, 288.1171, 288.95155, 288.9916, 288.9934, 288.9935, and 339.2821, Florida Statutes, no new or additional applications or certifications shall be approved, no new letters of certification may be issued, no new contracts or agreements may be executed, and no new awards may be made. All certifications are rescinded except for those certified applicants or projects that continue to meet the criteria in effect before July 1, 2023. Any existing contracts or agreements authorized under any of these programs shall continue in full force and effect in accordance with the statutory requirements in effect when the contract or agreement was executed or last modified. However, no further modifications, extensions, or waivers may be made or granted relating to such contracts or

agreements except computations by the Department of Revenue of the income generated by or arising out of the qualifying project.

Section 10. Paragraph (n) of subsection (3) of section 125.0104, Florida Statutes, is amended to read:

125.0104 Tourist development tax; procedure for levying; authorized uses; referendum; enforcement.—

(3) TAXABLE PRIVILEGES; EXEMPTIONS; LEVY; RATE.—

(n) In addition to any other tax that is imposed under this section, a county that has imposed the tax under paragraph (l) may impose an additional tax that is no greater than 1 percent on the exercise of the privilege described in paragraph (a) by a majority plus one vote of the membership of the board of county commissioners in order to:

1. Pay the debt service on bonds issued to finance:

a. The construction, reconstruction, or renovation of a facility either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds for a new professional sports franchise ~~as defined in s. 288.1162~~. As used in this sub-subparagraph, the term "new professional sports franchise" means a professional sports franchise that was not based in this state before April 1, 1987.

b. The acquisition, construction, reconstruction, or renovation of a facility either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds for a retained spring training franchise.

2. Promote and advertise tourism in the State of Florida and nationally and internationally; however, if tax revenues are expended for an activity, service, venue, or event, the activity, service, venue, or event shall have as one of its main purposes the attraction of tourists as evidenced by the promotion of the activity, service, venue, or event to tourists.

A county that imposes the tax authorized in this paragraph may not expend any ad valorem tax revenues for the acquisition, construction, reconstruction, or renovation of a facility for which tax revenues are used pursuant to subparagraph 1. The provision of paragraph (b) which prohibits any county authorized to levy a convention development tax pursuant to s. 212.0305 from levying more than the 2-percent tax authorized by this section shall not apply to the additional tax authorized by this paragraph in counties which levy convention development taxes pursuant to s. 212.0305(4)(a). Subsection (4) does not apply to the adoption of the additional tax authorized in this paragraph.

The effective date of the levy and imposition of the tax authorized under this paragraph is the first day of the second month following approval of the ordinance by the board of county commissioners or the first day of any subsequent month specified in the ordinance. A certified copy of such ordinance shall be furnished by the county to the Department of Revenue within 10 days after approval of the ordinance.

Section 11. Subsection (11) of section 159.803, Florida Statutes, is amended to read:

159.803 Definitions.—As used in this part, the term:

(11) "Florida First Business project" means any project which is certified by the Department of Economic Opportunity as eligible to receive an allocation from the Florida First Business allocation pool established pursuant to s. 159.8083. The Department of Economic Opportunity may certify ~~those projects meeting the criteria set forth in s. 288.106(4)(b) or~~ any project providing a substantial economic benefit to this state.

Section 12. Paragraph (a) of subsection (8) of section 166.231, Florida Statutes, is amended to read:

166.231 Municipalities; public service tax.—

(8)(a) Beginning July 1, 1995, a municipality may by ordinance exempt not less than 50 percent of the tax imposed under this section on purchasers of electrical energy who are determined to be eligible for the exemption provided by s.

212.08(14) ~~s. 212.08(15)~~ by the Department of Revenue. The exemption shall be administered as provided in that section. A copy of any ordinance adopted pursuant to this subsection shall be provided to the Department of Revenue not less than 14 days prior to its effective date.

Section 13. Section 189.033, Florida Statutes, is amended to read:

189.033 Independent special district services in disproportionally affected county; rate reduction for providers providing economic benefits.—If the governing body of an independent special district that provides water, wastewater, and sanitation services in a disproportionally affected county~~,~~ ~~as defined in s. 288.106(8),~~ determines that a new user or the expansion of an existing user of one or more of its utility systems will provide a significant benefit to the community in terms of increased job opportunities, economies of scale, or economic development in the area, the governing body may authorize a reduction of its rates, fees, or charges for that user for a specified period of time. A governing body that exercises this power must do so by resolution that states the anticipated economic benefit justifying the reduction as well as the period of time that the reduction will remain in place. As used in this section, the term "disproportionally affected county" means Bay County, Escambia County, Franklin County, Gulf County, Okaloosa County, Santa Rosa County, Walton County, or

Wakulla County.

Section 14. Subsections (11) through (19) of section 196.012, Florida Statutes, are renumbered as subsections (12) through (20), respectively, paragraph (a) of present subsection (14), paragraph (a) of present subsection (15), and present subsection (16) of that section are amended, and a new subsection (11) is added to that section, to read:

196.012 Definitions.—For the purpose of this chapter, the following terms are defined as follows, except where the context clearly indicates otherwise:

(11) "Target industry business" means a corporate headquarters business or any business that is engaged in one of the target industries identified pursuant to the following criteria developed by the Department of Economic Opportunity:

(a) Future growth.—The industry forecast indicates strong expectation for future growth in employment and output, according to the most recent available data. Special consideration should be given to businesses that export goods to, or provide services in, international markets and businesses that onshore business operations to replace domestic and international imports of goods or services.

(b) Stability.—The industry is not subject to periodic layoffs, whether due to seasonality or sensitivity to volatile economic variables such as weather. The industry is also relatively resistant to recession, so that the demand for

products of this industry is not typically subject to decline during an economic downturn.

(c) High wage.—The industry pays relatively high wages compared to statewide or area averages.

(d) Market and resource independent.—The industry business location is not dependent on markets or resources in the state as indicated by industry analysis, except for businesses in the renewable energy industry.

(e) Industrial base diversification and strengthening.—The industry contributes toward expanding or diversifying the state's or area's economic base, as indicated by analysis of employment and output shares compared to national and regional trends. Special consideration should be given to industries that strengthen regional economies by adding value to basic products or building regional industrial clusters as indicated by industry analysis. Special consideration should also be given to the development of strong industrial clusters that include defense and homeland security businesses.

(f) Positive economic impact.—The industry has strong positive economic impacts on or benefits to the state or regional economies. Special consideration should be given to industries that facilitate the development of the state as a hub for domestic and global trade and logistics.

The term does not include any business engaged in retail

industry activities; any electrical utility company as defined in s. 366.02(4); any phosphate or other solid minerals severance, mining, or processing operation; any oil or gas exploration or production operation; or any business subject to regulation by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation. Any business within NAICS code 5611 or 5614, office administrative services and business support services, respectively, may be considered a target industry business only after the local governing body and the Department of Economic Opportunity determine that the community in which the business may locate has conditions affecting the fiscal and economic viability of the local community or area, including, but not limited to, low per capita income, high unemployment, high underemployment, and a lack of year-round stable employment opportunities, and such conditions may be improved by the business locating in such community. By January 1 of every 3rd year, beginning January 1, 2011, the Department of Economic Opportunity, in consultation with economic development organizations, the State University System, local governments, employee and employer organizations, market analysts, and economists, shall review and, as appropriate, revise the list of target industries and submit the list to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

(15) ~~(14)~~ "New business" means:

(a)1. A business or organization establishing 10 or more new jobs to employ 10 or more full-time employees in this state, paying an average wage for such new jobs that is above the average wage in the area, which principally engages in any one or more of the following operations:

a. manufactures, processes, compounds, fabricates, or produces for sale items of tangible personal property at a fixed location and which comprises an industrial or manufacturing plant; or

b. Is a target industry business as defined in subsection (11) ~~s. 288.106(2)(q)~~;

2. A business or organization establishing 25 or more new jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s. 220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; or

3. An office space in this state owned and used by a business or organization newly domiciled in this state; provided such office space houses 50 or more full-time employees of such business or organization; provided that such business or organization office first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business or organization.

(16) ~~(15)~~ "Expansion of an existing business" means:

(a)1. A business or organization establishing 10 or more new jobs to employ 10 or more full-time employees in this state, paying an average wage for such new jobs that is above the average wage in the area, which principally engages in any of the operations referred to in subparagraph (15)(a)1. ~~(14)(a)1.~~; or

2. A business or organization establishing 25 or more new jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s. 220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; provided that such business increases operations on a site located within the same county, municipality, or both colocated with a commercial or industrial operation owned by the same business or organization under common control with the same business or organization, resulting in a net increase in employment of not less than 10 percent or an increase in productive output or sales of not less than 10 percent.

(17) ~~(16)~~ "Permanent resident" means a person who has established a permanent residence as defined in subsection (18) ~~(17)~~.

Section 15. Subsection (2) of section 196.101, Florida Statutes, is amended to read:

196.101 Exemption for totally and permanently disabled

persons.—

(2) Any real estate used and owned as a homestead by a paraplegic, hemiplegic, or other totally and permanently disabled person, as defined in s. 196.012(12) ~~s. 196.012(11)~~, who must use a wheelchair for mobility or who is legally blind, is exempt from taxation.

Section 16. Subsection (2) of section 196.121, Florida Statutes, is amended to read:

196.121 Homestead exemptions; forms.—

(2) The forms shall require the taxpayer to furnish certain information to the property appraiser for the purpose of determining that the taxpayer is a permanent resident as defined in s. 196.012(17) ~~s. 196.012(16)~~. Such information may include, but need not be limited to, the factors enumerated in s. 196.015.

Section 17. Section 196.198, Florida Statutes, is amended to read:

196.198 Educational property exemption.—Educational institutions within this state and their property used by them or by any other exempt entity or educational institution exclusively for educational purposes are exempt from taxation. Sheltered workshops providing rehabilitation and retraining of individuals who have disabilities and exempted by a certificate under s. (d) of the federal Fair Labor Standards Act of 1938, as amended, are declared wholly educational in purpose and are

exempt from certification, accreditation, and membership requirements set forth in s. 196.012. Those portions of property of college fraternities and sororities certified by the president of the college or university to the appropriate property appraiser as being essential to the educational process are exempt from ad valorem taxation. The use of property by public fairs and expositions chartered by chapter 616 is presumed to be an educational use of such property and is exempt from ad valorem taxation to the extent of such use. Property used exclusively for educational purposes shall be deemed owned by an educational institution if the entity owning 100 percent of the educational institution is owned by the identical persons who own the property, or if the entity owning 100 percent of the educational institution and the entity owning the property are owned by the identical natural persons. Land, buildings, and other improvements to real property used exclusively for educational purposes shall be deemed owned by an educational institution if the entity owning 100 percent of the land is a nonprofit entity and the land is used, under a ground lease or other contractual arrangement, by an educational institution that owns the buildings and other improvements to the real property, is a nonprofit entity under s. 501(c)(3) of the Internal Revenue Code, and provides education limited to students in prekindergarten through grade 8. ~~Land, buildings, and other improvements to real property used exclusively for~~

~~educational purposes are deemed owned by an educational institution if the educational institution that currently uses the land, buildings, and other improvements for educational purposes is an educational institution described in s. 212.0602, and, under a lease, the educational institution is responsible for any taxes owed and for ongoing maintenance and operational expenses for the land, buildings, and other improvements. For such leasehold properties, the educational institution shall receive the full benefit of the exemption. The owner of the property shall disclose to the educational institution the full amount of the benefit derived from the exemption and the method for ensuring that the educational institution receives the benefit.~~ Notwithstanding ss. 196.195 and 196.196, property owned by a house of public worship and used by an educational institution for educational purposes limited to students in preschool through grade 8 shall be exempt from ad valorem taxes. If legal title to property is held by a governmental agency that leases the property to a lessee, the property shall be deemed to be owned by the governmental agency and used exclusively for educational purposes if the governmental agency continues to use such property exclusively for educational purposes pursuant to a sublease or other contractual agreement with that lessee. If the title to land is held by the trustee of an irrevocable inter vivos trust and if the trust grantor owns 100 percent of the entity that owns an educational institution that is using the

land exclusively for educational purposes, the land is deemed to be property owned by the educational institution for purposes of this exemption. Property owned by an educational institution shall be deemed to be used for an educational purpose if the institution has taken affirmative steps to prepare the property for educational use. The term "affirmative steps" means environmental or land use permitting activities, creation of architectural plans or schematic drawings, land clearing or site preparation, construction or renovation activities, or other similar activities that demonstrate commitment of the property to an educational use.

Section 18. Subsections (6) and (11) of section 196.1995, Florida Statutes, are amended to read:

196.1995 Economic development ad valorem tax exemption.—

(6) With respect to a new business as defined in s. 196.012(15)(c) ~~by s. 196.012(14)(c)~~, the municipality annexing the property on which the business is situated may grant an economic development ad valorem tax exemption under this section to that business for a period that will expire upon the expiration of the exemption granted by the county. If the county renews the exemption under subsection (7), the municipality may also extend its exemption. A municipal economic development ad valorem tax exemption granted under this subsection may not extend beyond the duration of the county exemption.

(11) An ordinance granting an exemption under this section

shall be adopted in the same manner as any other ordinance of the county or municipality and shall include the following:

(a) The name and address of the new business or expansion of an existing business to which the exemption is granted;

(b) The total amount of revenue available to the county or municipality from ad valorem tax sources for the current fiscal year, the total amount of revenue lost to the county or municipality for the current fiscal year by virtue of economic development ad valorem tax exemptions currently in effect, and the estimated revenue loss to the county or municipality for the current fiscal year attributable to the exemption of the business named in the ordinance;

(c) The period of time for which the exemption will remain in effect and the expiration date of the exemption, which may be any period of time up to 10 years, or up to 20 years for a data center; and

(d) A finding that the business named in the ordinance meets the requirements of s. 196.012(15) or (16) ~~s. 196.012(14) or (15)~~.

Section 19. Paragraph (e) of subsection (1) of section 197.3181, Florida Statutes, is amended to read:

197.3181 Refund of taxes for residential improvements rendered uninhabitable by Hurricane Ian or Hurricane Nicole.—

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

(e) "Residential improvement" means a residential dwelling

or house on real estate used and owned as a homestead as defined in s. 196.012(14) ~~s. 196.012(13)~~ or used as nonhomestead residential property as defined in s. 193.1554(1). A residential improvement does not include a structure that is not essential to the use and occupancy of the residential dwelling or house, including, but not limited to, a detached utility building, detached carport, detached garage, bulkhead, fence, or swimming pool, and does not include land.

Section 20. Paragraph (f) of subsection (1) of section 197.319, Florida Statutes, is amended to read:

197.319 Refund of taxes for residential improvements rendered uninhabitable by a catastrophic event.—

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

(f) "Residential improvement" means real estate used and owned as a homestead as defined in s. 196.012(14) ~~s. 196.012(13)~~ or nonhomestead residential property as defined in s. 193.1554(1). A residential improvement does not include a structure that is not essential to the use and occupancy of the residential dwelling or house, including, but not limited to, a detached utility building, detached carport, detached garage, bulkhead, fence, or swimming pool, and does not include land.

Section 21. Paragraph (a) of subsection (14) of section 212.02, Florida Statutes, is amended to read:

212.02 Definitions.—The following terms and phrases when used in this chapter have the meanings ascribed to them in this

section, except where the context clearly indicates a different meaning:

(14)(a) "Retail sale" or a "sale at retail" means a sale to a consumer or to any person for any purpose other than for resale in the form of tangible personal property or services taxable under this chapter, and includes all such transactions that may be made in lieu of retail sales or sales at retail. A sale for resale includes a sale of qualifying property. As used in this paragraph, the term "qualifying property" means tangible personal property, other than electricity, which is used or consumed by a government contractor in the performance of a qualifying contract as defined in s. 212.08(16)(c) ~~s. 212.08(17)(c)~~, to the extent that the cost of the property is allocated or charged as a direct item of cost to such contract, title to which property vests in or passes to the government under the contract. The term "government contractor" includes prime contractors and subcontractors. As used in this paragraph, a cost is a "direct item of cost" if it is a "direct cost" as defined in 48 C.F.R. s. 9904.418-30(a)(2), or similar successor provisions, including costs identified specifically with a particular contract.

Section 22. Paragraph (a) of subsection (1) of section 212.031, Florida Statutes, is amended to read:

212.031 Tax on rental or license fee for use of real property.—

(1)(a) It is declared to be the legislative intent that every person is exercising a taxable privilege who engages in the business of renting, leasing, letting, or granting a license for the use of any real property unless such property is:

1. Assessed as agricultural property under s. 193.461.

2. Used exclusively as dwelling units.

3. Property subject to tax on parking, docking, or storage spaces under s. 212.03(6).

4. Recreational property or the common elements of a condominium when subject to a lease between the developer or owner thereof and the condominium association in its own right or as agent for the owners of individual condominium units or the owners of individual condominium units. However, only the lease payments on such property shall be exempt from the tax imposed by this chapter, and any other use made by the owner or the condominium association shall be fully taxable under this chapter.

5. A public or private street or right-of-way and poles, conduits, fixtures, and similar improvements located on such streets or rights-of-way, occupied or used by a utility or provider of communications services, as defined by s. 202.11, for utility or communications or television purposes. For purposes of this subparagraph, the term "utility" means any person providing utility services as defined in s. 203.012. This exception also applies to property, wherever located, on which

the following are placed: towers, antennas, cables, accessory structures, or equipment, not including switching equipment, used in the provision of mobile communications services as defined in s. 202.11. For purposes of this chapter, towers used in the provision of mobile communications services, as defined in s. 202.11, are considered to be fixtures.

6. A public street or road which is used for transportation purposes.

7. Property used at an airport exclusively for the purpose of aircraft landing or aircraft taxiing or property used by an airline for the purpose of loading or unloading passengers or property onto or from aircraft or for fueling aircraft.

8.a. Property used at a port authority, as defined in s. 315.02(2), exclusively for the purpose of oceangoing vessels or tugs docking, or such vessels mooring on property used by a port authority for the purpose of loading or unloading passengers or cargo onto or from such a vessel, or property used at a port authority for fueling such vessels, or to the extent that the amount paid for the use of any property at the port is based on the charge for the amount of tonnage actually imported or exported through the port by a tenant.

b. The amount charged for the use of any property at the port in excess of the amount charged for tonnage actually imported or exported shall remain subject to tax except as provided in sub-subparagraph a.

~~9. Property used as an integral part of the performance of qualified production services. As used in this subparagraph, the term "qualified production services" means any activity or service performed directly in connection with the production of a qualified motion picture, as defined in s. 212.06(1)(b), and includes:~~

~~a. Photography, sound and recording, casting, location managing and scouting, shooting, creation of special and optical effects, animation, adaptation (language, media, electronic, or otherwise), technological modifications, computer graphics, set and stage support (such as electricians, lighting designers and operators, greensmen, prop managers and assistants, and grips), wardrobe (design, preparation, and management), hair and makeup (design, production, and application), performing (such as acting, dancing, and playing), designing and executing stunts, coaching, consulting, writing, scoring, composing, choreographing, script supervising, directing, producing, transmitting dailies, dubbing, mixing, editing, cutting, looping, printing, processing, duplicating, storing, and distributing;~~

~~b. The design, planning, engineering, construction, alteration, repair, and maintenance of real or personal property including stages, sets, props, models, paintings, and facilities principally required for the performance of those services listed in sub-subparagraph a.; and~~

~~c. Property management services directly related to property used in connection with the services described in sub-subparagraphs a. and b.~~

~~This exemption will inure to the taxpayer upon presentation of the certificate of exemption issued to the taxpayer under the provisions of s. 288.1258~~.

9.~~10.~~ Leased, subleased, licensed, or rented to a person providing food and drink concessionaire services within the premises of a convention hall, exhibition hall, auditorium, stadium, theater, arena, civic center, performing arts center, publicly owned recreational facility, or any business operated under a permit issued pursuant to chapter 550. A person providing retail concessionaire services involving the sale of food and drink or other tangible personal property within the premises of an airport shall be subject to tax on the rental of real property used for that purpose, but shall not be subject to the tax on any license to use the property. For purposes of this subparagraph, the term "sale" shall not include the leasing of tangible personal property.

10.~~11.~~ Property occupied pursuant to an instrument calling for payments which the department has declared, in a Technical Assistance Advisement issued on or before March 15, 1993, to be nontaxable pursuant to rule 12A-1.070(19)(c), Florida Administrative Code; provided that this subparagraph shall only

apply to property occupied by the same person before and after the execution of the subject instrument and only to those payments made pursuant to such instrument, exclusive of renewals and extensions thereof occurring after March 15, 1993.

11.~~12.~~ Property used or occupied predominantly for space flight business purposes. As used in this subparagraph, "space flight business" means the manufacturing, processing, or assembly of a space facility, space propulsion system, space vehicle, satellite, or station of any kind possessing the capacity for space flight, as defined by s. 212.02(23), or components thereof, and also means the following activities supporting space flight: vehicle launch activities, flight operations, ground control or ground support, and all administrative activities directly related thereto. Property shall be deemed to be used or occupied predominantly for space flight business purposes if more than 50 percent of the property, or improvements thereon, is used for one or more space flight business purposes. Possession by a landlord, lessor, or licensor of a signed written statement from the tenant, lessee, or licensee claiming the exemption shall relieve the landlord, lessor, or licensor from the responsibility of collecting the tax, and the department shall look solely to the tenant, lessee, or licensee for recovery of such tax if it determines that the exemption was not applicable.

12.~~13.~~ Rented, leased, subleased, or licensed to a person

providing telecommunications, data systems management, or Internet services at a publicly or privately owned convention hall, civic center, or meeting space at a public lodging establishment as defined in s. 509.013. This subparagraph applies only to that portion of the rental, lease, or license payment that is based upon a percentage of sales, revenue sharing, or royalty payments and not based upon a fixed price. This subparagraph is intended to be clarifying and remedial in nature and shall apply retroactively. This subparagraph does not provide a basis for an assessment of any tax not paid, or create a right to a refund of any tax paid, pursuant to this section before July 1, 2010.

Section 23. Paragraph (b) of subsection (1) of section 212.06, Florida Statutes, is amended to read:

212.06 Sales, storage, use tax; collectible from dealers; "dealer" defined; dealers to collect from purchasers; legislative intent as to scope of tax.—

(1)

(b) Except as otherwise provided, any person who manufactures, produces, compounds, processes, or fabricates in any manner tangible personal property for his or her own use shall pay a tax upon the cost of the product manufactured, produced, compounded, processed, or fabricated without any deduction therefrom on account of the cost of material used, labor or service costs, or transportation charges,

notwithstanding the provisions of s. 212.02 defining "cost price." However, the tax levied under this paragraph shall not be imposed upon any person who manufactures or produces electrical power or energy, steam energy, or other energy at a single location, when such power or energy is used directly and exclusively at such location, or at other locations if the energy is transferred through facilities of the owner in the operation of machinery or equipment that is used to manufacture, process, compound, produce, fabricate, or prepare for shipment tangible personal property for sale or to operate pollution control equipment, maintenance equipment, or monitoring or control equipment used in such operations. The manufacture or production of electrical power or energy that is used for space heating, lighting, office equipment, or air-conditioning or any other, nonprocessing, noncompounding, nonproducing, nonfabricating, or nonshipping activity is taxable. Electrical power or energy consumed or dissipated in the transmission or distribution of electrical power or energy for resale is also not taxable. ~~Fabrication labor shall not be taxable when a person is using his or her own equipment and personnel, for his or her own account, as a producer, subproducer, or coproducer of a qualified motion picture. For purposes of this chapter, the term "qualified motion picture" means all or any part of a series of related images, either on film, tape, or other embodiment, including, but not limited to, all items comprising~~

~~part of the original work and film-related products derived therefrom as well as duplicates and prints thereof and all sound recordings created to accompany a motion picture, which is produced, adapted, or altered for exploitation in, on, or through any medium or device and at any location, primarily for entertainment, commercial, industrial, or educational purposes. This exemption for fabrication labor associated with production of a qualified motion picture will inure to the taxpayer upon presentation of the certificate of exemption issued to the taxpayer under the provisions of s. 288.1258.~~ A person who manufactures factory-built buildings for his or her own use in the performance of contracts for the construction or improvement of real property shall pay a tax only upon the person's cost price of items used in the manufacture of such buildings.

