The Florida Senate

COMMITTEE MEETING EXPANDED AGENDA

COMMERCE AND TOURISM
Senator Detert, Chair
Senator Dockery, Vice Chair

MEETING DATE: Tuesday, October 4, 2011
TIME: 2:00 —4:00 p.m.
PLACE: *James E. "Jim" King, Jr., Committee Room,* 401 Senate Office Building

MEMBERS: Senator Detert, Chair; Senator Dockery, Vice Chair; Senators Flores, Lynn, Montford, and Ring

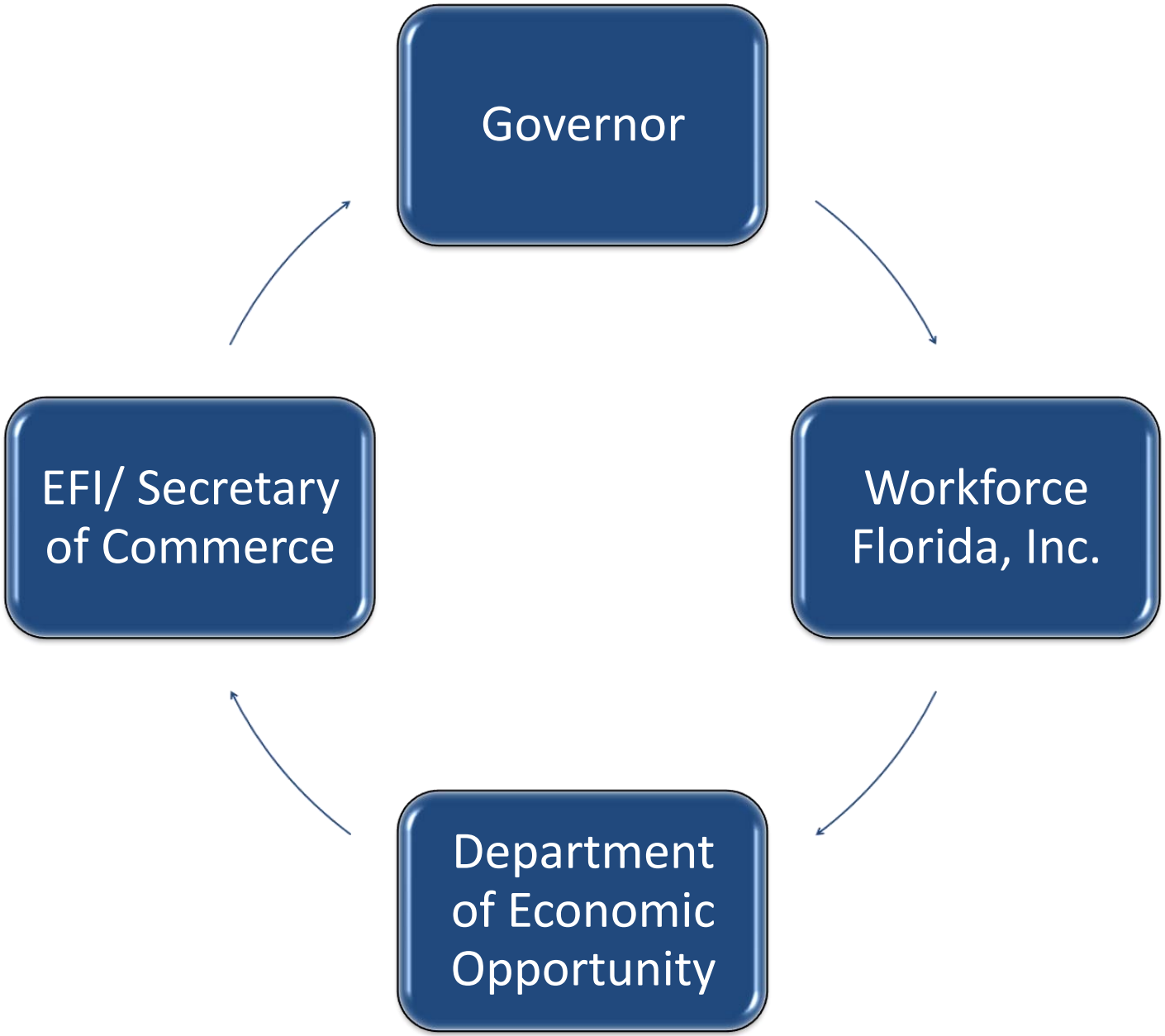
TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	Presentation by Doug Darling, Executive Director of the Department of Economic Opportunity, on an overview of the department and an update on the implementation of ch. 2011-142, L.O.F., as it relates to the department		Presented
2	Overview of the State Small Business Credit Initiative by the Department of Economic Opportunity		Presented
3	**SB 110** Wise (Identical H 59)	Spaceport Territory; Revising spaceport territory to include certain properties. MS 09/20/2011 Favorable CM 10/04/2011 Favorable CA	Favorable Yeas 3 Nays 1
4	**SB 154** Latvala	Licensed Security Officers; Providing that a person who engages in any activity for which ch. 493, F.S., requires a license, but who acts without having a license, commits a misdemeanor of the first degree; providing that such person commits a felony of the third degree for a second or subsequent offense of engaging in activities without a license; authorizing the Department of Agriculture and Consumer Services to impose a civil penalty not to exceed a specified amount, etc. CM 10/04/2011 Favorable CJ BC	Favorable Yeas 4 Nays 0
5	Presentation by the Office of Energy of the Department of Agriculture and Consumer Services on an overview of office and rebate programs		Presented
6	Presentation by the Manufacturers Association of Florida on the manufacturing industry and trade in Florida		Presented
	Other Related Meeting Documents		

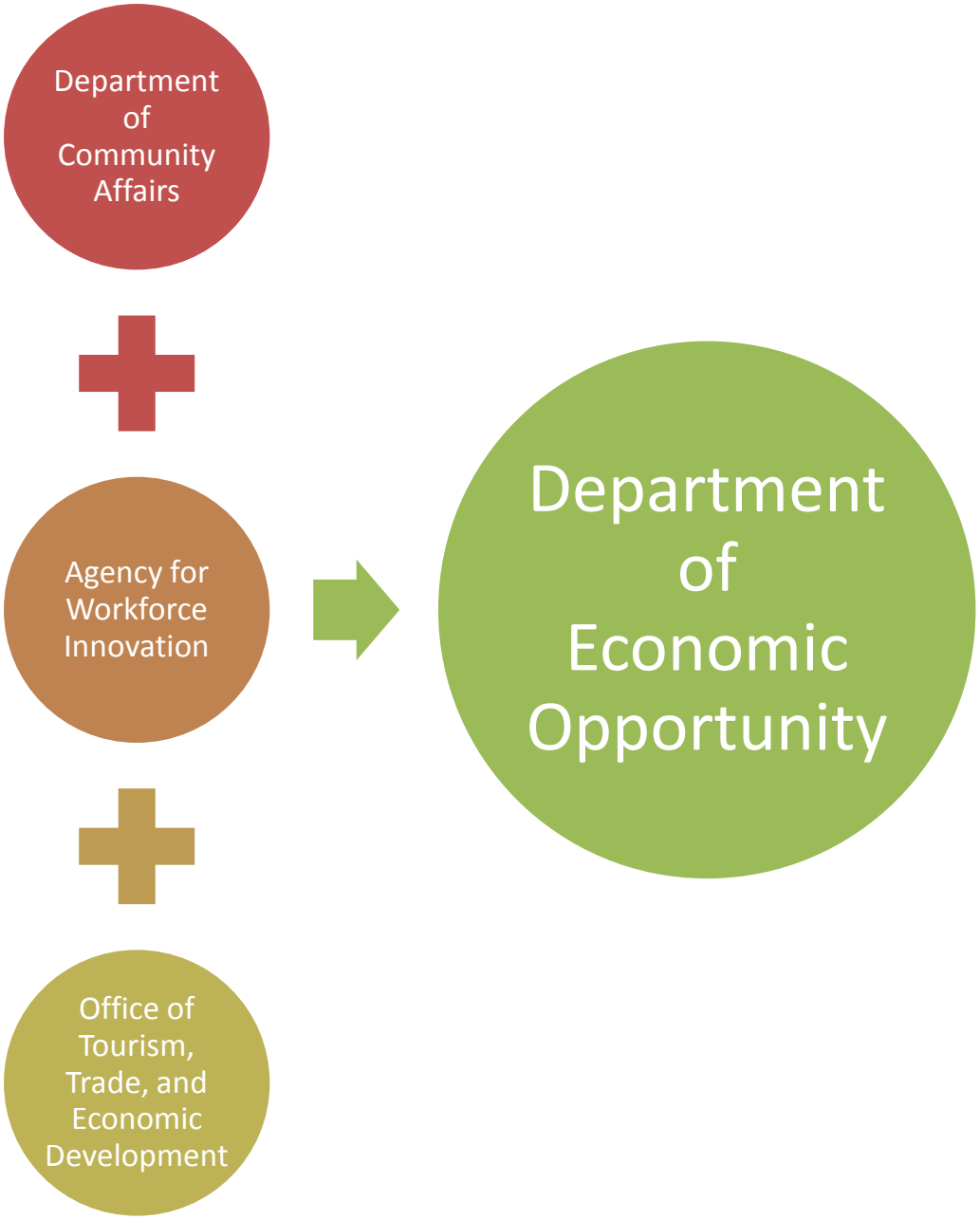
FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY

Senate Committee on Commerce and Tourism

Presented by: Doug Darling, Executive Director, Department of Economic Opportunity

Tuesday, October 4, 2011

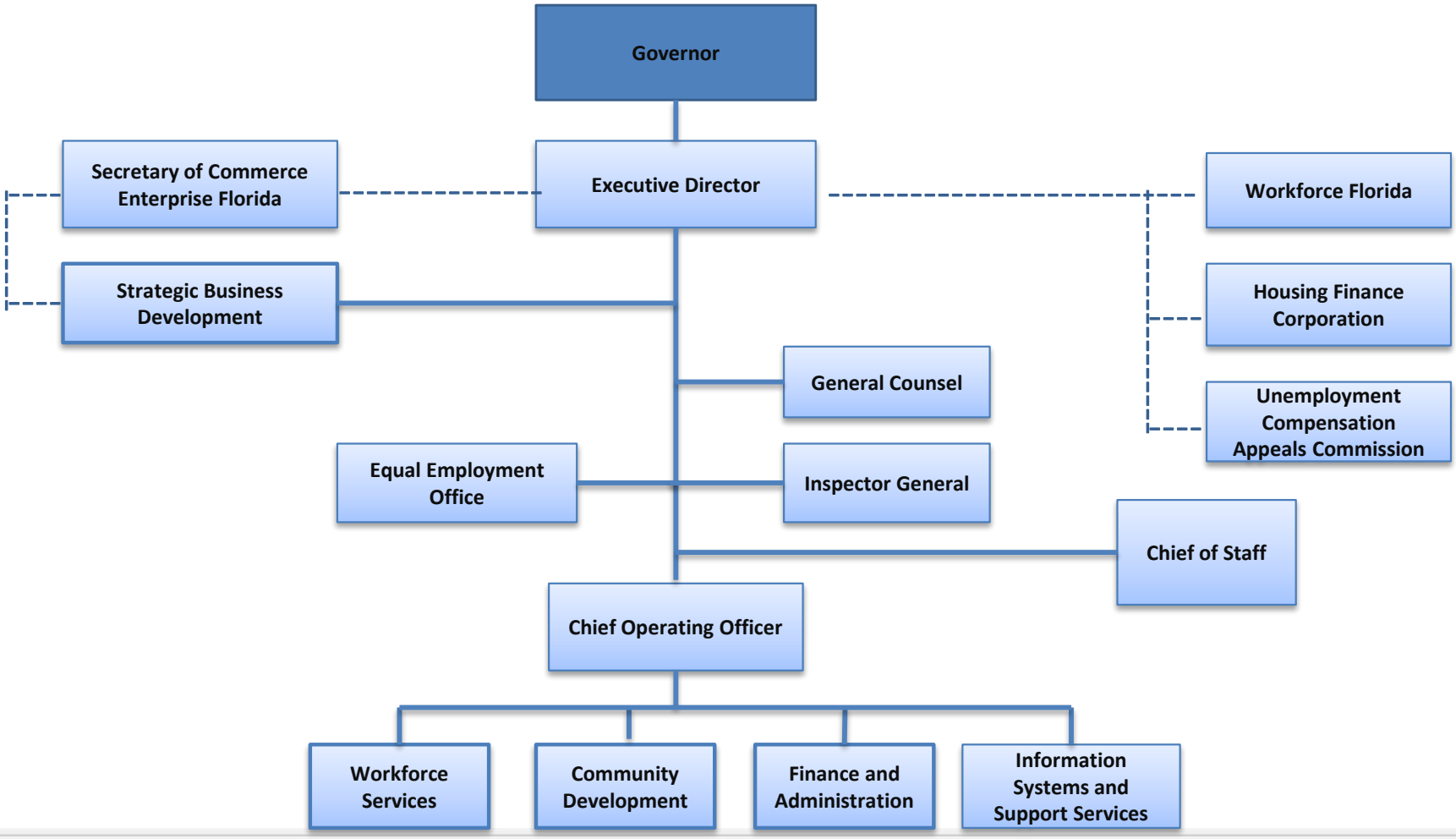

Governor
Workforce Florida, Inc.
Department of Economic Opportunity
EFI/ Secretary of Commerce


Department of Community Affairs
Agency for Workforce Innovation
Office of Tourism, Trade, and Economic Development
Department of Economic Opportunity

Partnerships

- Legislature
- Education
- Tourism
- Transportation
- Business Representatives
- Local Government
- Local Economic Development Councils

Organizational Chart



Division of Strategic Business Development

- Business Plan - submitted Sept. 1, 2011
- Coordination of Strategic Planning
- Incentive Review Timelines
- More Flexible Decision Making
- Account Executives in the Division of Strategic Business Development

Division of Workforce Services

- Workforce program development & guidance, oversight, federal performance & financial reporting, technical assistance
- Labor market information
- Unemployment compensation services

Florida's Workforce System

Policy

Workforce Florida, Inc.

- Strategic Planning
- Research & Development
- Policy Direction
- Budget Approval
- Funding Allocations
- Chartering Regional Boards
- Local Workforce Board Plan Approval
- Workforce System Performance Guidance

Administration and Operation

Department of Economic Opportunity

- Program Development & Guidance
- Performance Management & Oversight
- Federal Performance & Financial Reporting
- Compliance & Financial Monitoring
- Technical Assistance & Support
- Workforce Staff Training & Development
- Labor Market Statistics

Local Delivery System

24 Regional Workforce Boards

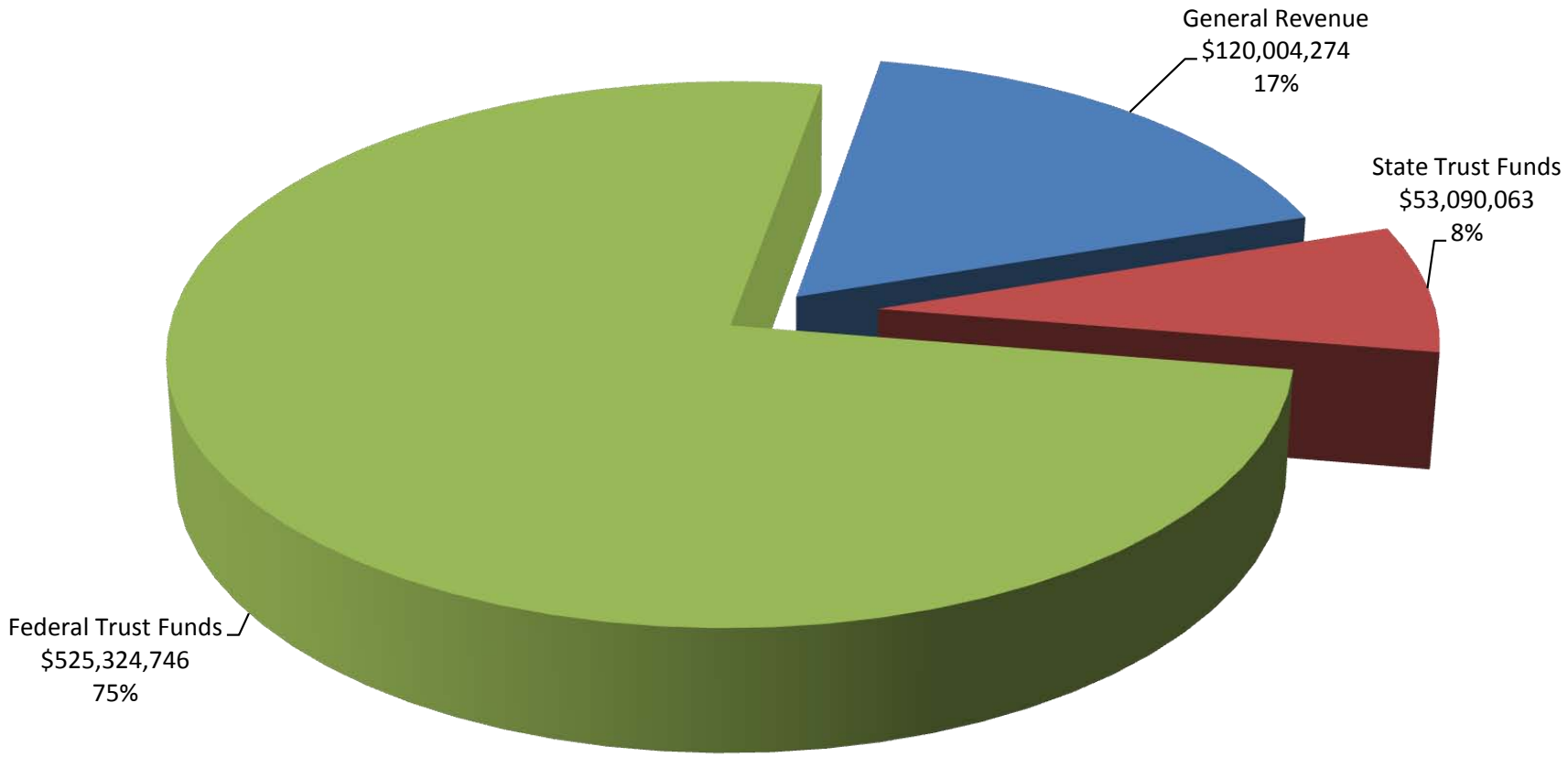
- Operation of Local One-Stop Career Centers
- Workforce Service Delivery to Job Seekers and Employers
- Local Workforce Plan Development & Implementation
- Local Compliance & Financial Oversight and Accountability
- Local Workforce Performance & Financial Tracking and Reporting

Division of Community Development

- **Rural/Urban Small Business/Economic Development**
- **Community planning**
- **Grants:**
  - Infrastructure
  - Economic development
  - Housing rehabilitation
  - Revitalization
- **Assistance programs for low-income Floridians**

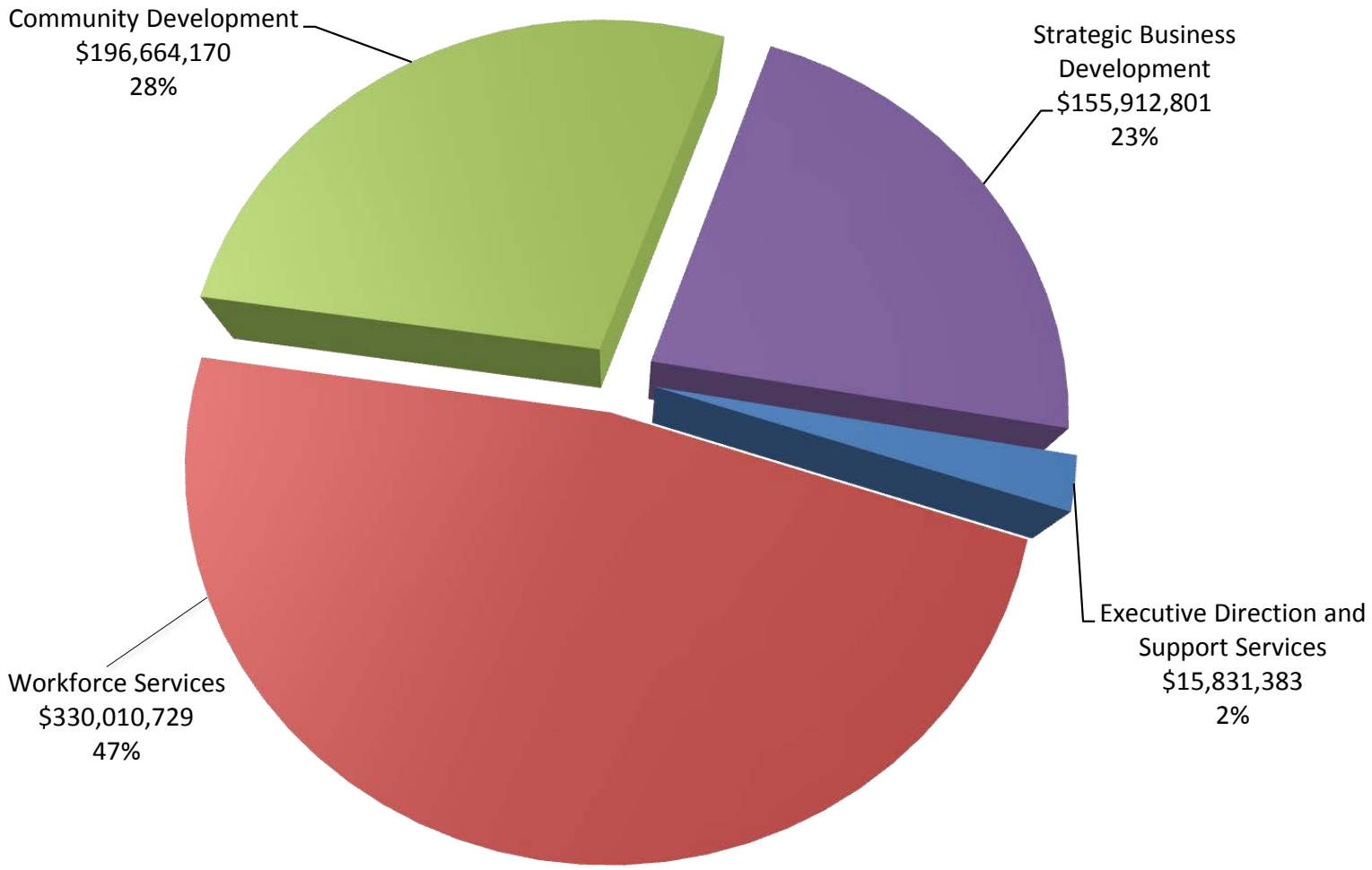
Initial Funding Sources

Partial Year Funding - $698.4 million (approved by LBC on 9/7/2011)



Initial Operating Budget

Partial Year Funding - $698.4 million (approved by LBC on 9/7/2011)



October 1 - A new chapter began!

- Align strategies
- Mandate collaboration
- Remove barriers to job creation
- Advance the Governor's 7-7-7 plan

Questions?

Doug Darling

Executive Director

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State of Florida Job Creation Plan

A Business Plan Developed by the Department of Economic Opportunity

in conjunction with Enterprise Florida and Workforce Florida

September 2011

Dear Citizens of Florida:

Following my victory last November, I started delivering on my promise to make Florida one of the top job generating states in the country and create 700,000 new jobs in seven years. In December 2010, I conducted a roundtable discussion with site-selection consultants and business leaders to gain feedback on how to jump start our economy and create jobs. After taking office, I immediately called for some fundamental changes and improvements to our economic development infrastructure as well as ways to improve the state's business climate.

Essentially, we must adopt better business development practices to move our economy forward, especially amid growing competition both domestically and globally. With the leadership of Senate President Mike Haridopolos and Speaker of the House Dean Cannon we were able to realign state agencies to focus on job creation. The following business plan is a guiding document for Florida, mapping how we must position the state to achieve this vision. I look forward to working with the Legislature to ensure the goals of the business plan are met. This dynamic document sets the course for getting Florida back to work.

Florida ***is open*** for business! We are working hard to ensure a landscape that will offer the opportunity for Floridians and businesses to prosper. Let's get to work!

Sincerely,

The Honorable Rick Scott,
Governor
Chairman, Enterprise Florida Inc.

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State of Florida Job Creation Plan

A Business Plan Developed by the Department of Economic Opportunity

in conjunction with Enterprise Florida and Workforce Florida

PARTNERS IN FLORIDA'S JOB CREATION EFFORTS

Representation in the State of Florida Job Creation Plan Development Process

- Agency for Workforce Innovation
- Black Business Investment Board
- Enterprise Florida
- Executive Office of the Governor
- Florida Chamber Foundation
- Florida Council of 100
- Florida Department of Community Affairs
- Florida Department of Economic Opportunity
- Florida Department of Transportation
- Florida Film Commission
- Florida Housing Finance Corporation
- Florida Institute for the Commercialization of Public Research
- Florida Ports Council
- Florida Research Consortium
- Florida Sports Foundation
- Space Florida
- STEM Florida
- VISIT FLORIDA
- Workforce Florida

During its 2011 session, the Florida Legislature called upon state economic development leaders to re-evaluate long-standing economic development programs and structures, and formulate new strategies to strengthen job creation efforts. The Florida Department of Economic Opportunity was created to streamline community, workforce, and economic development functions and promote economic opportunities for all Floridians. The Department in conjunction with Enterprise Florida and Workforce Florida is specifically tasked with developing a business plan with strategies to attract out-of-state businesses to Florida, promote the expansion of existing businesses, encourage state residents to create new businesses, and establish measures to track the success of these efforts over time.

Recognizing economic development and job creation efforts are impacted by the actions of a broad range of Florida's government agencies and public-private partnerships, the Department of Economic Opportunity conducted—perhaps for the first time—a series of discussions among Florida's job creation partners. Partners from community and workforce development, transportation, tourism promotion, and all supporting disciplines in between gathered to promote strategic alignment at the highest levels. The Department of Economic Opportunity received instrumental assistance from Enterprise Florida and Workforce Florida in transforming the comprehensive body of partner input into a cogent business plan.

The business plan—provided in the following pages—outlines a comprehensive range of strategies and tactics to aggressively pursue job creation in Florida. It represents the best shared thinking of Florida's economic development stakeholders today, but must remain a dynamic plan—that changes over time as the economy and business conditions dictate necessary for Florida to have the strongest, most vibrant economy in the world.

Vision

Florida will have the nation's top performing economy and be recognized as the world's leading business destination.

Mission

The Florida Department of Economic Opportunity promotes economic opportunities for all Floridians; formulating and implementing successful workforce, community, and economic development policies and strategies.

Guiding Principles

- **Be in a state of readiness to support economic development projects, capital investment and infrastructure opportunities that advance Florida in achieving its vision.**
- **Be effectively and efficiently responsive to the global business climate.**
- **Make data-driven decisions and set credible benchmarks.**
- **Deliver successful, strategic, and clearly articulated performance.**

Goals

1. **Increase Florida's global competitiveness as a destination for business, capital, talent, innovation, and entrepreneurship.**
2. **Promote Florida as the world destination of choice for business and industry.**
3. **Facilitate business development through delivery of world-class customer service.**

Creation and Organization of The Department of Economic Opportunity

Since his election, Governor Rick Scott has worked tirelessly on his core campaign promise to Florida citizens to create 700,000 jobs over seven years. From the onset of his administration, the Governor has pushed for a reduction in corporate and unemployment taxes; a decrease in business regulations; the reengineering of how the state recruits, attracts and grows businesses; and an increase in the structural support needed to create more high-wage, high-skill jobs.

Based on his 35 years of business experience, Governor Scott believes the state needs to adopt more successful "best business" practices to grow a struggling economy. "Ultimately, my goal is to make Florida the most business friendly state in the nation," he candidly avows.

To that end, one of his most vigorously sought after legislative objectives was the reorganization of state government's economic development efforts to create a high-level, one-stop business, marketing and sales effort. The benefits to be gained from the restructuring were significant: a reduction in response times and barriers to business expansion opportunities, better coordination and cooperation among state job creation and job training resources, an expansion in the capabilities of the state's public and private partnerships, and an organizational infrastructure more focused on developing and achieving shared goals.

Working closely with the House and Senate leadership, Governor Scott signed into law Senate Bill 2156, which allows a more rapid response and unified approach to job creation by consolidating the state's economic development functions into the Florida Department of Economic Opportunity (DEO).

To ensure the most efficient streamlining of DEO's tasks, the Governor's Office contracted with a national governmental organizational/management consulting firm to analyze the implementation of the new Department of Economic Opportunity and recommend an organizational structure for the merger of three departments/agencies that will effectively and efficiently accomplish the Governor's and the Legislature's economic and job growth goals.

The organization chart included as Appendix A was developed with input from both public and private stakeholders. It builds upon the efficiencies gained by aligning these organizations. Rural, urban, and small business assistance can maximize efficiency by fully integrating into the Division of Community Development. This will better position current community development tools for economic development.

Coordination across agency lines is essential to seamless economic development service. To ensure comprehensive coordination among all mission critical groups, DEO will assemble three cross-agency teams to focus on statewide economic development solutions. The first is the Jobs Council which will provide the leadership for economic development policy and practices. The second is the Intergovernmental Planning Council which will be a standing council, meeting on a regular basis to bring the major economic development voices from around the state to a single, aligned planning table. The third is an ad hoc intergovernmental team which will be convened as warranted to facilitate more streamlined and coordinated timelines and efforts in response to specific business needs identified during the recruitment, expansion, and retention process.

Jobs Council

A Jobs Council, consisting of the Governor as the lead economic development officer along with the heads of Enterprise Florida, Workforce Florida, and the Department of Economic Opportunity, will be formed. This Jobs Council will both guide the development of the state's economic development plans and policies and ensure that the different organizations are effectively and efficiently working together on a daily basis.

Intergovernmental Planning Council

The Department of Economic Opportunity's Division of Strategic Business Development will organize and lead the Intergovernmental Planning Council, comprised of state agencies, public/private partnerships, and business community stakeholders. This mechanism has already been assembled and has informed the strategic alignment of this business plan. This planning council will provide broad-based input into the strategic and business plans DEO is statutorily required to produce.

Ad Hoc Intergovernmental Project Team

This team will include an economic development representative appointed by each agency as required by section 288.021, Florida Statutes. Immediately responsive to emergent needs, these representatives will act collectively as an advocate and coordinator for economic development issues and projects within their home agencies.

As these team members begin to work together, other efficiencies will emerge. It is anticipated that these teams can be expanded to serve across state government for a variety of functions. In future updates to the business plan and the forthcoming state strategic plan, such best practices can be addressed.

Public/Private Approach To Economic Development

All of Florida's public/private organizations having an economic development responsibility are linked to reduce duplication and build on their unique strengths. Core to this linkage is the leadership of the Department of Economic Opportunity and Enterprise Florida (EFI) in creating and maintaining mission-driven relationships with VISIT FLORIDA, Space Florida and Workforce Florida. Additionally, the Florida Sports Foundation and Florida Black Business Investment Board are now part of EFI and will be more integrated into the state's economic development network.

Under section 288.901, Florida Statutes, Enterprise Florida is to serve as the economic development organization for the state. Utilizing public and private sector expertise and collaborating with the Department of Economic Opportunity, EFI is to: increase private investment in Florida; advance international and domestic trade opportunities; market the state both as a pro-business location for new investment and as an unparalleled tourist destination; revitalize Florida's space and aerospace industries and promote emerging complementary space and aerospace industries; promote opportunities for minority-owned businesses; assist and market professional and amateur sports and sporting events in Florida; and assist, promote, and enhance economic opportunities in the state's rural and urban communities.

Enterprise Florida has created a unique alliance of Florida businesses, trade organizations, educational institutions, governments, and economic development organizations that help set a course for achieving greater results in attracting, retaining and growing jobs.

As state contracted public/private organizations, Enterprise Florida, VISIT FLORIDA, and Workforce Florida receive financial support from the State of Florida and from Florida businesses. Businesses contribute directly to their missions in very important ways—as providers of industry insights and strategic perspectives, and as financial supporters. Together, these public/private partnerships strengthen Florida's ability to create jobs and grow the state's economy.

Goals

Three goals are set forth in this business plan.

- **GOAL 1: Increase Florida's global competitiveness as a destination for business, capital, talent, innovation, and entrepreneurship.**
- **GOAL 2: Promote Florida as the global destination of choice for business and industry.**
- **GOAL 3: Facilitate business development through delivery of world-class customer service.**

These three goals provide strategies, tactics and tools necessary to:

- Attract out-of-state industries to Florida.
- Promote the expansion of existing industries in Florida.
- Encourage the creation of businesses in Florida by our residents.

These three goals will be accomplished through the successful completion of 45 tactics within 8 strategies. Success will require a proactive and focused approach to economic development in Florida by knowledgeable and competent teams from the public, private, and academic sectors. A comprehensive and data-driven review of targeted industries and best practices will guide and focus Florida's strategic business development efforts. Community, workforce, and economic development will work united to develop priorities for recruitment, expansion, and creation of Florida business and industry.

Clockwise from top left:

Bing Energy announces the relocation of its headquarters to Florida.

One-on-one business meetings during the 2010 Colombia Trade Mission.

Award winners with Chris Hart at the 2010 Governor's Business Diversification Awards.

Ground breaking ceremony for High Performance Magnetics.

Space X Falcon 9 Rocket Lifts Off From Cape Canaveral

GOAL 1

Increase Florida's global competitiveness as a destination for business, capital, talent, innovation, and entrepreneurship.

STRATEGY Business Climate

Improve Florida's business climate.

TACTICS

- Advise the Governor and the Legislature on policies and initiatives that eliminate bureaucratic red tape, reduce the tax burden, and facilitate business development.
- Increase efficiencies for permitting at the local, regional, and state levels.
- Attract capital to the State and help introduce start-up companies to potential investors through programs aimed at providing access to alternative and non-traditional capital to entrepreneurs.
- Support the development of innovation resources and infrastructure vital to business development and growth.
- Implement an innovative loan program using federal, state, and local public and private funding (e.g., SSBCI).

TOOLS AND RESOURCES NECESSARY TO ACHIEVE THE BENCHMARKS

- Collaboration of leadership to guide economic development policy and practices.
- Integrated data sharing and technology-based support system.
- Cross-agency teams for planning and project assistance.

STRATEGY Business Incentives

Implement a business incentive policy that is flexible, targeted, competitive, and fiscally responsible.

TACTICS

- Optimize the use of industry-specific incentives through policy and legislative review and revision.
- Expand flexibility in the incentive funding processes and programs.
- Facilitate commercial use of federal Space-related assets.
- Review incentives for effectiveness and modify to be more competitive.
- Train a "Sales Team" to sell value and use incentives to close deals.

TOOLS AND RESOURCES NECESSARY TO ACHIEVE THE BENCHMARKS

- Flexibility in the application and use of incentives (e.g., funding, tax credits, etc.).
- State Economic Enhancement Development (SEED) Trust Fund.
- Statewide project management and tracking system.
- Facilitated discussions and evaluations of incentive recommendations proposed by economic development practitioners.

F15 Eagle from the 125th Fighter Wing, Florida Air National Guard Headquartered in Jacksonville

STRATEGY Talent Development

Strengthen and implement programs that support and up-skill Florida's workforce.

TACTICS

- Support the implementation of the strategic plan developed by Workforce Florida, Inc.
- Facilitate re-employment opportunities for Florida's unemployed and underemployed.
- Refine and implement the talent supply and demand analysis aligned with Florida's cluster strategy.
- Develop a cluster and infrastructure-oriented, comprehensive workforce supply and demand analysis.
- Expand the use of on-the-job training (OJT) and other employer-based training.
- Support the state workforce system as the key means to match labor supply with labor demand.
- Strengthen the state's labor market information resources and expand its tools to help gauge labor supply and labor demand.

TOOLS AND RESOURCES NECESSARY TO ACHIEVE THE BENCHMARKS

- Leveraged federal funding.
- Integrated communications and information sharing.

STRATEGY Community Development

Build resiliency in Florida's communities.

TACTICS

- Enhance opportunities for small and minority businesses.
- Protect and support retention of Florida's military bases.
- Develop and support Florida's rural catalyst sites.
- Enhance the utilization of geographic-specific incentives (e.g., urban, rural, brownfields, enterprise zones, etc.).
- Support location-based activities that stimulate local economic development (e.g., sports, film and entertainment production, etc.).
- Administer grant funding programs to maintain viable communities, revitalize existing communities, and expand economic development and employment.
- Match housing with Florida employees and recently reemployed.
- Develop programs to improve local business processes to be quicker and more customer friendly.

TOOLS AND RESOURCES NECESSARY TO ACHIEVE THE BENCHMARKS

- Integrated data system.
- Site selection capacity (e.g., updated Geographic Information System (GIS) capability).
- Flexibility in funding and responding to community and business needs.

USA Network's Television Series *Burn Notice* is Filmed on Location in South Florida

GOAL 2

Promote Florida as the global destination of choice for business and industry.

STRATEGY Business Marketing

Promote Florida as the best choice for international and domestic businesses.

TACTICS

- Establish Florida's business brand.
- Develop innovative approaches to tell Florida's business story.
- Conduct proactive research to identify businesses ready to expand or relocate.
- Conduct and support marketing missions and participate in key trade and industry events and activities.
- Proactively identify and anticipate client needs.
- Maintain client relationships for follow-up services.
- Increase Florida's presence in emerging markets.

TOOLS AND RESOURCES NECESSARY TO ACHIEVE THE BENCHMARKS

- Ability to purchase and leverage expanded media and marketing opportunities.
- Coordination with other state, regional, and local marketing initiatives.
- Updated, sales-focused website.

STRATEGY Destination Marketing

Protect and grow Florida's share of destination travel through integrated sales and marketing programs that drive visitation to and within Florida.

TACTICS

- Implement VISIT FLORIDA's *2011-2012 Integrated Marketing Plan*.
- Engage in cooperative and collaborative branding and marketing opportunities.
- Sponsor and promote participation in national and international events in Florida.
- Utilize existing presence and expertise to develop space adventure tourism opportunities.
- Leverage the earned media value from high-profile Florida-centric entertainment production seen around the world (e.g., *Burn Notice* is viewed in over 200 countries).

TOOLS AND RESOURCES NECESSARY TO ACHIEVE THE BENCHMARKS

- Leveraged marketing expertise and capabilities of the Department and its partners (e.g., Enterprise Florida, VISIT FLORIDA, the Office of Film and Entertainment).

Governor Rick Scott Signed SB 2156, Leading the Way to Rapid Response to Business Opportunities

GOAL 3

Facilitate business development through delivery of world-class customer service.

STRATEGY Strategic Alignment

Achieve strategic alignment of public and private partners contributing to Florida's economy.

TACTICS

- Establish and use common language for all planning efforts, implementation of programs and practices, and measuring and reporting results.
- Build and implement a strategic plan for Florida that uses this common language, sets the stage for system-wide standards, and provides for program-based as well as system-based accountability.
- Align planning, funding, and reporting requirements and cycles.
- Develop a technology-based infrastructure that supports a single point of contact for consumers, facilitates cross-program data and information sharing, and enables program and system accountability.
- Create an integrated and unified response system for economic development.

TOOLS AND RESOURCES NECESSARY TO ACHIEVE THE BENCHMARKS

- Collaboration of leadership to guide economic development policies and practices.
- Integrated data sharing and technology-based support system.
- Cross agency teams for planning and project assistance.

STRATEGY Customer Support

Create a seamless, customer-focused environment for business development support.

TACTICS

- Develop a cross-agency resource team that assists the customer with navigation through state and local infrastructures, rules, and processes.
- Work with local, regional, and state officials and economic development professionals to increase efficiencies in the business development process at the local level.
- Practice continuous improvement to refine and streamline customer support processes.

TOOLS AND RESOURCES NECESSARY TO ACHIEVE THE BENCHMARKS

- Technology/staff-based resource and referral systems to support customers through state and local agency processes.
- Single point of contact for customer-support.

Container Shipments at the Port of Miami

STRATEGY International Competitiveness

Expand Florida's ability to compete in international markets.

TACTICS

- Mentor and train companies to compete globally.
- Support and participate in international industry trade shows and lead global trade missions.
- Strengthen international and diplomatic relationships.
- Facilitate access to language and culture experts and expertise.

TOOLS AND RESOURCES NECESSARY TO ACHIEVE THE BENCHMARKS

- International grants program for Florida businesses to assist with access to international markets.
- Ability to increase international presence in emerging markets.
- Continual upgrades and improvement to international access infrastructure (e.g., airports, deep water ports, etc.).

Enterprise Florida led Florida's delegation to the 2011 Paris Air Show

Benchmarks

The business plan will track seven benchmarks to monitor progress and success in the implementation of the economic development incentives. Two benchmarks focus on the recruitment of out-of-state businesses. Five benchmarks focus on the expansion of in-state businesses and the retention of businesses that were at risk of relocating to another state. It should be noted that the benchmarks reflect only businesses that have contracted to use incentives and do not reflect businesses which locate or expand in Florida without incentives.

Benchmarks and Measures for Fiscal Years 2011-2012 and 2012-2013

Benchmark/Measure	Benchmarks as Funded for 2011-2012	Anticipated Benchmarks for 2012-2013 with Continuation Funding + Flexible SEED Funding
Recruit out-of-state companies to Florida, as measured by:		
a. Number of out-of-state businesses recruited.	55	70
b. Number of direct jobs contracted through the department to be created.	9,311	12,104
Promote existing businesses to expand, as measured by:		
a. Number of in-state businesses expanded and/or retained.	65	84
b. Number of direct jobs contracted through the department to be added through expansion.	10,274	13,356
c. Number of at-risk* direct jobs contracted through the department to be retained.	2,781	3,615
d. Number of new international trade clients.	700	714
e. Number of new international sales (exports).	$545M	$555M

* At Risk = Demonstrated the potential to relocate outside of Florida.

As discussed in the section on *Florida's Economic Development Incentives*, much has been accomplished in recruiting, expanding and retaining businesses in Florida. The above benchmarks for Fiscal Year 2011-2012 (FY2011-12) were based upon the approved performance measures for the FY2011-12 level of funding combined with that for the economic development partners aligned within DEO and EFI (See Appendix E). The benchmarks anticipated for FY2012-13 were based upon continuation funding (See Appendix D) with the addition of the SEED Trust Fund monies as provided in law.

Job creation has indirect and induced effects associated with capital investment and household earnings. These indirect and induced effects are a challenge to identify as this information is not currently tracked by the Department. It is expected that greater collaboration with agencies now housed within the Department of Economic Opportunity will result in a better methodology for tracking indirect and induced job creation.

Funding

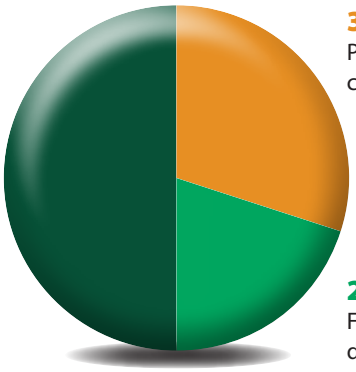
Financial Resources to Accomplish the Business Plan Goals

During the 2011 legislative session, the Legislature created the State Economic Enhancement and Development (SEED) Trust Fund to serve as a dedicated recurring funding source to enable Florida to be proactive and better positioned to capitalize on opportunities that will benefit the state from an economic development perspective.