Section 24. Section 212.0602, Florida Statutes, is repealed.

Section 25. Paragraphs (g) through (p) and (r) through (u) of subsection (5) of section 212.08, Florida Statutes, are redesignated as paragraphs (f) through (o) and (p) through (s), respectively, subsections (13) through (18) are renumbered as subsections (12) through (17), respectively, and paragraph (f) and present paragraphs (h), (j), and (q) of subsection (5), present subsection (12), and paragraph (f) of present subsection (15) of that section are amended to read:

212.08 Sales, rental, use, consumption, distribution, and

storage tax; specified exemptions.—The sale at retail, the rental, the use, the consumption, the distribution, and the storage to be used or consumed in this state of the following are hereby specifically exempt from the tax imposed by this chapter.

(5) EXEMPTIONS; ACCOUNT OF USE.—

~~(f) Motion picture or video equipment used in motion picture or television production activities and sound recording equipment used in the production of master tapes and master records.—~~

~~1. Motion picture or video equipment and sound recording equipment purchased or leased for use in this state in production activities is exempt from the tax imposed by this chapter. The exemption provided by this paragraph shall inure to the taxpayer upon presentation of the certificate of exemption issued to the taxpayer under the provisions of s. 288.1258.~~

~~2. For the purpose of the exemption provided in subparagraph 1.:~~

~~a. "Motion picture or video equipment" and "sound recording equipment" includes only tangible personal property or other property that has a depreciable life of 3 years or more and that is used by the lessee or purchaser exclusively as an integral part of production activities; however, motion picture or video equipment and sound recording equipment does not include supplies, tape, records, film, or video tape used in~~

~~productions or other similar items; vehicles or vessels; or general office equipment not specifically suited to production activities. In addition, the term does not include equipment purchased or leased by television or radio broadcasting or cable companies licensed by the Federal Communications Commission. Furthermore, a building and its structural components are not motion picture or video equipment and sound recording equipment unless the building or structural component is so closely related to the motion picture or video equipment and sound recording equipment that it houses or supports that the building or structural component can be expected to be replaced when the motion picture or video equipment and sound recording equipment are replaced. Heating and air-conditioning systems are not motion picture or video equipment and sound recording equipment unless the sole justification for their installation is to meet the requirements of the production activities, even though the system may provide incidental comfort to employees or serve, to an insubstantial degree, nonproduction activities.~~

~~b. "Production activities" means activities directed toward the preparation of a:~~

~~(I) Master tape or master record embodying sound; or~~

~~(II) Motion picture or television production which is produced for theatrical, commercial, advertising, or educational purposes and utilizes live or animated actions or a combination of live and animated actions. The motion picture or television~~

~~production shall be commercially produced for sale or for showing on screens or broadcasting on television and may be on film or video tape.~~

(g) ~~(h)~~ Business property used in an enterprise zone.—

1. Business property purchased for use by businesses located in an enterprise zone which is subsequently used in an enterprise zone shall be exempt from the tax imposed by this chapter. This exemption inures to the business only through a refund of previously paid taxes. A refund shall be authorized upon an affirmative showing by the taxpayer to the satisfaction of the department that the requirements of this paragraph have been met.

2. To receive a refund, the business must file under oath with the governing body or enterprise zone development agency having jurisdiction over the enterprise zone where the business is located, as applicable, an application which includes:

a. The name and address of the business claiming the refund.

b. The identifying number assigned pursuant to s. 290.0065 to the enterprise zone in which the business is located.

c. A specific description of the property for which a refund is sought, including its serial number or other permanent identification number.

d. The location of the property.

e. The sales invoice or other proof of purchase of the

property, showing the amount of sales tax paid, the date of purchase, and the name and address of the sales tax dealer from whom the property was purchased.

f. Whether the business is a small business as defined by s. 288.703.

g. If applicable, the name and address of each permanent employee of the business, including, for each employee who is a resident of an enterprise zone, the identifying number assigned pursuant to s. 290.0065 to the enterprise zone in which the employee resides.

3. Within 10 working days after receipt of an application, the governing body or enterprise zone development agency shall review the application to determine if it contains all the information required pursuant to subparagraph 2. and meets the criteria set out in this paragraph. The governing body or agency shall certify all applications that contain the information required pursuant to subparagraph 2. and meet the criteria set out in this paragraph as eligible to receive a refund. If applicable, the governing body or agency shall also certify if 20 percent of the employees of the business are residents of an enterprise zone, excluding temporary and part-time employees. The certification shall be in writing, and a copy of the certification shall be transmitted to the executive director of the Department of Revenue. The business shall be responsible for forwarding a certified application to the department within the

time specified in subparagraph 4.

4. An application for a refund pursuant to this paragraph must be submitted to the department within 6 months after the tax is due on the business property that is purchased.

5. The amount refunded on purchases of business property under this paragraph shall be the lesser of 97 percent of the sales tax paid on such business property or $5,000, or, if no less than 20 percent of the employees of the business are residents of an enterprise zone, excluding temporary and part-time employees, the amount refunded on purchases of business property under this paragraph shall be the lesser of 97 percent of the sales tax paid on such business property or $10,000. A refund approved pursuant to this paragraph shall be made within 30 days after formal approval by the department of the application for the refund. A refund may not be granted under this paragraph unless the amount to be refunded exceeds $100 in sales tax paid on purchases made within a 60-day time period.

6. The department shall adopt rules governing the manner and form of refund applications and may establish guidelines as to the requisites for an affirmative showing of qualification for exemption under this paragraph.

7. If the department determines that the business property is used outside an enterprise zone within 3 years from the date of purchase, the amount of taxes refunded to the business purchasing such business property shall immediately be due and

payable to the department by the business, together with the appropriate interest and penalty, computed from the date of purchase, in the manner provided by this chapter. Notwithstanding this subparagraph, business property used exclusively in:

a. Licensed commercial fishing vessels,

b. Fishing guide boats, or

c. Ecotourism guide boats

that leave and return to a fixed location within an area designated under s. 379.2353, Florida Statutes 2010, are eligible for the exemption provided under this paragraph if all requirements of this paragraph are met. Such vessels and boats must be owned by a business that is eligible to receive the exemption provided under this paragraph. This exemption does not apply to the purchase of a vessel or boat.

8. The department shall deduct an amount equal to 10 percent of each refund granted under this paragraph from the amount transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund pursuant to s. 212.20 for the county area in which the business property is located and shall transfer that amount to the General Revenue Fund.

9. For the purposes of this exemption, "business property" means new or used property defined as "recovery property" in s. 168(c) of the Internal Revenue Code of 1954, as amended, except:

a. Property classified as 3-year property under s. 168(c)(2)(A) of the Internal Revenue Code of 1954, as amended;

b. Industrial machinery and equipment as defined in sub-subparagraph (b)6.a. and eligible for exemption under paragraph (b);

c. Building materials as defined in sub-subparagraph (f)8.a. ~~sub-subparagraph (g)8.a.~~; and

d. Business property having a sales price of under $5,000 per unit.

10. This paragraph expires on the date specified in s. 290.016 for the expiration of the Florida Enterprise Zone Act.

(i) ~~(j)~~ Machinery and equipment used in semiconductor, defense, or space technology production.—

1.a. Industrial machinery and equipment used in semiconductor technology facilities certified under subparagraph 5. to manufacture, process, compound, or produce semiconductor technology products for sale or for use by these facilities are exempt from the tax imposed by this chapter. For purposes of this paragraph, industrial machinery and equipment includes molds, dies, machine tooling, other appurtenances or accessories to machinery and equipment, testing equipment, test beds, computers, and software, whether purchased or self-fabricated, and, if self-fabricated, includes materials and labor for design, fabrication, and assembly.

b. Industrial machinery and equipment used in defense or

space technology facilities certified under subparagraph 5. to design, manufacture, assemble, process, compound, or produce defense technology products or space technology products for sale or for use by these facilities are exempt from the tax imposed by this chapter.

2. Building materials purchased for use in manufacturing or expanding clean rooms in semiconductor-manufacturing facilities are exempt from the tax imposed by this chapter.

3. In addition to meeting the criteria mandated by subparagraph 1. or subparagraph 2., a business must be certified by the Department of Economic Opportunity in order to qualify for exemption under this paragraph.

4. For items purchased tax-exempt pursuant to this paragraph, possession of a written certification from the purchaser, certifying the purchaser's entitlement to the exemption, relieves the seller of the responsibility of collecting the tax on the sale of such items, and the department shall look solely to the purchaser for recovery of the tax if it determines that the purchaser was not entitled to the exemption.

5.a. To be eligible to receive the exemption provided by subparagraph 1. or subparagraph 2., a qualifying business entity shall initially apply to the Department of Economic Opportunity ~~Enterprise Florida, Inc~~. The original certification is valid for a period of 2 years. In lieu of submitting a new application, the original certification may be renewed biennially by

submitting to the Department of Economic Opportunity a statement, certified under oath, that there has not been a material change in the conditions or circumstances entitling the business entity to the original certification. The initial application and the certification renewal statement shall be developed by the Department of Economic Opportunity.

b. The ~~Division of Strategic Business Development of the~~ Department of Economic Opportunity shall review each submitted initial application and determine whether or not the application is complete within 5 working days. Once complete, the division shall, within 10 working days, evaluate the application and recommend approval or disapproval to the Department of Economic Opportunity.

c. Upon receipt of the initial application and recommendation from the division or upon receipt of a certification renewal statement, the Department of Economic Opportunity shall certify within 5 working days those applicants who are found to meet the requirements of this section and notify the applicant of the original certification or certification renewal. If the Department of Economic Opportunity finds that the applicant does not meet the requirements, it shall notify the applicant ~~and Enterprise Florida, Inc.,~~ within 10 working days that the application for certification has been denied and the reasons for denial. The Department of Economic Opportunity has final approval authority for certification under

this section.

d. The initial application and certification renewal statement must indicate, for program evaluation purposes only, the average number of full-time equivalent employees at the facility over the preceding calendar year, the average wage and benefits paid to those employees over the preceding calendar year, the total investment made in real and tangible personal property over the preceding calendar year, and the total value of tax-exempt purchases and taxes exempted during the previous year. The department shall assist the Department of Economic Opportunity in evaluating and verifying information provided in the application for exemption.

e. The Department of Economic Opportunity may use the information reported on the initial application and certification renewal statement for evaluation purposes only.

6. A business certified to receive this exemption may elect to designate one or more state universities or community colleges as recipients of up to 100 percent of the amount of the exemption. To receive these funds, the institution must agree to match the funds with equivalent cash, programs, services, or other in-kind support on a one-to-one basis for research and development projects requested by the certified business. The rights to any patents, royalties, or real or intellectual property must be vested in the business unless otherwise agreed to by the business and the university or community college.

7. As used in this paragraph, the term:

a. "Semiconductor technology products" means raw semiconductor wafers or semiconductor thin films that are transformed into semiconductor memory or logic wafers, including wafers containing mixed memory and logic circuits; related assembly and test operations; active-matrix flat panel displays; semiconductor chips; semiconductor lasers; optoelectronic elements; and related semiconductor technology products as determined by the Department of Economic Opportunity.

b. "Clean rooms" means manufacturing facilities enclosed in a manner that meets the clean manufacturing requirements necessary for high-technology semiconductor-manufacturing environments.

c. "Defense technology products" means products that have a military application, including, but not limited to, weapons, weapons systems, guidance systems, surveillance systems, communications or information systems, munitions, aircraft, vessels, or boats, or components thereof, which are intended for military use and manufactured in performance of a contract with the United States Department of Defense or the military branch of a recognized foreign government or a subcontract thereunder which relates to matters of national defense.

d. "Space technology products" means products that are specifically designed or manufactured for application in space activities, including, but not limited to, space launch

vehicles, space flight vehicles, missiles, satellites or research payloads, avionics, and associated control systems and processing systems and components of any of the foregoing. The term does not include products that are designed or manufactured for general commercial aviation or other uses even though those products may also serve an incidental use in space applications.

~~(q) Entertainment industry tax credit; authorization; eligibility for credits.—The credits against the state sales tax authorized pursuant to s. 288.1254 shall be deducted from any sales and use tax remitted by the dealer to the department by electronic funds transfer and may only be deducted on a sales and use tax return initiated through electronic data interchange. The dealer shall separately state the credit on the electronic return. The net amount of tax due and payable must be remitted by electronic funds transfer. If the credit for the qualified expenditures is larger than the amount owed on the sales and use tax return that is eligible for the credit, the unused amount of the credit may be carried forward to a succeeding reporting period as provided in s. 288.1254(4)(e). A dealer may only obtain a credit using the method described in this subparagraph. A dealer is not authorized to obtain a credit by applying for a refund.~~

~~(12) PARTIAL EXEMPTION; MASTER TAPES, RECORDS, FILMS, OR VIDEO TAPES.—~~

~~(a) There are exempt from the taxes imposed by this~~

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

~~chapter the gross receipts from the sale or lease of, and the storage, use, or other consumption in this state of, master tapes or master records embodying sound, or master films or master video tapes; except that amounts paid to recording studios or motion picture or television studios for the tangible elements of such master tapes, records, films, or video tapes are taxable as otherwise provided in this chapter. This exemption will inure to the taxpayer upon presentation of the certificate of exemption issued to the taxpayer under the provisions of s. 288.1258.~~

~~(b) For the purposes of this subsection, the term:~~

~~1. "Amounts paid for the tangible elements" does not include any amounts paid for the copyrightable, artistic, or other intangible elements of such master tapes, records, films, or video tapes, whether designated as royalties or otherwise, including, but not limited to, services rendered in producing, fabricating, processing, or imprinting tangible personal property or any other services or production expenses in connection therewith which may otherwise be construed as constituting a "sale" under s. 212.02.~~

~~2. "Master films or master video tapes" means films or video tapes utilized by the motion picture and television production industries in making visual images for reproduction.~~

~~3. "Master tapes or master records embodying sound" means tapes, records, and other devices utilized by the recording~~

~~industry in making recordings embodying sound.~~

~~4. "Motion picture or television studio" means a facility in which film or video tape productions or parts of productions are made and which contains the necessary equipment and personnel for this purpose and includes a mobile unit or vehicle that is equipped in much the same manner as a stationary studio and used in the making of film or video tape productions.~~

~~5. "Recording studio" means a place where, by means of mechanical or electronic devices, voices, music, or other sounds are transmitted to tapes, records, or other devices capable of reproducing sound.~~

~~6. "Recording industry" means any person engaged in an occupation or business of making recordings embodying sound for a livelihood or for a profit.~~

~~7. "Motion picture or television production industry" means any person engaged in an occupation or business for a livelihood or for profit of making visual motion picture or television visual images for showing on screen or television for theatrical, commercial, advertising, or educational purposes.~~

(14) ~~(15)~~ ELECTRICAL ENERGY USED IN AN ENTERPRISE ZONE.—

(f) For the purpose of the exemption provided in this subsection, the term "qualified business" means a business which is:

1. First occupying a new structure to which electrical service, other than that used for construction purposes, has not

been previously provided or furnished;

2. Newly occupying an existing, remodeled, renovated, or rehabilitated structure to which electrical service, other than that used for remodeling, renovation, or rehabilitation of the structure, has not been provided or furnished in the three preceding billing periods; or

3. Occupying a new, remodeled, rebuilt, renovated, or rehabilitated structure for which a refund has been granted pursuant to paragraph (5)(f) ~~(5)(g)~~.

Section 26. Section 212.097, Florida Statutes, is repealed.

Section 27. Paragraph (a) 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:

(a) "Eligible business" means any sole proprietorship, firm, partnership, or corporation that is located in a qualified county and is predominantly engaged in, or is headquarters for a business predominantly engaged in, activities usually provided for consideration by firms classified within the following standard industrial classifications: SIC 01-SIC 09 (agriculture, forestry, and fishing); SIC 20-SIC 39 (manufacturing); SIC 422 (public warehousing and storage); SIC 70 (hotels and other lodging places); SIC 7391 (research and development); SIC 781 (motion picture production and allied services); SIC 7992

(public golf courses); and SIC 7996 (amusement parks)~~; and a targeted industry eligible for the qualified target industry business tax refund under s. 288.106~~. A call center or similar customer service operation that services a multistate market or an international market is also an eligible business. In addition, the Department of Economic Opportunity may, as part of its final budget request submitted pursuant to s. 216.023, recommend additions to or deletions from the list of standard industrial classifications used to determine an eligible business, and the Legislature may implement such recommendations. Excluded from eligible receipts are receipts from retail sales, except such receipts for hotels and other lodging places classified in SIC 70, public golf courses in SIC 7992, and amusement parks in SIC 7996. For purposes of this paragraph, the term "predominantly" means that more than 50 percent of the business's gross receipts from all sources is generated by those activities usually provided for consideration by firms in the specified standard industrial classification. The determination of whether the business is located in a qualified county and the tier ranking of that county must be based on the date of application for the credit under this section. Commonly owned and controlled entities are to be considered a single business entity.

Section 28. Paragraph (d) of subsection (6) of section 212.20, Florida Statutes, is amended to read:

212.20 Funds collected, disposition; additional powers of department; operational expense; refund of taxes adjudicated unconstitutionally collected.—

(6) Distribution of all proceeds under this chapter and ss. 202.18(1)(b) and (2)(b) and 203.01(1)(a)3. is as follows:

(d) The proceeds of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be distributed as follows:

1. In any fiscal year, the greater of $500 million, minus an amount equal to 4.6 percent of the proceeds of the taxes collected pursuant to chapter 201, or 5.2 percent of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in monthly installments into the General Revenue Fund.

2. After the distribution under subparagraph 1., 8.9744 percent of the amount remitted by a sales tax dealer located within a participating county pursuant to s. 218.61 shall be transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to be transferred shall be reduced by 0.1 percent, and the department shall distribute this amount to the Public Employees Relations Commission Trust Fund less $5,000 each month, which shall be added to the amount calculated in subparagraph 3. and distributed accordingly.

3. After the distribution under subparagraphs 1. and 2.,

0.0966 percent shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund and distributed pursuant to s. 218.65.

4. After the distributions under subparagraphs 1., 2., and 3., 2.0810 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Counties pursuant to s. 218.215.

5. After the distributions under subparagraphs 1., 2., and 3., 1.3653 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Municipalities pursuant to s. 218.215. If the total revenue to be distributed pursuant to this subparagraph is at least as great as the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, no municipality shall receive less than the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000. If the total proceeds to be distributed are less than the amount received in combination from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, each municipality shall receive an amount proportionate to the amount it was due in state fiscal year 1999-2000.

6. Of the remaining proceeds:

a. In each fiscal year, the sum of $29,915,500 shall be divided into as many equal parts as there are counties in the state, and one part shall be distributed to each county. The distribution among the several counties must begin each fiscal year on or before January 5th and continue monthly for a total of 4 months. If a local or special law required that any moneys accruing to a county in fiscal year 1999-2000 under the then-existing provisions of s. 550.135 be paid directly to the district school board, special district, or a municipal government, such payment must continue until the local or special law is amended or repealed. The state covenants with holders of bonds or other instruments of indebtedness issued by local governments, special districts, or district school boards before July 1, 2000, that it is not the intent of this subparagraph to adversely affect the rights of those holders or relieve local governments, special districts, or district school boards of the duty to meet their obligations as a result of previous pledges or assignments or trusts entered into which obligated funds received from the distribution to county governments under then-existing s. 550.135. This distribution specifically is in lieu of funds distributed under s. 550.135 before July 1, 2000.

b. The department shall distribute $166,667 monthly to each applicant certified as a facility for a new or retained professional sports franchise pursuant to <u>former</u> s. 288.1162. Up

to $41,667 shall be distributed monthly by the department to each certified applicant as defined in former s. 288.11621 for a facility for a spring training franchise. However, not more than $416,670 may be distributed monthly in the aggregate to all certified applicants for facilities for spring training franchises. Distributions begin 60 days after such certification and continue for not more than 30 years, except as otherwise provided in former s. 288.11621. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in former s. 288.1162(5) or former s. 288.11621(3).

c. Beginning 30 days after notice by the Department of Economic Opportunity to the Department of Revenue that an applicant has been certified as the professional golf hall of fame pursuant to s. 288.1168 and is open to the public, $166,667 shall be distributed monthly, for up to 300 months, to the applicant.

~~d. Beginning 30 days after notice by the Department of Economic Opportunity to the Department of Revenue that the applicant has been certified as the International Game Fish Association World Center facility pursuant to s. 288.1169, and the facility is open to the public, $83,333 shall be distributed monthly, for up to 168 months, to the applicant. This distribution is subject to reduction pursuant to s. 288.1169.~~

d.~~e.~~ The department shall distribute up to $83,333 monthly to each certified applicant as defined in former s. 288.11631 for a facility used by a single spring training franchise, or up to $166,667 monthly to each certified applicant as defined in former s. 288.11631 for a facility used by more than one spring training franchise. Monthly distributions begin 60 days after such certification or July 1, 2016, whichever is later, and continue for not more than 20 years to each certified applicant as defined in former s. 288.11631 for a facility used by a single spring training franchise or not more than 25 years to each certified applicant as defined in former s. 288.11631 for a facility used by more than one spring training franchise. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in former s. 288.11631(3).

e.~~f.~~ The Department shall distribute $15,333 monthly to the State Transportation Trust Fund.

f.~~g.~~(I) On or before July 25, 2021, August 25, 2021, and September 25, 2021, the department shall distribute $324,533,334 in each of those months to the Unemployment Compensation Trust Fund, less an adjustment for refunds issued from the General Revenue Fund pursuant to s. 443.131(3)(e)3. before making the distribution. The adjustments made by the department to the total distributions shall be equal to the total refunds made pursuant to s. 443.131(3)(e)3. If the amount of refunds to be

subtracted from any single distribution exceeds the distribution, the department may not make that distribution and must subtract the remaining balance from the next distribution.

(II) Beginning July 2022, and on or before the 25th day of each month, the department shall distribute $90 million monthly to the Unemployment Compensation Trust Fund.

(III) If the ending balance of the Unemployment Compensation Trust Fund exceeds $4,071,519,600 on the last day of any month, as determined from United States Department of the Treasury data, the Office of Economic and Demographic Research shall certify to the department that the ending balance of the trust fund exceeds such amount.

(IV) This sub-subparagraph is repealed, and the department shall end monthly distributions under sub-sub-subparagraph (II), on the date the department receives certification under sub-sub-subparagraph (III).

7. All other proceeds must remain in the General Revenue Fund.

Section 29. Subsection (2) of section 218.61, Florida Statutes, is amended to read:

218.61 Local government half-cent sales tax; designated proceeds; trust fund.—

(2) Money remitted by a sales tax dealer located within the county and transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund shall be earmarked for

distribution to the governing body of that county and of each municipality within that county. ~~Such distributions shall be made after funding is provided pursuant to s. 218.64(3), if applicable.~~ Such moneys shall be known as the "local government half-cent sales tax."