To fully enable economic development programs, it is recommended that the Legislature continue to fund economic development programs at levels commensurate with previous fiscal years (See Appendix D) while using additional SEED funding to provide flexibility to economic development organizations to actively respond to emergent economic development opportunities.

After legislatively-prescribed appropriations are made from the SEED fund, economic development organizations could utilize up to the remaining amount for flexible funding needs that support the goals of the business plan as follows:

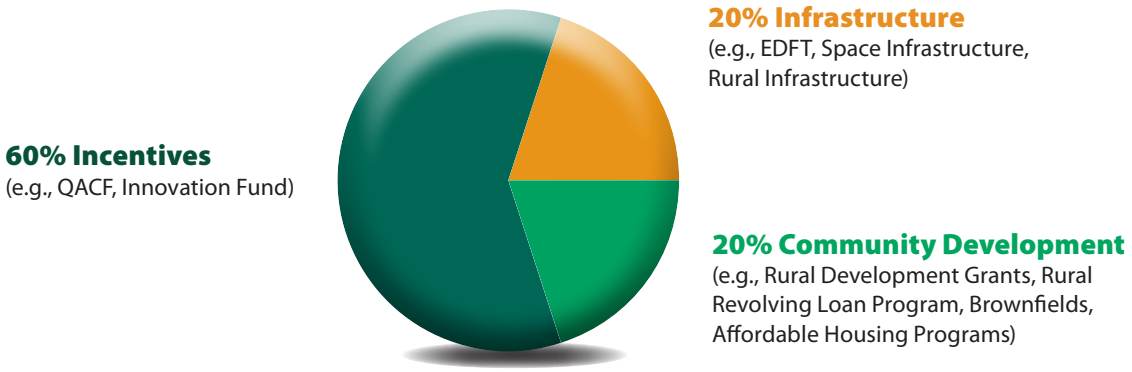
Use of Flexible SEED Funding



Financial resources will be used to accomplish the strategies and tactics that support each of the business plan goals.

The use of incentives in furtherance of Goal 1 would be guided by the statutory language creating the program. The kind of uses for these incentives would be allocated as follows:

Allocation of SEED Funding Support Goal 1



Continuation of current levels of economic development funding is estimated to support job creation and retention along with business retention, relocation, and expansion at levels similar to the current fiscal year. With additional flexible funding through the SEED fund, Department of Economic Opportunity would be better poised to assist the Governor in the creation of his planned 700,000 jobs by 2018 with a focus on economic diversification.

Timeframes

Over the next five years, the state will have:

- Increased Florida's global competitiveness as a destination for business, capital, talent, innovation, and entrepreneurship.
- Promoted Florida as the world destination of choice for business and industry.
- Facilitated business development through delivery of world-class customer service.

In order to achieve the overarching goals, initial steps have been established. For example, strategic alignment tactics have begun in advance of the development of the business plan and the completion of the transition plan. Implementation will begin in October 2011 for all other strategies and tactics that do not require additional funding or legislative approval.

By January 2012, those items requiring legislative approval will be identified and drafted. These will be vetted in the 2012 legislative session and implementation will begin as defined in statute.

DEO and its partners will seek to establish an intrastate network for economic development professional public and private organizations to assist business development. Preliminary planning work will begin in October 2011. Should funding and authority be obtained, implementation will be phased in as components of the network are completed.

Florida's Economic Development Incentives

Location drivers for competitive economic development projects are multifaceted. Business tax climate, real estate options, and workforce talent are just a few of the main decision drivers faced by businesses. ***When all other location decision factors are considered, economic development incentives are a tool used to get businesses to commit to locate and create jobs in Florida.*** All 50 states provide business incentives as deal closing tools and incentives are required to help make Florida competitive. The majority of the incentives programs administered by the Department of Economic Opportunity are performance-based, ensuring that Florida's tax dollars are spent prudently. Incentive promotion and management are collaborative efforts of the Department of Economic Opportunity, Division of Strategic Development (formerly the Governor's Office of Tourism, Trade, and Economic Development) and Enterprise Florida, Inc.

Since January 1, 2000, through December 31, 2010, 1,015 competitive projects (businesses) have utilized state incentives that are administered by Enterprise Florida and the Governor's Office of Tourism, Trade, and Economic Development as provided in Chapter 288, Florida Statutes. Some projects received more than one incentive resulting in more than one contract with the business. Of these 1,015 projects, 662 have been finalized, meaning that these businesses are no longer being monitored by the DEO. The remaining 353 projects are in some phase of the incentive monitoring process, either job creation or job maintenance.

Of the 662 finalized projects, a total of 729 incentive contracts have been issued for the following incentive programs: Qualified Target Industry Tax Refund Program, Brownfield Redevelopment Bonus, Governor's Quick Action Closing Fund, the Economic Development Transportation Fund, High Impact Performance Incentive, and the Qualified Defense and Space Contractor Tax Refund. ***Some projects received more than one incentive resulting in more than one contract with the business.*** Of the 729 incentive contracts, 70.9 percent or 517 have been successfully fulfilled per the contract agreement. These contracts have resulted in the verified creation of 41,096 net new-to-Florida jobs and incentive payments totaling $146.2 million for an average per job award of $3,775. On average, the State has disbursed $14 million per year for economic development incentives over the last 10 years.

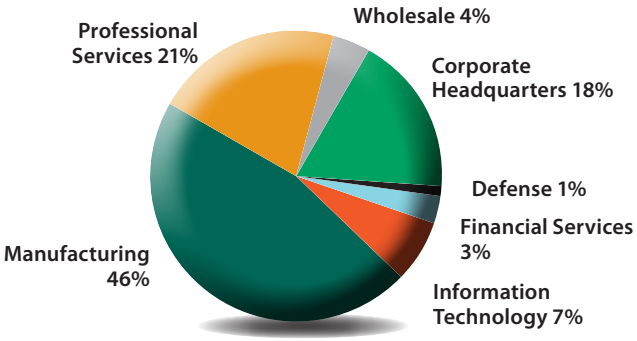
Though the actual completion rates for contracts and the number of jobs associated with those contracts may differ from projections, it is important to recognize that businesses must project performance goals at least 3 to 6 years in the future. Businesses are often asked to make commitments at the onset of a project, and those commitments can be adversely affected by economic or industry conditions. Additionally, completion rates of projects and the number of jobs created may be skewed as businesses continue to create jobs outside the timeline of the performance-based contracts. Flexibility in the State's incentive programs will help to strengthen the outcome of performance-based contracts and thus improve the utilization of the programs.

The Florida Legislature has provided for a wide array of incentives that encompass tax refunds and credits, tax exemptions, and cash grants. Most of these incentive programs require businesses to operate within a target industry and are performance-based. The performance-based nature of the incentive programs ensures that the State is not paying for jobs or rewarding capital investments that are never created or received. Appendix B provides information about incentives for targeted industries. Appendix C provides information about how Florida uses a wide array of incentives – those provided in chapter 288 as well as other Florida Statutes.

Incentives have been used to solicit the commitment of a variety of industry sectors for the time period of January 1, 2000 through December 31, 2010. Of the 662 finalized projects, the manufacturing industry has represented the largest share of projects at 46 percent. As noted in the Target Industry Update report, this industry sector has been transitioning from a job intensive sector to a high wage, capital intensive sector. In 2009, the manufacturing sector provided jobs to 323,857 Floridians making up 4.92 percent of the workforce paying wages that were 26 percent above the State's average annual wage. Additionally, the manufacturing sector made up 4.9 percent of Florida's Gross Domestic Product in 2009. Incentives that are geared toward helping this sector increase its capital investment in new equipment would be instrumental in helping to retain and grow this industry.

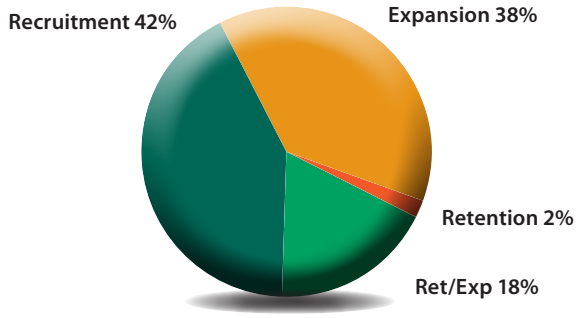
Finalized Projects by Industry Sector

January 1, 2000 - December 31, 2010



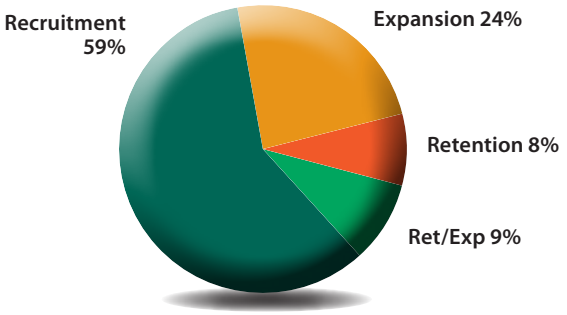
Enterprise Florida utilizes information on projects to determine the number of companies that have been assisted with out-of-state recruitment, in-state business expansion, in-state retention, and in-state retention and expansion. Some of these business projects utilize the state incentives administered by Enterprise Florida and the Department of Economic Opportunity and some of these business projects are helped through other Enterprise Florida assistance efforts. Over the last ten years the bulk of the project-related pipeline has been geared toward out-of-state recruitment efforts, followed closely by in-state expansion. As noted by the chart below, state incentives have not been widely used for the strict retention efforts of existing Florida businesses. This is mainly due to the statutory limitations placed on most incentives for retention use.

Projects Won with Incentives by Project Type



* Total is 1,000 projects for the past 10 years.

Projects Won without Incentives by Project Type

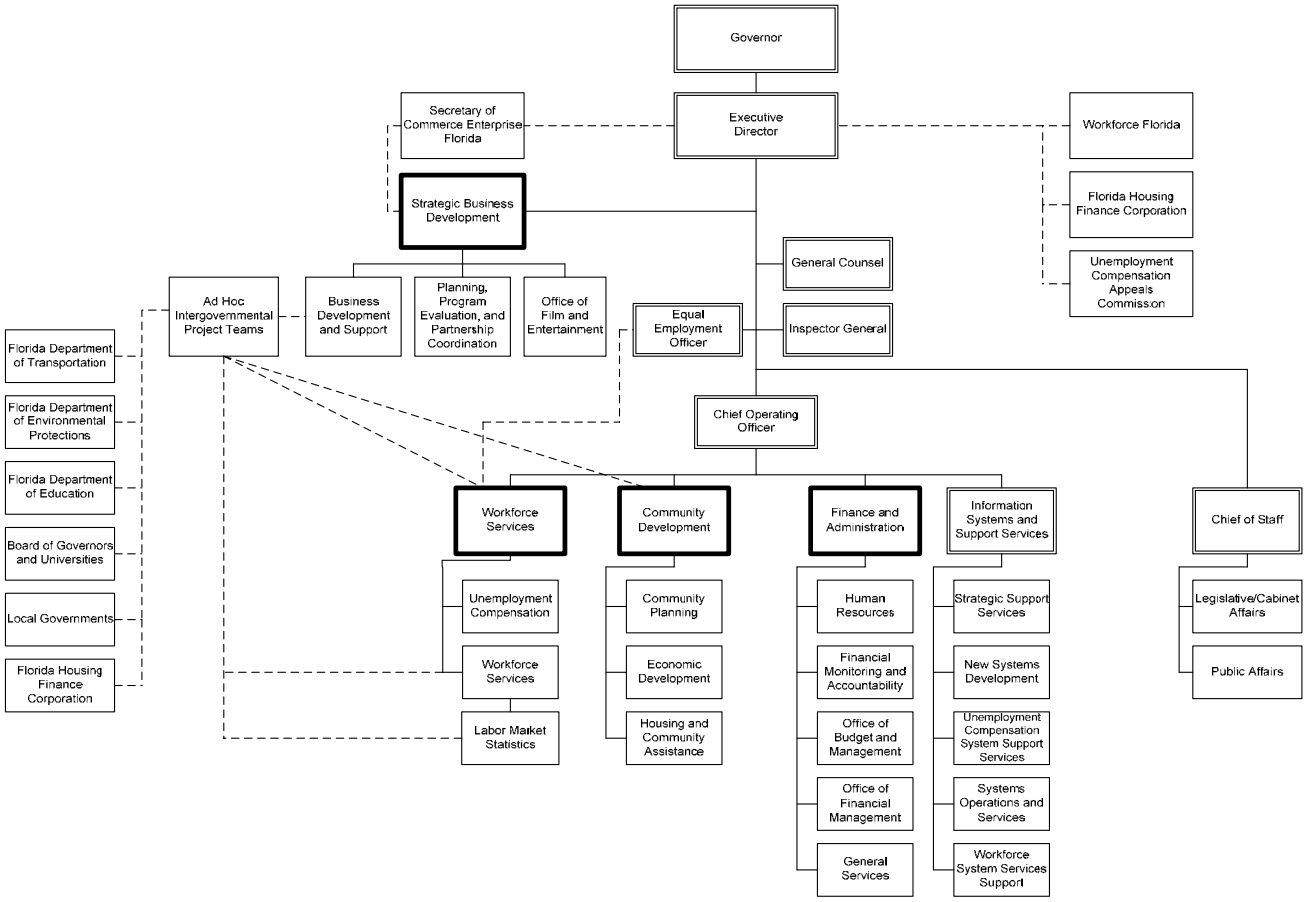


* Total is 433 projects for the past 10 years.

APPENDIX A

DEPARTMENT OF ECONOMIC OPPORTUNITY ORGANIZATION CHART

PROPOSED ORGANIZATIONAL STRUCTURE – DEPARTMENT OF ECONOMIC OPPORTUNITY DETAIL



APPENDIX B

FLORIDA'S ECONOMIC DEVELOPMENT INCENTIVES – TARGETED INDUSTRIES

The Department of Economic Opportunity, Enterprise Florida, Inc., and Workforce Florida, Inc. facilitate the administration of a host of state level incentives. These incentives are guided by statutory directive with respect to industry and programmatic criteria. Florida Statute 288.106 (2)(t) is the driving guideline for industries for which state incentives can be utilized.

Most state incentive programs require that business operate within a target industry. A Target Industry Business means a corporate headquarters business or any business that is designated as a Target Industry by the Department of Economic Opportunity in consultation with Enterprise Florida, Inc. The following criteria are required for inclusion as a Target Industry:

1. FUTURE GROWTH
Industry forecasts should indicate strong expectation for future growth in both 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 replace domestic and international imports of goods or services.

2. STABILITY
The industry should not be subject to periodic layoffs, whether due to seasonality or sensitivity to volatile economic variables such as weather. The industry should also be 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 should pay relatively high wages compared to statewide or area averages.

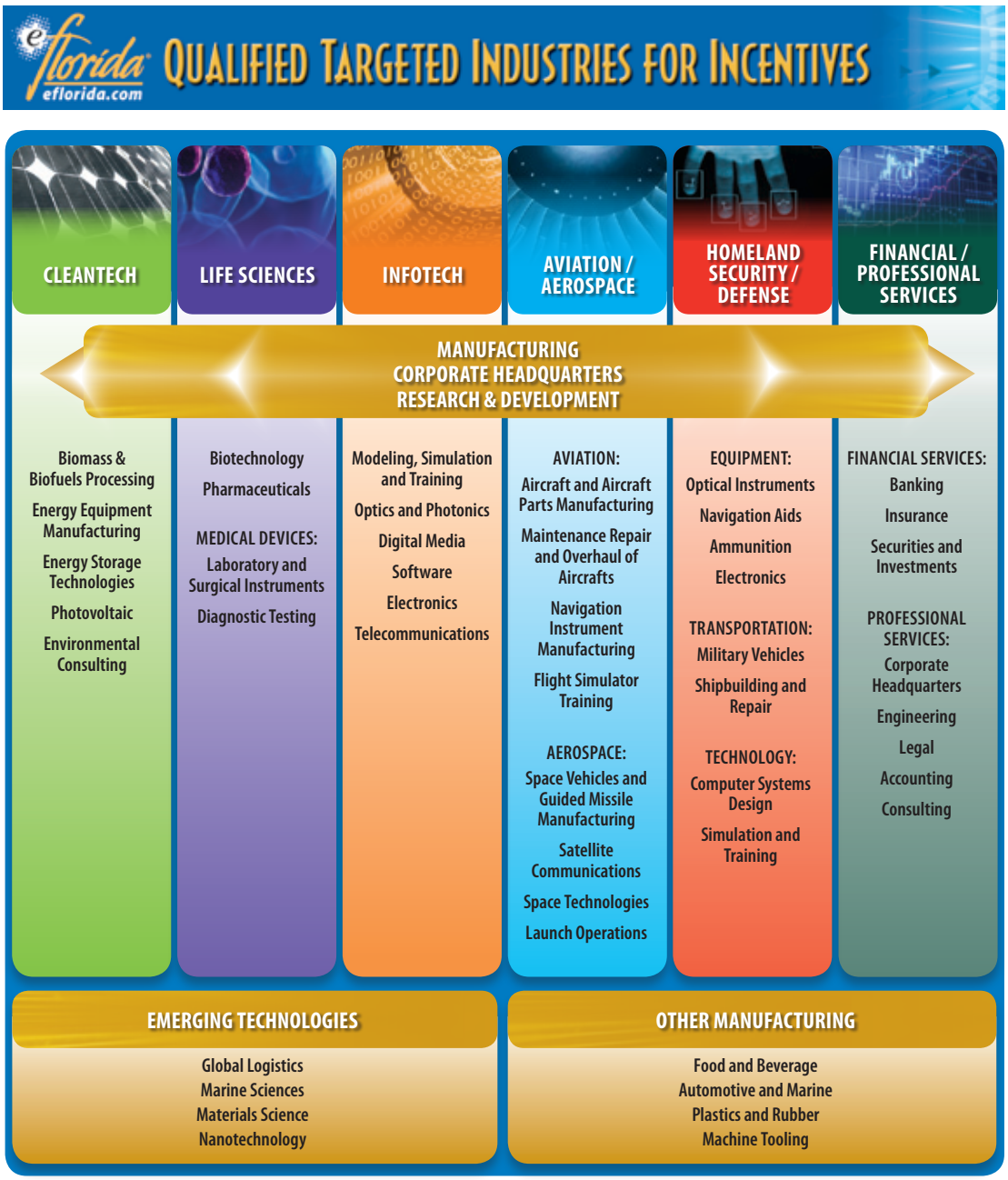
4. MARKET AND RESOURCE INDEPENDENT
The location of industry businesses should not be dependent on Florida markets or resources as indicated by industry analysis, except for businesses in the renewable energy industry.

5. INDUSTRIAL BASE DIVERSIFICATION AND STRENGTHENING
The industry should contribute 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.

6. ECONOMIC BENEFITS
The industry is expected to have strong positive impacts on or benefits to the state or regional economies.

APPENDIX B

The qualified targeted industries for incentives list was updated and approved in January 2011. The complete report is available at **http://www.eflorida.com/download/Target_Industry_Update.pdf**



Businesses able to locate in other states and serving multi-state and/or international markets are targeted. Call Centers and Shared Service Centers may qualify for incentives if certain economic criteria are met. Retail activities, utilities, mining and other extraction or processing businesses, and activities regulated by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation are statutorily excluded from consideration. All projects are evaluated on an individual basis and therefore operating in a target industry does not automatically indicate eligibility.

APPENDIX C

FLORIDA'S ECONOMIC DEVELOPMENT INCENTIVES – DESCRIPTIONS

CASH & GRANTS

QUICK ACTION CLOSING FUND (QACF)

The Quick Action Closing Fund (Closing Fund) is a discretionary grant incentive that can be accessed by Florida's Governor, after consultation with the President of the Senate and the Speaker of the House of Representatives, to respond to unique requirements of wealth-creating projects. When Florida is vying for intensely competitive projects, Closing Funds may be utilized to overcome a distinct, quantifiable disadvantage after other available resources have been exhausted. The Closing Fund award is paid out based on specific project criteria outlined in a performance-based contract between the company and the State of Florida. Sanctions are applied to companies who fail to meet or maintain performance goals.

Statutory Reference: Section 288.1088, Florida Statutes

HIGH IMPACT PERFORMANCE INCENTIVE (HIPI)

The High Impact Performance Incentive (HIPI) is a negotiated performance grant used to attract and grow major, high impact facilities in Florida. Once approved the high impact business is awarded 50 percent of the eligible grant upon commencement of operations and the balance of the awarded grant once full operations have commenced and the full investment and employment goals have been met and verified.

Statutory Reference: Section 288.108, Florida Statutes

LOCAL GOVERNMENT DISTRESSED AREA MATCHING GRANT PROGRAM (LDMG)

The Local Government Distressed Area Matching Grant Program stimulates investment in Florida's economy by assisting Local Governments in attracting and retaining targeted businesses. Applications are accepted from local governments/municipalities that plan on offering qualified business assistance that are not derived from State or Federal funds to a specific business in the area. These targeted businesses are required to create at least 15 full-time jobs and the project must either be a new to Florida business; expanding operations in Florida; or leaving Florida unless it receives local and state government assistance. The amount awarded by the State of Florida will equal $50,000 or 50% of the local government's qualified business assistance amount (not derived from State or Federal funds), whichever is less, and be provided following the commitment and payment of that assistance.

Statutory Reference: Section 288.0659, Florida Statutes

ECONOMIC DEVELOPMENT TRANSPORTATION FUND (ROAD FUND)

The Economic Development Transportation Fund (EDTF or Road Fund) may be used to alleviate transportation impediments that adversely impact a company's location or expansion decision. Eligible transportation projects may include improvements such as access roads, turn lanes, and signalization. The funds may be used for design and engineering costs and construction costs of the transportation project. The award amount depends on the improvements needed and the number of jobs created. The maximum grant amount is the eligible transportation improvement project cost, up to $3 million.

Statutory Reference: Section 288.063, Florida Statues

APPENDIX C

TAX CREDITS & REFUNDS

CAPITAL INVESTMENT TAX CREDIT

The Capital Investment Tax Credit is used to attract and grow capital-intensive industries in Florida. It is an annual credit against Florida state corporate income tax liability for a period of 20 years from the commencement of operations. The amount of the annual credit is equal to 5 percent of the eligible capital costs generated by a qualifying project. Eligible capital costs include all expenses incurred in the acquisition, construction, installation and equipping of a project from the beginning of construction to the commencement of operations. The ultimate value of credit will depend on the project's Florida corporate income tax liability for the 20 years following commencement of operations. Florida's Corporate Income Tax Rate is 5.5% of apportioned taxable income.

Statutory Reference: Section 220.191, Florida Statutes

QUALIFIED TARGET INDUSTRY (QTI) TAX REFUND

The Qualified Target Industry (QTI) Tax Refund is a tax refund program available to new to Florida companies and existing Florida companies looking to expand by 10 percent. The program is used to encourage quality job growth in targeted, high value-added industries. Pre-approved applicants creating jobs in Florida receive refunds on the taxes they pay including corporate income, sales, ad valorem, insurance and certain other taxes. Refund amounts are dependent upon location, wages paid, and industry of projected jobs.

The program is performance-based and requires the local community to pay 20% of the award for this program.

Statutory Reference: Section 288.106, Florida Statutes

QUALIFIED DEFENSE AND SPACE CONTRACTOR

The Qualified Defense and Space Contractor Tax Refund is a tool to preserve and grow Florida's high technology, defense related employment base – giving Florida a competitive edge as defense, homeland security, or space business contractors consolidate defense contracts, acquire new contracts, or convert to commercial production. Companies are eligible for awards up to $8,000 per job depending on location and wages paid. For defense consolidation projects companies must expand by at least 25 percent or create at least 80 new jobs. This program is performance-based and requires the local community to pay 20% of the award for this program.

Statutory Reference: Section 288.1045, Florida Statutes

APPENDIX C

BROWNFIELD REDEVELOPMENT BONUS

The Brownfield Redevelopment Bonus is available to encourage redevelopment and job creation within designated brownfield areas. Florida brownfield areas are designated by units of local governments and encompass one or more abandoned, idled, or underused industrial and commercial properties where expansion or redevelopment is complicated by real or perceived environmental contamination.

Pre-approved applicants receive tax refunds of up to 20 percent of the average annual wage of the new jobs created, up to $2,500 per new job in a designated brownfield area. Refunds are based upon taxes paid by the applicant, including corporate income, sales, ad valorem, intangible personal property, insurance premium, and certain other taxes. The Brownfield Development Bonus may be awarded in addition to the Qualified Target Industry (QTI) Tax Refund.

To qualify, an applicant must locate within a brownfield area and be eligible for the Qualified Target Industry (QTI) program; or demonstrate a fixed capital investment of at least $500,000 in mixed-use business activities in a brownfield area ($2 million if the site requires clean-up), including multiunit housing, commercial, retail, and industrial; create at least 10 new Florida full-time jobs with benefits, excluding construction and site cleanup jobs; and provide a resolution from the city or county commission recommending the applicant for the incentive and, at the option of the city or county, committing the community to provide a local match equaling 20 percent of the tax refund.

Statutory Reference: Section 288.107, Florida Statutes

JOBS FOR THE UNEMPLOYED TAX CREDIT

The 2010 Florida Legislature created a new state corporate income tax credit incentive designed to encourage the hiring of unemployed Florida residents, known as "qualified employees." A qualified employee is a person who was unemployed at least 30 days immediately prior to being hired by the company (hire date after July 1, 2010) and who is a full time employee (working a minimum of an average 36 hours per week) for at least 12 months before the tax credit can be applied for. Additionally, the qualified employee cannot have worked for the applicant, its subsidiaries, or a parent or affiliated company.

The value of the tax credit is $1,000 per "qualified employee" hired and retained. Tax credits are available on a first come, first served basis. In order to participate, the company must apply to the Department of Economic Opportunity after the qualified employees have been in place for at least 12 months.

Statutory Reference: Section 220.1896, Florida Statutes

APPENDIX C

RESEARCH AND DEVELOPMENT TAX CREDIT

A tax credit for qualified research and development expenses, allowed under U.S. Code Title 26 §41. The Florida credit is equal to 10 percent of the excess qualified research expenses over the company's base amount. The base amount is equal to the qualified research expenses for the four prior taxable years. The credits may not exceed 50 percent of the business's Florida Corporate Income Tax liability.

A $9 million program cap exists, therefore the credits will be granted based on the order in which completed applications are received. Applications may be filed with the Florida Department of Revenue on or after March 20 for qualified research expenses incurred within the preceding calendar year.

Statutory Reference: Section. 220.196, Florida Statutes

MANUFACTURING AND SPACEPORT INVESTMENT INCENTIVE PROGRAM (MSII)

The Manufacturing and Spaceport Investment Incentive Program encourages capital investment and job creation in manufacturing and spaceport activities in Florida. Applications will be accepted by eligible businesses from July 1, 2010 to June 30, 2012. A tax refund up to $50,000 will be given on the State Sales and Use Tax paid for eligible equipment purchases. Purchase cost must exceed a business' total expenditures on eligible equipment purchased and placed into service in this state during the 2008 tax year.

Statutory Reference: Section. 288.1083, Florida Statutes

TAX EXEMPTIONS

MANUFACTURING MACHINERY AND EQUIPMENT SALES TAX EXEMPTION

The Manufacturing Machinery and Equipment Sales Tax Exemption is a 100 percent exemption of the sales and use tax on manufacturing machinery and equipment. In order to qualify for the new business exemption, the machinery and equipment must have been purchased, or a purchase agreement made, prior to the date the business first begins to produce a product for inventory or immediate sale. If a purchase agreement was made prior to the beginning of production, such machinery and equipment must be received within twelve months of the date that production began.

Industrial machinery and equipment is exempt from tax when purchased by an expanding business for the purpose of increasing "productive output" by not less than ten percent.

Statutory Reference: Section 212.08, Florida Statutes

POLLUTION CONTROL EQUIPMENT EXEMPTION

The sales tax levied on pollution control equipment shall be exempted for any facility, device, fixture, equipment, machinery, specialty chemical, or bioaugmentation product used primarily for the control or abatement of pollution or contaminants in manufacturing, processing, compounding, or producing for sale items of tangible personal property at a fixed location, or any structure, machinery, or equipment installed in the reconstruction or replacement of such facility, device, fixture, equipment, or machinery.

Statutory Reference: Section 212.051, Florida Statutes

APPENDIX C

ELECTRICITY TAX EXEMPTION

The Electricity Tax Exemption is applied to 100 percent of the electricity purchased if 75 percent or more is used to operate machinery and equipment at a fixed location to manufacture, process, compound, produce, or prepare for shipment items of tangible personal property for sale, or to operate pollution control equipment, recycling equipment, maintenance equipment, or monitoring or control equipment used in such operations. The exemption is applied to 50 percent of the electricity or steam purchased if 50 to 75 percent is used in manufacturing. No separate metering is required.

Statutory Reference: Section 212.08, Florida Statutes

BOILER FUELS TAX EXEMPTION

When purchased for use as a combustible fuel, purchases of natural gas, residual oil, recycled oil, waste oil, solid waste material, coal, sulfur, wood, wood residues or wood bark used in an industrial manufacturing, processing, compounding, or production process at a fixed location in this state are exempt from the taxes imposed by this chapter; however, such exemption shall not be allowed unless the purchaser signs a certificate stating that the fuel to be exempted is for the exclusive use designated herein. This exemption does not apply to use of boiler fuels that are not used in manufacturing, processing, compounding, or producing items of tangible personal property for sale, or to the use of boiler fuels used by any firm subject to regulation by the Division of Hotels and Restaurants or the Department of Business and Professional Regulation. Propane is not a tax exempt boiler fuel..

Statutory Reference: Section 212.08, Florida Statutes

REPAIR AND LABOR CHARGES TAX EXEMPTION

The Repair and Labor Charges Tax Exemption fully exempts sales tax on labor charges for the repair of, and parts and materials used in the repair of and incorporated into, industrial machinery and equipment which is used for the manufacture, processing, compounding, production, or preparation for shipping of items of tangible personal property at a fixed location within Florida.

Statutory Reference: Section 212.08, Florida Statutes

MACHINERY AND EQUIPMENT USED FOR RESEARCH AND DEVELOPMENT

Machinery and equipment, including but not limited to molds, dies, machine tooling, other appurtenances or accessories to machinery and equipment, testing and measuring equipment, test beds, computers and software, whether purchased or self-fabricated, includes materials and labor for design, fabrication and assembly, used predominantly for research and development and used to meet a qualifying research and development goal are exempt from sales and use tax.

Statutory Reference: Section 212.08, Florida Statutes

APPENDIX C

SEMICONDUCTOR, DEFENSE, OR SPACE TECHNOLOGY SALES TAX EXEMPTION

Semiconductor, Defense, or Space Technology Sales Tax Exemption applies to the purchase of machinery and equipment used in semiconductor technology facilities to manufacture, process, compound, or produce semiconductor technology products for sale or for use by these facilities (100% sales tax exemption). Eligible 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. Machinery and equipment are exempt from sales and use tax if used predominately in semiconductor wafer research and development activities in a semiconductor technology research and development facility, under a separate R&D sales tax exemption.

Defense or Space Technology Sales Tax Exemption applies to industrial machinery and equipment used in defense or space technology facilities to manufacture, process, compound, or produce defense technology products or space technology products for sale or for use by these facilities are exempt from 100 percent of the sales and use tax. Machinery and equipment used predominately in defense or space research and development activities in a defense or space technology research and development facility are also exempt from the sales and use tax, under a separate R&D sales tax exemption.

Statutory Reference: Section 212.08, Florida Statutes

AIRCRAFT REPAIR AND MAINTENANCE LABOR SALES TAX EXEMPTION

All labor charges for the repair and maintenance of qualified aircraft are exempt from sales and use tax. Qualified aircraft is that of more than 15,000 pounds maximum certified takeoff weight and rotary wing aircraft of more than 10,000 pounds maximum certified takeoff weight.

Statutory Reference: Section 212.08, Florida Statutes

EQUIPMENT USED IN AIRCRAFT REPAIR OR MAINTENANCE SALES TAX EXEMPTION

Replacement engines, parts, and equipment are exempt from sales and use tax when used in the repair or maintenance of aircraft of more than 15,000 pounds maximum certified takeoff weight and rotary wing aircraft of more than 10,300 pounds maximum certified takeoff weight, when such parts or equipment are installed on such aircraft that is being repaired or maintained in this state.

Statutory Reference: Section 212.08, Florida Statutes

FIXED WING AIRCRAFT SALES OR LEASES

Fixed Wing Aircraft Sales or Leases having a maximum certified takeoff weight of more than 15,000 pounds; and, used by a "common carrier," as defined in Federal Aviation Administration regulations (Title 14, chapter I, part 128 or 129, Code of Federal Regulations).

Statutory Reference: Section 212.08, Florida Statutes

APPENDIX C

RENEWABLE ENERGY PRODUCTION TAX CREDIT

The Renewable Energy Production Tax Credit is available to encourage the development and expansion of facilities that produce renewable energy in Florida. An annual credit will be awarded, based on the taxpayer's production and sale of electricity from a new or expanded Florida renewable energy facility.

The credit is equal to $0.01 for each kilowatt-hour of electricity produced and sold by the taxpayer to an unrelated party during a given tax year.

It is capped at $5 million per state fiscal year per applicant.

It is applicable to solar thermal electric, photovoltaics, wind, biomass, hydroelectric, geothermal electric, CHP/cogeneration, hydrogen, tidal energy, wave energy, and ocean thermal.

Statutory Reference: Section 220.193, Florida Statutes

WORKFORCE INCENTIVES

QUICK RESPONSE TRAINING (QRT)

Quick Response Training (QRT) is an employer-driven training program designed to assist new value-added businesses and provide existing Florida businesses the necessary training for expansion. This program is customized, flexible, and responsive to individual company needs. The company may use in-house training, outside vendor training programs or the local educational entity to provide training. Reimbursable training expenses include: instructors' wages, curriculum development, and textbooks.

Statutory Reference: Section 288.047, Florida Statutes

INCUMBENT WORKER TRAINING (IWT)

Incumbent Worker Training (IWT) provides training to currently employed workers to keep Florida's workforce competitive in a global economy and to retain existing businesses. The program is available to all Florida businesses that have been in operation for at least one year prior to application and require skills upgrade training for existing employees. Priority is given to businesses in targeted industries, Enterprise Zones, HUB Zones, Inner City Distressed areas, Rural Counties and areas, and Brownfield areas.

*IWT is a federally funded program.

Statutory Reference: Section 445.003, Florida Statutes

EXPEDITED PERMITTING

Florida fully understands the importance of timely and responsive action and assistance on all regulatory issues, and is committed to meeting the needs and timeframe of companies. Expedited Permitting law, among other benefits, ensures final agency action on permit applications within 90 days from the receipt of complete application(s).

Statutory Reference: Section 403.973, Florida Statutes

APPENDIX C

ENTERPRISE ZONE, URBAN, AND RURAL OPPORTUNITIES

URBAN JOB TAX CREDIT

The Urban Job Tax Credit Program encourages the creation of jobs in urban areas of Florida. The program provides tax credits to eligible businesses that hire a specific number of employees and are located within the 13 Urban Areas designated by the Department of Economic Opportunity. The credit ranges from $500 to $2,000 per qualified job and can be taken against either the Florida Corporate Income Tax or the Florida Sales and Use Tax. A total of $5 million of tax credits may be approved under the Urban Job Tax Credit Program each calendar year. One million dollars of tax credits will be exclusively reserved for businesses located within Tier One designated areas.

Statutory Reference: Section 212.097, Florida Statutes (sales and use tax) and

Statutory Reference: Section 212.1895, Florida Statues (corporate income tax)

ENTERPRISE ZONE JOBS TAX CREDIT

Enterprise Zone Jobs Tax Credit allows a credit against Corporate Income taxes or Sales and Use taxes collected and remitted to the State by businesses located in an Enterprise Zone and who create new full-time jobs. The amount of the credit is based the amount of wages and the number of employees who are residents of the Enterprise Zone.

If 20 percent of less of the business' employees are residents of the Enterprise Zone, the business is eligible to receive a credit of 20 percent of wages paid to new eligible employees. If 20 percent or more of the permanent, full-time employees are residents of the Enterprise Zone, then the business is eligible to receive a credit of 30 percent of wages. The credit is limited to 24 months if the employee remains employed for 24 months.

Statutory Reference: Section 220.181, Florida Statutes (corporate income tax) and

Statutory Reference: Section 212.096, Florida Statutes (sale tax)

RURAL ENTERPRISE ZONE JOBS TAX CREDIT

The Rural Enterprise Zone Jobs Tax Credit allows a credit against taxes for businesses located in a rural Florida Enterprise Zone, who remit corporate income tax or collect and pay Florida Sales and Use Tax. The credit is based on wages paid to new employees in a new full-time job who have been employed by the business for at least 3 months and are residents of a rural county.

Businesses located within a rural Enterprise Zone will receive a credit of 30 percent of wages paid to new eligible employees who are residents of a rural county. If 20 percent or more of the permanent, full-time employees are residents of a Florida rural enterprise zone, the credit is 45 percent.

Statutory Reference: Section 212.096, Florida Statutes (sale tax) and

Statutory Reference: Section 220.181, Florida Statutes (corporate income tax)

APPENDIX C

ENTERPRISE ZONE PROPERTY TAX CREDIT

Enterprise Zone Property Tax Credit is a tax credit on corporate income tax equal to 96 percent of ad valorem taxes paid on the new or improved property. Any unused portion of the credit may be carried forward for five years. The credit can be claimed for five years, up to a maximum of $50,000 annually, if 20 percent or more employees are enterprise zone residents. Otherwise the credit is limited to $25,000 annually. Firms must earn more than $5,000 to take advantage of the credit. The Federal tax burden may increase, since state tax liability is reduced. The amount of the credit must also be added back to Florida taxable income.

Statutory Reference: Section 220.182, Florida Statutes

BUSINESS MACHINERY AND EQUIPMENT SALES TAX EXEMPTION

The Sales Tax Refund for Business Machinery and Equipment Used in an Enterprise Zone is available for sales taxes paid on the purchase of certain business property, (e.g., tangible personal property such as office equipment, warehouse equipment and some industrial machinery and equipment), which is used exclusively in an enterprise zone for at least three years. Business equipment must have a sales price of at least $5,000 per unit.

The maximum refund per application will be no more than $5,000 or 97 percent of the tax paid. If 20 percent or more of the permanent, full-time employees of the business are residents of a Florida enterprise zone, the refund will be no more than the lesser of $10,000 or 97 percent of the tax paid. Multiple applications may be submitted.

Statutory Reference: Section 212.0805b, Florida Statutes

BUILDING MATERIALS TAX EXEMPTION

The Sales Tax Refund for Building Materials Used in an Enterprise Zone is available for sales taxes paid on the purchase of building materials used to rehabilitate real property located in an enterprise zone.

The total amount of the sales tax refund must be at least $500, but may be up to $5,000 of the tax paid per parcel of property. If 20 percent or more of the permanent, full-time employees of the business are residents of a Florida enterprise zone the refund will be no more than $10,000 per parcel.

Statutory Reference: Section 212.0805g, Florida Statutes

ELECTRICITY TAX EXEMPTION

The Enterprise Zone Sales Tax Exemption for Electrical Energy is a 50% sales tax exemption available to qualified businesses located in an enterprise zone on the purchase of electrical energy. If 20 percent or more of the permanent, full-time employees are residents of a Florida enterprise zone, the exemption is 100 percent of sales tax. This exemption is only available if the municipality in which the business is located has passed an ordinance to exempt enterprise zone businesses from 50 percent of the municipal utility tax.

Statutory Reference: Section 212.0815, Florida Statutes

APPENDIX C

RURAL JOB TAX CREDIT

The Rural Jobs Tax Credit is an incentive for eligible businesses located in one of Florida's 33 rural counties to create new jobs. These tax credits are provided to encourage meaningful employment opportunities that will improve the quality of life of those employed and to encourage economic expansion of new and existing businesses in rural areas of Florida.

The tax credit provides for $1,000 per qualified job and can only be taken against either the Florida Corporate Income Tax or the Florida Sales and Use Tax (remitted). Five million dollars of tax credits may be approved in a calendar year.

Statutory Reference: Section 212.098, Florida Statutes (sales tax) and

Statutory Reference: Section 220.1895, Florida Statues (corporate income tax)

RURAL INFRASTRUCTURE FUND

The Rural Infrastructure Fund is a resource available to rural communities to facilitate infrastructure projects in Florida. Eligible projects must result in job creation, capital investment, and the strengthening and diversification of rural economies by promoting tourism, trade and economic development. The grant award is up to 30 percent of the total infrastructure project cost up to a maximum of $675,000. The project must be related to specific job-creating opportunities and may be awarded to applicants who have applied for the maximum available under other state or federal infrastructure funding programs.

Statutory Reference: Section 288.065, Florida Statutes

FILM AND ENTERTAINMENT PRODUCTION INCENTIVES

ENTERTAINMENT INDUSTRY FINANCIAL INCENTIVE PROGRAM

The Entertainment Industry Financial Incentive Program is a transferable tax credit that can be taken against corporate income or sales and use tax collected and remitted in Florida. The program is used to encourage the use of Florida as a site for filming, for the digital production of films, and to develop and sustain the workforce and infrastructure for film, digital media, and entertainment production. The tax credits are calculated as a percentage of each pre-certified project's qualified Florida expenditures. The tax credit is awarded to the pre-certified production projects once they have completed their projects and after the Office of Film and Entertainment reviews their CPA audited receipts and final reports.

Statutory Reference: Section 288.1254, Florida Statutes

ENTERTAINMENT INDUSTRY SALES TAX EXEMPTION PROGRAM

Any production company engaged in this state in the production of motion pictures, made-for-TV motion pictures, television series, commercial advertising, music videos, or sound recordings may submit an application to the Department of Revenue to be approved by the Office of Film and Entertainment as a qualified production company for the purpose of receiving a sales and use tax certificate of exemption from the Department of Revenue.