Section 30. Subsection (3) of section 218.64, Florida Statutes, is amended to read:

218.64 Local government half-cent sales tax; uses; limitations.—

(3) Subject to ordinances enacted by the majority of the members of the county governing authority and by the majority of the members of the governing authorities of municipalities representing at least 50 percent of the municipal population of such county, counties may use up to $3 million annually of the local government half-cent sales tax allocated to that county for any of the following purposes:

(a) Funding a certified applicant as a facility for a new or retained professional sports franchise under former s. 288.1162 or a certified applicant as defined in former s. 288.11621 for a facility for a spring training franchise. ~~It is the Legislature's intent that the provisions of s. 288.1162, including, but not limited to, the evaluation process by the Department of Economic Opportunity except for the limitation on the number of certified applicants or facilities as provided in that section and the restrictions set forth in s. 288.1162(8),~~

~~shall apply to an applicant's facility to be funded by local government as provided in this subsection.~~

(b) Funding a certified applicant as a "motorsport entertainment complex," as provided for in former s. 288.1171. Funding for each franchise or motorsport complex shall begin 60 days after certification and shall continue for not more than 30 years.

Section 31. Subsection (8) of section 220.02, Florida Statutes, is amended to read:

220.02 Legislative intent.—

(8) It is the intent of the Legislature that credits against either the corporate income tax or the franchise tax be applied in the following order: those enumerated in s. 631.828, those enumerated in former s. 220.191, those enumerated in s. 220.181, those enumerated in s. 220.183, those enumerated in s. 220.182, those enumerated in s. 220.1895, those enumerated in s. 220.195, those enumerated in s. 220.184, those enumerated in s. 220.186, those enumerated in s. 220.1845, those enumerated in s. 220.19, those enumerated in s. 220.185, those enumerated in s. 220.1875, those enumerated in s. 220.1876, those enumerated in s. 220.1877, those enumerated in s. 220.193, those enumerated in former s. 288.9916, those enumerated in former s. 220.1899, those enumerated in s. 220.194, those enumerated in s. 220.196, those enumerated in s. 220.198, and those enumerated in s. 220.1915.

Section 32. Paragraph (a) of subsection (1) of section 220.13, Florida Statutes, is amended to read:

220.13 "Adjusted federal income" defined.—

(1) The term "adjusted federal income" means an amount equal to the taxpayer's taxable income as defined in subsection (2), or such taxable income of more than one taxpayer as provided in s. 220.131, for the taxable year, adjusted as follows:

(a) Additions.—There shall be added to such taxable income:

1.a. The amount of any tax upon or measured by income, excluding taxes based on gross receipts or revenues, paid or accrued as a liability to the District of Columbia or any state of the United States which is deductible from gross income in the computation of taxable income for the taxable year.

b. Notwithstanding sub-subparagraph a., if a credit taken under s. 220.1875, s. 220.1876, or s. 220.1877 is added to taxable income in a previous taxable year under subparagraph 11. and is taken as a deduction for federal tax purposes in the current taxable year, the amount of the deduction allowed shall not be added to taxable income in the current year. The exception in this sub-subparagraph is intended to ensure that the credit under s. 220.1875, s. 220.1876, or s. 220.1877 is added in the applicable taxable year and does not result in a duplicate addition in a subsequent year.

2. The amount of interest which is excluded from taxable income under s. 103(a) of the Internal Revenue Code or any other federal law, less the associated expenses disallowed in the computation of taxable income under s. 265 of the Internal Revenue Code or any other law, excluding 60 percent of any amounts included in alternative minimum taxable income, as defined in s. 55(b)(2) of the Internal Revenue Code, if the taxpayer pays tax under s. 220.11(3).

3. In the case of a regulated investment company or real estate investment trust, an amount equal to the excess of the net long-term capital gain for the taxable year over the amount of the capital gain dividends attributable to the taxable year.

4. That portion of the wages or salaries paid or incurred for the taxable year which is equal to the amount of the credit allowable for the taxable year under s. 220.181. This subparagraph shall expire on the date specified in s. 290.016 for the expiration of the Florida Enterprise Zone Act.

5. That portion of the ad valorem school taxes paid or incurred for the taxable year which is equal to the amount of the credit allowable for the taxable year under s. 220.182. This subparagraph shall expire on the date specified in s. 290.016 for the expiration of the Florida Enterprise Zone Act.

6. The amount taken as a credit under s. 220.195 which is deductible from gross income in the computation of taxable income for the taxable year.

7. That portion of assessments to fund a guaranty association incurred for the taxable year which is equal to the amount of the credit allowable for the taxable year.

8. In the case of a nonprofit corporation which holds a pari-mutuel permit and which is exempt from federal income tax as a farmers' cooperative, an amount equal to the excess of the gross income attributable to the pari-mutuel operations over the attributable expenses for the taxable year.

9. The amount taken as a credit for the taxable year under s. 220.1895.

10. Up to nine percent of the eligible basis of any designated project which is equal to the credit allowable for the taxable year under s. 220.185.

11. Any amount taken as a credit for the taxable year under s. 220.1875, s. 220.1876, or s. 220.1877. The addition in this subparagraph is intended to ensure that the same amount is not allowed for the tax purposes of this state as both a deduction from income and a credit against the tax. This addition is not intended to result in adding the same expense back to income more than once.

12. The amount taken as a credit for the taxable year under s. 220.193.

~~13. Any portion of a qualified investment, as defined in s. 288.9913, which is claimed as a deduction by the taxpayer and taken as a credit against income tax pursuant to s. 288.9916.~~

~~14. The costs to acquire a tax credit pursuant to s. 288.1254(5) that are deducted from or otherwise reduce federal taxable income for the taxable year.~~

13.~~15.~~ The amount taken as a credit for the taxable year pursuant to s. 220.194.

14.~~16.~~ The amount taken as a credit for the taxable year under s. 220.196. The addition in this subparagraph is intended to ensure that the same amount is not allowed for the tax purposes of this state as both a deduction from income and a credit against the tax. The addition is not intended to result in adding the same expense back to income more than once.

15.~~17.~~ The amount taken as a credit for the taxable year pursuant to s. 220.198.

16.~~18.~~ The amount taken as a credit for the taxable year pursuant to s. 220.1915.

Section 33. Paragraph (c) of subsection (1) of section 220.183, Florida Statutes, is amended to read:

220.183 Community contribution tax credit.—

(1) AUTHORIZATION TO GRANT COMMUNITY CONTRIBUTION TAX CREDITS; LIMITATIONS ON INDIVIDUAL CREDITS AND PROGRAM SPENDING.—

(c) The total amount of tax credit which may be granted for all programs approved under this section and ss. 212.08(5)(o) and 624.5105 ~~ss. 212.08(5)(p) and 624.5105~~ is $14.5 million in the 2022-2023 fiscal year and in each fiscal year

thereafter for projects that provide housing opportunities for persons with special needs as defined in s. 420.0004 and homeownership opportunities for low-income households or very-low-income households as defined in s. 420.9071 and $4.5 million in the 2022-2023 fiscal year and in each fiscal year thereafter for all other projects.

Section 34. Section 220.1895, Florida Statutes, is amended to read:

220.1895 Rural Job Tax Credit ~~and Urban High-Crime Area Job Tax Credit~~.—There shall be allowed a credit against the tax imposed by this chapter amounts approved by the Department of Economic Opportunity pursuant to the Rural Job Tax Credit Program in s. 212.098 ~~and the Urban High-Crime Area Job Tax Credit Program in s. 212.097~~. A corporation that uses its credit against the tax imposed by this chapter may not take the credit against the tax imposed by chapter 212. If any credit granted under this section is not fully used in the first year for which it becomes available, the unused amount may be carried forward for a period not to exceed 5 years. The carryover may be used in a subsequent year when the tax imposed by this chapter for such year exceeds the credit for such year under this section after applying the other credits and unused credit carryovers in the order provided in s. 220.02(8).

Section 35. Section 220.1899, Florida Statutes, is repealed.

Section 36. Section 220.191, Florida Statutes, is repealed.

Section 37. Subsection (9) of section 220.194, Florida Statutes, is amended to read:

220.194 Corporate income tax credits for spaceflight projects.—

(9) ANNUAL REPORT.—Beginning in 2014, the Department of Economic Opportunity, in cooperation with Space Florida and the department, shall include in the annual incentives report required under s. 288.0065 ~~s. 288.907~~ a summary of activities relating to the Florida Space Business Incentives Act established under this section.

Section 38. Subsection (1) and paragraph (a) of subsection (2) of section 220.196, Florida Statutes, are amended to read:

220.196 Research and development tax credit.—

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

(a) "Base amount" means the average of the business enterprise's qualified research expenses in this state allowed under 26 U.S.C. s. 41 for the 4 taxable years preceding the taxable year for which the credit is determined. The qualified research expenses taken into account in computing the base amount shall be determined on a basis consistent with the determination of qualified research expenses for the taxable year.

(b) "Business enterprise" means any corporation as defined

in s. 220.03 which meets the definition of a target industry business as defined in paragraph (c) ~~s. 288.106~~.

(c) "Target industry business" means a corporate headquarters business or any business that is engaged in one of the target industries identified pursuant to the following criteria developed by the Department of Economic Opportunity:

1. Future growth.—The industry forecast indicates strong expectation for future growth in employment and output, according to the most recent available data. Special consideration shall be given to businesses that export goods to, or provide services in, international markets and businesses that replace domestic and international imports of goods or services.

2. Stability.—The industry is not subject to periodic layoffs, whether due to seasonality or sensitivity to volatile economic variables such as weather. The industry is also relatively resistant to recession, so that the demand for products of this industry is not typically subject to decline during an economic downturn.

3. High wage.—The industry pays relatively high wages compared to statewide or area averages.

4. Market and resource independent.—The industry business location is not dependent on markets or resources in the state as indicated by industry analysis, except for businesses in the renewable energy industry.

5. Industrial base diversification and strengthening.—The industry contributes toward expanding or diversifying the state's or area's economic base, as indicated by analysis of employment and output shares compared to national and regional trends. Special consideration shall be given to industries that strengthen regional economies by adding value to basic products or building regional industrial clusters as indicated by industry analysis. Special consideration shall also be given to the development of strong industrial clusters that include defense and homeland security businesses.

6. Positive economic impact.—The industry has strong positive economic impacts on or benefits to the state or regional economies. Special consideration shall be given to industries that facilitate the development of the state as a hub for domestic and global trade and logistics.

The term does not include any business engaged in retail industry activities; any electrical utility company as defined in s. 366.02(4); any phosphate or other solid minerals severance, mining, or processing operation; any oil or gas exploration or production operation; or any business subject to regulation by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation. Any business within NAICS code 5611 or 5614, office administrative services and business support services, respectively, may be considered a

target industry business only after the local governing body and the Department of Economic Opportunity determine that the community in which the business may locate has conditions affecting the fiscal and economic viability of the local community or area, including, but not limited to, low per capita income, high unemployment, high underemployment, and a lack of year-round stable employment opportunities, and such conditions may be improved by the business locating in such community. By January 1 of every 3rd year, beginning January 1, 2011, the Department of Economic Opportunity, in consultation with economic development organizations, the State University System, local governments, employee and employer organizations, market analysts, and economists, shall review and, as appropriate, revise the list of target industries and submit the list to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

(d) ~~(c)~~ "Qualified research expenses" means research expenses qualifying for the credit under 26 U.S.C. s. 41 for in-house research expenses incurred in this state or contract research expenses incurred in this state. The term does not include research conducted outside this state or research expenses that do not qualify for a credit under 26 U.S.C. s. 41.

(2) TAX CREDIT.—

(a) As provided in this section, a business enterprise is eligible for a credit against the tax imposed by this chapter if

it:

1. Has qualified research expenses in this state in the taxable year exceeding the base amount;

2. Claims and is allowed a research credit for such qualified research expenses under 26 U.S.C. s. 41 for the same taxable year as subparagraph 1.; and

3. Is a ~~qualified~~ target industry business as defined in paragraph (c) ~~s. 288.106(2)(n)~~. Only ~~qualified~~ target industry businesses in the manufacturing, life sciences, information technology, aviation and aerospace, homeland security and defense, cloud information technology, marine sciences, materials science, and nanotechnology industries may qualify for a tax credit under this section. A business applying for a credit pursuant to this section shall include a letter from the Department of Economic Opportunity certifying whether the business meets the requirements of this subparagraph with its application for credit. The Department of Economic Opportunity shall provide such a letter upon receiving a request.

Section 39. Section 272.11, Florida Statutes, is amended to read:

272.11 Capitol information center.—The Department of Economic Opportunity ~~Enterprise Florida, Inc.,~~ shall establish, maintain, and operate a Capitol information center somewhere within the area of the Capitol Center and employ personnel or enter into contracts to maintain same.

Section 40. Paragraph (f) of subsection (1) of section 287.0947, Florida Statutes, is amended to read:

287.0947 Florida Advisory Council on Small and Minority Business Development; creation; membership; duties.—

(1) The Secretary of Management Services may create the Florida Advisory Council on Small and Minority Business Development with the purpose of advising and assisting the secretary in carrying out the secretary's duties with respect to minority businesses and economic and business development. It is the intent of the Legislature that the membership of such council include practitioners, laypersons, financiers, and others with business development experience who can provide invaluable insight and expertise for this state in the diversification of its markets and networking of business opportunities. The council shall initially consist of 19 persons, each of whom is or has been actively engaged in small and minority business development, either in private industry, in governmental service, or as a scholar of recognized achievement in the study of such matters. Initially, the council shall consist of members representing all regions of the state and shall include at least one member from each group identified within the definition of "minority person" in s. 288.703(4), considering also gender and nationality subgroups, and shall consist of the following:

(f) A member from the Department of Economic Opportunity

~~board of directors of Enterprise Florida, Inc~~.

A candidate for appointment may be considered if eligible to be certified as an owner of a minority business enterprise, or if otherwise qualified under the criteria above. Vacancies may be filled by appointment of the secretary, in the manner of the original appointment.

Section 41. Paragraph (e) of subsection (1) of section 287.137, Florida Statutes, is amended to read:

287.137 Antitrust violations; denial or revocation of the right to transact business with public entities; denial of economic benefits.—

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

(e) "Economic incentives" means state grants, cash grants, tax exemptions, tax refunds, tax credits, state funds, and other state incentives under chapter 288 or administered by the Department of Economic Opportunity ~~Enterprise Florida, Inc~~.

Section 42. Subsections (2) and (4) of section 288.0001, Florida Statutes, are amended 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:

(a) By January 1, 2014, and every 3 years thereafter, an analysis of the following:

~~1. The capital investment tax credit established under s. 220.191.~~

~~2. The qualified target industry tax refund established under s. 288.106.~~

~~3. The brownfield redevelopment bonus refund established under s. 288.107.~~

~~4. High-impact business performance grants established under s. 288.108.~~

~~5. The Quick Action Closing Fund established under s. 288.1088.~~

~~6. The Innovation Incentive Program established under s. 288.1089.~~

1.~~7.~~ Enterprise Zone Program incentives established under ss. 212.08(5) and (14)~~(15)~~, 212.096, 220.181, and 220.182.

2.~~8.~~ The New Markets Development Program established under ss. 288.991-288.9922.

(b) By January 1, 2015, and every 3 years thereafter, an analysis of ~~the following~~:

~~1. The entertainment industry financial incentive program~~

~~established under s. 288.1254.~~

~~2. The entertainment industry sales tax exemption program established under s. 288.1258.~~

1.~~3.~~ VISIT Florida and its programs established or funded under ss. 288.122, 288.1226, 288.12265, and 288.124.

2.~~4.~~ The Florida Sports Foundation and related programs established under ss. ~~288.1162, 288.11621,~~ 288.1166, 288.1167, and 288.1168~~, 288.1169, and 288.1171~~.

(c) By January 1, 2016, and every 3 years thereafter, an analysis of the following:

~~1. The qualified defense contractor and space flight business tax refund program established under s. 288.1045.~~

1.~~2.~~ The tax exemption for semiconductor, defense, or space technology sales established under s. 212.08(5)(i) ~~s. 212.08(5)(j)~~.

2.~~3.~~ The Military Base Protection Program established under s. 288.980.

3.~~4.~~ The Quick Response Training Program established under s. 288.047.

4.~~5.~~ The Incumbent Worker Training Program established under s. 445.003.

5.~~6.~~ International trade and business development programs established or funded under s. 288.826.

(d) By January 1, 2019, and every 3 years thereafter, an analysis of the grant and entrepreneur initiative programs

established under s. 295.22(3)(d) and (e).

(4) Pursuant to the schedule established in subsection (2), OPPAGA shall evaluate each program over the previous 3 years for its effectiveness and value to the taxpayers of this state and include recommendations on each program for consideration by the Legislature. The analysis may include relevant economic development reports or analyses prepared by the department ~~of Economic Opportunity, Enterprise Florida, Inc.,~~ or local or regional economic development organizations,~~;~~ interviews with the parties involved,~~;~~ or any other relevant data.

Section 43. Section 288.001, Florida Statutes, is repealed.

Section 44. Subsections (3) and (6) of section 288.012, Florida Statutes, are amended to read:

288.012 State of Florida international offices.—The Legislature finds that the expansion of international trade and tourism is vital to the overall health and growth of the economy of this state. This expansion is hampered by the lack of technical and business assistance, financial assistance, and information services for businesses in this state. The Legislature finds that these businesses could be assisted by providing these services at State of Florida international offices. The Legislature further finds that the accessibility and provision of services at these offices can be enhanced

through cooperative agreements or strategic alliances between private businesses and state, local, and international governmental entities.

(3) Each international office shall annually submit to the department ~~Enterprise Florida, Inc.,~~ a complete and detailed report on its activities and accomplishments during the previous fiscal year. ~~for inclusion in the annual report required under s. 288.906. In the format and by the annual date prescribed by Enterprise Florida, Inc.,~~ The report must set forth information on:

(a) The number of Florida companies assisted.

(b) The number of inquiries received about investment opportunities in this state.

(c) The number of trade leads generated.

(d) The number of investment projects announced.

(e) The estimated U.S. dollar value of sales confirmations.

(f) The number of representation agreements.

(g) The number of company consultations.

(h) Barriers or other issues affecting the effective operation of the office.

(i) Changes in office operations which are planned for the current fiscal year.

(j) Marketing activities conducted.

(k) Strategic alliances formed with organizations in the

country in which the office is located.

(l) Activities conducted with Florida's other international offices.

(m) Any other information that the office believes would contribute to an understanding of its activities.

~~(6) The department is authorized to make and to enter into contracts with Enterprise Florida, Inc., to carry out the provisions of this section. The authority, duties, and exemptions provided in this section apply to Enterprise Florida, Inc., to the same degree and subject to the same conditions as applied to the department. To the greatest extent possible, such contracts shall include provisions for cooperative agreements or strategic alliances between private businesses and state, international, and local governmental entities to operate international offices.~~

Section 45. Section 288.017, Florida Statutes, is repealed.

Section 46. Subsection (4) of section 288.018, Florida Statutes, is amended to read:

288.018 Regional Rural Development Grants Program.—

(4) The department may expend up to $750,000 each fiscal year from funds appropriated to the Rural Community Development Revolving Loan Fund for the purposes outlined in this section. ~~The department may contract with Enterprise Florida, Inc., for the administration of the purposes specified in this section.~~

~~Funds released to Enterprise Florida, Inc., for this purpose shall be released quarterly and shall be calculated based on the applications in process.~~

Section 47. Subsections (1), (9), and (10) of section 288.047, Florida Statutes, are amended, to read:

288.047 Quick-response training for economic development.—

(1) The Quick-Response Training Program is created to meet the workforce-skill needs of existing, new, and expanding industries. The program shall be administered by CareerSource Florida, Inc., in conjunction with ~~Enterprise Florida, Inc., and~~ the Department of Education. CareerSource Florida, Inc., shall adopt guidelines for the administration of this program, shall provide technical services, and shall identify businesses that seek services through the program. ~~CareerSource Florida, Inc., may contract with Enterprise Florida, Inc., or administer this program directly, if it is determined that such an arrangement maximizes the amount of the Quick Response grant going to direct services.~~

~~(9) Notwithstanding any other provision of law, eligible matching contributions received under this section from the Quick-Response Training Program may be counted toward the private sector support of Enterprise Florida, Inc., under s. 288.904.~~

~~(10) CareerSource Florida, Inc., and Enterprise Florida, Inc., shall coordinate and cooperate in administering this~~

~~section so that any division of responsibility between the two organizations which relates to marketing or administering the Quick-Response Training Program is not apparent to a business that inquires about or applies for funding under this section. A business shall be provided with a single point of contact for information and assistance.~~

Section 48. Subsections (1) and (4) of section 288.061, Florida Statutes, are amended to read:

288.061 Economic development incentive application process.—

(1) Upon receiving a submitted economic development incentive application, ~~the Division of Strategic Business Development of~~ the department ~~of Economic Opportunity and designated staff of Enterprise Florida, Inc.,~~ shall review the application to ensure that the application is complete, whether and what type of state and local permits may be necessary for the applicant's project, whether it is possible to waive such permits, and what state incentives and amounts of such incentives may be available to the applicant. The department shall recommend to the Secretary of Economic Opportunity to approve or disapprove an applicant business. If review of the application demonstrates that the application is incomplete, the secretary shall notify the applicant business within the first 5 business days after receiving the application.

(4) The department shall validate contractor performance

and report such validation in the annual incentives report required under s. 288.0065 ~~s. 288.907~~.

Section 49. Subsection (5) of section 288.0655, Florida Statutes, is renumbered as subsection (4), and paragraph (e) of subsection (2) and subsection (3) and present subsection (4) of that section are amended, to read:

288.0655 Rural Infrastructure Fund.—

(2)

(e) To enable local governments to access the resources available pursuant to s. 403.973(17) ~~s. 403.973(18)~~, the department 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 may not exceed $75,000 each, except in the case of a project in a rural area of opportunity, in which case the grant may 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 opportunity 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 department shall consider the extent to which the application seeks to minimize administrative and

consultant expenses.

(3) The department, in consultation with ~~Enterprise Florida, Inc.,~~ the Florida Tourism Industry Marketing Corporation, 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 the economic benefit of the projects and their long-term viability. The department shall have final approval for any grant under this section.

~~(4) By September 1, 2021, the department shall, in consultation with the organizations listed in subsection (3), and other organizations, reevaluate existing guidelines and criteria governing submission of applications for funding, review and evaluation of such applications, and approval of funding under this section. The department shall consider factors including, but not limited to, the project's potential for enhanced job creation or increased capital investment, the demonstration and level of local public and private commitment, whether the project is located in a community development corporation service area, or in an urban high-crime area as designated under s. 212.097, the unemployment rate of the county in which the project would be located, and the poverty rate of the community.~~

Section 50. Paragraph (a) of subsection (6) and paragraphs

(a) and (c) of subsection (7) of section 288.0656, Florida Statutes, are amended to read:

288.0656 Rural Economic Development Initiative.—

(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 staff person from within the agency or organization to serve as the REDI representative for the agency or organization:

1. The Department of Transportation.

2. The Department of Environmental Protection.

3. The Department of Agriculture and Consumer Services.

4. The Department of State.

5. The Department of Health.

6. The Department of Children and Families.

7. The Department of Corrections.

8. The Department of Education.

9. The Department of Juvenile Justice.

10. The Fish and Wildlife Conservation Commission.

11. Each water management district.

~~12. Enterprise Florida, Inc.~~

12.~~13.~~ CareerSource Florida, Inc.

13.~~14.~~ VISIT Florida.

14.~~15.~~ The Florida Regional Planning Council Association.

15.~~16.~~ The Agency for Health Care Administration.

16.~~17.~~ 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 Secretary of Economic Opportunity.

(7)

(a) REDI may recommend to the Governor up to three rural areas of opportunity. The Governor may by executive order designate up to three rural areas of opportunity 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 are not 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. 339.2821, the brownfield redevelopment bonus refund under s. 288.107,~~ and the rural job tax credit program under ss. 212.098 and 220.1895.