Statutory Reference: Section 288.1258, Florida Statutes

APPENDIX D

Historical Appropriations Funding			
Executive Direction and Support Services (0TTED)	**2009-2010**	**2010-2011**	**2011-2012**
Total Executive Direction and Support Services Funds	$3,177,515	$3,345,966	$3,250,886
Partnerships	**2009-2010**	**2010-2011**	**2011-2012**
Enterprise Florida (GR + TF)	$11,400,000	$11,100,000	$11,100,000
Institute for Commercialization of Research ((GR)	$0	$3,000,000	$10,000,000
Tourism Commission/VISIT FLORIDA (GR + TF)	$25,000,000	$26,647,961	$34,899,209
Black Business Investment Board (GR)	$350,000	$450,000	$200,000
Florida Sports Foundation (GR + TF)	$2,700,000	$2,700,000	$2,700,000
Space Florida (GR)	$3,839,943	$20,039,943	$10,039,943
Film and Entertainment Incentives (GR)	$10,800,000	$0	$0
Programs	**2009-2010**	**2010-2011**	**2011-2012**
Quick Action Closing Fund (GR)	$13,460,830	$16,000,000	$42,000,000
Brownfield Redevelopment Bonus Refunds (GR +TF)	$1,685,400	$2,480,000	$1,250,000
Rural Community Development (GR + TF)	$1,300,000	$1,300,000	$1,170,000
Military Base Protection (GR)	$1,000,000	$1,000,000	$1,000,000
Innovation Incentive (GR)	$0	$75,000,000	$15,000,000
Local Government Distressed Area Matching Grant(GR)	$0	$2,940,000	$3,000,000
Economic Development Tool Kit (QTR, QDSC, HIPI) (GR+TF)	$27,637,500	$16,567,473	$21,750,000
Quick Response Training Program (GR+TF)	$3,300,000	$3,300,000	$6,000,000
Incumbent Worker Training Program (TF)	$4,800,000	$4,000,000	$2,000,000
Infrastructure	**2009-2010**	**2010-2011**	**2011-2012**
Space, Defense and Rural Infrastructure - FCO (GR)	$1,650,410	$9,700,000	$3,162,489
Economic Development Transportation Projects - FCO (TF)	$20,000,000	$26,964,554	$14,083,000

APPENDIX E

USE OF CURRENT YEAR INCENTIVE/ECONOMIC DEVELOPMENT PARTNERSHIP FUNDING

Use of funding for FY2011-12 (as shown Appendix D) will be used in accordance with approved performance measures as indicated in the below chart:

Approved Performance Measures	FY 2011-12 Standard (Numbers)
Number of jobs created or retained by regional and statewide Black Business Investment Corporations (BBICs).	1,100
Matching dollars leveraged by the BBICs.	450,000
Number of Memoranda of Understanding between the Florida Black Business Investment Board and government and private economic development entities relating to the development of black business enterprises.	3
Number of capital or business development forums or workshops sponsored by the Florida Black Business Investment Board.	3
Number of liaison and policy development activities conducted by the Florida Office of Film and Entertainment (OFE).	185
Number of productions worked by OFE.	1,102
Number of productions worked by OFE resulting in business in Florida.	289
Number of financial deals facilitated by Space Florida.	3
Number of research projects, partnerships and grants supported.	30
Number of businesses provided technical or financial assistance as related to conducting business in Florida - Revised.	150
Number of students attending Space Florida Educational Programs.	500
Number of Non Disclosure Agreements entered into by Space Florida.	17
Number of Qualified Investment Opportunities.	5
Number of leads generated through business development outreach – New.	200
Percentage increase in the salary average of high-wage jobs facilitated by Enterprise Florida, Inc. (EFI)	127%
Number of direct full-time jobs facilitated as a result of EFI's recruitment, expansion, and retention efforts.	20,000
(I) Rural areas.	1,800
(II) Urban core areas.	1,800
(III) Critical industries.	14,400
Documented export sales attributable to programs and activities.	$545 million

APPENDIX E

(Continued)

Approved Performance Measures	FY 2011-12 Standard (Numbers)
Number of qualified marketing leads generated through EFI's comprehensive marketing programs.	1,000
(I) Trade leads (subset).	500
(II) Investment leads (subset).	500
Satisfaction of economic development practitioners and other appropriate entities with efforts of EFI in providing economic development leadership in the full range of services required for state and local economic growth, including critical industries.	80%
Satisfaction of economic development practitioners and other appropriate entities with efforts of EFI in marketing the state, including rural communities and distressed urban communities, as a pro-business location for potential new investment.	80%
Number of companies assisted by EFI in the area of international trade.	5,000
Number of times EFI information services are accessed (unique visitors).	335,000
Economic contributions from Florida Sports Foundation - sponsored regional and major sporting event grants.	$103.9 million
Economic contributions to communities as a result of hosting Florida's Senior State Games and Sunshine State Games Championships.	$4.4 million
Number of out-of-state visitors attending events funded through grant programs.	192,814
Satisfaction of the area sports commissions with the efforts of the foundation to promote and develop the sports industry and related industries in the state.	80%
Number/amount of major and regional sports event grants awarded.	40 / $800,000
Percentage increase/number of athletes competing in Florida's Senior Games and Sunshine State Games.	5% / 14,345
Sustained growth in the number of travelers who come to and go through Florida - (1) Out-of-State.	81.3 million
Sustained growth in the number of travelers who come to and go through Florida - (ii) Residents.	16 million
Sustained growth in the beneficial impacts that travelers in Florida have on the state's overall economy - (I) Rental Car surcharge.	$115.6 million
Sustained growth in the beneficial impacts that travelers in Florida have on the state's overall economy - (II) Tourism-related employment.	974,650
Sustained growth in the beneficial impacts that travelers in Florida have on the state's overall economy - (III) Taxable sales.	$60.5 billion
Sustained growth in the beneficial impacts that travelers in Florida have on the state's overall economy - (IV) Local option tax.	$438.3 million
Growth in private sector contributions to VISIT FLORIDA.	$35.8 million

APPENDIX E

(Continued)

Approved Performance Measures	FY 2011-12 Standard (Numbers)
Satisfaction of VISIT FLORIDA's partners and representative members of the tourism industry with the efforts of VISIT FLORIDA to promote Florida.	80%
Percentage increase of persons surveyed who vacationed in Florida during the last 12 months and who reported having participated in nature-based or heritage activities.	67% nature 45% heritage
Number of persons who inquired about nature-based or heritage activities while visiting the consumer web-site.	1,931,979
Quality and effectiveness of paid advertising messages reaching the target audience (subset I impressions).	1,310 million
Number of leads and visitor inquiries generated by VISIT FLORIDA events and media placements.	6,931,025
Quality and effectiveness of paid advertising messages reaching the target audience (subset II leads).	75,000
Value and number of consumer promotions facilitated by VISIT FLORIDA.	$16.6 million / 77
Number of private sector partners.	3,300
Private sector partner financial contributions through direct financial investment.	$2.1 million
Private sector partner financial contributions through strategic alliance programs.	969,600

Through operational efficiencies gained from the creation of the Department of Economic Opportunity and the merging of economic development partnerships, it is anticipated that the following targets could be used to measure some these efficiencies.

Performance	Measurement
Workforce Development	Increase in number of economic development projects using workforce incentives
Minority Business Development	Increase in number of business development activities attended by minority business advocate.
Sports Industry Development	Increase in number of sports-industry related business contacts made.
Space Industry Development	Increase in number of projects worked cooperatively by Enterprise Florida and Space Florida.
Intergovernmental Collaboration	Number of projects assisted by cross-agency teams. Number of collaborative planning sessions attended by cross-agency and private entity team.

Department of Economic Opportunity
Doug Darling, Executive Director
Caldwell Building, 107 East Madison Street, Tallahassee, Florida 32399

Enterprise Florida, Inc.
Gray Swoope, President and CEO
800 North Magnolia Avenue, Suite 1100, Orlando, FL 32803

Workforce Florida, Inc.
Chris Hart, IV, President and CEO
1580 Waldo Palmer Lane, Suite 1, Tallahassee, FL 32308

Strategic Partnerships:

For more information on the Florida Department of Economic Opportunity, visit floridajobs.org or call 866-352-2345.

For More Information:

floridajobs.org
1-866-352-2345
TTY/TDD 1-800-955-8771

Caldwell Building
107 East Madison Street
Tallahassee, Florida 32399

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October 2011

Florida Department of
Economic Opportunity

Florida will have the nation's top performing economy and be recognized as the world's leading business destination

Rick Scott, *Governor*
Doug Darling, *Executive Director*

October 2011

Division of Strategic Business Development

Chapters 20, 220, 288, 290, 311 and 331, Florida Statutes

The Division of Strategic Business Development provides support for attracting out-of-state businesses to Florida, promoting the creation and expansion of Florida businesses and facilitating Florida's economic development partnerships. Services include:

- *Intergovernmental planning for economic development strategies*
- *Economic development project facilitation and support*
  - *Intergovernmental Project Teams*
  - *Support for Florida's economic development partnerships*
- *Incentive and grant performance measurement*
- *Office of Film and Entertainment*
  - *Project recruitment and facilitation*
  - *Incentive administration*

For more information on the Florida Department of Economic Opportunity, visit floridajobs.org or call 866-352-2345.

Division of Community Development

Chapters 20, 163, 189, 288, 290, 380 and 409, Florida Statutes

The Division of Community Development manages the state's land planning and community development responsibilities ensuring that new growth fosters economic development while protecting resources of state significance. Services include:

- *Rural and urban small business assistance and economic development*
- *Community planning*
- *Grants:*
  - *Infrastructure*
  - *Economic development*
  - *Housing rehabilitation*
  - *Revitalization*
- *Assistance programs for low-income Floridians*

For more information on the Florida Department of Economic Opportunity, visit floridajobs.org or call 866-352-2345.

Division of Workforce Services

Chapters 20, 443 and 445, Florida Statutes

The Division of Workforce Services partners with Workforce Florida and the state's 24 Regional Workforce Boards to strengthen Florida's business climate by supporting employers and helping Floridians gain employment, remain employed and advance in their careers. Services include:

- *Workforce program development and guidance, oversight, federal performance and financial reporting, technical assistance*
- *Labor market information*
- *Unemployment compensation services*

For more information on the Florida Department of Economic Opportunity, visit floridajobs.org or call 866-352-2345.

THE FLORIDA SENATE

COMMITTEE APPEARANCE RECORD

(Submit to Committee Chair or Administrative Assistant)

10/4/2011
Date

Tab 1, DEO presentation
Bill Number

Barcode

Name Brian Pitts

Phone 727/897-9291

Address ~~St. Petersburg~~ 1119 Newton Ave S.
Street

E-mail

St. Petersburg FL 33705
City *State* *Zip*

Job Title Trustee

Speaking: ☐ For ☑ Against ☐ Information

Appearing at request of Chair ☐

Subject Department overview plan

Representing Justice-2-Jesus

Lobbyist registered with Legislature: ☐ Yes ☑ No

Pursuant to s. 11.061, *Florida Statutes*, state, state university, or community college employees are required to file the first copy of this form with the Committee, unless appearance has been requested by the Chair as a witness or for informational purposes.

If designated employee: Time: from_____ ___ .m. to _____ ___ .m.

S-001 (04/14/10)

THE FLORIDA SENATE

COMMITTEE APPEARANCE RECORD

(Submit to Committee Chair or Administrative Assistant)

October 04, 2011
Date

Tab 1
Bill Number

Name Cynthia Lorenzo

Phone (850) 245-7298

Address 107 East Madison Street
Street

E-mail

Tallahassee FL 32399
City *State* *Zip*

Job Title C.O.O.

Speaking: ☐ For ☐ Against ☑ Information

Appearing at request of Chair ☑

Subject Departmental Overview

Representing Department of Economic Opportunity

Lobbyist registered with Legislature: ☑ Yes ☐ No

Pursuant to s. 11.061, *Florida Statutes*, state, state university, or community college employees are required to file the first copy of this form with the Committee, unless appearance has been requested by the Chair as a witness or for informational purposes.

If designated employee: Time: from_____ ___ .m. to _____ ___ .m.

S-001 (08/2005)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

October 4, 2011
Meeting Date

Tab 1
Bill Number (if applicable)

Amendment Barcode (if applicable)

Topic: Departmental Overview

Name: Doug Darling

Job Title: Executive Director

Address: 107 East Madison Street
Street

Tallahassee, FL 32399-412
City, State, Zip

Phone: (850) 245-7298

E-mail: doug.darling@deo.myflorida.com

Speaking: ☐ For ☐ Against ☑ Information

Representing: Florida Department of Economic Opportunity

Appearing at request of Chair: ☑ Yes ☐ No

Lobbyist registered with Legislature: ☑ Yes ☐ No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

For officially noticed committee meetings, pursuant to s. 11.061, *Florida Statutes*, state, state university, or community college employees are required to file the first copy of this form with the Committee, unless appearance has been requested by the Chair as a witness or for informational purposes.

If designated employee:

Time: from _____ to _____

This form is part of the public record for this meeting.

S-001 (08/24/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

October 4, 2011
Meeting Date

Tab 1
Bill Number (if applicable)

Amendment Barcode (if applicable)

Topic: State Small Business Credit Initiative

Name: Michelle Dennard

Job Title: Director, Division of Strategic Bus

Address: 107 East Madison Street
Street

Tallahassee, FL 32399-412
City, State, Zip

Phone: (850) 487-2568

E-mail: michelle.dennard@deo.myflorida.co

Speaking: ☐ For ☐ Against ☑ Information

Representing: Florida Department of Economic Opportunity

Appearing at request of Chair: ☑ Yes ☐ No

Lobbyist registered with Legislature: ☐ Yes ☑ No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

For officially noticed committee meetings, pursuant to s. 11.061, *Florida Statutes*, state, state university, or community college employees are required to file the first copy of this form with the Committee, unless appearance has been requested by the Chair as a witness or for informational purposes.

If designated employee:

Time: from _____ to _____

This form is part of the public record for this meeting.

S-001 (08/24/11)

FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY

Senate Committee on Commerce and Tourism

Presented by: Michelle Dennard, Director, Division of Strategic Business Development

Tuesday, October 4, 2011

Florida Small Business Credit Initiative

September 2011

State Small Business Credit Initiative

- Florida is allocated $97.6 million under the Small Business Jobs Act of 2010.
- Funds will provide critical credit support to small businesses to help them expand and spur private sector job growth.
- These funds will leverage at least $977 million in private financing for Florida's small businesses.
- Eligible program types and use of funds are prescribed under the Act and U.S. Treasury policy guidance.

Florida's Funding

- Florida will receive its allocation of funds in three disbursements.

Installment	Amount
1st	$32,228,575
2nd	$32,228,575
3rd	$33,205,199
Totals	$97,662,349

- State must use 80% of installment to receive the next installment.

- Legislative Budget Commission approved budget authority for the 1st two installments, with the 2nd installment in reserve

Eligible Businesses

- Businesses located and legally authorized to do business in Florida.
- Small businesses with up to 500 employees (with some flexibility).
- Both for-profits and not-for-profits are eligible

Florida's SSBCI Programs

- Florida's programs are designed to be flexible and respond to a variety of small business credit needs.

- Programs include:
  - FL Capital Access Program: $20.6 million administered by DEO
  - Venture Capital Program: $43.5 million administered by Enterprise Florida
  - Small Business Loan Support Program: $33.5 million administered by Enterprise Florida

Capital Access Program

- Administered by DEO
- Target: Small business unable to find financing for expansion
- Loan portfolio insurance in which the lender and borrower pay an up-front premium to a reserve fund held by the originating bank.
- The state matches the premium in the originating lender's reserve fund.
- As the account grows, so does the lender's cash collateral to cover losses on its entire portfolio of CAP loans.

Venture Capital Program

- Administered by Enterprise Florida
- Will assist companies with long-term growth potential seeking to create Florida jobs.
- Emphasis on those businesses that provide strong co-investment opportunities and that fall within the state's targeted industries.
- Targeting business with 500 or fewer employees but may be up to 750 employees.
- Targeting equity investments averaging $5 million – but may be up to $20 million.

Loan Support Program

- Enterprise Florida will offer a range of credit support including loan participation, loan guarantees and direct loans.
- Emphasis on those businesses that provide strong co-investment opportunities and that fall within the state's targeted industries or promote small business exporting.
- These credit facilities will serve businesses with up to 500 employees with loan amounts between $50,000 and $5,000,000.

Next Steps

- Utilizing local networks to enroll lenders
  - Chambers of Commerce
  - Small Business Development Centers
  - Black Business Investment Corporations
  - HBIF
  - Florida Bankers Association
- Diversified approach to both statewide institutions and local lenders
- Assisting Enterprise Florida in making the Venture Capital and Loan Support Programs available to eligible businesses

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

October 4, 2011
Meeting Date

Tab 2
Bill Number (if applicable)

Amendment Barcode (if applicable)

Topic: State Small Business Credit Initiative

Name: Michelle Dennard

Job Title: Director, Division of Strategic B

Address: 107 East Madison Street
Street

Tallahassee, FL, 32399-41
City, State, Zip

Phone: (850) 487-2568

E-mail: michelle.dennard@deo.myflorida.

Speaking: ☐ For ☐ Against ☑ Information

Representing: Florida Department of Economic Opportunity

Appearing at request of Chair: ☑ Yes ☐ No

Lobbyist registered with Legislature: ☐ Yes ☑ No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

For officially noticed committee meetings, pursuant to s. 11.061, *Florida Statutes,* state, state university, or community college employees are required to file the first copy of this form with the Committee, unless appearance has been requested by the Chair as a witness or for informational purposes.

If designated employee:

Time: from _____ to _____

This form is part of the public record for this meeting.

S-001 (08/24/11)

The Florida Senate

BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Commerce and Tourism Committee

BILL: SB 110

INTRODUCER: Senator Wise

SUBJECT: Spaceport Territory

DATE: October 3, 2011 REVISED:

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Fleming	Carter	MS	**Favorable**
2.	Pugh	Hrdlicka	CM	**Favorable**
3.			CA	
4.				
5.				
6.				

I. Summary:

In January 2010, the Federal Aviation Administration (FAA) issued Jacksonville Aviation Authority a Space Launch Cite Operator's License, which authorizes the use of Cecil Field Spaceport for horizontal take-off and landings of suborbital launch vehicles.

SB 110 amends s. 331.304, F.S., to update the inventory of existing spaceport territories in the state by designating the property Cecil Field Spaceport in Jacksonville as a spaceport territory. This bill also permits the board of directors of Space Florida to designate real property within the state as a spaceport territory if the property has been licensed by the FAA as a spaceport or if the property serves as space-related infrastructure.

This bill substantially amends s. 331.304, F.S.

II. Present Situation:

Background on the Commercial Space Launch Industry

The United States' space program constitutes three sectors – civil, military and commercial. The commercial space sector will play an increasingly important role in the U.S. space program with the retirement of the Space Shuttle Program in July 2011. President Obama's National Space Policy (policy),[1] issued on June 28, 2010, emphasizes the need to utilize the commercial space industry to meet the current and future U.S. space transportation needs. Specifically, the policy states, "The United States is committed to encouraging and facilitating the growth of a U.S.

[1]National Space Policy of the United States of America. June 28, 2010. Available at: http://www.whitehouse.gov/sites/default/files/national_space_policy_6-28-10.pdf. Site last visited Sept. 25, 2010.

commercial space sector that supports U.S. needs, is globally competitive, and advances U.S. leadership in the generation of new markets and innovation-driven entrepreneurship."[2]

Space transportation is the movement of, or means of moving, objects such as communications and observation satellites, to, from, or in space. Commercial space transportation is carried out by vehicles owned and operated by private companies or organizations. The majority of such launches carry satellites and other payloads owned by private companies and procured through a competitive bidding process, although government payloads are occasionally launched commercially.[3]

In 2010, commercial launches comprised approximately 31 percent of all launches conducted worldwide.[4] The chart below illustrates the worldwide participation in commercial and non-commercial orbital launch activity in 2010.

2010 WORLDWIDE ORBITAL LAUNCH ACTIVITY[5]			
Nations	**Commercial Launches**	**Non-Commercial Launches**	**Total Launches**
United States[6]	4	11	15
Russia	13	18	31
Europe	6	0	6
China	0	15	15
Japan	0	2	2
India	0	3	3
Israel	0	1	1
South Korea	0	1	1
Total	23	51	74

The Office of Commercial Space Transportation (office) within the Federal Aviation Administration (FAA) is the U.S. government organization responsible for regulating and facilitating the safe operations and international competitiveness of the U.S. commercial space transportation industry. The FAA's launch regulations and licensing procedures apply to all commercial launches taking place within U.S. territory, and for launches being conducted abroad by U.S. companies. In general, the FAA does not license launches by U.S. government organizations and certain classes of small rockets. Since the office was created in 1984, the FAA has issued licenses for more than 200 launches, licensed the operation of eight FAA-approved launch sites known as spaceports, and has helped ensure that no loss of life or serious injury has been associated with these efforts.[7]

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[2] Ibid p. 3.
[3] Information in this paragraph summarized from information posted at website of FAA's Office of Commercial Space Transportation. See: http://ast.faa.gov./about/office_org/headquarters_offices/ast/industry. Site last visited Sept. 25, 2011.
[4] FAA report: *Commercial Space Transportation: 2010 Year in Review*. January 2011. Available at: http://www.faa.gov/about/office_org/headquarters_offices/ast/media/2010%20Year%20in%20Review.pdf. Site last visited Sept. 25, 2011.
[5] Ibid p. 3.
[6] Eleven of the 15 total U.S. orbital launches in 2010 took place in Florida, in which 3 were commercial launches and 8 were non-commercial.
[7] Supra note 3.

FAA Licensed Commercial Spaceports

Spaceports are sites designated to launching orbital or suborbital vehicles into space. These sites often also provide the capability to integrate launch vehicle components, to integrate vehicles with payloads, to fuel and maintain vehicles, and to launch vehicles.[8] As stated above, the FAA licenses the operation of commercial spaceports in the United States and thus far has issued eight licenses. The chart below lists the eight FAA licensed commercial spaceports.

FAA LICENSED COMMERCIAL SPACEPORTS[9]				
Spaceport	**Operator**	**State**	**License First Issued**	**Expires**
California Spaceport	Spaceport Systems International	CA	1996	9/18/2011
Cape Canaveral Spaceport	Space Florida	FL	1999	6/ 30/ 2015
Cecil Field Spaceport	Jacksonville Aviation Authority	FL	2010	1/10/ 2015
Kodiak Launch Complex	Alaska Aerospace Development Corp.	AK	1998	9/24/2013
Mid-Atlantic Regional Spaceport	Virginia Commercial Space Flight Authority	VA	1997	12/18/2012
Mojave Air and Space Port	East Kern Airport District	CA	2004	6/16/2014
Oklahoma Spaceport	Oklahoma Spaceport Industry Development Authority	OK	2006	6/11/ 2011
Spaceport America	New Mexico Spaceport Authority	NM	2008	12/15/ 2013

Florida's Existing Spaceports

Currently, there are four spaceport locations in Florida, which include two federally-owned spaceports and two FAA licensed commercial spaceports. The Cape Canaveral Air Force Station (CCAFS) and the National Aeronautics and Space Administration's Kennedy Space Center (KSC) constitute the federal spaceports in Florida. The two FAA licensed commercial spaceports in Florida include the Cape Canaveral Spaceport, operated by Space Florida, and Cecil Field Spaceport, operated by the Jacksonville Aviation Authority (JAA).

Cape Canaveral Spaceport

Space Florida was first issued a FAA commercial spaceport license in 1999 and with that license operates the Cape Canaveral Spaceport, a group of facilities that include launch complexes leased from and co-located on CCAFS. Space Florida utilizes these launch complexes to facilitate private and commercial space ventures as well as research and development.

Cecil Field Spaceport[10]

In January 2010, the FAA issued the JAA a Space Launch Site Operator's License. The license authorizes use of Cecil Field Spaceport for horizontal take off and landings for suborbital launch vehicles. The U.S. Navy once operated Cecil Field as an airfield, which was closed in 1993 and transferred to the City of Jacksonville in 1999. Cecil Field Spaceport is located about 15 miles from Jacksonville and features a 12,500 foot runway and three shorter runways. Cecil Field Spaceport shares assets with Cecil Field Airport, which services military and civil aircraft and

[8] FAA report: *2011 U.S. Commercial Space Transportation Developments and Concepts: Vehicles, Technologies, and Spaceports*. January 2011. p. 47. Available at: http://www.faa.gov/about/office_org/headquarters_offices/ast/media/2011%20DevCon%20Report.pdf. Site last visited Sept. 25, 2011.

[9] Ibid p. 48.

[10] Ibid p. 50.

general aviation customers. The FAA awarded $105,000 to JAA, as part of the FAA's Space Transportation Infrastructure Matching Grants program[11] in 2010. JAA will use the money to develop a Spaceport Master Plan for Cecil Field.

Spaceport Territories Designated in the Florida Statutes
Section 331.304, F.S., provides that certain property in the state constitutes "spaceport territory." This property includes:

- Certain real property in Brevard County that is included within the 1998 boundaries of Patrick Air Force Base, Cape Canaveral Air Force Station, or John F. Kennedy Space Center; and
- Certain real property located in Santa Rosa, Okaloosa, Gulf, and Walton counties which is included within the 1997 boundaries of Eglin Air Force Base.[12]

The property within Duval County which constitutes Cecil Field Spaceport is not currently designated as a "spaceport territory" in the Florida Statutes.

Economic Impact of Space and Aerospace Businesses in Florida
The Brevard Workforce Development Board, Inc., (BWDB) has estimated that, at its height, Space Shuttle-related activity in Florida supported a workforce level of approximately 9,160 employees, earning estimated total annual wages of $660 million. The majority of this workforce is located at or near KSC.[13] No statistics are currently available, but there may be hundreds more Florida workers, employed at businesses throughout the state that are part of the Space Shuttle program's "supply chain," who likely will be negatively impacted.

The most recent information compiled by the BWDB indicates that as many as 7,000 of the 9,160 Space Shuttle employees will likely encounter difficulties in finding new employment.[14] These actions have accelerated efforts by BWDB, Space Florida, and other entities to help recruit out-of-state companies or promote development or expansion of Florida businesses to hire these displaced workers.

NASA's operations in Florida are a major economic driver.[15] The total amount of NASA spending (so-called "outside money") for KSC-related activities was $1.8 billion, including $1.1 billion in wages in FY 2009-2010. Counting indirect spending, the total economic impact of

[11]For more information on the FAA's Space Transportation Infrastructure Matching Grants program, see http://www.faa.gov/about/office_org/headquarters_offices/ast/grants_program/.
[12] Additionally, s. 331.307, F.S., refers to the "spaceport facility at Cape San Blas" in Gulf County, which appears to be owned by Eglin. This section of law, created in 1989, establishes certain conditions on Space Florida's use of the Cape San Blas launch site, related primarily to environmental safeguards and associated development. On Aug. 22, 1992, the Spaceport Florida Authority (one of Space Florida's predecessors) launched a 10-foot-tall, 90-pound Microstar rocket from Cape San Blas as part of a suborbital weather experiment by university researchers to take ozone measurements. No other space-related launches have occurred at Cape San Blas.
[13] Brevard Workforce Development Board: *Aerospace Workforce Outlook Report - Phase III*. January 2010. p.7. Available at: http://www.bwdb.org/DownloadDocuments/Misc%20Documents/AWO%20Phase%20III%20Report.pdf. Site last visited Sept. 25, 2011.
[14] Ibid p. 22.
[15] NASA: *Economic Impact of NASA in Florida FY 2010*. pp. 1-2. On file with the Senate Commerce and Tourism Committee.

NASA to Florida was estimated at $4.1 billion in production output; $2.2 billion in household income; 33,049 jobs; and $134 million in state and local tax revenues.

However, Florida-specific information about non-NASA spending on commercial space activities is not as readily available. The FAA's most recent economic impact study on the commercial space activities in the United States[16] indicated that commercial space transportation and related industries, such as launch vehicle manufacturing and services and satellite manufacturing, remains a lucrative job-creator in this country. In 2009, the commercial space industry sectors generated a total of $208.3 billion in economic activity in the United States, employing more than 1 million people with earnings that exceeded $53 billion.[17] While the overall numbers have increased each year, the employment, wage, and economic impact numbers within certain related industry sectors have declined, due in part to a reduction in commercial space launches in this country and more launches in other nations.[18]

Another source of data for in the space, aerospace, and defense fields is the Aerospace Industries Association, a professional organization that includes NASA and non-NASA contract employers. It reports that as of 2008, Florida was home to 105 aerospace-related companies that employed 28,508 persons earning an average wage of $56,226.[19]

III. Effect of Proposed Changes:

SB 110 amends s. 331.304, F.S., to:

- Update the inventory of existing spaceport territories in the state by designating the property within the boundaries of Cecil Airport and Cecil Commerce Center in Jacksonville as a spaceport territory.
- Permit the board of directors of Space Florida to designate real property within the state as a spaceport territory if the property has been licensed by the FAA as a spaceport or if the property serves as space-related infrastructure.

SB 110 has an effective date of July 1, 2012.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

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[16] FAA: *The Economic Impact of Commercial Space Transportation on the U.S. Economy in 2009.* Available at: http://www.faa.gov/news/updates/media/Economic%20Impact%20Study%20September%202010_20101026_PS.pdf. Site last visited September 25, 2011.
[17] Ibid p. 6.
[18] Ibid p. 7.
[19] Posted on the Aerospace Industries Association website is an interactive map of the United States with pertinent data on the number of aerospace companies, their number of employees, their payroll, and the combined value of their sales. Map available at https://www2.aia-aerospace.org/stats/state_data/#. Site last visited Sept. 28, 2011.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

By designating Cecil Field Spaceport, future FAA licensed spaceports in Florida, and other space-related infrastructure in Florida as spaceport territory, SB 110 has the potential to increase the economic development and commercial space business in Florida. Specifically, Cecil Field Spaceport may attract commercial ventures, such as space tourism, when that industry advances.

C. Government Sector Impact:

Designating Cecil Field Spaceport as spaceport territory and permitting the board of directors of Space Florida to recognize future FAA licensed spaceports and other space-related infrastructure as spaceport territory may aid Space Florida in attracting different types of commercial space companies and competing for spaceflight businesses. Also, as designated spaceport territories, they may be included in Space Florida's master-planning efforts, primarily with the Florida Department of Transportation, making them eligible for state funds for road or other infrastructure improvements.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

By Senator Wise

5-00109-12 2012110__

A bill to be entitled

An act relating to spaceport territory; amending s. 331.304, F.S.; revising spaceport territory to include certain properties; providing an effective date.

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

Section 1. Subsections (3), (4), and (5) are added to section 331.304, Florida Statutes, to read:

331.304 Spaceport territory.—The following property shall constitute spaceport territory:

(3) Certain real property located in Duval County which is included within the boundaries of Cecil Airport and Cecil Commerce Center.

(4) Real property within the state which is a spaceport licensed by the Federal Aviation Administration, as designated by the board of directors of Space Florida.

(5) Real property within the state which is space-related infrastructure, as designated by the board of directors of Space Florida.

Section 2. This act shall take effect July 1, 2012.

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

THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

SENATOR JACK LATVALA
16th District

COMMITTEES:
Transportation, *Chair*
Budget - Subcommittee on General Government Appropriations
Budget - Subcommittee on Transportation, Tourism, and Economic Development Appropriations
Children, Families, and Elder Affairs
Environmental Preservation and Conservation
Governmental Oversight and Accountability
Reapportionment

JOINT COMMITTEE:
Public Counsel Oversight, *Alternating Chair*

RECEIVED
OCT 04 2011
COMMERCE

TO: Nancy Detert, Chair
Senate Committee on Commerce and Tourism

Jennifer Hrdlicka, Staff Director
Commerce and Tourism

FROM: Senator Jack Latvala

DATE: October 4, 2011

SUBJECT: Legislative Assistant to present SB154/Unlicensed Security Guards

Please allow my legislative assistant Tracy Caddell to present SB154 to the Senate Committee on Commerce and Tourism. I am unable to present the bill since I chair the Transportation Committee at the same time.

Thank you for your consideration.

REPLY TO:
❒ 12425 28th Street North, Suite 102, St. Petersburg, Florida 33716 (727) 556-6500
❒ 405 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5075

Senate's Website: *www.flsenate.gov*

MIKE HARIDOPOLOS
President of the Senate

MICHAEL S. "MIKE" BENNETT
President Pro Tempore

Tab 3

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

10/4/11
Meeting Date

SB110
Bill Number (if applicable)

Amendment Barcode (if applicable)

Topic: Spaceport Territory

Name: Chris Snow

Job Title: Director of Govt Relations

Address: 1580 Waldo Palmer Lane Suite 1
Street

Tallahassee — *City* | FL — *State* | 32308 — *Zip*

Phone: 321-474-9754

E-mail: csnow@spaceflorida.gov

Speaking: [✓] For [ ] Against [ ] Information

Representing: Space Florida

Appearing at request of Chair: [ ] Yes [✓] No

Lobbyist registered with Legislature: [✓] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

For officially noticed committee meetings, pursuant to s. 11.061, *Florida Statutes*, state, state university, or community college employees are required to file the first copy of this form with the Committee, unless appearance has been requested by the Chair as a witness or for informational purposes.

If designated employee:

Time: from _____ to _____

This form is part of the public record for this meeting.

S-001 (08/24/11)

Tab 3

THE FLORIDA SENATE

COMMITTEE APPEARANCE RECORD

(Submit to Committee Chair or Administrative Assistant)

10/4/2011
Date

110
Bill Number

Barcode

Name: BRIAN PITTS

Phone: 727/897-9291

Address: 1119 Newton Ave S
Street

St. Petersburg — *City* | FL — *State* | 33705 — *Zip*

E-mail:

Job Title: Trustee

Speaking: [ ] For [✓] Against [ ] Information

Appearing at request of Chair [ ]

Subject: space territory

Representing: Justice-2-Jesus

Lobbyist registered with Legislature: [ ] Yes [✓] No

Pursuant to s. 11.061, *Florida Statutes*, state, state university, or community college employees are required to file the first copy of this form with the Committee, unless appearance has been requested by the Chair as a witness or for informational purposes.

If designated employee: Time: from _____ ___ .m. to _____ ___ .m.

S-001 (04/14/10)

Tab 3

THE FLORIDA SENATE

COMMITTEE APPEARANCE RECORD

(Submit to Committee Chair or Administrative Assistant)

10/4/2011 (Date) Waived time SB 110 (Bill Number)

Name Ryan West

Phone 850 521-1200

Address 136 South Bronough Street (Street)

E-mail rwest@flchamb.com

Tallahassee (City) FL (State) 32301 (Zip)

Job Title

Speaking: [✓] For [ ] Against [ ] Information

Appearing at request of Chair [ ]

Subject

Representing Florida Chamber of Commerce

Lobbyist registered with Legislature: [✓] Yes [ ] No

Pursuant to s. 11.061, *Florida Statutes*, state, state university, or community college employees are required to file the first copy of this form with the Committee, unless appearance has been requested by the Chair as a witness or for informational purposes.

If designated employee: Time: from ____ ___.m. to ____ ___.m.

S-001 (08/2005)

The Florida Senate

BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Commerce and Tourism Committee

BILL: SB 154

INTRODUCER: Senator Latvala

SUBJECT: Licensed Security Officers

DATE: October 4, 2011 REVISED:

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	McCarthy	Hrdlicka	CM	**Favorable**
2.			CJ	
3.			BC	
4.				
5.				
6.				

I. Summary:

This bill increases and specifically establishes penalties for impersonating a security officer, private investigator, or recovery agent, as licensed by the Department of Agriculture and Consumer Services (department) under ch. 493, F. S. A person who engages in any activity for which ch. 493, F.S., requires a license, but acts without having a license, commits a first degree misdemeanor. For second or subsequent offenses, the person commits a third degree felony, and the department is authorized to impose a civil penalty not to exceed $10,000. However, penalties do not apply if the person engaged in unlicensed activity is within 90 days after the expiration date of the person's license. The bill also provides penalties for activities relating to the impersonation of a licensed security officer, private investigator, or recovery agent.

The bill expands the authority of an armed licensed security officer and armed licensed security agency manager to allow them to detain a person on the premises of a critical infrastructure facility if the security officer has probable cause to believe that the person has committed or is committing a crime, and for the purpose of ascertaining the person's identity and the circumstances of the activity that is the basis for the temporary detention. The bill provides procedures for notifying law enforcement and transferring of the detained person.

The bill also authorizes the security officer and security agency manager to search the person temporarily detained if they observe that the person is armed with a firearm, concealed weapon, or any destructive device that poses a threat to the safety of the security officer or security agency manager, or the detainee admits to the security officer or security agency manager that he or she is armed with a weapon.

This bill substantially amends section 493.6120, Florida Statutes.

The bill creates an undesignated section of the Florida Statutes.

II. Present Situation:

Private Security, Private Investigative, and Recovery Services

The Division of Licensing within the Department of Agriculture and Consumer Services (department) is responsible for the regulation of licensing of private security, private investigative, and recovery services.[1] Section 493.6101(19), F.S., defines a "security officer" as:

> any individual who, for consideration, advertises as providing or performs bodyguard services or otherwise guards persons or property; attempts to prevent theft or unlawful taking of goods, wares, and merchandise; or attempts to prevent the misappropriation or concealment of goods, wares or merchandise, money, bonds, stocks, chooses in action, notes, or other documents, papers, and articles of value or procurement of the return thereof. The term also includes armored car personnel and those personnel engaged in the transportation of prisoners.

Section 493.6101(16), F.S., defines a "private investigator" as "any individual who, for consideration, advertises as providing or performs private investigation." Private investigation is defined as an investigation to obtain information on any of the following matters:

- Crime or wrongs done or threatened against the United States or any state or territory of the United States, when operating under express written authority of the governmental official responsible for authorizing such investigation.
- The identity, habits, conduct, movements, whereabouts, affiliations, associations, transactions, reputation, or character of any society, person, or group of persons.
- The credibility of witnesses or other persons.
- The whereabouts of missing persons, owners of unclaimed property or escheated property, or heirs to estates.
- The location or recovery of lost or stolen property.
- The causes and origin of, or responsibility for, fires, libels, slanders, losses, accidents, damage, or injuries to real or personal property.
- The business of securing evidence to be used before investigating committees or boards of award or arbitration or in the trial of civil or criminal cases and the preparation therefore.[2]

Section 493.6101(21), F.S., defines a "recovery agent" as "any individual who, for consideration, advertises as providing or performs repossessions." Section 493.6101(20), F.S., defines "recovery agency" as "any person who, for consideration, advertises as providing or is engaged in the business of performing repossessions." Section 493.6101(22), F.S., defines "repossession" as recovery of motor vehicles, motor boats, airplanes, personal watercraft, all-terrain vehicles, farm equipment, industrial equipment, and motor homes "by an individual who is authorized by the legal owner, lienholder, or lessor to recover, or to collect money payment in lieu of recovery

[1] The responsibility for regulating private investigative, private security, and recovery industries was assigned to the Department of State in 1965. In 2002, the Division of Licensing of the Department of State was transferred to the Department of Agriculture and Consumer Services, including the Concealed Weapons Permit Program. *See* ss. 1, 3-10, ch. 2002-295, L.O.F.

[2] Section 493.6101(17), F.S.

of, that which has been sold or leased under a security agreement that contains a repossession clause."

Certain individuals are exempt from the licensing requirements for private security and private investigative services. These include local, state, and federal law enforcement officers, licensed insurance investigators, and individuals solely, exclusively, and regularly employed as unarmed investigators and security officers "in connection with the business of his or her employer, when there exists an employer-employee relationship."[3]

Florida law establishes criteria for granting licenses for security, private investigative, and repossession services. Individuals seeking a license must clear a criminal background check as well as meet specific training and experience requirements, which vary by the type of license. In addition, the applicant must meet the following criteria:

- Be at least 18 years of age.
- Be of good moral character.
- Not have been adjudicated incapacitated, unless capacity has been judicially restored.
- Not have been involuntarily placed in a treatment facility for the mentally ill, unless competency has been judicially restored.
- Not have been diagnosed as having an incapacitating mental illness, unless a psychologist or psychiatrist licensed in this state certifies that she or he does not currently suffer from the mental illness.
- Not be a chronic and habitual user of alcoholic beverages to the extent that her or his normal faculties are impaired.
- Not have been committed under ch. 397, F.S., former ch. 396, F.S., or a similar law in any other state.
- Not have been found to be a habitual offender under s. 856.011(3), F.S., or a similar law in any other state.
- Not have had two or more convictions under s. 316.193, F.S., or a similar law in any other state within the 3-year period immediately preceding the date the application was filed, unless the individual establishes that she or he is not currently impaired and has successfully completed a rehabilitation course.
- Not have been committed for controlled substance abuse or have been found guilty of a crime under ch. 893, F.S., or a similar law relating to controlled substances in any other state within a 3-year period immediately preceding the date the application was filed, unless the individual establishes that she or he is not currently abusing any controlled substance and has successfully completed a rehabilitation course.
- Be a citizen or permanent legal resident alien of the United States or have appropriate authorization issued by the United States Citizenship and Immigration Services of the United States Department of Homeland Security.[4]

[3] Section 493.6102(1)-(4), F.S.
[4] Section 493.6106(1), F.S.

License Classifications

Chapter 493, F.S., provides for many numerous classifications of licenses within the three general categories of licenses, as follows:[5]

PRIVATE INVESTIGATION	
Agency	Class "A"
Private Investigator	Class "C"
Armed Private Investigator	Class "C" & Class "G"
Branch Office	Class "AA"
Manager	Class "C" or Class "MA" or Class "M"
Intern	Class "CC"
PRIVATE SECURITY	
Agency	Class "B"
Security Officer	Class "D"
Armed Security Officer	Class "D" & Class "G"
Branch Office	Class "BB"
Manager	Class "MB" or Class "M"
REPOSSESSION ACTIVITY	
Agency	Class "R"
Recovery Agent	Class "E"
Branch Office	Class "RR"
Manager	Class "MR" or Class "E"
Intern	Class "EE"
COMBINED PRIVATE INVESTIGATION AND SECURITY	
Agency	Class "A" & Class "B"
Branch Office	Class "AB"
Manager	Class "M"
SCHOOLS	
Security Officer School or Training Facility	Class "DS"
Security Officer Instructor	Class "DI"
Recovery Agent School or Training Facility	Class "RS"
Recovery Agent Instructor	Class "RI"
FIREARMS	
Instructor	Class "K"
Statewide Firearm License	Class "G"
MANAGERS	
Private Investigative Agency or Branch	Class "C", "MA", or "M"
Private Security Agency or Branch	Class "MB" or "M"
Recovery Agency or Branch	Class "E" or "MR"
Armed Manager	Appropriate Manager's License and Class "G"

D, MB, and G Licenses

Generally, an applicant for a Class "D" security officer license must complete a minimum of 40 hours of professional training at a school or training facility licensed by the department, which establishes by rule the general content and number of hours of each subject area to be taught. Class MB security officers may manage a security agency. Class G officers have special firearms training requirements and are authorized to carry their firearms on duty.

[5] *See* 5N-1.116(1), F.A.C.

Detention by Certified Seaport Security Officers

Class D and Class G security officers who are employed at seaports and who are given the power to detain persons are further required to be certified under the Maritime Transportation Security Act or s. 311.121, F.S.

The statutorily-specified certification curriculum for the seaport security officer training program includes no less than 218 hours of initial certification training that conforms to or exceeds model courses approved by the Federal Maritime Act under Section 109 of the Federal Maritime Transportation Security Act of 2002 for facility personnel with specific security duties.

Pursuant to s. 311.124, F.S., these particular Class D or G security officers are given the power to detain persons for a reasonable period of time if they have "probable cause to believe that a person is trespassing … in a designated restricted area" pending the arrival of a law enforcement officer.[6] In addition, this action does not "render the security officer criminally or civilly liable for false arrest, false imprisonment, or unlawful detention." Furthermore, the seaport security officer must, upon detaining a person for trespass, immediately call a certified law enforcement officer to the scene.

To date, the department has not issued any revised licenses to a Class "D" security officer stating that the person is certified as a seaport security officer.