(c) Each rural area of opportunity 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 department. 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.

Section 51. Section 288.0658, Florida Statutes, is amended to read:

288.0658 Nature-based recreation; promotion and other assistance by Fish and Wildlife Conservation Commission.—The Florida Fish and Wildlife Conservation Commission is directed to assist ~~Enterprise Florida, Inc.,~~ the Florida Tourism Industry Marketing Corporation, doing business as VISIT Florida; convention and visitor bureaus,~~,~~ tourist development councils,~~,~~ economic development organizations,~~,~~ and local governments through the provision of marketing advice, technical expertise, promotional support, and product development related to nature-based recreation and sustainable use of natural resources. In carrying out this responsibility, the Florida Fish and Wildlife Conservation Commission shall focus its efforts on fostering nature-based recreation in rural communities and regions encompassing rural communities. As used in this section, the term "nature-based recreation" means leisure activities related to the state's lands, waters, and fish and wildlife resources, including, but not limited to, wildlife viewing, fishing, hiking, canoeing, kayaking, camping, hunting, backpacking, and nature photography.

Section 52. Subsection (6) of section 288.075, Florida

Statutes, is amended to read:

288.075 Confidentiality of records.—

(6) ECONOMIC INCENTIVE PROGRAMS.—

(a) The following information held by an economic development agency pursuant to the administration of an economic incentive program for qualified businesses is confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution for a period not to exceed the duration of the incentive agreement, including an agreement authorizing a tax refund or tax credit, or upon termination of the incentive agreement:

1. The percentage of the business's sales occurring outside this state ~~and, for businesses applying under s. 288.1045, the percentage of the business's gross receipts derived from Department of Defense contracts during the 5 years immediately preceding the date the business's application is submitted~~.

2. An individual employee's personal identifying information that is held as evidence of the achievement or nonachievement of the wage requirements of the tax refund, tax credit, or incentive agreement programs or of the job creation requirements of such programs.

3. The amount of:

a. Taxes on sales, use, and other transactions paid pursuant to chapter 212;

b. Corporate income taxes paid pursuant to chapter 220;

c. Intangible personal property taxes paid pursuant to chapter 199;

d. Insurance premium taxes paid pursuant to chapter 624;

e. Excise taxes paid on documents pursuant to chapter 201;

f. Ad valorem taxes paid, as defined in s. 220.03(1); or

g. State communications services taxes paid pursuant to chapter 202.

However, an economic development agency may disclose in the annual incentives report required under s. 288.0065 ~~s. 288.907~~ the aggregate amount of each tax identified in this subparagraph and paid by all businesses participating in each economic incentive program.

(b)~~1.~~ The following information held by an economic development agency relating to a specific business participating in an economic incentive program is no longer confidential or exempt 180 days after a final project order for an economic incentive agreement is issued, until a date specified in the final project order, or if the information is otherwise disclosed, whichever occurs first:

1.~~a.~~ The name of the qualified business.

2.~~b.~~ The total number of jobs the business committed to create or retain.

3.~~c.~~ The total number of jobs created or retained by the

business.

4.~~d.~~ Notwithstanding s. 213.053(2), the amount of tax refunds, tax credits, or incentives awarded to, claimed by, or, if applicable, refunded to the state by the business.

5.~~e.~~ The anticipated total annual wages of employees the business committed to hire or retain.

~~2. For a business applying for certification under s. 288.1045 which is based on obtaining a new Department of Defense contract, the total number of jobs expected and the amount of tax refunds claimed may not be released until the new Department of Defense contract is awarded.~~

Section 53. Subsections (7) through (10) of section 288.076, Florida Statutes, are renumbered as subsections (6) through (9), respectively, and paragraphs (a), (c), and (e) of subsection (1) and present subsections (6) and (7) of that section are amended, to read:

288.076 Return on investment reporting for economic development programs.—

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

(a) "Jobs" means full-time equivalent positions, including, but not limited to, positions obtained from a temporary employment agency or employee leasing company or through a union agreement or coemployment under a professional employer organization agreement that result directly from a project in this state. The term does not include temporary

construction jobs involved with the construction of facilities for the project or any jobs previously included in any application for tax refunds ~~has the same meaning as provided in s. 288.106(2)(i)~~.

(c) "Project" means the creation of a new business or expansion of an existing business ~~has the same meaning as provided in s. 288.106(2)(m)~~.

(e) "State investment" means any state grants, tax exemptions, tax refunds, tax credits, or other state incentives provided to a business under a program administered by the department~~, including the capital investment tax credit under s. 220.191~~.

~~(6) Annually, the department shall publish information relating to the progress of Quick Action Closing Fund projects, including the average number of days between the date the department receives a completed application and the date on which the application is approved.~~

(6)~~(7)(a)~~ Within 48 hours after expiration of the period of confidentiality provided under s. 288.075, the department shall publish the contract or agreement described in s. 288.061, redacted to protect the participant business from disclosure of information that remains confidential or exempt by law.

~~(b) Within 48 hours after submitting any report of findings and recommendations made pursuant to s. 288.106(7)(d) concerning a business's failure to complete a tax refund~~

~~agreement pursuant to the tax refund program for qualified target industry businesses, the department shall publish such report.~~

Section 54. Section 288.095, Florida Statutes, is amended to read:

288.095 Economic Development Trust Fund.—

(1) The Economic Development Trust Fund is created within the department ~~of Economic Opportunity~~. Moneys deposited into the fund must be used only to support the authorized activities and operations of the department.

(2) There is created, within the Economic Development Trust Fund, the Economic Development Incentives Account. The Economic Development Incentives Account consists of moneys appropriated to the account for purposes of the tax incentives programs formerly authorized under ss. 288.1045 and 288.106, and local financial support provided under former ss. 288.1045 and 288.106. Moneys in the Economic Development Incentives Account shall be subject to the provisions of s. 216.301(1)(a).

(3)(a) ~~The department may approve applications for certification pursuant to ss. 288.1045(3) and 288.106. However,~~ The total state share of tax refund payments may not exceed $35 million.

(b) The total amount of tax refund claims approved for payment by the department based on actual project performance may not exceed the amount appropriated to the Economic

Development Incentives Account for such purposes for the fiscal year. Claims for tax refunds under former ss. 288.1045 and 288.106 shall be paid in the order the claims are approved by the department. In the event the Legislature does not appropriate an amount sufficient to satisfy the tax refunds under former ss. 288.1045 and 288.106 in a fiscal year, the department shall pay the tax refunds from the appropriation for the following fiscal year. By March 1 of each year, the department shall notify the legislative appropriations committees of the Senate and House of Representatives of any anticipated shortfall in the amount of funds needed to satisfy claims for tax refunds from the appropriation for the current fiscal year.

(c) Moneys in the Economic Development Incentives Account may be used only to pay tax refunds and make other payments on agreements executed prior to July 1, 2023, authorized under former s. 288.1045, s. 288.106, or s. 288.107.

(d) The department may adopt rules necessary to carry out ~~the provisions of~~ this subsection, including rules providing for the use of moneys in the Economic Development Incentives Account and for the administration of the Economic Development Incentives Account.

Section 55. Subsection (2) and paragraph (c) of subsection (3) of section 288.101, Florida Statutes, are amended to read:

288.101 Florida Job Growth Grant Fund.—

(2) The department ~~and Enterprise Florida, Inc.,~~ may identify projects, solicit proposals, and make funding recommendations to the Governor, who is authorized to approve:

(a) State or local public infrastructure projects to promote economic recovery in specific regions of the state, economic diversification, ~~or~~ economic enhancement in a targeted industry.

~~(b) Infrastructure funding to accelerate the rehabilitation of the Herbert Hoover Dike. The department or the South Florida Water Management District may enter into agreements, as necessary, with the United States Army Corps of Engineers to implement this paragraph~~.

(b) ~~(c)~~ Workforce training grants to support programs at state colleges and state technical centers that provide participants with transferable, sustainable workforce skills applicable to more than a single employer, and for equipment associated with these programs. The department shall work with CareerSource Florida, Inc., to ensure programs are offered to the public based on criteria established by the state college or state technical center and do not exclude applicants who are unemployed or underemployed.

(3) For purposes of this section:

(c) "Targeted industry" means any industry identified in the most recent list provided to the Governor, the President of the Senate, and the Speaker of the House of Representatives in

accordance with s. 196.012(11) ~~s. 288.106(2)(q)~~.

Section 56. Section 288.1045, Florida Statutes, is repealed.

Section 57. Section 288.106, Florida Statutes, is repealed.

Section 58. Section 288.107, Florida Statutes, is repealed.

Section 59. Section 288.108, Florida Statutes, is repealed.

Section 60. Section 288.1081, Florida Statutes, is repealed.

Section 61. Section 288.1082, Florida Statutes, is repealed.

Section 62. Section 288.1088, Florida Statutes, is repealed.

Section 63. Section 288.1089, Florida Statutes, is repealed.

Section 64. Section 288.111, Florida Statutes, is amended to read:

288.111 Information concerning local manufacturing development programs.—The department shall develop materials that identify each local government that establishes a local manufacturing development program under s. 163.3252. The materials, which the department may elect to develop and maintain in electronic format or in any other format deemed by

the department to provide public access, must be updated at least annually. ~~Enterprise Florida, Inc., shall, and other~~ State agencies may~~,~~ distribute the materials to prospective, new, expanding, and relocating businesses seeking to conduct business in this state.

Section 65. Section 288.1162, Florida Statutes, is repealed.

Section 66. Section 288.11621, Florida Statutes, is repealed.

Section 67. Section 288.11631, Florida Statutes, is repealed.

Section 68. Section 288.1169, Florida Statutes, is repealed.

Section 69. Section 288.1171, Florida Statutes, is repealed.

Section 70. Section 288.12265, Florida Statutes, is amended to read:

288.12265 Welcome centers.—

(1) Responsibility for the welcome centers is assigned to ~~Enterprise Florida, Inc., which shall contract with~~ the Florida Tourism Industry Marketing Corporation ~~to employ all welcome center staff~~.

(2) The Florida Tourism Industry Marketing Corporation ~~Enterprise Florida, Inc.,~~ shall administer and operate the welcome centers and~~,~~ pursuant to a contract with the Department

of Transportation, ~~Enterprise Florida, Inc.,~~ shall be responsible for routine repair, replacement, or improvement and the day-to-day management of interior areas occupied by the welcome centers. All other repairs, replacements, or improvements to the welcome centers shall be the responsibility of the Department of Transportation. ~~Enterprise Florida, Inc., may contract with the Florida Tourism Industry Marketing Corporation for the management and operation of the welcome centers.~~

Section 71. Section 288.125, Florida Statutes, is repealed.

Section 72. Section 288.1251, Florida Statutes, is repealed.

Section 73. Section 288.1252, Florida Statutes, is repealed.

Section 74. Section 288.1253, Florida Statutes, is repealed.

Section 75. Section 288.1254, Florida Statutes, is repealed.

Section 76. Section 288.1258, Florida Statutes, is repealed.

Section 77. Section 288.7015, Florida Statutes, is amended to read:

288.7015 Appointment of rules ombudsman; duties.—The Governor shall appoint a rules ombudsman, as defined in s.

288.703, in the Executive Office of the Governor, for considering the impact of agency rules on the state's citizens and businesses. ~~In carrying out duties as provided by law, the ombudsman shall consult with Enterprise Florida, Inc., at which point the department may recommend to improve the regulatory environment of this state.~~ The duties of the rules ombudsman are to:

(1) Carry out the responsibility provided in s. 120.54(3)(b), with respect to small businesses.

(2) Review state agency rules that adversely or disproportionately impact businesses, particularly those relating to small and minority businesses.

(3) Make recommendations on any existing or proposed rules to alleviate unnecessary or disproportionate adverse effects to businesses.

(4) Each state agency shall cooperate fully with the rules ombudsman in identifying such rules. Further, each agency shall take the necessary steps to waive, modify, or otherwise minimize such adverse effects of any such rules. However, nothing in this section authorizes any state agency to waive, modify, provide exceptions to, or otherwise alter any rule that is:

(a) Expressly required to implement or enforce any statutory provision or the express legislative intent thereof;

(b) Designed to protect persons against discrimination on the basis of race, color, national origin, religion, sex, age,

handicap, or marital status; or

(c) Likely to prevent a significant risk or danger to the public health, the public safety, or the environment of the state.

(5) The modification or waiver of any such rule pursuant to this section must be accomplished in accordance with the provisions of chapter 120.

Section 78. Subsection (11) of section 288.706, Florida Statutes, is amended to read:

288.706 Florida Minority Business Loan Mobilization Program.—

(11) The Department of Management Services shall collaborate with ~~Enterprise Florida, Inc., and~~ the department to assist in the development and enhancement of black business enterprises.

Section 79. Subsection (1) of section 288.773, Florida Statutes, is amended to read:

288.773 Florida Export Finance Corporation.—The Florida Export Finance Corporation is hereby created as a corporation not for profit, to be incorporated under the provisions of chapter 617 and approved by the Department of State. The corporation is organized on a nonstock basis. The purpose of the corporation is to expand employment and income opportunities for residents of this state through increased exports of goods and services, by providing businesses domiciled in this state

information and technical assistance on export opportunities, exporting techniques, and financial assistance through guarantees and direct loan originations for sale in support of export transactions. The corporation shall have the power and authority to carry out the following functions:

(1) To coordinate the efforts of the corporation with programs and goals of the United States Export-Import Bank, the International Trade Administration of the United States Department of Commerce, the Foreign Credit Insurance Association, the department ~~Enterprise Florida, Inc.~~, and other private and public programs and organizations, domestic and foreign, designed to provide export assistance and export-related financing.

Section 80. Paragraph (a) of subsection (1) and paragraphs (a), (c), and (g) of subsection (3) of section 288.776, Florida Statutes, are amended to read:

288.776 Board of directors; powers and duties.—

(1)(a) The corporation shall have a board of directors consisting of 15 members representing all geographic areas of the state. Minority and gender representation must be considered when making appointments to the board. The board membership must include:

1. A representative of the following businesses, all of which must be registered to do business in this state: a foreign bank, a state bank, a federal bank, an insurance company

involved in covering trade financing risks, and a small or medium-sized exporter.

2. The following persons or their designee: ~~the President of Enterprise Florida, Inc.,~~ the Chief Financial Officer, the Secretary of State, and a senior official of the United States Department of Commerce.

(3) The board shall:

(a) Prior to the expenditure of funds from the export finance account, adopt bylaws and policies which are necessary to carry out the responsibilities under this part, particularly with respect to the implementation of the corporation's programs to insure, coinsure, lend, provide loan guarantees, and make direct, guaranteed, or collateralized loans by the corporation to support export transactions. The corporation's bylaws and policies shall be reviewed and approved by Enterprise Florida, Inc., prior to final adoption by the board.

(c) Issue an annual report to the department ~~Enterprise Florida, Inc.,~~ on the activities of the corporation, including an evaluation of activities and recommendations for change. The evaluation shall include the corporation's impact on the following:

1. Participation of private banks and other private organizations and individuals in the corporation's export financing programs.

2. Access of small and medium-sized businesses in this

state to federal export financing programs.

3. Export volume of the small and medium-sized businesses in this state accessing the corporation's programs.

4. Other economic and social benefits to international programs in this state.

(g) Consult with the department ~~Enterprise Florida, Inc.~~, or any state or federal agency, to ensure that the respective loan guarantee or working capital loan origination programs are not duplicative and that each program makes full use of, to the extent practicable, the resources of the other.

Section 81. Section 288.7771, Florida Statutes, is amended to read:

288.7771 Annual report of Florida Export Finance Corporation.—The corporation shall annually prepare and submit to the department ~~Enterprise Florida, Inc., for inclusion in its annual report required under s. 288.906,~~ a complete and detailed report setting forth:

(1) The report required in s. 288.776(3).

(2) Its assets and liabilities at the end of its most recent fiscal year.

Section 82. Subsections (4) and (6) of section 288.816, Florida Statutes, are amended to read:

288.816 Intergovernmental relations.—

(4) The state protocol officer shall serve as a contact for the state with the Florida Washington Office, the Florida

Congressional Delegation, and United States Government agencies with respect to laws or policies which may affect the interests of the state in the area of international relations. All inquiries received regarding international economic trade development or reverse investment opportunities shall be referred to the department ~~Enterprise Florida, Inc~~. In addition, the state protocol officer shall serve as liaison with other states with respect to international programs of interest to Florida. The state protocol officer shall also investigate and make suggestions regarding possible areas of joint action or regional cooperation with these states.

(6) The department ~~and Enterprise Florida, Inc.,~~ shall help to contribute an international perspective to the state's development efforts.

Section 83. Section 288.826, Florida Statutes, is amended to read:

288.826 Florida International Trade and Promotion Trust Fund.—There is hereby established in the State Treasury the Florida International Trade and Promotion Trust Fund. The moneys deposited into this trust fund shall be administered by the department ~~for the operation of Enterprise Florida, Inc., and~~ for the operation of Florida international offices under s. 288.012.

Section 84. Section 288.901, Florida Statutes, is repealed.

Section 85. Section 288.9015, Florida Statutes, is repealed.

Section 86. Section 288.903, Florida Statutes, is repealed.

Section 87. Section 288.904, Florida Statutes, is repealed.

Section 88. Section 288.905, Florida Statutes, is repealed.

Section 89. Section 288.906, Florida Statutes, is repealed.

Section 90. Section 288.907, Florida Statutes, is transferred, renumbered as section 288.0065, Florida Statutes, and amended to read:

288.0065 ~~288.907~~ Annual incentives report.—By December 30 of each year, ~~Enterprise Florida, Inc., in conjunction with~~ the department~~,~~ shall provide the Governor, the President of the Senate, and the Speaker of the House of Representatives a detailed incentives report quantifying the economic benefits for all of the economic development incentive programs offered by the state ~~marketed by Enterprise Florida, Inc~~. The annual incentives report must include:

(1) For each incentive program:

(a) A brief description of the incentive program.

(b) The amount of awards granted, by year, since inception and the annual amount actually transferred from the state

treasury to businesses or for the benefit of businesses for each of the previous 3 years.

~~(c) The actual amount of private capital invested, actual number of jobs created, and actual wages paid for incentive agreements completed during the previous 3 years for each target industry sector.~~

(2) For projects completed during the previous state fiscal year:

(a) The number of economic development incentive applications received.

~~(b) The number of recommendations made to the department by Enterprise Florida, Inc., including the number recommended for approval and the number recommended for denial~~.

(b) ~~(c)~~ The number of final decisions issued by the department for approval and for denial.

(c) ~~(d)~~ The projects for which a tax refund, tax credit, or cash grant agreement was executed, identifying for each project:

1. The number of jobs committed to be created.

2. The amount of capital investments committed to be made.

3. The annual average wage committed to be paid.

4. The amount of state economic development incentives committed to the project from each incentive program under the project's terms of agreement with the Department of Economic Opportunity.

5. The amount and type of local matching funds committed

to the project.

~~(e) Tax refunds paid or other payments made funded out of the Economic Development Incentives Account for each project.~~

(d)~~(f)~~ The types of projects supported.

(3) For economic development projects that received tax refunds, tax credits, or cash grants under the terms of an agreement for incentives:

(a) The number of jobs actually created.

(b) The amount of capital investments actually made.

(c) The annual average wage paid.

(4) For a project receiving economic development incentives approved by the department and receiving federal or local incentives, a description of the federal or local incentives, if available.

(5) The number of withdrawn or terminated projects that did not fulfill the terms of their agreements with the department and, consequently, are not receiving incentives.

~~(6) For any agreements signed after July 1, 2010, findings and recommendations on the efforts of the department to ascertain the causes of any business's inability to complete its agreement made under s. 288.106.~~

(6)~~(7)~~ The amount of tax refunds, tax credits, or other payments made to projects locating or expanding in state enterprise zones, rural communities, brownfield areas, or distressed urban communities. The report must include a separate

analysis of the impact of such tax refunds on state enterprise zones designated under s. 290.0065, rural communities, brownfield areas, and distressed urban communities.

~~(8) The name of and tax refund amount for each business that has received a tax refund under s. 288.1045 or s. 288.106 during the preceding fiscal year.~~

(7)~~(9)~~ An identification of the ~~target industry businesses and~~ high-impact businesses.

(8)~~(10)~~ A description of the trends relating to business interest in, and usage of, the various incentives, and the number of minority-owned or woman-owned businesses receiving incentives.

(9)~~(11)~~ An identification of incentive programs not used and recommendations for program changes or program elimination.

(10)~~(12)~~ Information related to the validation of contractor performance required under s. 288.061.

(11)~~(13)~~ ~~Beginning in 2014,~~ A summation of the activities related to the Florida Space Business Incentives Act.

Section 91. Section 288.911, Florida Statutes, is repealed.

Section 92. Section 288.912, Florida Statutes, is transferred, renumbered as section 288.007, Florida Statutes, and amended to read:

288.007 ~~288.912~~ Inventory of communities seeking to recruit businesses.—By September 30 of each year, a county or

municipality that has a population of at least 25,000 or its local economic development organization must submit to the department ~~Enterprise Florida, Inc.,~~ a brief overview of the strengths, services, and economic development incentives that its community offers. The local government or its local economic development organization also must identify any industries that it is encouraging to locate or relocate to its area. A county or municipality having a population of 25,000 or fewer or its local economic development organization seeking to recruit businesses may submit information as required in this section and may participate in any activity or initiative resulting from the collection, analysis, and reporting of the information to the department ~~Enterprise Florida, Inc.,~~ pursuant to this section.

Section 93. Section 288.92, Florida Statutes, is repealed.

Section 94. Subsection (1), paragraph (d) of subsection (2), subsection (3), paragraphs (b), (c), and (d) of subsection (4), and subsection (5) of section 288.923, Florida Statutes, are amended to read:

288.923 Division of Tourism Marketing; definitions; responsibilities.—

(1) There is created within the Department of Economic Opportunity ~~Enterprise Florida, Inc.,~~ the Division of Tourism Marketing.

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

(d) "Direct-support organization" means the Florida

Tourism Industry Marketing Corporation, doing business as VISIT Florida.

(3) The department ~~Enterprise Florida, Inc.,~~ shall contract with the Florida Tourism Industry Marketing Corporation, a direct-support organization established in s. 288.1226, to execute tourism promotion and marketing services, functions, and programs for the state, including, but not limited to, the activities prescribed by the 4-year marketing plan. The division shall assist to maintain and implement the contract.

(4) The division's responsibilities and duties include, but are not limited to:

(b) Advising the department ~~and Enterprise Florida, Inc.,~~ on development of domestic and international tourism marketing campaigns featuring Florida.

(c) Developing a 4-year marketing plan.

1. At a minimum, the marketing plan shall discuss the following:

a. Continuation of overall tourism growth in this state.

b. Expansion to new or under-represented tourist markets.

c. Maintenance of traditional and loyal tourist markets.

d. Coordination of efforts with county destination marketing organizations, other local government marketing groups, privately owned attractions and destinations, and other private sector partners to create a seamless, four-season

advertising campaign for the state and its regions.

e. Development of innovative techniques or promotions to build repeat visitation by targeted segments of the tourist population.

f. Consideration of innovative sources of state funding for tourism marketing.

g. Promotion of nature-based tourism and heritage tourism.

h. Development of a component to address emergency response to natural and manmade disasters from a marketing standpoint.

2. The plan shall be annual in construction and ongoing in nature. Any annual revisions of the plan shall carry forward the concepts of the remaining 3-year portion of the plan and consider a continuum portion to preserve the 4-year timeframe of the plan. The plan also shall include recommendations for specific performance standards and measurable outcomes for the division and direct-support organization. The department~~, in consultation with the board of directors of Enterprise Florida, Inc.,~~ shall base the actual performance metrics on these recommendations.