Impersonating a Licensee

Section 493.6118(1), F.S., authorizes the department to "take disciplinary action" against "any unlicensed person engaged in activities regulated" in ch. 493, F.S., related to private security, private investigative, and recovery services. Grounds for such disciplinary action include:

- Conducting activities regulated under ch. 493, F.S., this chapter without a license or with a revoked or suspended license.
- Impersonating, or permitting or aiding and abetting an employee to impersonate, a law enforcement officer.
- Knowingly violating, advising, encouraging, or assisting the violation of any statute, court order, capias, warrant, injunction, or cease and desist order, in the course of business regulated under ch. 493, F.S.
- Violating any provision of ch. 493, F.S.

When the Department finds any of the above violations it may impose an administrative fine not to exceed $1,000.00 for every count or separate offense.[7] Section 493.6120, F.S., provides that any person who violates any provision of ch. 493, F.S., with one exception,[8] commits a first

[6] "Restricted area" is defined by 33 C.F.R. part 105. See also s. 311.12, F.S.
[7] Section 493.6118(2) (c), F.S.
[8] The exception is in s. 493.6405, F.S. This section deals with the sale of motor vehicles, mobile homes, motorboats, aircraft, personal watercraft, all-terrain vehicles, farm equipment, or industrial equipment by a recovery agent or intern, and provides that a violation is a third degree felony.

degree misdemeanor.[9] The department is authorized to institute judicial proceedings in the appropriate circuit court seeking enforcement of ch. 493, F.S., or any rule or order of the department.[10]

The Power to Detain

Section 812.015(3)(a), F.S., authorizes a law enforcement officer, a merchant, a farmer, or a transit agency's employee or agent, who has probable cause to believe that a retail theft, farm theft, or trespass, has been committed by a person and, in the case of retail or farm theft, that the property can be recovered by taking the offender into custody may, for the purpose of attempting to effect such recovery or for prosecution, take the offender into custody and detain the offender in a reasonable manner for a reasonable length of time. In the event the merchant, merchant's employee, farmer, or a transit agency's employee or agent takes the person into custody, a law enforcement officer shall be called to the scene immediately after the person has been taken into custody. Detention provisions are also applicable to transit fare evasion.

Section 509.143, F.S., authorizes innkeepers and food service establishment operators to "take a person into custody and detain that person" if there is probable cause to believe the person is engaging in disorderly conduct that threatens the safety of the person or others. In these situations, a law enforcement agency must be immediately contacted.

"Citizen's Arrest"

A citizen has a common law right to make a "citizen's arrest" for a felony or a breach of the peace committed in his presence. The citizen may make such an arrest and justify his failure to obtain a warrant by proving the person's guilt.[11]

III. Effect of Proposed Changes:

Section 1 amends s. 493.6120, F.S., to increase and specifically establish penalties for impersonating a security officer, private investigator, or recovery agent, as licensed by the Department of Agriculture and Consumer Services (department) under ch. 493, F.S. Specifically, a person who engages in any activity for which ch. 493, F.S., requires a license, but acts without having a license, commits a first degree misdemeanor. For a second or subsequent offense, the person commits a third degree felony,[12] and the department is authorized to impose a civil penalty not to exceed $10,000. However, penalties do not apply if the person engaged in unlicensed activity is within 90 days after the expiration date of the person's license.

The bill also provides that a person who, while impersonating a security officer, private investigator, recovery agent, or other person required to have a license under ch. 493, F.S., knowingly and intentionally forces another person to assist the impersonator in an activity within

[9] A first degree misdemeanor is punishable by up to 1 year in a county jail and a fine of up to $1,000 may also be imposed. See ss. 775.082 and 775.083, F.S.
[10] Section 493.6121(6), F.S.
[11] *Phoenix v. State*, 455 So.2d 1024 (Fla.1984).
[12] A third degree felony is punishable by up to 5 years in state prison and a fine of up to $5,000 may also be imposed. See ss. 775.082 and 775.083, F.S.

the scope of duty of a professional licensed under ch. 493, F.S., commits a third degree felony. A person who impersonates a security officer or other designated officer during the commission of a felony commits a second degree felony[13] and a person who impersonates a security officer or other designated officer during the commission of a felony that results in death or serious bodily injury to another human being commits a first degree felony.[14]

Section 2 creates an undesignated section of the Florida Statutes to provide that an on duty, uniformed armed licensed security officer or armed licensed security agency manager, may temporarily detain a person on the premises of a critical infrastructure facility if the security officer or security agency manager has probable cause to believe that the person has committed or is committing a crime. The person may be temporarily detained for the purpose of ascertaining the person's identity and the circumstances of the activity that is the basis for the temporary detention. The security officer or security agency manager must notify the law enforcement agency as soon as possible, and the person may be detained until a responding law enforcement officer arrives at the critical infrastructure facility. The custody of any person temporarily detained must be immediately transferred to the responding law enforcement officer unless the law enforcement officer requests the security officer to assist in detaining the person.

The security officer or security agency manager may search the person detained if the security officer or security agency manager observes that the person is armed with a firearm, concealed weapon, or any destructive device that poses a threat to the safety of the security officer or security agency manager, or the detainee admits to the security officer or security agency manager that he or she is armed with a weapon. The security officer or security agency manager is required to seize any weapon discovered and transfer the weapon to the responding law enforcement officer.

This section defines the term "critical infrastructure facility" to mean any one of the following, *if* it employs measures such as fences, barriers, or guard posts that are designed to exclude unauthorized personnel *and* is determined by a state or federal authority to be so vital to the state that the incapacity or destruction of the facility would have a debilitating impact on security, state economic stability, state public health or safety, or any combination of those matters:

- A chemical manufacturing facility.
- A refinery.
- An electrical power plant as defined in s. 403.031, F.S., including a substation, switching station, electrical control center, or electric transmission or distribution facility.
- A water intake structure, water treatment facility, wastewater treatment plant, or pump station.
- A natural gas transmission compressor station.
- A liquid natural gas terminal or storage facility.
- A telecommunications central switching office.
- A deep water port or railroad switching yard.

[13] A second degree felony is punishable by up to 15 years in state prison and a fine of up to $10,000 may also be imposed. See ss. 775.082 and 775.083, F.S.
[14] A first degree felony is generally punishable by up to 30 years in state prison and a fine of up to $10,000 may also be imposed. See ss. 775.082 and 775.083, F.S.

- A gas processing plant, including a plant used in the processing, treatment, or fractionation of natural gas.
- A public transportation facility as defined in s. 343.62, F.S.

In addition, a security officer or manager must perform duties required under this new section in a uniform that bears at least one patch or emblem visible at all times clearly identifying the employing agency.

Section 3 provides that the bill would take effect on July 1, 2012.

Other Potential Implications:

While a person may know that physical barriers and signage indicate that trespassing may be unlawful, they may be unaware that they are in a "critical infrastructure facility" where security personnel would have the lawful authority to detain and search them, if otherwise warranted. The designation of "critical infrastructure facility" is not necessarily public information.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

It is possible that a person who is detained under this bill could raise Fourth Amendment search and seizure issues. The bill statutorily authorizes one citizen, arguably "under color of law," to detain and search another citizen virtually *on behalf of* law enforcement. For that reason, security officers who undertake a detention and subsequent search under the parameters authorized in the bill should be aware that any evidence they seize may be later used as evidence in a criminal case and it should be handled accordingly.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill creates misdemeanor and felony offenses for specific unlicensed activity violations of ch. 493, F.S., as it relates to private investigations, private security, and repossession services. The bill authorizes the Department of Agriculture and Consumer Services to impose a civil penalty when a person commits a second or subsequent offense not to exceed $10,000. All fines collected are to be deposited into the Fine and Forfeiture Fund by the clerk of the court in the county where the offense occurred, pursuant to s. 775.083, F.S. All revenues received by the clerk in the Fine and Forfeiture fund from court-related fees, fines, costs, and service charges are considered state funds and shall be remitted monthly to the Department of Revenue for deposit into the Clerks of the Court Trust Fund within the Justice Administrative Commission. The amount of fines to be potentially generated by the provisions of this bill are unknown at this time.

Although the Criminal Justice Impact Conference, which provides the final, official estimate of the prison bed impact, if any, of legislation, has not reviewed this bill, it did determine that a very similar bill, SB1588, during last year's session was estimated to have an insignificant prison bed impact.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

By Senator Latvala

16-00053-12 2012154__

A bill to be entitled

An act relating to licensed security officers; amending s. 493.6120, F.S.; providing that a person who engages in any activity for which ch. 493, F.S., requires a license, but who acts without having a license, commits a misdemeanor of the first degree; providing that such person commits a felony of the third degree for a second or subsequent offense of engaging in activities without a license; authorizing the Department of Agriculture and Consumer Services to impose a civil penalty not to exceed a specified amount; providing that penalties do not apply if the person engaged in unlicensed activity within 90 days after the expiration date of the person's license; providing that a person who, while impersonating a security officer, private investigator, recovery agent, or other person required to have a license under ch. 493, F.S., knowingly and intentionally forces another person to assist the impersonator in an activity within the scope of duty of a professional licensed under ch. 493, F.S., commits a felony of the third degree; providing that a person who impersonates a security officer or other designated officer during the commission of a felony commits a felony of the second degree; providing that a person who impersonates a security officer or other designated officer during the commission a felony that results in death or serious bodily injury to another human being commits a felony of the first degree; authorizing a

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16-00053-12 2012154__

licensed security officer or a licensed security agency manager to detain a person on the premises of a critical infrastructure facility in certain circumstances; requiring the security officer to notify the law enforcement agency as soon as possible; requiring that custody of any person temporarily detained be immediately transferred to the responding law enforcement officer; providing for an exception to the immediate transfer; providing that the responsibilities of the security officer are limited to specified locations; prohibiting a security officer from detaining a person longer than is reasonably necessary; authorizing the security officer to search the person detained under certain circumstances; defining the term "critical infrastructure facility"; providing identification requirements for certain licensed security officers; providing an effective date.

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

Section 1. Section 493.6120, Florida Statutes, is amended to read:

493.6120 Violations; penalty.—

(1)(a) Except as provided in paragraph (c), a person who engages in any activity for which this chapter requires a license and who does not hold the required license commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

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(b) A second or subsequent violation of paragraph (a) is a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084, and the department may seek the imposition of a civil penalty not to exceed $10,000.

(c) Paragraph (a) does not apply if the person engages in unlicensed activity within 90 days after the date of the expiration of his or her license.

(2)(a) A person who, while impersonating a security officer, private investigator, recovery agent, or other person required to have a license under this chapter, knowingly and intentionally forces another person to assist the impersonator in an activity within the scope of duty of a professional licensed under this chapter commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(b) A person who violates paragraph (a) during the course of committing a felony commits a felony of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(c) A person who violates paragraph (a) during the course of committing a felony that results in death or serious bodily injury to another human being commits a felony of the first degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(3)~~(1)~~ A ~~Any~~ person who violates any provision of this chapter, except s. 493.6405, subsection (1), or subsection (2), commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

(4)~~(2)~~ A ~~Any~~ person who is convicted of any violation of this chapter is ~~shall~~ not ~~be~~ eligible for licensure for a period

of 5 years.

(5)~~(3)~~ A ~~Any~~ person who violates or disregards any cease and desist order issued by the department commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083. In addition, the department may seek the imposition of a civil penalty not to exceed $5,000.

(6)~~(4)~~ A ~~Any~~ person who was an owner, officer, partner, or manager of a licensed agency at the time of any activity that is the basis for revocation of the agency or branch office license and who knew or should have known of the activity, shall have his or her personal licenses or approval suspended for 3 years and may not have any financial interest in or be employed in any capacity by a licensed agency during the period of suspension.

Section 2. Protecting critical infrastructure facilities.—

(1) A licensed security officer who possesses a valid Class "G" license, or a licensed security agency manager who possesses a valid Class "G" license, who is on duty, in uniform, providing security services on the premises of a critical infrastructure facility, and who has probable cause to believe that a person has committed or is committing a crime against the client, or the client's patron, of the licensed security officer or the licensed security agency manager, may temporarily detain the person for the purpose of ascertaining his or her identity and the circumstances of the activity that is the basis for the temporary detention. The security officer or security agency manager may detain the person in a reasonable manner until the responding law enforcement officer arrives at the premises of the client and is in the presence of the detainee.

(2) When temporarily detaining a person, the licensed

117 security officer or security agency manager shall notify the
118 appropriate law enforcement agency as soon as reasonably
119 possible. Temporary detention of a person by a licensed security
120 officer or security agency manager must be done solely for the
121 purpose of detaining the person before the arrival of a law
122 enforcement officer. Custody of any person being temporarily
123 detained shall be immediately transferred to the responding law
124 enforcement officer.
125 (3) A licensed security officer or security agency manager
126 may not detain a person under this section after the arrival of
127 a law enforcement officer unless the law enforcement officer
128 requests the security officer to continue detaining the person.
129 The responsibilities of the licensed security officer or
130 security agency manager do not extend beyond the place where the
131 person was first detained or in the immediate vicinity.
132 (4) A person may not be temporarily detained under this
133 section longer than is reasonably necessary to effect the
134 purposes of this section.
135 (5) If a licensed security officer or security agency
136 manager, while detaining a person under this section, observes
137 that the person temporarily detained is armed with a firearm, a
138 concealed weapon, or a destructive device that poses a threat to
139 the safety of the security officer or security agency manager,
140 or any person for whom the security officer or security agency
141 manager is responsible for providing protection, or if the
142 detainee admits to having a weapon in his or her possession, the
143 security officer or security agency manager may conduct a search
144 of the person and his or her belongings only to the extent
145 necessary for the purpose of disclosing the presence of a

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146 weapon. If the search reveals such a weapon, the weapon shall be
147 seized and transferred to the responding law enforcement
148 officer.
149 (6) As used in this section, the term "critical
150 infrastructure facility" means any one of the following, if it
151 employs measures such as fences, barriers, or guard posts that
152 are designed to exclude unauthorized persons and is determined
153 by a state or federal authority to be so vital to the state that
154 the incapacity or destruction of the facility would have a
155 debilitating impact on security, state economic stability, state
156 public health or safety, or any combination of those matters:
157 (a) A chemical manufacturing facility;
158 (b) A refinery;
159 (c) An electrical power plant as defined in s. 403.031,
160 Florida Statutes, including a substation, switching station,
161 electrical control center, or electric transmission or
162 distribution facility;
163 (d) A water intake structure, water treatment facility,
164 wastewater treatment plant, or pump station;
165 (e) A natural gas transmission compressor station;
166 (f) A liquid natural gas terminal or storage facility;
167 (g) A telecommunications central switching office;
168 (h) A deepwater port or railroad switching yard;
169 (i) A gas processing plant, including a plant used in the
170 processing, treatment, or fractionation of natural gas; or
171 (j) A public transportation facility as defined in s.
172 343.62, Florida Statutes.
173 (7) A Class "D" or Class "MB" licensee shall perform duties
174 regulated under this section in a uniform that bears at least

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175 one patch or emblem visible at all times clearly identifying the
176 employing agency.
177 Section 3. This act shall take effect July 1, 2012.

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

THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

SENATOR STEPHEN R. WISE
5th District

RECEIVED
SEP 28 2011
COMMERCE

COMMITTEES:
Education Pre-K - 12, *Chair*
Budget
Budget - Subcommittee on Education Pre-K - 12 Appropriations
Budget - Subcommittee on Higher Education Appropriations
Community Affairs
Governmental Oversight and Accountability
Rules
Transportation

JOINT COMMITTEES:
Legislative Auditing Committee
Legislative Budget Commission

Memorandum

To: Senator Nancy C. Detert
Chair, Senate Committee on Commerce and Tourism

Ms. Jennifer Hrdicka
Staff Director, Commerce and Tourism

From: Senator Stephen R. Wise

Subject: Legislative Assistant to Present Senate Bill 110/Spaceport Territory

Date: September 28, 2011

Please allow my legislative assistant, Steven Richardson, to present Senate Bill 110/Spaceport Territory to the Senate Committee on Commerce and Tourism. Due to a scheduling conflict I will be unable to attend the Committee meeting.

I am most grateful to Senator Detert for honoring my request.

REPLY TO:
❒ 1460 Cassat Avenue, Suite B, Jacksonville, Florida 32205 (904) 381-6000 FAX: (904) 381-6040
❒ 410 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5027

Senate's Website: *www.flsenate.gov*

MIKE HARIDOPOLOS
President of the Senate

MICHAEL S. "MIKE" BENNETT
President Pro Tempore

Tab 4

THE FLORIDA SENATE

COMMITTEE APPEARANCE RECORD

(Submit to Committee Chair or Administrative Assistant)

10/4/2011
Date

154
Bill Number

Barcode

Name Brian Pitts

Phone 727/897-9291

Address 1119 Newton Ave S
Street

St Petersburg FL 33705
City State Zip

E-mail

Job Title Trustee

Speaking: ☐ For ☑ Against ☐ Information

Appearing at request of Chair ☐

Subject

Representing Justice-2-Jesus

Lobbyist registered with Legislature: ☐ Yes ☑ No

Pursuant to s. 11.061, *Florida Statutes*, state, state university, or community college employees are required to file the first copy of this form with the Committee, unless appearance has been requested by the Chair as a witness or for informational purposes.

If designated employee: Time: from ____ ___ .m. to ____ ___ .m.

S-001 (04/14/10)

Tab 4

THE FLORIDA SENATE

COMMITTEE APPEARANCE RECORD

(Submit to Committee Chair or Administrative Assistant)

4 Oct. 2011
Date

Waived time

SB154
Bill Number

Barcode

Name Al Perotti, Jr.

Phone 813-228-1588

Address 702 N. Franklin St.
Street

Tampa, FL 33602
City State Zip

E-mail alperotti@tecoenergy.com

Job Title Director - Corp. Security

Speaking: ☒ For ☐ Against ☐ Information

Appearing at request of Chair ☐

Subject self

Representing

Lobbyist registered with Legislature: ☐ Yes ☒ No

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If designated employee: Time: from ____ ___ .m. to ____ ___ .m.

S-001 (04/14/10)

Tab 4

THE FLORIDA SENATE

COMMITTEE APPEARANCE RECORD

(Submit to Committee Chair or Administrative Assistant)

10/4/11 Date — Waived time

SB 154 Bill Number

Barcode

Name Patricia Schmitt

Phone 727-210-0246

Address 13777 Belcher Rd S. Street

E-mail PSchmitt@aegisflorida.com

Larso City — FL State — 33771 Zip

Job Title ~~President~~ Secretary/Treasurer

Speaking: [X] For [ ] Against [ ] Information

Appearing at request of Chair [ ]

Subject

Representing Florida Association of Security Companies (FASCO)

Lobbyist registered with Legislature: [ ] Yes [ ] No

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If designated employee: Time: from_____ ___ .m. to _____ ___ .m.

S-001 (04/14/10)

Tab 4

THE FLORIDA SENATE

COMMITTEE APPEARANCE RECORD

(Submit to Committee Chair or Administrative Assistant)

10/4/11 Date — Waived time

SB 154 Bill Number

Barcode

Name KC Poulin

Phone 727-461-9417

Address 13777 Belcher Rd South Street

E-mail KC@iscuardservices.org

Larso City — FL State — 33771 Zip

Job Title President

Speaking: [X] For [ ] Against [ ] Information

Appearing at request of Chair [ ]

Subject

Representing Florida Association of Security Companies (FASCO)

Lobbyist registered with Legislature: [ ] Yes [ ] No

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If designated employee: Time: from_____ ___ .m. to _____ ___ .m.

S-001 (04/14/10)

Tab 4

THE FLORIDA SENATE

COMMITTEE APPEARANCE RECORD

(Submit to Committee Chair or Administrative Assistant)

10/3/11 Waived time 154

Date Bill Number

Name Chris Carmody Phone 407-843-8880

Address 301 E. Pine St., Suite 1400 E-mail ccarmody@gray-robinson.com

Street

Orlando FL 32801 Job Title Attorney

City State Zip

Speaking: [X] For [ ] Against [ ] Information Appearing at request of Chair [ ]

Subject Critical Infrastructure

Representing LYNX

Lobbyist registered with Legislature: [X] Yes [ ] No

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If designated employee: Time: from_____ ___ .m. to _____ ___ .m.

S-001 (08/2005)

Tab 4

THE FLORIDA SENATE

COMMITTEE APPEARANCE RECORD

(Submit to Committee Chair or Administrative Assistant)

October 4, 2011 Waived time 154

Date Bill Number

Barcode

Name Jay Marsh Phone 407-254-6064

Address 455 North Garland Ave E-mail

Street

Orl Fl. 32801 Job Title Govt. Affairs

City State Zip

Speaking: [X] For [ ] Against [ ] Information Appearing at request of Chair [ ]

Subject Critical Infrastructure

Representing LYNX - Central Fla Transportation Authority

Lobbyist registered with Legislature: [X] Yes [ ] No

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If designated employee: Time: from_____ ___ .m. to _____ ___ .m.

S-001 (04/14/10)

Please call me last if there is any need for rebuttal only; otherwise I waive.

Tab 4

THE FLORIDA SENATE

COMMITTEE APPEARANCE RECORD

(Submit to Committee Chair or Administrative Assistant)

10-4-2011
Date

Waived time

SB 154
Bill Number

Barcode

Name Lori Weems

Phone 305-582-8635

Address 112 E. Jefferson St. 2nd Flr.
Street

Tallahassee, FL 32301
City State Zip

E-mail loriweems@me.com

Job Title Attorney

Speaking: [X] For [ ] Against [ ] Information

Appearing at request of Chair [ ]

Subject HB. Security Guard + Critical Infrastructure

Representing Florida Ass'n of Licensed Security Officers

Lobbyist registered with Legislature: [X] Yes [ ] No

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If designated employee: Time: from _____ ___ .m. to _____ ___ .m.

S-001 (04/14/10)

Office of Energy

Senate Committee on Commerce and Tourism

October 4, 2011

FLORIDA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

COMMISSIONER ADAM H. PUTNAM

Office of Energy Transfer

- SB 2156 transferred Office of Energy (OOE) from the Executive Office of the Governor to the Department of Agriculture and Consumer Services on July 1, 2011.