3. The 4-year marketing plan shall be developed in collaboration with the Florida Tourism Industry Marketing Corporation. The plan shall be annually reviewed and approved by the department ~~board of directors of Enterprise Florida, Inc~~.

(d) Drafting and submitting to the department an annual

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

report ~~required by s. 288.92~~. The annual report shall set forth for the division and the direct-support organization:

1. Operations and accomplishments during the fiscal year, including the economic benefit of the state's investment and effectiveness of the marketing plan.

2. The 4-year marketing plan, including recommendations on methods for implementing and funding the plan.

3. The assets and liabilities of the direct-support organization at the end of its most recent fiscal year.

4. A copy of the annual financial and compliance audit conducted under s. 288.1226(7).

(5) ~~Notwithstanding s. 288.92,~~ The division shall be staffed by the Florida Tourism Industry Marketing Corporation. Such staff shall not be considered to be employees of the division and shall remain employees of the Florida Tourism Industry Marketing Corporation. ~~Section 288.905 does not apply to the Florida Tourism Industry Marketing Corporation.~~

Section 95. Section 288.95155, Florida Statutes, is repealed.

Section 96. Section 288.9519, Florida Statutes, is repealed.

Section 97. Section 288.9520, Florida Statutes, is repealed.

Section 98. Section 288.955, Florida Statutes, is repealed.

Section 99. Subsection (10) of section 288.9603, Florida Statutes, is amended to read:

288.9603 Definitions.—

(10) "Partnership" means the department ~~Enterprise Florida, Inc~~.

Section 100. Paragraph (v) of subsection (2) of section 288.9605, Florida Statutes, is amended to read:

288.9605 Corporation powers.—

(2) The corporation is authorized and empowered to:

(v) Enter into investment agreements with the department ~~Enterprise Florida, Inc.,~~ concerning the issuance of bonds and other forms of indebtedness and capital.

Section 101. Section 288.9614, Florida Statutes, is amended to read:

288.9614 Authorized programs.—The department ~~Enterprise Florida, Inc.,~~ may take any action that it deems necessary to achieve the purposes of this act in partnership with private enterprises, public agencies, and other organizations, including, but not limited to, efforts to address the long-term debt needs of small-sized and medium-sized firms, to address the needs of microenterprises, to expand availability of venture capital, and to increase international trade and export finance opportunities for firms critical to achieving the purposes of this act.

Section 102. Paragraphs (a) and (b) of subsection (1) of

section 288.9624, Florida Statutes, are amended to read:

288.9624 Florida Opportunity Fund; creation; duties.—

(1)(a) ~~Enterprise Florida, Inc., shall facilitate the creation of~~ The Florida Opportunity Fund is~~,~~ a private, not-for-profit corporation organized and operated under chapter 617. ~~Enterprise Florida, Inc., shall be the fund's sole shareholder or member.~~ The fund is not a public corporation or instrumentality of the state. The fund shall manage its business affairs and conduct business consistent with its organizational documents and the purposes set forth in this section. Notwithstanding the powers granted under chapter 617, the corporation may not amend, modify, or repeal a bylaw or article of incorporation without the express written consent of the department ~~Enterprise Florida, Inc~~.

(b) The board of directors of the Florida Opportunity Fund shall have five members, appointed by the Governor ~~vote of the board of directors of Enterprise Florida, Inc~~. Board members shall serve terms as provided in the fund's organizational documents. Within 90 days before an anticipated vacancy by expiration of the term of a board member, the board of directors of the fund shall submit a list of three eligible nominees, which may include the incumbent, to the Governor. The Governor ~~board of directors of Enterprise Florida, Inc. The board of directors of Enterprise Florida, Inc.,~~ may appoint a board member from the nominee list or may request and appoint from a

new list of three nominees not included on the previous list.

Section 103. Paragraph (c) of subsection (4) of section 288.96255, Florida Statutes, is amended to read:

288.96255 Florida Technology Seed Capital Fund; creation; duties.—

(4) The private fund manager shall use a thorough and detailed process that is modeled after investment industry practices to evaluate a proposal. In order to approve a company for investment, the private fund manager, on behalf of the institute, must consider if:

(c) The company is a target industry business as defined in s. 196.012(11) ~~s. 288.106(2)~~; and

Section 104. Paragraph (b) of subsection (1) of section 288.980, Florida Statutes, is amended to read:

288.980 Military base retention; legislative intent; grants program.—

(1)

(b) The Florida Defense Alliance, an organization within the department ~~Enterprise Florida, Inc.~~, is designated as the organization to ensure that Florida, its resident military bases and missions, and its military host communities are in competitive positions as the United States continues its defense realignment and downsizing. The defense alliance shall serve as an overall advisory body for defense-related activity of the department ~~Enterprise Florida, Inc~~. The Florida Defense Alliance

may receive funding from appropriations made for that purpose administered by the department.

Section 105. Section 288.991, Florida Statutes, is repealed.

Section 106. Section 288.9912, Florida Statutes, is repealed.

Section 107. Section 288.9913, Florida Statutes, is repealed.

Section 108. Section 288.9914, Florida Statutes, is repealed.

Section 109. Section 288.9915, Florida Statutes, is repealed.

Section 110. Section 288.9916, Florida Statutes, is repealed.

Section 111. Section 288.9917, Florida Statutes, is repealed.

Section 112. Section 288.9918, Florida Statutes, is repealed.

Section 113. Section 288.9919, Florida Statutes, is repealed.

Section 114. Section 288.9920, Florida Statutes, is repealed.

Section 115. Section 288.9921, Florida Statutes, is repealed.

Section 116. Section 288.9922, Florida Statutes, is

repealed.

Section 117. Section 288.993, Florida Statutes, is repealed.

Section 118. Section 288.9931, Florida Statutes, is repealed.

Section 119. Section 288.9932, Florida Statutes, is repealed.

Section 120. Section 288.9933, Florida Statutes, is repealed.

Section 121. Section 288.9934, Florida Statutes, is repealed.

Section 122. Section 288.9935, Florida Statutes, is repealed.

Section 123. Section 288.9936, Florida Statutes, is repealed.

Section 124. Section 288.9937, Florida Statutes, is repealed.

Section 125. Subsection (3) of section 288.9961, Florida Statutes, is amended to read:

288.9961 Promotion of broadband adoption; Florida Office of Broadband.—

(3) STATE AGENCY.—The department is designated as the lead state agency to facilitate the expansion of broadband Internet service in this state. The department shall work collaboratively with private businesses and receive staffing support and other

resources from ~~Enterprise Florida, Inc.,~~ state agencies, local governments, and community organizations.

Section 126. Paragraph (h) of subsection (8) and paragraph (a) of subsection (9) of section 290.0056, Florida Statutes, are amended to read:

290.0056 Enterprise zone development agency.—

(8) The enterprise zone development agency shall have the following powers and responsibilities:

(h) To work with the department ~~and Enterprise Florida, Inc.,~~ to ensure that the enterprise zone coordinator receives training on an annual basis.

(9) The following powers and responsibilities shall be performed by the governing body creating the enterprise zone development agency acting as the managing agent of the enterprise zone development agency, or, contingent upon approval by such governing body, such powers and responsibilities shall be performed by the enterprise zone development agency:

(a) To review, process, and certify applications for state enterprise zone tax incentives pursuant to ss. 212.08(5)(f) and (g) and (14); 212.096; 220.181; and 220.182 ~~ss. 212.08(5)(g), (h), and (15); 212.096; 220.181; and 220.182~~.

Section 127. Paragraph (b) of subsection (4) and subsection (7) of section 290.0065, Florida Statutes, are amended to read:

290.0065 State designation of enterprise zones.—

(4)

(b) ~~In consultation with Enterprise Florida, Inc.,~~ The department shall, based on the enterprise zone profile and the grounds for redesignation expressed in the resolution, determine whether the enterprise zone merits redesignation. The department may also examine and consider the following:

1. Progress made, if any, in the enterprise zone's strategic plan.

2. Use of enterprise zone incentives during the life of the enterprise zone.

If the department determines that the enterprise zone merits redesignation, the department shall notify the governing body in writing of its approval of redesignation.

(7) Upon approval by the department of a resolution authorizing an area to be an enterprise zone pursuant to this section, the department shall assign a unique identifying number to that resolution. The department shall provide the Department of Revenue ~~and Enterprise Florida, Inc.,~~ with a copy of each resolution approved, together with its identifying number.

Section 128. Section 290.00677, Florida Statutes, is amended to read:

290.00677 Rural enterprise zones; special qualifications.—

(1) Notwithstanding the enterprise zone residency requirements set out in s. 212.096(1)(c), eligible businesses as

defined in s. 212.096(1)(a) located in rural enterprise zones as defined in s. 290.004 may receive the basic minimum credit provided under s. 212.096 for creating a new job and hiring a person residing within the jurisdiction of a rural community ~~as defined in s. 288.106(2)~~. All other provisions of s. 212.096, including, but not limited to, those relating to the award of enhanced credits, apply to such businesses.

(2) Notwithstanding the enterprise zone residency requirements set out in s. 220.03(1)(q), businesses as defined in s. 220.03(1)(c) located in rural enterprise zones as defined in s. 290.004 may receive the basic minimum credit provided under s. 220.181 for creating a new job and hiring a person residing within the jurisdiction of a rural community ~~as defined in s. 288.106(2)~~. All other provisions of s. 220.181, including, but not limited to, those relating to the award of enhanced credits, apply to such businesses.

(3) As used in this section, the term "rural community" means:

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

(b) A county having a population of 125,000 or fewer that is contiguous to a county having a population of 75,000 or fewer.

(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 129. Subsections (4), (5), and (6) of section 290.007, Florida Statutes, are amended to read:

290.007 State incentives available in enterprise zones.—The following incentives are provided by the state to encourage the revitalization of enterprise zones:

(4) The sales tax exemption for building materials used in the rehabilitation of real property in enterprise zones provided in s. 212.08(5)(f) ~~s. 212.08(5)(g)~~.

(5) The sales tax exemption for business equipment used in an enterprise zone provided in s. 212.08(5)(g) ~~s. 212.08(5)(h)~~.

(6) The sales tax exemption for electrical energy used in an enterprise zone provided in s. 212.08(14) ~~s. 212.08(15)~~.

Section 130. Subsections (3) and (4) of section 290.053, Florida Statutes, are amended to read:

290.053 Response to economic emergencies in small communities.—

(3) A local government entity shall notify the Governor and~~,~~ the Department of Economic Opportunity~~, and Enterprise Florida, Inc.,~~ when one or more of the conditions specified in subsection (2) have occurred or will occur if action is not taken to assist the local governmental entity or the affected community.

(4) Upon notification that one or more of the conditions described in subsection (2) exist, the Governor or his or her designee shall contact the local governmental entity to determine what actions have been taken by the local governmental entity or the affected community to resolve the economic emergency. The Governor may waive the eligibility criteria of any program or activity administered by the Department of Economic Opportunity ~~or Enterprise Florida, Inc.,~~ to provide economic relief to the affected community by granting participation in such programs or activities. The Governor shall consult with the President of the Senate and the Speaker of the House of Representatives and shall take other action, as necessary, to resolve the economic emergency in the most expedient manner possible. All actions taken pursuant to this section shall be within current appropriations and shall have no annualized impact beyond normal growth.

Section 131. Paragraph (d) of subsection (3) and subsection (4) of section 295.22, Florida Statutes, are amended to read:

295.22 Veterans Employment and Training Services Program.—

(3) ADMINISTRATION.—Florida Is For Veterans, Inc., shall administer the Veterans Employment and Training Services Program and perform all of the following functions:

(d) Create a grant program to provide funding to assist veterans in meeting the workforce-skill needs of businesses

seeking to hire, promote, or generally improve specialized skills of veterans, establish criteria for approval of requests for funding, and maximize the use of funding for this program. Grant funds may be used only in the absence of available veteran-specific federally funded programs. Grants may fund specialized training specific to a particular business.

1. If grant funds are used to provide a technical certificate, a licensure, or a degree, funds may be allocated only upon a review that includes, but is not limited to, documentation of accreditation and licensure. Instruction funded through the program terminates when participants demonstrate competence at the level specified in the request but may not exceed 12 months. Preference shall be given to ~~target industry businesses, as defined in s. 288.106, and to~~ businesses in the defense supply, cloud virtualization, or commercial aviation manufacturing industries.

2. Costs and expenditures shall be limited to $8,000 per veteran trainee. Qualified businesses must cover the entire cost for all of the training provided before receiving reimbursement from the corporation equal to 50 percent of the cost to train a veteran who is a permanent, full-time employee. Eligible costs and expenditures include:

a. Tuition and fees.

b. Books and classroom materials.

c. Rental fees for facilities.

3. Before funds are allocated for a request pursuant to this section, the corporation shall prepare a grant agreement between the business requesting funds and the corporation. Such agreement must include, but need not be limited to:

a. Identification of the personnel necessary to conduct the instructional program, instructional program description, and any vendors used to conduct the instructional program.

b. Identification of the estimated duration of the instructional program.

c. Identification of all direct, training-related costs.

d. Identification of special program requirements that are not otherwise addressed in the agreement.

e. Permission to access aggregate information specific to the wages and performance of participants upon the completion of instruction for evaluation purposes. The agreement must specify that any evaluation published subsequent to the instruction may not identify the employer or any individual participant.

4. A business may receive a grant under the Quick-Response Training Program created under s. 288.047 and a grant under this section for the same veteran trainee. If a business receives funds under both programs, one grant agreement may be entered into with CareerSource Florida, Inc., as the grant administrator.

~~(4) DUTIES OF ENTERPRISE FLORIDA, INC.—Enterprise Florida, Inc., shall provide information about the corporation and its~~

~~services to prospective, new, expanding, and relocating businesses seeking to conduct business in this state. Enterprise Florida, Inc., shall, to the greatest extent possible, collaborate with the corporation to meet the employment needs, including meeting the job-creation requirements, of any business receiving assistance or services from Enterprise Florida, Inc.~~

Section 132. Paragraph (a) of subsection (6), paragraph (b) of subsection (9), paragraph (a) of subsection (34), subsection (57), and paragraph (b) of subsection (61) of section 320.08058, Florida Statutes, are amended to read:

320.08058 Specialty license plates.—

(6) FLORIDA UNITED STATES OLYMPIC COMMITTEE LICENSE PLATES.—

(a) Because the United States Olympic Committee has selected this state to participate in a combined fundraising program that provides for one-half of all money raised through volunteer giving to stay in this state ~~and be administered by Enterprise Florida, Inc.,~~ to support amateur sports, ~~and~~ because the United States Olympic Committee is a ~~and Enterprise Florida, Inc., are~~ nonprofit organization ~~organizations~~ dedicated to providing athletes with support and training and preparing athletes of all ages and skill levels for sports competition, and because ~~Enterprise Florida, Inc., assists in the bidding for sports competitions that provide significant impact to the economy of this state, and~~ the Legislature supports the efforts

of the United States Olympic Committee ~~and Enterprise Florida, Inc.~~, the Legislature establishes a Florida United States Olympic Committee license plate for the purpose of providing a continuous funding source to support this worthwhile effort. Florida United States Olympic Committee license plates must contain the official United States Olympic Committee logo and must bear a design and colors that are approved by the department. The word "Florida" must be centered at the top of the plate.

(9) FLORIDA PROFESSIONAL SPORTS TEAM LICENSE PLATES.—

(b) The license plate annual use fees are to be annually distributed as follows:

1. Fifty-five percent of the proceeds from the Florida Professional Sports Team plate must be deposited into the Professional Sports Development Trust Fund within the Department of Economic Opportunity. These funds must be used solely to attract and support major sports events in this state. As used in this subparagraph, the term "major sports events" means, but is not limited to, championship or all-star contests of Major League Baseball, the National Basketball Association, the National Football League, the National Hockey League, Major League Soccer, the men's and women's National Collegiate Athletic Association Final Four basketball championship, or a horseracing or dogracing Breeders' Cup. All funds must be used to support and promote major sporting events, and the uses must

be approved by the Department of Economic Opportunity.

2. The remaining proceeds of the Florida Professional Sports Team license plate must be allocated to the Florida Sports Foundation ~~Enterprise Florida, Inc~~. These funds must be deposited into the Professional Sports Development Trust Fund within the Department of Economic Opportunity. These funds must be used by the Florida Sports Foundation ~~Enterprise Florida, Inc.,~~ to promote the economic development of the sports industry; to distribute licensing and royalty fees to participating professional sports teams; to promote education programs in Florida schools that provide an awareness of the benefits of physical activity and nutrition standards; to partner with the Department of Education and the Department of Health to develop a program that recognizes schools whose students demonstrate excellent physical fitness or fitness improvement; to institute a grant program for communities bidding on minor sporting events that create an economic impact for the state; to distribute funds to Florida-based charities designated by the Florida Sports Foundation ~~Enterprise Florida, Inc.,~~ and the participating professional sports teams; and to fulfill the sports promotion responsibilities of the Department of Economic Opportunity.

3. The Florida Sports Foundation ~~Enterprise Florida, Inc.,~~ shall provide an annual financial audit in accordance with s. 215.981 of its financial accounts and records by an independent

certified public accountant pursuant to the contract established by the Department of Economic Opportunity. The auditor shall submit the audit report to the Department of Economic Opportunity for review and approval. If the audit report is approved, the Department of Economic Opportunity shall certify the audit report to the Auditor General for review.

4. Notwithstanding the provisions of subparagraphs 1. and 2., proceeds from the Professional Sports Development Trust Fund may also be used for operational expenses of the Florida Sports Foundation ~~Enterprise Florida, Inc.,~~ and financial support of the Sunshine State Games.

(34) FLORIDA GOLF LICENSE PLATES.—

(a) The Department of Highway Safety and Motor Vehicles shall develop a Florida Golf license plate as provided in this section. The word "Florida" must appear at the bottom of the plate. The Dade Amateur Golf Association, following consultation with the Florida Sports Foundation and the PGA TOUR, ~~Enterprise Florida, Inc.,~~ the LPGA, and the PGA of America may submit a revised sample plate for consideration by the department.

(57) FLORIDA NASCAR LICENSE PLATES.—

(a) The department shall develop a Florida NASCAR license plate as provided in this section. Florida NASCAR license plates must bear the colors and design approved by the department. The word "Florida" must appear at the top of the plate, and the term "NASCAR" must appear at the bottom of the plate. The National

Association for Stock Car Auto Racing, following consultation with the Florida Sports Foundation ~~Enterprise Florida, Inc.~~, may submit a sample plate for consideration by the department.

(b) The license plate annual use fees shall be distributed to the Florida Sports Foundation ~~Enterprise Florida, Inc~~. The license plate annual use fees shall be annually allocated as follows:

1. Up to 5 percent of the proceeds from the annual use fees may be used by the Department of Economic Opportunity ~~Enterprise Florida, Inc.,~~ for the administration of the NASCAR license plate program.

2. The National Association for Stock Car Auto Racing shall receive up to $60,000 in proceeds from the annual use fees to be used to pay startup costs, including costs incurred in developing and issuing the plates. Thereafter, 10 percent of the proceeds from the annual use fees shall be provided to the association for the royalty rights for the use of its marks.

3. The remaining proceeds from the annual use fees shall be distributed to the Florida Sports Foundation ~~Enterprise Florida, Inc~~. The Florida Sports Foundation ~~Enterprise Florida, Inc.,~~ will retain 15 percent to support its regional grant program, attracting sporting events to Florida; 20 percent to support the marketing of motorsports-related tourism in the state; and 50 percent to be paid to the NASCAR Foundation, a s. 501(c)(3) charitable organization, to support Florida-based

charitable organizations.

(c) The Florida Sports Foundation ~~Enterprise Florida, Inc.,~~ shall provide an annual financial audit in accordance with s. 215.981 of its financial accounts and records by an independent certified public accountant pursuant to the contract established by the Department of Economic Opportunity. The auditor shall submit the audit report to the Department of Economic Opportunity for review and approval. If the audit report is approved, the Department of Economic Opportunity shall certify the audit report to the Auditor General for review.

(61) FLORIDA TENNIS LICENSE PLATES.—

(b) The department shall distribute the annual use fees to the Florida Sports Foundation ~~Enterprise Florida, Inc~~. The license plate annual use fees shall be annually allocated as follows:

1. Up to 5 percent of the proceeds from the annual use fees may be used by the Florida Sports Foundation ~~Enterprise Florida, Inc.,~~ to administer the license plate program.

2. The United States Tennis Association Florida Section Foundation shall receive the first $60,000 in proceeds from the annual use fees to reimburse it for startup costs, administrative costs, and other costs it incurs in the development and approval process.

3. Up to 5 percent of the proceeds from the annual use fees may be used for promoting and marketing the license plates.

The remaining proceeds shall be available for grants by the United States Tennis Association Florida Section Foundation to nonprofit organizations to operate youth tennis programs and adaptive tennis programs for special populations of all ages, and for building, renovating, and maintaining public tennis courts.

Section 133. Subsections (2), (3), and (6) of section 331.3051, Florida Statutes, are amended to read:

331.3051 Duties of Space Florida.—Space Florida shall:

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

(3) ~~In cooperation with 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 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.

Section 134. Section 331.3081, Florida Statutes, is amended to read:

331.3081 Board of directors.—Space Florida shall be governed by a 13-member independent board of directors. The Governor, or his or her designee, shall serve as an ex officio voting member and chair of the board. The other 12 members shall be appointed from the private sector, six of whom shall be appointed by the Governor, three of whom shall be appointed by the President of the Senate, and three of whom shall be

appointed by the Speaker of the House of Representatives ~~that consists of 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 135. Paragraph (f) of subsection (1) of section 339.08, Florida Statutes, is amended to read:

339.08 Use of moneys in State Transportation Trust Fund.—

(1) The department shall expend moneys in the State Transportation Trust Fund accruing to the department, in accordance with its annual budget. The use of such moneys shall be restricted to the following purposes:

~~(f) To pay the cost of economic development transportation projects in accordance with s. 339.2821.~~

Section 136. Section 339.2821, Florida Statutes, is repealed.

Section 137. Paragraph (d) of subsection (1) of section 376.82, Florida Statutes, is amended to read:

376.82 Eligibility criteria and liability protection.—

(1) ELIGIBILITY.—Any person who has not caused or contributed to the contamination of a brownfield site on or after July 1, 1997, is eligible to participate in the brownfield program established in ss. 376.77-376.85, subject to the

following:

(d) After July 1, 1997, petroleum and drycleaning contamination sites shall not receive both restoration funding assistance available for the discharge under this chapter ~~and any state assistance available under s. 288.107~~. Nothing in this act shall affect the cleanup criteria, priority ranking, and other rights and obligations inherent in petroleum contamination and drycleaning contamination site rehabilitation under ss. 376.30-376.317, or the availability of economic incentives otherwise provided for by law.

Section 138. Paragraph (h) of subsection (2) of section 377.703, Florida Statutes, is amended to read:

377.703 Additional functions of the Department of Agriculture and Consumer Services.—

(2) DUTIES.—The department shall perform the following functions, unless as otherwise provided, consistent with the development of a state energy policy:

(h) The department shall promote the development and use of renewable energy resources, in conformance with chapter 187 and s. 377.601, by:

1. Establishing goals and strategies for increasing the use of renewable energy in this state.

2. Aiding and promoting the commercialization of renewable energy resources, in cooperation with the Florida Energy Systems Consortium, the Florida Solar Energy Center, ~~Enterprise Florida,~~

~~Inc.,~~ and any other federal, state, or local governmental agency that may seek to promote research, development, and the demonstration of renewable energy equipment and technology.

3. Identifying barriers to greater use of renewable energy resources in this state, and developing specific recommendations for overcoming identified barriers, with findings and recommendations to be submitted annually in the report to the Governor and Legislature required under paragraph (f).

4. In cooperation with the Department of Environmental Protection, the Department of Transportation, the Department of Economic Opportunity, ~~Enterprise Florida, Inc.,~~ the Florida Energy Systems Consortium, the Florida Solar Energy Center, and the Florida Solar Energy Industries Association, investigating opportunities, pursuant to the national Energy Policy Act of 1992, the Housing and Community Development Act of 1992, and any subsequent federal legislation, for renewable energy resources, electric vehicles, and other renewable energy manufacturing, distribution, installation, and financing efforts that enhance this state's position as the leader in renewable energy research, development, and use.

5. Undertaking other initiatives to advance the development and use of renewable energy resources in this state.

In the exercise of its responsibilities under this paragraph, the department shall seek the assistance of the renewable energy

industry in this state and other interested parties and may enter into contracts, retain professional consulting services, and expend funds appropriated by the Legislature for such purposes.

Section 139. Subsection (5) of section 377.804, Florida Statutes, is amended to read:

377.804 Renewable Energy and Energy-Efficient Technologies Grants Program.—

(5) The department shall solicit the expertise of state agencies~~, Enterprise Florida, Inc.,~~ and state universities, and may solicit the expertise of other public and private entities it deems appropriate, in evaluating project proposals. State agencies shall cooperate with the department and provide such assistance as requested.

Section 140. Paragraph (a) of subsection (4) of section 377.809, Florida Statutes, is amended to read:

377.809 Energy Economic Zone Pilot Program.—

(4)(a) Beginning July 1, 2012, all the incentives and benefits provided for enterprise zones pursuant to state law shall be available to the energy economic zones designated pursuant to this section on or before July 1, 2010. In order to provide incentives, by March 1, 2012, each local governing body that has jurisdiction over an energy economic zone must, by local ordinance, establish the boundary of the energy economic zone, specify applicable energy-efficiency standards, and

determine eligibility criteria for the application of state and local incentives and benefits in the energy economic zone. ~~However, in order to receive benefits provided under s. 288.106, a business must be a qualified target industry business under s. 288.106 for state purposes.~~ An energy economic zone's boundary may be revised by local ordinance. Such incentives and benefits include those in ss. ~~212.08,~~ 212.096, 220.181, 220.182, 220.183, ~~288.106,~~ and 624.5105 and the public utility discounts provided in s. 290.007(8). ~~The exemption provided in s. 212.08(5)(c) shall be for renewable energy as defined in s. 377.803.~~ For purposes of this section, any applicable requirements for employee residency for higher refund or credit thresholds must be based on employee residency in the energy economic zone or an enterprise zone. A business in an energy economic zone may also be eligible for funding under ss. 288.047 and 445.003~~, and a transportation project in an energy economic zone shall be provided priority in funding under s. 339.2821~~. Other projects shall be given priority ranking to the extent practicable for grants administered under state energy programs.

Section 141. Subsections (1) and (5) of section 380.0657, Florida Statutes, are amended to read:

380.0657 Expedited permitting process for economic development projects.—

(1) The Department of Environmental Protection and, as appropriate, the water management districts created under

chapter 373 shall adopt programs to expedite the processing of wetland resource and environmental resource permits for ~~economic development projects that have been identified by a municipality or county as meeting the definition of target industry businesses under s. 288.106, or~~ any intermodal logistics center receiving or sending cargo to or from Florida ports, with the exception of those projects requiring approval by the Board of Trustees of the Internal Improvement Trust Fund.

(5) Notwithstanding the provisions of this section, permit applications for projects to be located in a charter county that has a population of 1.2 million or more and has entered into a delegation agreement with the Department of Environmental Protection or the applicable water management district to process environmental resource permits, wetland resource management permits, or surface water management permits pursuant to chapter 373 are eligible for expedited permitting under this section only upon designation by resolution of the charter county's governing board. ~~Before the governing board decides that a project is eligible for expedited permitting, it may require the county's economic development agency, or such other agency that provides advice to the governing board on economic matters, to review and recommend whether the project meets the definition of a target industry business as defined in s. 288.106 and to identify the tangible benefits and impacts of the project.~~ The governing board's decision shall be made without

consideration of the project's geographic location within the charter county. ~~If the governing board designates the project as a target industry business, the permit application for the project shall be approved or denied within the timeframe provided in subsection (4).~~

Section 142. Subsection (1) of section 401.23, Florida Statutes, is amended to read:

401.23 Definitions.—As used in this part, the term:

(1) "Acute and postacute hospital care at home" means acute and postacute health care services provided in a clinically qualified patient's permanent residence, as defined in s. 196.012(18) ~~s. 196.012(17)~~, through a program approved by the Centers for Medicare and Medicaid Services and the Agency for Health Care Administration.

Section 143. Subsection (5) of section 403.7032, Florida Statutes, is amended to read:

403.7032 Recycling.—

(5) The Department of Environmental Protection shall create the Recycling Business Assistance Center by December 1, 2010. In carrying out its duties under this subsection, the department shall consult with state agency personnel appointed to serve as economic development liaisons under s. 288.021 ~~and seek technical assistance from Enterprise Florida, Inc.,~~ to ensure the Recycling Business Assistance Center is positioned to succeed. The purpose of the center shall be to serve as the

mechanism for coordination among state agencies and the private sector in order to coordinate policy and overall strategic planning for developing new markets and expanding and enhancing existing markets for recyclable materials in this state, other states, and foreign countries. The duties of the center must include, at a minimum:

(a) Identifying and developing new markets and expanding and enhancing existing markets for recyclable materials.

(b) Pursuing expanded end uses for recycled materials.

(c) Targeting materials for concentrated market development efforts.

(d) Developing proposals for new incentives for market development, particularly focusing on targeted materials.

(e) Providing guidance on issues such as permitting, finance options for recycling market development, site location, research and development, grant program criteria for recycled materials markets, recycling markets education and information, and minimum content.

(f) Coordinating the efforts of various governmental entities having market development responsibilities in order to optimize supply and demand for recyclable materials.

(g) Evaluating source-reduced products as they relate to state procurement policy. The evaluation shall include, but is not limited to, the environmental and economic impact of source-reduced product purchases to the state. For the purposes of this

paragraph, the term "source-reduced" means any method, process, product, or technology that significantly or substantially reduces the volume or weight of a product while providing, at a minimum, equivalent or generally similar performance and service to and for the users of such materials.

(h) Providing evaluation of solid waste management grants, pursuant to s. 403.7095, to reduce the flow of solid waste to disposal facilities and encourage the sustainable recovery of materials from Florida's waste stream.

(i) Providing below-market financing for companies that manufacture products from recycled materials or convert recyclable materials into raw materials for use in manufacturing pursuant to the Florida Recycling Loan Program as administered by the Florida First Capital Finance Corporation.

(j) Maintaining a continuously updated online directory listing the public and private entities that collect, transport, broker, process, or remanufacture recyclable materials in the state.

(k) Providing information on the availability and benefits of using recycled materials to private entities and industries in the state.

(l) Distributing any materials prepared in implementing this subsection to the public, private entities, industries, governmental entities, or other organizations upon request.

(m) Coordinating with the Department of Economic

Opportunity and its partners to provide job placement and job training services to job seekers through the state's workforce services programs.

Section 144. Paragraphs (f) through (h) of subsection (3) of section 403.973, Florida Statutes, are redesignated as paragraphs (e) through (g), respectively, subsections (16) through (19) are renumbered as subsections (15) through (18), respectively, and present paragraph (e) of subsection (3), paragraph (b) of subsection (14), and present subsections (15) and (17) of that section are amended, to read:

403.973 Expedited permitting; amendments to comprehensive plans.—

(3)

~~(e) Projects that are part of the state-of-the-art biomedical research institution and campus to be established in this state by the grantee under s. 288.955 are eligible for the expedited permitting process, if the projects are designated as part of the institution or campus by the board of county commissioners of the county in which the institution and campus are established.~~

(14)

(b) Projects identified in paragraphs (3)(e)-(g) ~~(3)(f)-(h)~~ or challenges to state agency action in the expedited permitting process for establishment of a state-of-the-art biomedical research institution and campus in this state by the

~~grantee under s. 288.955~~ are subject to the same requirements as challenges brought under paragraph (a), except that, notwithstanding s. 120.574, summary proceedings must be conducted within 30 days after a party files the motion for summary hearing, regardless of whether the parties agree to the summary proceeding.

~~(15) The Department of Economic Opportunity, working with the agencies providing cooperative assistance and input regarding the memoranda of agreement, shall review sites proposed for the location of facilities that the Department of Economic Opportunity has certified to be eligible for the Innovation Incentive Program under s. 288.1089. Within 20 days after the request for the review by the Department of Economic Opportunity, the agencies shall provide to the Department of Economic Opportunity a statement as to each site's necessary permits under local, state, and federal law and an identification of significant permitting issues, which if unresolved, may result in the denial of an agency permit or approval or any significant delay caused by the permitting process.~~

(16) ~~(17)~~ The Department of Economic Opportunity shall be responsible for certifying a business as eligible for undergoing expedited review under this section. ~~Enterprise Florida, Inc.,~~ A county or municipal government~~,~~ or the Rural Economic Development Initiative may recommend to the Department of

Economic Opportunity that a project meeting the minimum job creation threshold undergo expedited review.

Section 145. Paragraph (c) of subsection (1) of section 443.091, Florida Statutes, is amended to read:

443.091 Benefit eligibility conditions.—

(1) An unemployed individual is eligible to receive benefits for any week only if the Department of Economic Opportunity finds that:

(c) To make continued claims for benefits, she or he is reporting to the department in accordance with this paragraph and department rules. Department rules may not conflict with s. 443.111(1)(b), which requires that each claimant continue to report regardless of any pending appeal relating to her or his eligibility or disqualification for benefits.

1. For each week of unemployment claimed, each report must, at a minimum, include the name and address of each prospective employer contacted, or the date the claimant reported to a one-stop career center, pursuant to paragraph (d). For the purposes of this subparagraph, the term "address" means a website address, a physical address, or an e-mail address.

2. The department shall offer an online assessment aimed at identifying an individual's skills, abilities, and career aptitude. The skills assessment must be voluntary, and the department shall allow a claimant to choose whether to take the skills assessment. The online assessment shall be made available

to any person seeking services from a local workforce development board or a one-stop career center.

a. If the claimant chooses to take the online assessment, the outcome of the assessment shall be made available to the claimant, local workforce development board, and one-stop career center. The department, local workforce development board, or one-stop career center shall use the assessment to develop a plan for referring individuals to training and employment opportunities. Aggregate data on assessment outcomes may be made available to CareerSource Florida, Inc., ~~and Enterprise Florida, Inc.,~~ for use in the development of policies related to education and training programs that will ensure that businesses in this state have access to a skilled and competent workforce.

b. Individuals shall be informed of and offered services through the one-stop delivery system, including career counseling, the provision of skill match and job market information, and skills upgrade and other training opportunities, and shall be encouraged to participate in such services at no cost to the individuals. The department shall coordinate with CareerSource Florida, Inc., the local workforce development boards, and the one-stop career centers to identify, develop, and use best practices for improving the skills of individuals who choose to participate in skills upgrade and other training opportunities. The department may contract with an entity to create the online assessment in accordance with the

competitive bidding requirements in s. 287.057. The online assessment must work seamlessly with the Reemployment Assistance Claims and Benefits Information System.

Section 146. Paragraphs (b) through (g) of subsection (6) of section 445.004, Florida Statutes, are redesignated as paragraphs (a) through (f), respectively, and paragraph (d) of subsection (3), paragraphs (b) and (c) of subsection (5), and paragraph (a) of subsection (6) of that section are amended, to read:

445.004 CareerSource Florida, Inc., and the state board; creation; purpose; membership; duties and powers.—

(3)

(d) The state board must include the Secretary of Economic Opportunity or his or her designee, ~~the vice chairperson of the board of directors of Enterprise Florida, Inc., and~~ one member representing each of the Workforce Innovation and Opportunity Act partners, including the Division of Career and Adult Education, the Division of Vocational Rehabilitation, the Division of Blind Services, the Department of Children and Families, and other entities representing programs identified in the Workforce Innovation and Opportunity Act, as determined necessary.

(5) The state board has all the powers and authority not explicitly prohibited by statute which are necessary or convenient to carry out and effectuate its purposes as

determined by statute, Pub. L. No. 113-128, and the Governor, as well as its functions, duties, and responsibilities, including, but not limited to, the following:

(b) Providing policy direction to ensure that the following programs are administered by the department consistent with approved plans:

1. Programs authorized under Title I of the Workforce Innovation and Opportunity Act, Pub. L. No. 113-128, with the exception of programs funded directly by the United States Department of Labor under Title I, s. 167.

2. Programs authorized under the Wagner-Peyser Act of 1933, as amended, 29 U.S.C. ss. 49 et seq.

3. Activities authorized under Title II of the Trade Act of 2002, as amended, 19 U.S.C. ss. 2272 et seq., and the Trade Adjustment Assistance Program.

4. Activities authorized under 38 U.S.C. chapter 41, including job counseling, training, and placement for veterans.

5. Employment and training activities carried out under funds awarded to this state by the United States Department of Housing and Urban Development.

6. Welfare transition services funded by the Temporary Assistance for Needy Families Program, created under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as amended, Pub. L. No. 104-193, and Title IV, s. 403, of the Social Security Act, as amended.

7. The Florida Bonding Program, provided under Pub. L. No. 97-300, s. 164(a)(1).

8. The Food Assistance Employment and Training Program, provided under the Food and Nutrition Act of 2008, 7 U.S.C. ss. 2011-2032; the Food Security Act of 1988, Pub. L. No. 99-198; the Hunger Prevention Act, Pub. L. No. 100-435; and the Agriculture Improvement Act of 2018, Pub. L. No. 115-334.

9. The Quick-Response Training Program, provided under ss. 288.046-288.047. ~~Matching funds and in-kind contributions that are provided by clients of the Quick-Response Training Program count toward the requirements of s. 288.904, pertaining to the return on investment from activities of Enterprise Florida, Inc.~~

10. The Work Opportunity Tax Credit, provided under the Tax and Trade Relief Extension Act of 1998, Pub. L. No. 105-277, and the Taxpayer Relief Act of 1997, Pub. L. No. 105-34.

11. Offender placement services, provided under ss. 944.707-944.708.

(c) Contracting with public and private entities as necessary to further the directives of this section. All contracts executed by the state board or CareerSource Florida, Inc., must include specific performance expectations and deliverables. All contracts, including those solicited, managed, or paid by the department under s. 20.60(5)(b) ~~s. 20.60(5)(c)~~, are exempt from s. 112.061, but shall be governed by subsection (1).

(6) The state board shall achieve the purposes of this section by:

(a) Creating a state employment, education, and training policy that ensures workforce related programs are responsive to present and future business and industry needs ~~and complement the initiatives of Enterprise Florida, Inc~~.

Section 147. Subsection (5) of section 445.045, Florida Statutes, is amended to read:

445.045 Development of an Internet-based system for information technology industry promotion and workforce recruitment.—

(5) In furtherance of the requirements of this section that the website promote and market the information technology industry by communicating information on the scope of the industry in this state, CareerSource Florida, Inc., shall ~~coordinate its efforts with the high-technology industry marketing efforts of Enterprise Florida, Inc., under s. 288.911. Through links or actual content, the website developed under this section shall serve as a forum for distributing the marketing campaign developed by Enterprise Florida, Inc., under s. 288.911. In addition, CareerSource Florida, Inc., shall~~ solicit input from the not-for-profit corporation created to advocate on behalf of the information technology industry as an outgrowth of the Information Service Technology Development Task Force created under chapter 99-354, Laws of Florida.

Section 148. Subsections (2) and (5) of section 446.44, Florida Statutes, are amended to read:

446.44 Duties of Rural Workforce Services Program.—It shall be the direct responsibility of the Rural Workforce Services Program to promote and deliver employment and workforce services and resources to the rural undeveloped and underdeveloped counties of the state in an effort to:

~~(2) Assist Enterprise Florida, Inc., in attracting light, pollution-free industry to the rural counties.~~

(4)~~(5)~~ Develop rural workforce programs that will be evaluated, planned, and implemented through communications and planning with appropriate:

(a) Departments of state and federal governments.

~~(b) Units of Enterprise Florida, Inc.~~

(b)~~(c)~~ Agencies and organizations of the public and private sectors at the state, regional, and local levels.

Section 149. Subsection (1) of section 465.003, Florida Statutes, is amended to read:

465.003 Definitions.—As used in this chapter, the term:

(1) "Acute and postacute hospital care at home" means acute and postacute health care services provided in a clinically qualified patient's permanent residence, as defined in s. 196.012(18) ~~s. 196.012(17)~~, through a program approved by the Centers for Medicare and Medicaid Services and the Agency for Health Care Administration.

Section 150. Subsection (5) of section 477.0135, Florida Statutes, is amended to read:

477.0135 Exemptions.—

(5) A license is not required of any individual providing makeup, special effects, or cosmetology services to an actor, stunt person, musician, extra, or other talent during a theatrical, film, or other entertainment production ~~recognized by the Office of Film and Entertainment as a qualified production as defined in s. 288.1254(1)~~. Such services are not required to be performed in a licensed salon. Individuals exempt under this subsection may not provide such services to the general public.

Section 151. Subsection (1) of section 570.81, Florida Statutes, is amended to read:

570.81 Agricultural Economic Development Project Review Committee; powers and duties.—

(1) There is created an Agricultural Economic Development Project Review Committee consisting of five members appointed by the commissioner. The members shall be appointed based upon the recommendations submitted by each entity represented on the committee and shall include:

(a) The commissioner or the commissioner's designee.

(b) One representative from the Farm Credit Service.

(c) One representative from the Department of Economic Opportunity ~~Enterprise Florida, Inc~~.

(d) One representative from the Florida Farm Bureau Federation.

(e) One agricultural economist from the Institute of Food and Agricultural Sciences or from Florida Agricultural and Mechanical University.

Section 152. Subsection (2) of section 570.85, Florida Statutes, is amended to read:

570.85 Agritourism.—

(2) The Department of Agriculture and Consumer Services may provide marketing advice, technical expertise, promotional support, and product development related to agritourism to assist the following in their agritourism initiatives: ~~Enterprise Florida, Inc.;~~ convention and visitor bureaus~~,~~ ~~;~~ tourist development councils~~,~~ ~~;~~ economic development organizations~~,~~ ~~;~~ and local governments. In carrying out this responsibility, the department shall focus its agritourism efforts on rural and urban communities.

Section 153. Paragraph (c) of subsection (1) of section 624.5105, Florida Statutes, is amended to read:

624.5105 Community contribution tax credit; authorization; limitations; eligibility and application requirements; administration; definitions; expiration.—

(1) AUTHORIZATION TO GRANT TAX CREDITS; LIMITATIONS.—

(c) The total amount of tax credit which may be granted for all programs approved under this section and ss.

212.08(5)(o) and 220.183 ~~ss. 212.08(5)(p) and 220.183~~ is $14.5 million in the 2022-2023 fiscal year and in each fiscal year thereafter for projects that provide housing opportunities for persons with special needs as defined in s. 420.0004 or homeownership opportunities for low-income or very-low-income households as defined in s. 420.9071 and $4.5 million in the 2022-2023 fiscal year and in each fiscal year thereafter for all other projects.

Section 154. Section 625.3255, Florida Statutes, is repealed.

Section 155. Subsection (4) of section 657.042, Florida Statutes, is amended to read:

657.042 Investment powers and limitations.—A credit union may invest its funds subject to the following definitions, restrictions, and limitations:

(4) INVESTMENT SUBJECT TO LIMITATION OF ONE PERCENT OF CAPITAL OF THE CREDIT UNION.—Up to 1 percent of the capital of the credit union may be invested in ~~any of the following:~~

~~(a)~~ corporate obligations of any one corporation which is an affiliate or subsidiary of the credit union or a service corporation, except that the total investment in all such corporate obligations shall not exceed 10 percent of the capital of the credit union.

~~(b) Any capital participation instrument or evidence of indebtedness issued by Enterprise Florida, Inc., pursuant to the~~

~~Florida Small and Minority Business Assistance Act.~~

Section 156. Paragraph (f) of subsection (4) of section 658.67, Florida Statutes, is amended to read:

658.67 Investment powers and limitations.—A bank may invest its funds, and a trust company may invest its corporate funds, subject to the following definitions, restrictions, and limitations:

(4) INVESTMENTS SUBJECT TO LIMITATION OF TEN PERCENT OR LESS OF CAPITAL ACCOUNTS.—

~~(f) Up to 10 percent of the capital accounts of a bank or trust company may be invested in any capital participation instrument or evidence of indebtedness issued by Enterprise Florida, Inc., pursuant to the Florida Small and Minority Business Assistance Act.~~

Section 157. Paragraphs (f) through (l) of subsection (2) of section 1004.015, Florida Statutes, are redesignated as paragraphs (e) through (k), respectively, and present paragraph (e) of subsection (2) of that section is amended, to read:

1004.015 Florida Talent Development Council.—

(2) Members of the council shall include:

~~(e) The president of Enterprise Florida, Inc.~~

Section 158. Paragraph (d) of subsection (5) of section 1004.65, Florida Statutes, is amended to read:

1004.65 Florida College System institutions; governance, mission, and responsibilities.—

(5) The primary mission and responsibility of Florida College System institutions is responding to community needs for postsecondary academic education and career degree education. This mission and responsibility includes being responsible for:

(d) Promoting economic development for the state within each Florida College System institution district through the provision of special programs, including, but not limited to, the:

~~1. Enterprise Florida-related programs.~~

1.~~2.~~ Technology transfer centers.

2.~~3.~~ Economic development centers.

3.~~4.~~ Workforce literacy programs.

Section 159. Paragraph (b) of subsection (10) of section 1004.78, Florida Statutes, is amended to read:

1004.78 Technology transfer centers at Florida College System institutions.—

(10) The State Board of Education may award grants to Florida College System institutions, or consortia of public and private colleges and universities and other public and private entities, for the purpose of supporting the objectives of this section. Grants awarded pursuant to this subsection shall be in accordance with rules of the State Board of Education. Such rules shall include the following provisions:

(b) Grants to centers funded with state revenues appropriated specifically for technology transfer activities

shall be reviewed and approved by the State Board of Education using proposal solicitation, evaluation, and selection procedures established by the state board in consultation with the Department of Economic Opportunity ~~Enterprise Florida, Inc~~. Such procedures may include designation of specific areas or applications of technology as priorities for the receipt of funding.

Section 160. Subsection (4) of section 1011.76, Florida Statutes, is amended to read:

1011.76 Small School District Stabilization Program.—

(4) The Department of Education may award the school district a stabilization grant intended to protect the district from continued financial reductions. The amount of the grant will be determined by the Department of Education and may be equivalent to the amount of the decline in revenues projected for the next fiscal year. In addition, the Department of Economic Opportunity may implement a rural economic development initiative to identify the economic factors that are negatively impacting the community ~~and may consult with Enterprise Florida, Inc., in developing a plan to assist the county with its economic transition~~. The grant will be available to the school district for a period of up to 5 years to the extent that funding is provided for such purpose in the General Appropriations Act.

Section 161. Subsection (1) of section 1011.94, Florida

Statutes, is amended to read:

1011.94 University Major Gifts Program.—

(1) There is established a University Major Gifts Program. The purpose of the program is to enable each university to provide donors with an incentive in the form of matching grants for donations for the establishment of permanent endowments and sales tax exemption matching funds received pursuant to s. 212.08(5)(i) ~~s. 212.08(5)(j)~~, which must be invested, with the proceeds of the investment used to support libraries and instruction and research programs, as defined by the Board of Governors.

Section 162. This act shall take effect July 1, 2023.

Commerce Committee
HB 5 by Rep. Esposito
Economic Programs

AMENDMENT SUMMARY
March 17, 2023

Amendment 1 by Rep. Esposito (between lines 2440-2441 with title amendment):

- Corrects cross references by adding two sections to the bill that replace language referring to Enterprise Florida, Inc., with language referring to the Department of Economic Opportunity.

Amendment 2 by Rep. Esposito (lines 2565-2566):

- Corrects a cross reference by replacing language referring to Enterprise Florida, Inc., with language referring to the Department of Economic Opportunity.

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	___ (Y/N)
ADOPTED AS AMENDED	___ (Y/N)
ADOPTED W/O OBJECTION	___ (Y/N)
FAILED TO ADOPT	___ (Y/N)
WITHDRAWN	___ (Y/N)
OTHER	_____

Committee/Subcommittee hearing bill: Commerce Committee
Representative Esposito offered the following:

Amendment (with title amendment)

Between lines 2440 and 2441, insert:

Section 70. Section 288.122, Florida Statutes, is amended to read:

288.122 Tourism Promotional Trust Fund.—There is created within the department the Tourism Promotional Trust Fund. Moneys deposited in the Tourism Promotional Trust Fund shall only be used to support the authorized activities and operations and the tourism promotion and marketing activities, services, functions, and programs administered by the department ~~Enterprise Florida, Inc.,~~ through a contract with the direct-support organization created under s. 288.1226.

Section 71. Subsections (2), (3), and (4), paragraphs (a), (c), (g), (h), (i), and (k) of subsection (5), and subsections (7) and (8) of section 288.1226, Florida Statutes, are amended to read:

288.1226 Florida Tourism Industry Marketing Corporation; use of property; board of directors; duties; audit.—

(2) ESTABLISHMENT.—The Florida Tourism Industry Marketing Corporation is a direct-support organization of the department ~~Enterprise Florida, Inc~~.

(a) The Florida Tourism Industry Marketing Corporation is a corporation not for profit, as defined in s. 501(c)(6) of the Internal Revenue Code of 1986, as amended, that is incorporated under the provisions of chapter 617 and approved by the Department of State.

(b) The corporation is organized and operated exclusively to request, receive, hold, invest, and administer property and to manage and make expenditures for the operation of the activities, services, functions, and programs of this state which relate to the statewide, national, and international promotion and marketing of tourism.

(c)1. The corporation is not an agency for the purposes of chapters 120, 216, and 287; ss. 255.21, 255.25, and 255.254, relating to leasing of buildings; ss. 283.33 and 283.35, relating to bids for printing; s. 215.31; and parts I, II, and IV-VIII of chapter 112. However, the corporation shall comply

with the per diem and travel expense provisions of s. 112.061.

2. It is not a violation of s. 112.3143(2) or (4) for the officers or members of the board of directors of the corporation to:

a. Vote on the 4-year marketing plan required under s. 288.923 or vote on any individual component of or amendment to the plan.

b. Participate in the establishment or calculation of payments related to the private match requirements of subsection (6). The officer or member must file an annual disclosure describing the nature of his or her interests or the interests of his or her principals, including corporate parents and subsidiaries of his or her principal, in the private match requirements. This annual disclosure requirement satisfies the disclosure requirement of s. 112.3143(4). This disclosure must be placed on the corporation's website or included in the minutes of each meeting of the corporation's board of directors at which the private match requirements are discussed or voted upon.

(d) The corporation is subject to the provisions of chapter 119, relating to public meetings, and those provisions of chapter 286 relating to public meetings and records.

(3) USE OF PROPERTY.—The department ~~Enterprise Florida, Inc.~~:

(a) Is authorized to permit the use of property and

facilities of the department ~~Enterprise Florida, Inc.,~~ by the corporation, subject to the provisions of this section.

(b) Shall prescribe conditions with which the corporation must comply in order to use property and facilities of the department ~~Enterprise Florida, Inc~~. Such conditions shall provide for budget and audit review and for oversight by the department ~~Enterprise Florida, Inc~~.

(c) May not permit the use of property and facilities of the department ~~Enterprise Florida, Inc.,~~ if the corporation does not provide equal employment opportunities to all persons, regardless of race, color, national origin, sex, age, or religion.

(4) BOARD OF DIRECTORS.—The board of directors of the corporation shall be composed of 31 tourism-industry-related members, appointed by ~~Enterprise Florida, Inc., in conjunction with~~ the department. 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 the corporation.

(a) The board shall consist of 16 members, appointed in such a manner as to equitably represent all geographic areas of the state, with no fewer than two members from any of the following regions:

1. Region 1, composed of Bay, Calhoun, Escambia, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Leon, Liberty,

Okaloosa, Santa Rosa, Wakulla, Walton, and Washington Counties.

2. Region 2, composed of Alachua, Baker, Bradford, Clay, Columbia, Dixie, Duval, Flagler, Gilchrist, Hamilton, Lafayette, Levy, Madison, Marion, Nassau, Putnam, St. Johns, Suwannee, Taylor, and Union Counties.

3. Region 3, composed of Brevard, Indian River, Lake, Okeechobee, Orange, Osceola, St. Lucie, Seminole, Sumter, and Volusia Counties.

4. Region 4, composed of Citrus, Hernando, Hillsborough, Manatee, Pasco, Pinellas, Polk, and Sarasota Counties.

5. Region 5, composed of Charlotte, Collier, DeSoto, Glades, Hardee, Hendry, Highlands, and Lee Counties.

6. Region 6, composed of Broward, Martin, Miami-Dade, Monroe, and Palm Beach Counties.

(b) The 15 additional tourism-industry-related members shall include 1 representative from the statewide rental car industry; 7 representatives from tourist-related statewide associations, including those that represent hotels, campgrounds, county destination marketing organizations, museums, restaurants, retail, and attractions; 3 representatives from county destination marketing organizations; 1 representative from the cruise industry; 1 representative from an automobile and travel services membership organization that has at least 2.8 million members in Florida; 1 representative from the airline industry; and 1 representative from the space

tourism industry, who will each serve for a term of 2 years.

(5) POWERS AND DUTIES.—The corporation, in the performance of its duties:

(a) May make and enter into contracts and assume such other functions as are necessary to carry out the provisions of the 4-year marketing plan required by s. 288.923~~,~~ and the corporation's contract with the department ~~Enterprise Florida, Inc.,~~ which are not inconsistent with this or any other provision of law. A proposed contract with a total cost of $750,000 or more is subject to the notice and review procedures of s. 216.177. If the chair and vice chair of the Legislative Budget Commission, or the President of the Senate and the Speaker of the House of Representatives, timely advise the corporation in writing that such proposed contract is contrary to legislative policy and intent, the corporation may not execute such proposed contract. The corporation may not enter into multiple related contracts to avoid the requirements of this paragraph.

(c) May establish a cooperative marketing program with other public and private entities which allows the use of the VISIT Florida logo in tourism promotion campaigns which meet the standards of the department ~~Enterprise Florida, Inc.~~, for which the corporation may charge a reasonable fee.

(g) Shall hire and establish salaries and personnel and employee benefit programs for such permanent and temporary

employees as are necessary to carry out the provisions of the 4-year marketing plan and the corporation's contract with the department ~~Enterprise Florida, Inc.,~~ which are not inconsistent with this or any other provision of law. However, an employee may not receive public compensation for employment that exceeds the salary and benefits authorized to be paid to the Governor. Any public payments of performance bonuses or severance pay to employees of the corporation are prohibited unless specifically authorized by law.

(h) May adopt, change, amend, and repeal bylaws, not inconsistent with law or its articles of incorporation, for the administration of the provisions of the 4-year marketing plan and the corporation's contract with the department ~~Enterprise Florida, Inc~~.

(i) May conduct its affairs, carry on its operations, and have offices and exercise the powers granted by this act in any state, territory, district, or possession of the United States or any foreign country. Where feasible, appropriate, and recommended by the 4-year marketing plan developed by the Division of Tourism Marketing ~~Promotion~~ of the department ~~Enterprise Florida, Inc.~~, the corporation may collocate the programs of foreign tourism offices in cooperation with any foreign office operated by any agency of this state.

(k) May request or accept any grant, payment, or gift, of funds or property made by this state or by the United States or

any department or agency thereof or by any individual, firm, corporation, municipality, county, or organization for any or all of the purposes of the 4-year marketing plan and the corporation's contract with the department ~~Enterprise Florida, Inc.,~~ that are not inconsistent with this or any other provision of law. Such funds shall be deposited in a bank account established by the corporation's board of directors. The corporation may expend such funds in accordance with the terms and conditions of any such grant, payment, or gift, in the pursuit of its administration or in support of the programs it administers. The corporation shall separately account for the public funds and the private funds deposited into the corporation's bank account.

(7) ANNUAL AUDIT.—The corporation shall provide for an annual financial audit in accordance with s. 215.981. The annual audit report shall be submitted to the Auditor General; the Office of Program Policy Analysis and Government Accountability; ~~Enterprise Florida, Inc.;~~ and the department for review. The Office of Program Policy Analysis and Government Accountability; ~~Enterprise Florida, Inc.;~~ the department; and the Auditor General have the authority to require and receive from the corporation or from its independent auditor any detail or supplemental data relative to the operation of the corporation. The department shall annually certify whether the corporation is operating in a manner and achieving the objectives that are

consistent with the policies and goals of the department ~~Enterprise Florida, Inc.,~~ and its long-range marketing plan. The identity of a donor or prospective donor to the corporation who desires to remain anonymous and all information identifying such donor or prospective donor are confidential and exempt from the provisions of s. 119.07(1) and s. 24(a), Art. I of the State Constitution. Such anonymity shall be maintained in the auditor's report.

(8) REPORT.—The corporation shall provide to the department a quarterly report that ~~to Enterprise Florida, Inc., which shall~~:

(a) Measures ~~Measure~~ the current vitality of the visitor industry of this state as compared to the vitality of such industry for the year to date and for comparable quarters of past years. Indicators of vitality shall be determined by the department ~~Enterprise Florida, Inc.,~~ and shall include, but not be limited to, estimated visitor count and party size, length of stay, average expenditure per party, and visitor origin and destination.

(b) Provides ~~Provide~~ detailed, unaudited financial statements of sources and uses of public and private funds.

(c) Measures ~~Measure~~ progress towards annual goals and objectives set forth in the 4-year marketing plan.

(d) Reviews ~~Review~~ all pertinent research findings.

(e) Provides ~~Provide~~ other measures of accountability as

requested by the department ~~Enterprise Florida, Inc~~.

The corporation must take all steps necessary to provide all data that is used to develop the report, including source data, to the Office of Economic and Demographic Research.

T I T L E A M E N D M E N T

Remove line 66 and insert:
respectively; amending ss. 288.122 and 288.1226, F.S.; conforming provisions to changes made by the act; amending s. 288.12265, F.S.;

Amendment No.2

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	___	(Y/N)
FAILED TO ADOPT	___	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	_____	

Committee/Subcommittee hearing bill: Commerce Committee

Representative Esposito offered the following:

Amendment

Remove lines 2565-2566 and insert:

Policies shall be reviewed and approved by the department ~~Enterprise Florida, Inc.,~~ prior to final adoption by the board.

HB 489

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 489 Professional Licensing Requirements for Barbers and Cosmetologists
SPONSOR(S): Chambliss and others
TIED BILLS: **IDEN./SIM. BILLS:** SB 1028

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Regulatory Reform & Economic Development Subcommittee	11 Y, 0 N	Wright	Anstead
2) Commerce Committee		Wright	Hamon

SUMMARY ANALYSIS

The Department of Business and Professional Regulation (DBPR) regulates and licenses several Florida professions, including barbers and cosmetologists. In 2019, the Legislature created a time-limited review process for considering the criminal history of applicants for licensure as a barber or cosmetologist. Under s. 455.213(3)(b)1., F.S., the Barbers' Board and Board of Cosmetology may only deny an application for licensure on the basis of an applicant's criminal history for:

- A conviction for a crime that occurred within five years of the date of the receipt of an application for licensure, or
- A criminal history record that includes a forcible felony or crime that would require a person, upon conviction, to register as a sexual predator, if such crime relates to the practice of the applicable profession.

The bill reduces the time frame to look back at and use a criminal conviction as grounds to deny an application for licensure as a barber or cosmetologist from five years to three years.

The bill allows a board to consider an applicant's criminal history, regardless of when a conviction occurred if the applicant was convicted of a crime at any time during the three-year period immediately preceding the application. Boards may also continue to consider forcible felonies and crimes that require a person to register as a sexual predator regardless of when they occurred if they relate to the practice of the profession as a barber or cosmetologist.

The bill requires the Barbers' Board and Board of Cosmetology to approve educational program credits received from vocational training programs or industry certification programs offered to inmates in any correctional institution or facility to satisfy training requirements for licensure as a barber or cosmetologist.

The bill does not have a fiscal impact on state or local governments.

The bill has an effective date of July 1, 2023.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background

Department of Business and Professional Regulation

The Department of Business and Professional Regulation (DBPR) has 12 divisions that regulate several Florida professions and businesses.[1] Chapter 455, F.S., applies to the regulation of professions constituting "any activity, occupation, profession, or vocation regulated by DBPR in the Divisions of Certified Public Accounting, Professions, Real Estate, and Regulation."[2] Chapter 455, F.S., also provides general DBPR powers and sets forth the procedural and administrative framework for all professional DBPR boards.[3]

Barbers

The Barbers' Board under DBPR governs the regulation and licensing of barbers and barbershops in the state. A barber license is required to perform barbering services.[4] Barbering services include hair services and limited skin care services when done for compensation, but not for medical purposes.[5]

To be eligible for a barber license, an applicant must:[6]

- Be at least 16 years old,
- Complete the required training,
- Pass the written examination,
- Not have a disqualifying criminal record, and
- Pay an application fee.

Cosmetologists

The Board of Cosmetology under DBPR governs the licensing and regulation of cosmetologists, nail specialists, facial specialists, full specialists, and related salons in the state. A cosmetology license or a specialty registration is required to perform cosmetology services. Cosmetology services include hair services, nail services, and skin care services when done for compensation, but not for medical purposes.[7]

To be eligible for a cosmetology or specialty license, an applicant must:[8]

- Be at least 16 years old or have a high school diploma,
- Complete the required training,
- Pass the licensure examination (if applicable),
- Not have a disqualifying criminal record, and
- Pay an application fee.

Criminal History – Barbers and Cosmetologists

[1] The divisions include: Administration; Alcoholic Beverages and Tobacco; Certified Public Accounting; Drugs, Devices, and Cosmetics; Florida Condominiums, Timeshares, and Mobile Homes; Hotels and Restaurants; Pari-mutuel Wagering; Professions; Real Estate; Regulation; Service Operations; and Technology. S. 20.165, F.S.
[2] S. 455.01(6), F.S.
[3] DBPR must also provide legal counsel for boards within the DBPR by contracting with the Department of Legal Affairs, by retaining private counsel, or by providing DBPR staff counsel. Ss. 455.203 and 455.221(1), F.S.
[4] S. 476.144(1), F.S.
[5] S. 476.034(2), F.S.
[6] S. 476.114, F.S.
[7] S. 477.013(4), F.S.
[8] S. 477.019(2), F.S.

In 2019, the Legislature created a time-limited review process for considering the criminal history of applicants for specified professions, including barbers and cosmetologists.[9] Section 455.213(3)(b)1., F.S., provides the Barbers' Board and Board of Cosmetology may only deny an application for licensure on the basis of an applicant's criminal history for:

- A conviction[10] for a crime that occurred within five years of the date of the receipt of an application for licensure, or
- A criminal history record that includes a forcible felony or a crime that would require a person, upon conviction, to register as a sexual predator, if such crime relates to the practice of the applicable profession.

Sexual Predators

A person is a sexual predator in Florida if he or she:

- Was convicted of a qualifying offense committed on or after October 1, 1993; and
- Has not received a pardon or otherwise had the conviction set aside for the qualifying offense.

Qualifying convictions for sexual predator designation include:

- Capital, life, or first degree felony kidnapping or false imprisonment, when the victim is a minor and there is a sexual component to the crime;[11]
- Capital, life, or first degree felony sexual battery;[12]
- Capital, life, or first degree felony lewd or lascivious battery or molestation;[13]
- Capital, life, or first degree felony selling or buying minors to engage in sexually explicit conduct;[14]
- An offense that would require registration as a sexual offender, other than transmission of child pornography by electronic device or transmission of material harmful to minors, by a person with a prior conviction for a sexual offense;[15] or
- A conviction for a similar offense committed in another jurisdiction.[16]

The court must make written findings designating a person who meets the criteria as a sexual predator.[17]

Forcible Felonies

Section 776.08, F.S., defines a forcible felony as any of the following crimes:

- Treason;
- Murder;
- Manslaughter;
- Sexual battery;
- Carjacking;
- Home-invasion robbery;
- Robbery;
- Burglary;
- Arson;
- Kidnapping;
- Aggravated assault;
- Aggravated battery;
- Aggravated stalking;

[9] Ch. 2019-167, Laws of Fla.
[10] For purpose of licensing, the term "conviction" means a determination of guilt that is the result of a plea or trial, regardless of whether adjudication is withheld. S. 455.213(3)(b)1., F.S.
[11] Ss. 787.01 and 787.02, F.S.; *Raines v. State*, 805 So.2d 999 (Fla. 4th DCA 2001).
[12] S. 794.011, F.S.
[13] S. 800.04, F.S.
[14] S. 847.0145, F.S.
[15] S. 775.21(4)(a)1.b., F.S.
[16] S. 775.21(4), F.S.
[17] Ss. 775.21(4)(c) and 775.21(5), F.S.

- Aircraft piracy;
- Unlawful throwing, placing, or discharging of a destructive device or bomb; and
- Any other felony that involves the use or threat of physical force or violence against any individual.

Vocational Training in Correctional Facilities

The Florida Department of Corrections Bureau of Education partners with state colleges, technical colleges, and community education organizations to provide vocational training in 37 trades to incarcerated inmates.[18] Included in these vocational programs are barbering programs at Blackwater River Correctional Facility,[19] Graceville Correctional Facility,[20] and Lake City Correctional Facility,[21] as well as cosmetology programs at Lowell Correctional Institution,[22] Homestead Correctional Institution,[23] and Gadsden Correctional Facility.[24]

Effect of Proposed Changes

Criminal History – Barbers and Cosmetologists

The bill amends s. 455.213, F.S., to reduce the time frame, from five years to three years, that an applicable board may look back at and use a criminal conviction as grounds to deny an application for licensure as a barber or cosmetologist.[25]

The bill provides the applicable board may consider an applicant's criminal history, regardless of when a conviction occurred if, at any time during the three-year period immediately preceding the application, the applicant was convicted of a crime. Boards may also continue to consider forcible felonies and crimes that require a person to register as a sexual predator regardless of when they occurred if they relate to the practice of the profession as a barber or cosmetologist.

Vocational Training in Correctional Facilities

The bill requires the Barbers' Board and Board of Cosmetology to approve educational program credits received from vocational training programs or industry certification programs offered to inmates in any correctional institution or facility to satisfy training requirements for licensure as a barber or cosmetologist.

The bill provides an effective date of July 1, 2023.

B. SECTION DIRECTORY:

Section 1: Amends s. 455.213, F.S., relating to general licensing provisions.
Section 2: Provides an effective date of July 1, 2023.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

[18] Florida Department of Corrections, *Bureau of Education*, http://www.dc.state.fl.us/development/programs.html (last visited Feb. 15, 2023).
[19] Florida Department of Corrections, *Blackwater River Correctional Facility,* http://www.dc.state.fl.us/ci/185.html (last visited Feb. 15, 2023).
[20] Florida Department of Corrections, *Graceville Correctional Facility*, http://www.dc.state.fl.us/ci/159.html (last visited Feb. 15, 2023).
[21] Florida Department of Corrections, *Lake City Correctional Facility*, http://www.dc.state.fl.us/ci/219.html (last visited Feb. 15, 2023).
[22] Florida Department of Corrections, *Lowell Correctional Institution*, http://www.dc.state.fl.us/ci/314.html (last visited Feb. 15, 2023).
[23] Florida Department of Corrections, *Homestead Correctional Institution*, http://www.dc.state.fl.us/ci/419.html (last visited Feb. 15, 2023).
[24] Florida Department of Corrections, *Gadsden Correctional Facility*, http://www.dc.state.fl.us/ci/111.html (last visited Feb. 15, 2023).
[25] For purposes of calculating the recidivism rate for inmates released from custody, the Florida Department of Corrections uses the definition of "recidivism" in s. 945.041(2), F.S., which means an inmate's rearrest, reconviction, reincarceration, or probation revocation within a three-year time period following the inmate's release from incarceration.

1. Revenues:

   None.

2. Expenditures:

   None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

   None.

2. Expenditures:

   None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill may allow more people to become licensed as barbers or cosmetologists by reducing disqualifications to licensure.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

   Not applicable. The bill does not appear to affect county or municipal governments.

2. Other:

   None.

B. RULE-MAKING AUTHORITY:

Not applicable.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

A bill to be entitled

An act relating to professional licensing requirements for barbers and cosmetologists; amending s. 455.213, F.S.; providing a period of time when a conviction, or any other adjudication, for a crime may not be grounds for denial of licensure as a barber or cosmetologist; providing an exception; requiring the applicable board to approve certain educational program credits offered to inmates in certain institutions or facilities for purposes of satisfying training requirements for licensure as a barber or cosmetologist; providing an effective date.

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

Section 1. Paragraph (b) of subsection (3) of section 455.213, Florida Statutes, is amended, paragraph (f) is added to that subsection, and paragraph (a) of that subsection is republished, to read:

455.213 General licensing provisions.—

(3)(a) Notwithstanding any other law, the applicable board shall use the process in this subsection for review of an applicant's criminal record to determine his or her eligibility for licensure as:

1. A barber under chapter 476;

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

2. A cosmetologist or cosmetology specialist under chapter 477;

3. Any of the following construction professions under chapter 489:

a. Air-conditioning contractor;

b. Electrical contractor;

c. Mechanical contractor;

d. Plumbing contractor;

e. Pollutant storage systems contractor;

f. Roofing contractor;

g. Sheet metal contractor;

h. Solar contractor;

i. Swimming pool and spa contractor;

j. Underground utility and excavation contractor; or

k. Other specialty contractors; or

4. Any other profession for which the department issues a license, provided the profession is offered to inmates in any correctional institution or correctional facility as vocational training or through an industry certification program.

(b)1. A conviction, or any other adjudication, for a crime more than 3 years before the date the application is received by the applicable board may not be grounds for denial of a license specified in subparagraph (a)1. or subparagraph (a)2., unless the applicant was convicted of a crime at any time during the 3-year period immediately preceding the application. A conviction,

or any other adjudication, for a crime more than 5 years before the date the application is received by the applicable board may not be grounds for denial of a license specified in subparagraph (a)3. or subparagraph (a)4. ~~paragraph (a)~~. For purposes of this paragraph, the term "conviction" means a determination of guilt that is the result of a plea or trial, regardless of whether adjudication is withheld. This paragraph does not limit the applicable board from considering an applicant's criminal history that includes a crime listed in s. 775.21(4)(a)1. or s. 776.08 at any time, but only if such criminal history has been found to relate to the practice of the applicable profession.

2. The applicable board may consider the criminal history of an applicant for licensure under subparagraph (a)3. if such criminal history has been found to relate to good moral character.

(f) The applicable board shall approve educational program credits offered to inmates in any correctional institution or correctional facility as vocational training or through an industry certification program for purposes of satisfying applicable training requirements for licensure in a profession under subparagraph (a)1. or subparagraph (a)2.

Section 2. This act shall take effect July 1, 2023.

HB 719

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 719 Practice of Veterinary Medicine
SPONSOR(S): Killebrew
TIED BILLS: **IDEN./SIM. BILLS:** SB 722

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Regulatory Reform & Economic Development Subcommittee	13 Y, 0 N	Thompson	Anstead
2) Commerce Committee		Thompson	Hamon

SUMMARY ANALYSIS

In Florida, the practice of "veterinary medicine" means the diagnosis of medical conditions of animals, and the prescribing or administering of medicine and treatment to animals for the prevention, cure, or relief of a wound, fracture, bodily injury, or disease. Veterinarians are regulated by the Board of Veterinary Medicine (Board) in the Department of Business and Professional Regulation (DBPR) pursuant to ch. 474, F.S., relating to veterinary medical practice (practice act).

The purpose of the practice act is to ensure that every veterinarian practicing in this state meets minimum requirements for safe practice to protect public health and safety. The practice act provides requirements for licensure by examination, licensure of qualified out-of-state veterinarians by endorsement, premises permitting, prohibitions and penalties, and grounds for disciplinary action by the Board.

According to reports, a recent increase in household pet ownership has contributed to a shortage of veterinarians in the U.S.

The bill allows out-of-state veterinarians to perform dog or cat sterilization services, and routine preventative health services at the time of sterilization, under certain circumstances. Specifically, the bill exempts from the practice act veterinarians who:

- Hold an active license to practice veterinary medicine in another jurisdiction in the U.S.;
- Are in good standing in such jurisdiction; and
- Perform dog or cat sterilization services or routine preventative health services at the time of sterilization as an unpaid volunteer under responsible supervision of a veterinarian licensed in this state.

The bill specifies that the supervising licensed veterinarian is responsible for all acts performed under this provision by an out-of-state veterinarian acting under her or his responsible supervision.

The bill provides that an out-of-state veterinarian practicing pursuant to this provision is not eligible to apply for a premises permit.

The bill does not appear to have a fiscal impact on state or local government.

The bill provides an effective date of July 1, 2023.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Practice of Veterinary Medicine

The practice of veterinary medicine is regulated by the Department of Business and Professional Regulation (DBPR) Board of Veterinary Medicine (Board).[1] The Board administers and enforces the provisions of ch. 474, F.S., relating to veterinary medical practice (practice act). The purpose of the practice act is to ensure that every veterinarian practicing in this state meets minimum requirements for safe practice to protect public health and safety.[2]

A veterinarian is a health practitioner licensed by the Board to engage in the practice of veterinary medicine in Florida,[3] which is the diagnosis of medical conditions of animals, and the prescribing or administering of medicine and treatment to animals for the prevention, cure, or relief of a wound, fracture, bodily injury, or disease, or holding oneself out as performing any of these functions.[4]

Veterinary medicine includes, with respect to animals:[5]

- Surgery;
- Acupuncture;
- Obstetrics;
- Dentistry;
- Physical therapy;
- Radiology;
- Theriogenology (reproductive medicine);[6] and
- Other branches or specialties of veterinary medicine.

Licensure by Examination

To become a licensed veterinarian, an applicant must:

- Graduate from a college of veterinary medicine accredited by the American Veterinary Medical Association Council on Education (AVMAE); **or** from a college of veterinary medicine listed in the American Veterinary Medical Association Roster of Veterinary Colleges of the World (AVMARVC) **and** obtain a certificate from the Education Commission for Foreign Veterinary Graduates (ECFVG) **or** the Program for the Assessment of Veterinary Education Equivalence (PAVE);
- Successfully complete the North American Veterinary Licensing Examination (NAVLE), or an examination determined by the board to be equivalent; and
- Successfully complete an examination of the laws and rules governing the practice of veterinary medicine in Florida.[7]

Licensure by Endorsement

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[1] *See* ss. 474.204 through 474.2125, F.S., concerning the powers and duties of the Board.
[2] S. 474.201, F.S.
[3] *See* s. 474.202(11), F.S.
[4] *See* s. 474.202(9), F.S. Also included is the determination of the health, fitness, or soundness of an animal, and the performance of any manual procedure for the diagnosis or treatment of pregnancy or fertility or infertility of animals.
[5] *See* s. 474.202(13), F.S. Section 474.202(1), F.S., which defines "animal" as "any mammal other than a human being or any bird, amphibian, fish, or reptile, wild or domestic, living or dead."
[6] The Society for Theriogenology, established in 1954, is composed of veterinarians dedicated to standards of excellence in animal reproduction. *See* https://www.therio.org/page/HistoryTheriogenolog (last visited Feb. 25, 2023).
[7] R. 61G18-11.002, F.A.C.

A person who is licensed in another state or country is eligible for a license by endorsement in Florida if they:[8]

- Successfully complete an examination of the laws and rules governing the practice of veterinary medicine in Florida; and
- Either:
  - Hold a valid license to practice veterinary medicine in another jurisdiction of the United States for the three years immediately preceding the application for licensure, provided that the requirements for licensure are equivalent to or more stringent than a Florida license; or
  - Have graduated from an AVMAE, or AVMARVC program with the required certificate, and have successfully completed an examination which is equivalent to or more stringent than the NAVLE.

DBPR may not issue a license by endorsement to any applicant who is under investigation in any state, territory, or the District of Columbia for an act which would constitute a violation of the practice act until the investigation is complete and disciplinary proceedings have been terminated.[9]

Exemptions

The following entities are exempt from the practice act:[10]

- Veterinary aides, nurses, laboratory technicians, preceptors,[11] or other employees of a licensed veterinarian, who administer medication or provide help or support under the responsible supervision[12] of a licensed veterinarian;
- Certain non-Florida licensed veterinarians who are consulting upon the request of a Florida-licensed veterinarian;
- Faculty veterinarians when they have assigned teaching duties at accredited[13] institutions;
- Certain graduate intern/resident veterinarians of accredited institutions;
- Certain students in a school or college of veterinary medicine who perform assigned duties by an instructor or work as preceptors;
- Certain doctors of veterinary medicine employed by a state agency or the U.S. Government;
- Persons or their employees caring for the persons' own animals, as well as certain part-time or temporary employees, or independent contractors, who are hired by an owner to help with herd management and animal husbandry tasks; and
- Certain entities or persons[14] that conduct experiments and scientific research on animals as part of the development of pharmaceuticals, biologicals, serums, or treatment methods or techniques to diagnose or treatment of human ailments, or in the study and development of methods and techniques applicable to the practice of veterinary medicine.

Premises Permit

Any permanent or mobile establishment where a licensed veterinarian practices must have a premises permit issued by DBPR.[15] Each person to whom a veterinary license or premises permit is issued must

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[8] S. 474.217(1), F.S.
[9] S. 474.217(2), F.S.
[10] *See* s. 474.203, F.S.
[11] A preceptor is a skilled practitioner or faculty member who directs, teaches, supervises, and evaluates students in a clinical setting to allow practical experience with patients. *See also* https://www.merriam-webster.com/dictionary/preceptor#medicalDictionary (last visited Feb. 25, 2023).
[12] The term "responsible supervision" is defined in s. 474.202(10), F.S., as the "control, direction, and regulation by a licensed doctor of veterinary medicine of the duties involving veterinary services" delegated to unlicensed personnel.
[13] Ss. 474.203(1) and (2), F.S., provide that accreditation of a school or college must be granted by the American Veterinary Medical Association (AVMA) Council on Education, or the AVMA Commission for Foreign Veterinary Graduates.
[14] *See* s. 474.203(6), F.S., which states that the exemption applies to "[s]tate agencies, accredited schools, institutions, foundations, business corporations or associations, physicians licensed to practice medicine and surgery in all its branches, graduate doctors of veterinary medicine, or persons under the direct supervision thereof. . . ."
[15] S. 474.215(1), F.S.

conspicuously display such document in her or his office, place of business, or place of employment in a permanent or mobile veterinary establishment or clinic.[16]

Prohibitions and Penalties

The following licensure related activities are prohibited:[17]

- Leading the public to believe that a person is licensed to practice veterinary medicine, without holding a valid, active license.
- Using the name or title "veterinarian" when the person has not been licensed.
- Using the license of another veterinarian.
- Giving false or forged evidence to the Board to obtain a license.
- Using or attempting to use a veterinarian's license which has been suspended or revoked.
- **Knowingly employing unlicensed persons in the practice of veterinary medicine.**
- Knowingly concealing information relative to violations of the practice act.
- Obtaining a license to practice veterinary medicine by fraudulent representation.
- **Practicing veterinary medicine without a license.**
- Selling or offering to sell fake veterinary diplomas and licenses.
- **Knowingly operating a veterinary establishment or premises without having a premises permit.**

Violations are a third degree felony, punishable by a maximum penalty of five years in prison,[18] a $5,000 fine[19] and increased prison sentences[20] for habitual offenders.[21]

Grounds for Disciplinary Action by the Board

The following acts are some of the grounds for which the Board may take disciplinary action:

- Being convicted or found guilty, regardless of adjudication, of a crime in any jurisdiction which directly relates to the practice of veterinary medicine, including animal cruelty and state or federal drug laws.
- Violating any provision of the practice act or chapter 455, F.S., related to DBPR, a rule of the Board or department, or a lawful order of the Board or department or subpoena of the department.
- Being unable to practice safely due to illness, drunkenness, use of drugs, narcotics, chemicals, or any other material or substance or as a result of any mental or physical condition.
- Judicially determined mental incompetency.
- Knowingly maintaining a professional connection or association with persons in violation.
- Performing or prescribing unnecessary or unauthorized treatment.
- Attempting to restrict competition.
- Fraud, deceit, negligence, incompetency, or misconduct.
- Permitting or allowing another to use a veterinarian's license to treat animals.
- Fraudulently issuing or using any false health certificate, vaccination certificate, test chart, or other blank form used in the practice of veterinary medicine relating to the presence or absence of animal disease or transporting animals or issuing any false certificate relating to the sale of products of animal origin for human consumption.
- Practicing at a location for which a valid premises permit has not been issued.
- Refusing to allow department inspections during regular business hours.
- Ordering, prescribing, or making available medicinal drugs or drugs[22] or controlled substances[23] for use other than for the specific treatment of animal patients for which there is a documented veterinary client patient relationship (VCPR) and without:

[16] S. 474.216, F.S.
[17] S. 474.213, F.S.
[18] S. 775.082, F.S.
[19] S. 775.083, F.S.
[20] S. 775.084, F.S.
[21] S. 474.213(2), F.S.

    - Having sufficient knowledge of the animal to initiate at least a general or preliminary diagnosis of the medical condition of the animal, which means that the veterinarian is personally acquainted with the keeping and caring of the animal and has recently seen the animal or has made medically appropriate and timely visits to the premises where the animal is kept;
    - Being available to provide for follow-up care and treatment in case of adverse reactions or failure of the regimen of therapy; and
    - Maintaining records which document patient visits, diagnosis, treatment, and other relevant information required under the practice act.[24]
- Providing, prescribing, ordering, or making available for human use medicinal drugs or drugs as defined in ch. 465, F.S., controlled substances as defined in ch. 893, F.S., or any material, chemical, or substance used exclusively for animal treatment.
- Failing to report to the department any person the licensee knows to be in violation of the practice act.
- Violating any of the requirements of chapter 499, the Florida Drug and Cosmetic Act; 21 U.S.C. ss. 301-392, the Federal Food, Drug, and Cosmetic Act; 21 U.S.C. ss. 821 et seq., the Comprehensive Drug Abuse Prevention and Control Act of 1970, more commonly known as the Comprehensive Drug Abuse Prevention and Control Act; or chapter 893, F.S.
- Prescribing or dispensing a legend drug as defined in chapter 499, F.S., including any controlled substance, inappropriately or in excessive or inappropriate quantities.
- Practicing or offering to practice beyond the scope permitted by law.
- Knowingly delegating professional responsibilities to a person who is not qualified by training, experience, or licensure to perform them.
- Presigning blank prescription forms.
- Failing to give the owner of a patient, before dispensing any drug, a written prescription when requested.

When the board finds any applicant or veterinarian guilty of the grounds for disciplinary action, it may enter an order imposing one or more of the following penalties:[25]

- Denial of certification for examination or licensure.
- Revocation or suspension of a license.
- Administrative fine up to $5,000 for each offense.
- Issuance of a reprimand.
- Probation, including continuing education or work under the supervision of another veterinarian.
- Restricting the authorized scope of practice.
- Imposition of costs of the investigation and prosecution.
- Remedial education.

Limited Service Practice

A “limited-service veterinary medical practice” means offering or providing limited types of veterinary services for a limited time at any location that has a primary purpose other than providing veterinary medical service at a permanent or mobile establishment. Such practice must provide veterinary medical services for privately owned animals that do not reside at that location.[26] Such practice must obtain a permit and must register each location where a limited service clinic is held. A licensed veterinarian must supervise the limited practice.[27]

[22] S. 465.003(8), F.S.
[23] S. 893.02(4), F.S.
[24] S. 474.214(1)(y)., F.S.
[25] S. 474.214(2), F.S.
[26] S. 474.202(6), F.S.
[27] S. 474.215(7)-(8), F.S.

The board establishes minimum standards for the operation of limited service veterinary medical practices.[28] The board has authorized by rule such practices to perform microchipping,[29] vaccinations, immunizations, and parasitic control.[30]

Medical Records

Veterinarians are prohibited from discussing a patient's medical condition with anyone except the client, except for a few exceptions, such as upon the issuance of a subpoena and for research. Section 474.2165(4), F.S., prohibits veterinary patient medical records from being furnished to any person other than the client, the client's legal representative or other veterinarians involved in the care or treatment of the patient, except in certain circumstances. This also applies to discussing the medical condition of a patient, which may include information from a microchip implant.[31]

Immediate Supervision

The practice act defines "immediate supervision" to mean that a "licensed doctor of veterinary medicine is on the premises whenever veterinary services are being provided."[32]

Veterinary tasks requiring immediate supervision include:[33]

- Administering anesthesia and tranquilization by a veterinary aide, nurse, laboratory technician, intern, or other employee of a licensed veterinarian.
- Administering certain vaccinations by a veterinary aide, nurse, technician, intern or other employee of a licensed veterinarian which is not specifically prohibited.

The following tasks may be performed without the licensed veterinarian on the premises:[34]

- Administering medication and treatment, excluding vaccinations, as directed by the licensed veterinarian; and
- Obtaining samples and the performance of those diagnostic tests, including radiographs, directed by the licensed veterinarian.

Current law provides that only a veterinarian may immunize or treat an animal for diseases that are communicable to humans and that are of public health significance.[35] The Board recognizes that the following diseases are communicable to humans and are of public health significance, and that only a veterinarian may immunize or treat an animal for these diseases:[36]

- Brucellosis.
- Tuberculosis.
- Rabies.
- Equine Encephalomyelitis.

Sterilization of Dogs and Cats

[28] S. 474.215(7), F.S.
[29] A microchip is a small, electronic chip enclosed in a glass cylinder which is injected under the skin of a pet. When a chip is scanned, it transmits the pet's identification number, which is used in the manufacturer's microchip registry to find the owner. American Veterinary Medical Association, *Microchipping of Animals FAQ*, https://www.avma.org/microchipping-animals-faq (last visited Dec. 19, 2019).
[30] R. 61G18-15.007(1), F.A.C.
[31] S. 474.2165, F.S.
[32] S. 4764.202(5), F.S.
[33] R. 61G18-17.005, F.A.C.
[34] *Id*.
[35] S. 474.203(5)(a), F.S.
[36] R. 61G18-17.006, F.A.C.

According to the Humane Society of the United States, the average lifespan of sterilized dogs and cats is longer than the lifespan of those not. A University of Georgia study,[37] based on the medical records of more than 70,000 animal patients, found that the life expectancy of neutered male dogs was almost 14 percent longer and that of spayed female dogs was 26 percent longer. The average age of death of intact dogs was eight years versus a significantly older nine years for altered dogs.[38]

According to the American Society for the Prevention of Cruelty to Animals (ASPCA), six million companion animals enter U.S. animal shelters nationwide every year. Of those, approximately half are dogs and the other half are cats. The ASPCA estimates that the number of dogs and cats entering U.S. shelters annually has declined from approximately seven million in 2011. The biggest decline was in dogs (from 3.9 million to 3.1 million).[39]

According to the American Veterinary Medical Association (AVMA), dogs and cats that are not intended for breeding are routinely neutered via elective gonadectomy (spay or spaying for females; castration for males; and neuter or neutering for males or for both sexes).[40]

Gonadectomy achieves sterilization, thereby preventing reproduction, and removes the production source of sexual hormones that may cause undesired mating behaviors in dogs and cats. This benefits society by reducing overpopulation through non-lethal means and mitigating behaviors that may damage the human-animal bond and contribute to abandonment and relinquishment to shelters and other humane organizations.[41]

The Legislature has declared it to be the public policy of the state that every feasible means be used to reduce the incidence of birth of unneeded and unwanted puppies and kittens. In furtherance of this policy, employees, agents, or contractors of animal shelters, humane organizations, or animal control agencies operated by a humane organization or by a county, municipality, or other incorporated political subdivision are required to either:[42]

- Have all dogs and cats sterilized by a licensed veterinarian before relinquishing custody of the animal; or
- Enter into a written agreement with the adopter or purchaser guaranteeing that sterilization will be performed within 30 days or prior to sexual maturity.

Employees, agents, or contractors of animal shelters, humane organizations, or animal control agencies operated by a humane organization or by a county, municipality, or other incorporated political subdivision, may not perform microchipping procedures on cats and dogs unless they are a veterinarian or a veterinarian is supervising the procedure.[43]

Veterinarian Shortage

According to a survey conducted by the American Pet Products Association (APPA), 70 percent of U.S. households, or about 90.5 million families, own a pet. This is an increase from 56 percent of U.S. households in 1988, and 67 percent in 2019.[44] As a result, experts say there is a shortage of

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[37] Jessica Hoffman, Kate Creevy, Daniel Promislow, Repro*ductive Capability Is Associated with Lifespan and Cause of Death in Companion Dogs*, (Apr. 17, 2013), Plos One, https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0061082 (last visited Feb. 25, 2023).

[38] Humane Society of the United States, *Why you should spay/neuter your pet*, https://www.humanesociety.org/resources/why-you-should-spayneuter-your-pet (last visited Feb. 25, 2023).

[39] American Society for the Prevention of Cruelty to Animals, *Pet Statistics*, https://www.aspca.org/helping-people-pets/shelter-intake-and-surrender/pet-statistics (last visited Feb. 25, 2023).

[40] American Veterinary Medical Association, *Elective spaying and neutering of pets*, https://www.avma.org/resources-tools/animal-health-and-welfare/elective-spaying-and-neutering-pets (last visited Feb. 25, 2023).

[41] *Id*.

[42] S. 823.15, F.S.

[43] Ss. 474.202(5), 823.15, F.S.

[44] Insurance Information Institute, *Facts + Statistics: Pet Ownership and Insurance*, https://www.iii.org/fact-statistic/facts-statistics-pet-ownership-and-insurance#:~:text=Seventy%20percent%20of%20U.S.%20households,and%2067%20percent%20in%202019. (last visited Feb. 25, 2023).

veterinarians in the U.S., which is expected to result in the need for approximately 15,000 veterinarians by the year 2030.[45]

A study from Banfield Pet Hospital reveals an estimated 75 million pets in the U.S. may not have access to the veterinary care they need by 2030, with an important factor being a critical shortage of veterinarians.[46]

According to the Association of Veterinary Technician Educators, there also appears to be a shortage of veterinary **technicians**. Despite only requiring two years of schooling or less in some states, half of them leave the profession within five years.[47]

For Fiscal Year 2021-2022, there were 12,360 actively licensed veterinarians in Florida.[48]

Effect of Proposed Changes

The bill provides that the practice act does not apply to a veterinarian who holds an active license to practice veterinary medicine in another jurisdiction in the United States and is in good standing in such jurisdiction and who performs dog or cat sterilization services or routine preventative health services at the time of sterilization as an unpaid volunteer under responsible supervision of a veterinarian licensed in this state.

The bill specifies that the supervising licensed veterinarian is responsible for all acts performed under this provision by an out-of-state veterinarian acting under her or his responsible supervision.

The bill provides that an out-of-state veterinarian practicing pursuant to this provision is not eligible to apply for a premises permit.

B. SECTION DIRECTORY:

Section 1: amends s. 474.203, F.S.; exempting certain out-of-state veterinarians who provide specified services under the responsible supervision of a veterinarian licensed in this state from certain regulations governing veterinary medical practice; providing that the supervising licensed veterinarian is responsible for such services; specifying that such out-of-state veterinarians are ineligible for a premises permit.

Section 2: provides an effective date of July 1, 2023.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

[45] Spectrum News 13, *Mobile 'ElleVet' clinic helps relieve veterinarian shortage*, https://www.mynews13.com/fl/orlando/news/2023/02/03/the-ellevet-project-#:~:text=%E2%80%94%20Experts%20say%20there's%20a%20shortage,States%20may%20not%20get%20care. (last visited Feb. 25, 2023).

[46] Banfield Pet Hospital, *75 million pets may not have access to veterinary care by 2030, New Banfield® study finds*, https://www.banfield.com/en/about-banfield/newsroom/press-releases/2020/75-million-pets-may-not-have-access-to-veterinary (last visited Feb. 25, 2023).

[47] CNN, *Covid-19 pandemic magnifies workforce crisis in veterinary field*, https://www.cnn.com/2021/06/20/us/vet-tech-shortage-burnout/index.html (last visited Feb. 25, 2023).

[48] Department of Business and Professional Regulation, *Division of Professions Annual Report Fiscal Year 2021-2022*, http://www.myfloridalicense.com/DBPR/os/documents/Division%20Annual%20Report%20FY%2021-22.pdf (last visited Feb. 25, 2023).

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill may reduce the uncontrolled breeding of dogs and cats in the state, the associated risks to the health of humans and animals, and the expense to the community as a public nuisance and public health hazard.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. The bill does not appear to affect county or municipal governments.

2. Other:

None

B. RULE-MAKING AUTHORITY:

The bill does not appear to create a need for rulemaking or rulemaking authority.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

A bill to be entitled

An act relating to the practice of veterinary medicine; amending s. 474.203, F.S.; exempting certain out-of-state veterinarians who provide specified services under the responsible supervision of a veterinarian licensed in this state from certain regulations governing veterinary medical practice; providing that the supervising licensed veterinarian is responsible for such services; specifying that such out-of-state veterinarians are ineligible for a premises permit; providing an effective date.

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

Section 1. Subsection (11) is added to section 474.203, Florida Statutes, to read:

474.203 Exemptions.—This chapter does not apply to:

(11) A veterinarian who holds an active license to practice veterinary medicine in another jurisdiction in the United States and is in good standing in such jurisdiction and who performs dog or cat sterilization services or routine preventative health services at the time of sterilization as an unpaid volunteer under the responsible supervision, as defined in s. 474.202, of a veterinarian licensed in this state. The supervising licensed veterinarian is responsible for all acts

CODING: Words stricken are deletions; words underlined are additions.

performed under this subsection by an out-of-state veterinarian acting under her or his responsible supervision. An out-of-state veterinarian practicing pursuant to this subsection is not eligible to apply for a premises permit under s. 474.215.

For the purposes of chapters 465 and 893, persons exempt pursuant to subsection (1), subsection (2), or subsection (4) are deemed to be duly licensed practitioners authorized by the laws of this state to prescribe drugs or medicinal supplies.

Section 2. This act shall take effect July 1, 2023.