- Florida Energy and Climate Commission was dissolved in the same bill on June 30, 2011.

Functions & Responsibilities

- Coordinate Federal & State energy programs & Administer Grants

- Produce Annual Energy Report
  - Baseline assessment of Florida's energy resources
  - Improvements for Energy Efficiency & Conservation
  - State Agency implementation of State Energy Policy

- Provide Analysis and Prepare Recommendations
  - Proposed Federal energy programs
  - Long range energy supply and demand scenarios (economic growth, renewables development, alternative strategies - 5-10-20 years)

Responsibilities (Cont.)

- Promote and advocate for the development and use of renewable energy resources and energy efficiency technologies
  - Enhance Florida's position as leader in solar energy use, R&D
- Promote energy efficiency and conservation measures in all energy use sectors
- Serve as State clearing house for all energy information (academia, public and private sectors)
- Provide assistance to other state agencies, counties, municipalities, and regional planning agencies to further and promote their energy planning activities

OOE Structure & Opportunities for Change

- Staffing - Current make up of 15 FTEs & 8 OPS

  - Current alignment heavily skewed towards grant/rebate admin. (75%)

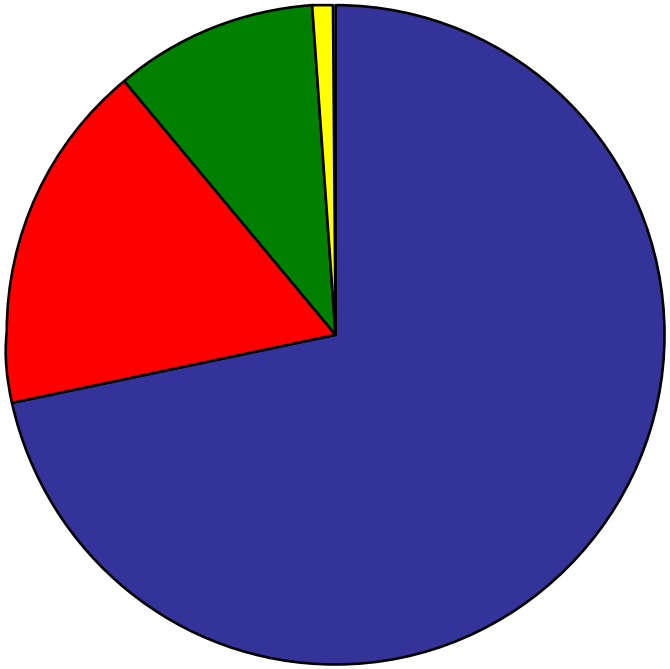
  - Adapting for the Future (emphasis on policy analysis, measuring success & lessons learned recommendations)

- Funding - Exclusively Grants - No General Revenue
  - Total Admin costs for OOE = $2,101,583
  - Admin & Overhead costs = 4.2% of Grants

- DACS Inspector General Review
  - DACS IG has reviewed previous State & DOE audits
  - Comprehensive audit of programs

- DACS Transition
  - Stability & Predictability – Ability and Support to Plan & Evolve
  - Support Resource Availability – HR, Finance, Legal, IT

2009-2012 Federal American Recovery and Reinvestment Act (ARRA)



- State Energy Program - $126,089,000
- Energy Efficiency & Conservation Block Grant - $30,401,600
- Energy Efficient Appliance Rebate - $17,585,466
- Energy Assurance Grant - $1,881,676

TOTAL FUNDING……$175,957,276

Overview of ARRA State Energy Program

- Florida Clean Energy Grants
- Solar for Schools & Storm Shelters
- Shovel Ready Grants
- Compressed Natural Gas (CNG) Fleet Fueling Grants
- E85/B20 Fueling Retrofit Grants
- Florida Energy Opportunity Fund
- Energy STAR Residential Heating, Ventilation & Air Conditioning (HVAC) Retrofit Rebates (program completed)
- Solar Rebate Program

Solar Rebates

- Where we are now?
- When will the checks go out?
- Ensuring quality customer service
- There are approximately **10,900** total approved applications
- There is approximately **$25 million** available to pay out the unfunded applications
- Accomplishments

Solar Rebate Timeline

2006– Legislature passes SB 888 which creates the solar rebate program and appropriates $2.5 million to the solar rebate program (expended in 11 months)

July 2007 – State Legislature appropriates $3.5 million to the solar rebate program (expended in 7 months)

July 2008 – State Legislature appropriates $5 million to the solar rebate program (expended in 11 months)

September 2009 approval of $14.4 million in SEP – ARRA funds to the solar rebate program to pay backlogs up to June 2009

June 2010 – solar rebate programs expires in statute with $45 million in unfunded applications

November 2010 – Florida Legislature passes HB 15A which appropriated more money to the HVAC and Solar Rebate programs

April 2011 – Pay out of the HVAC rebate program complete; leaving approximately $25 million to pay out the unfunded solar rebates

September 2011 - Finalizing check payment with the Department of Financial Services

Overview of ARRA Grant Categories Continued

ARRA – EECBG

- Competitive Grants to Local Governments
- Energy Code – Compliance, Training and Education
- Electric Car Conversion Rebates
- Clean Tech Economic Development Strategy
- Sunshine State Buildings

ARRA – Additional Grants

- Energy STAR Appliance Rebates (program completed)
- Energy Assurance Grants
  - Subgrant to the Division of Emergency Management
  - Subgrant to the Florida Department of Law Enforcement

Overview of State Grant Categories

- Florida's Renewable Energy and Energy-Efficient Technologies (REET) Grants:
  - Currently administering 12 state funded R&D grants to public and private entities
  - Awarded over $23 million since 2006
- Farm to Fuel Grants:
  - Awarded $25 million for 4 commercial scale and 8 R&D projects
  - 5 projects completed, 6 progressing on time, 1 negotiating an extension

What's Ahead

- Payout of the Solar Rebate Program;
- Continue to administer and monitor our ARRA funded programs to ensure successful on time completion;
- Provide an Annual Energy Report to the Governor and legislature this year; and
- Work with the legislature and Governor's office to collectively advance Florida's energy policy.
- ***Florida Energy Summit – October 26-28, 2011***

Florida Energy Summit

October 26-28, 2011

Rosen Shingle Creek

Orlando, Florida

www.floridaenergysummit.com

energy@freshfromflorida.com

Contact Information:

Patrick Sheehan

850.487.3800
Patrick.Sheehan@FreshFromFlorida.com

Office of Energy
FLORIDA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES
COMMISSIONER ADAM H. PUTNAM

Tab 5

THE FLORIDA SENATE

COMMITTEE APPEARANCE RECORD

(Submit to Committee Chair or Administrative Assistant)

Date: _____

Bill Number: N/A

Barcode: _____

Name: Patrick Sheehan

Phone: 487-3800

Address: 600 S. Calhoun St., Suite 251
Street

Tallahassee, FL 32399-0001
City State Zip

E-mail: patrick.sheehan@freshfromflorida.com

Job Title: Executive Director

Speaking: ☐ For ☐ Against ☑ Information

Appearing at request of Chair ☑

Subject: Office of Energy

Representing: DACS

Lobbyist registered with Legislature: ☐ Yes ☑ No

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If designated employee: Time: from _____ ___ .m. to _____ ___ .m.

S-001 (04/14/10)

Manufacturing and Trade for Florida

Presented to

Florida Senate Commerce and Tourism Committee

by the

Manufacturers Association of Florida (MAF)

October 4, 2011

Manufacturers Association of Florida

Objectives

- Describe the Florida manufacturing industry and show why it is important to Florida's economic health
- Illustrate how the nation's and Florida's manufacturing industry compares nationally and globally
- Make recommendations for growing the Florida manufacturing sector
- Share what MAF is doing to promote exporting
- Outline impediments to exporting

Florida Manufacturing in Context

- **Florida's Economy: $747.7 billion in 2010**
- 4th largest state economy (behind CA, TX, NY)
- Similar in size to the country of Turkey ($730 billion)
- Larger than economies of Poland, Indonesia, Belgium, and Switzerland

- **Florida's Manufacturing Economy: $38.4 billion in 2010**
- 15th Largest Manufacturing State in the United States
- Similar to the size of manufacturing output of Norway and Singapore

Setting the Stage

- Florida has 17, 746 manufacturers and 306,600 manufacturing employees and currently represents just 4.2% of Florida employment
- The average annual wage for Florida manufacturing employees is $51,847 while the average annual wage for all Florida employees is $41,570
- Multiplier Effect: For each dollar of manufactured goods produced another $1.43 in value is created in other industry sectors, the highest of all business sectors in Florida
- The bulk of capital investment in Florida is by manufacturers who contribute nearly 25% of local tangible personal property taxes in addition to over 5% of real estate taxes
- The majority of research and development dollars are spent by manufacturers who employ a high percentage of graduates from the state university system
- Manufactured goods account for 60% of the nation's exports, but they account for more than 90% of Florida exports
- Florida is the 15th largest manufacturing state in the nation, but 3rd in "Manufacturing Export Intensity" defined as the percentage of a state's manufacturing production which is exported abroad

What Does an Average Florida Manufacturer Look Like?

- Modern rectangle building with no smokestacks
- An LLC, partnership, Subchapter S or sole proprietor
- Small business
- Highly productive with minimum number of employees
- Employees highly paid
- Capital intensive
- Large energy consumer
- Energy efficient and environmentally conscious
- Serves international customers
- Turning business away for lack of qualified, skilled, certified employees with workplace social skills who can pass a drug test

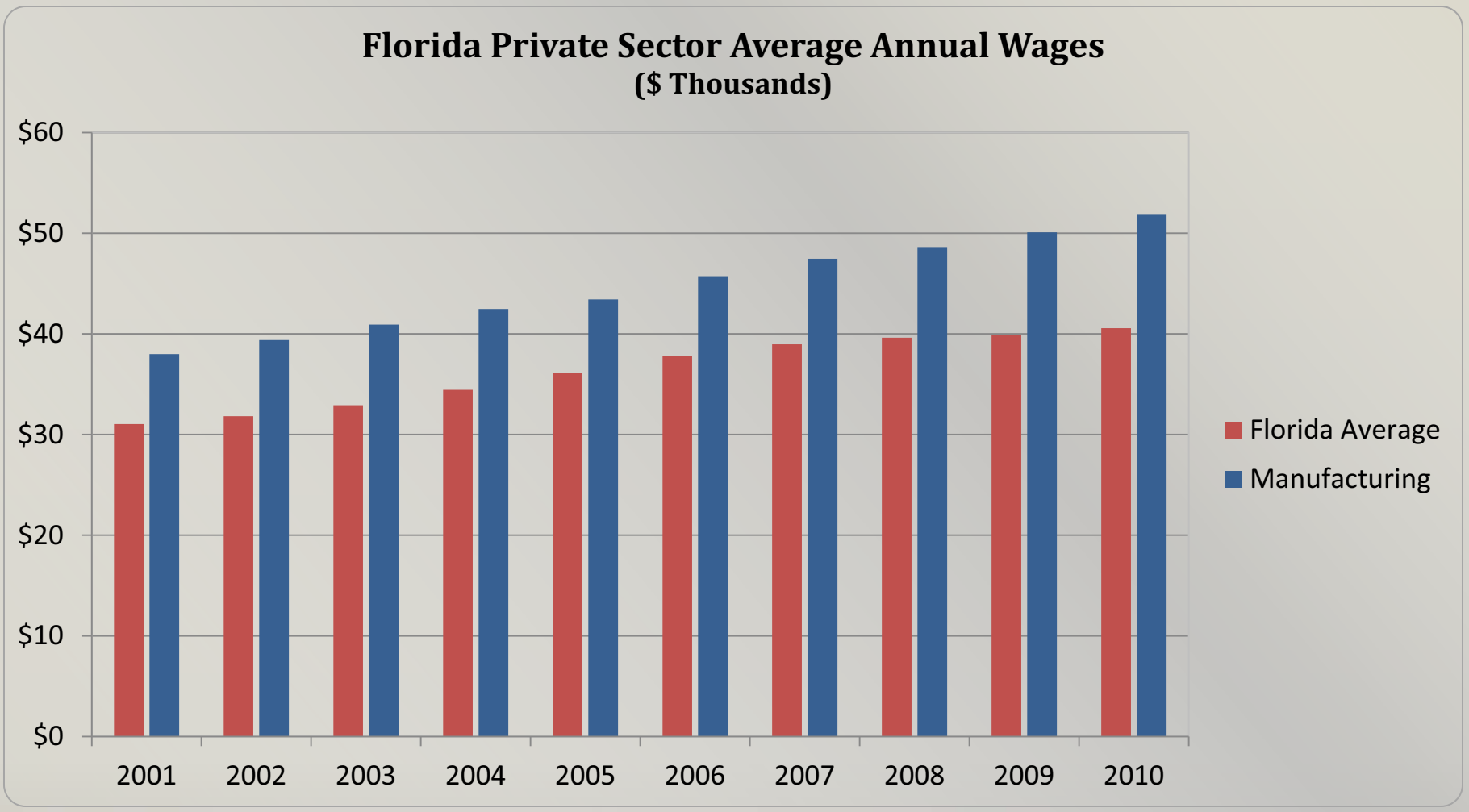
Top 10 Florida Manufacturing Sectors

(in Millions of Dollars, in 2009)

Florida Manufacturing Employment Not Seasonally Adjusted August 2011

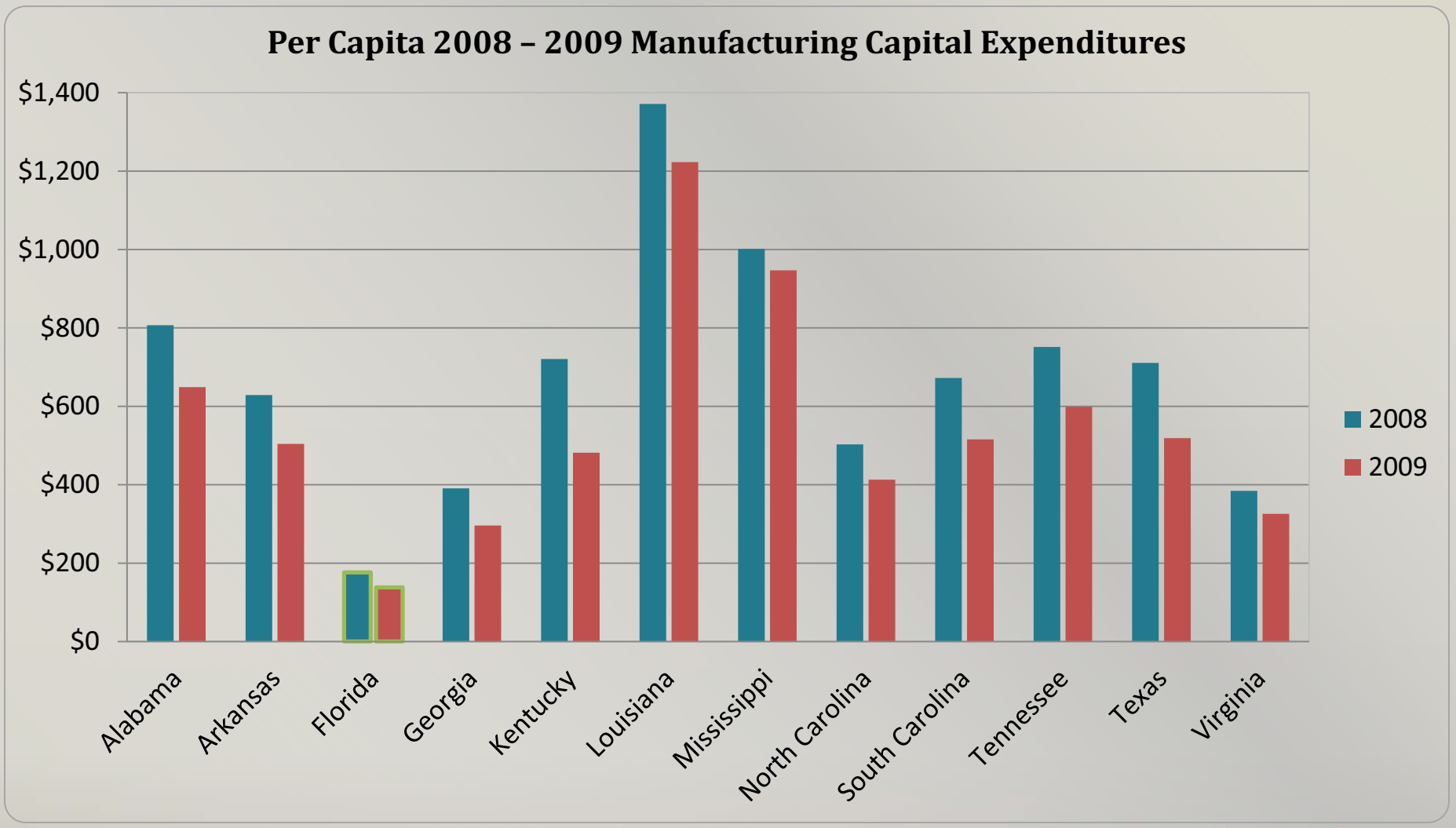
- **For August 2011, the largest sectors within manufacturing with the greatest number of jobs were:**
  - Computer and electronic product manufacturing (42,500 jobs) decreased by 300 jobs over the year (-0.7 percent).
  - Transportation equipment manufacturing (33,000 jobs) declined by 500 jobs over the year (-1.5 percent).
  - Fabricated metal product manufacturing (30,000 jobs) gained 1,100 jobs over the year (+3.8 percent).

Source: U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics Program, released September 16, 2011.
Prepared by: Florida Agency for Workforce Innovation, Labor Market Statistics Center.



Source: Bureau of Labor Statistics, Quarterly Survey of Employment & Wages

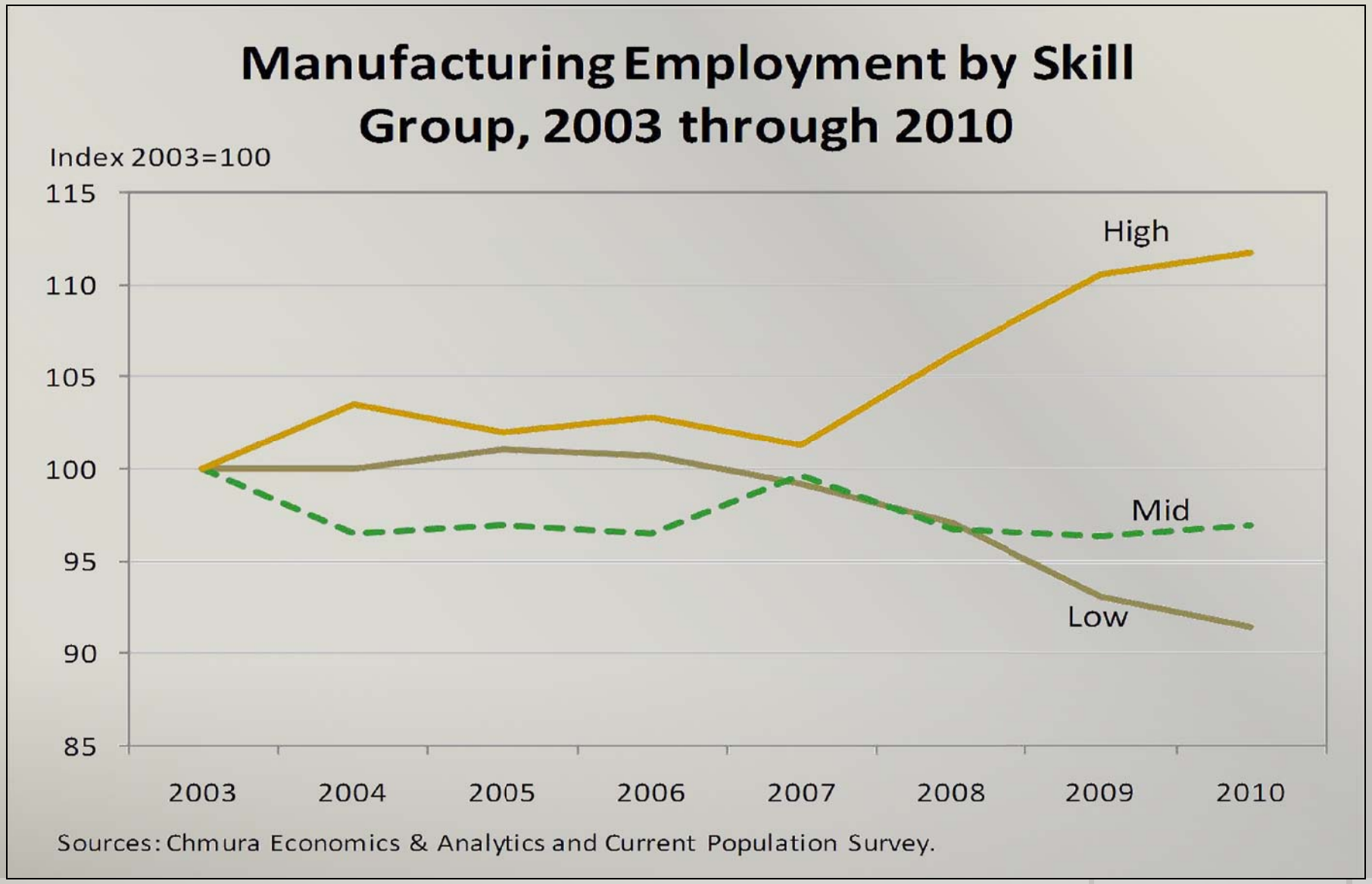
Florida TaxWatch



Source: U.S. Census Annual Survey of Manufacturers

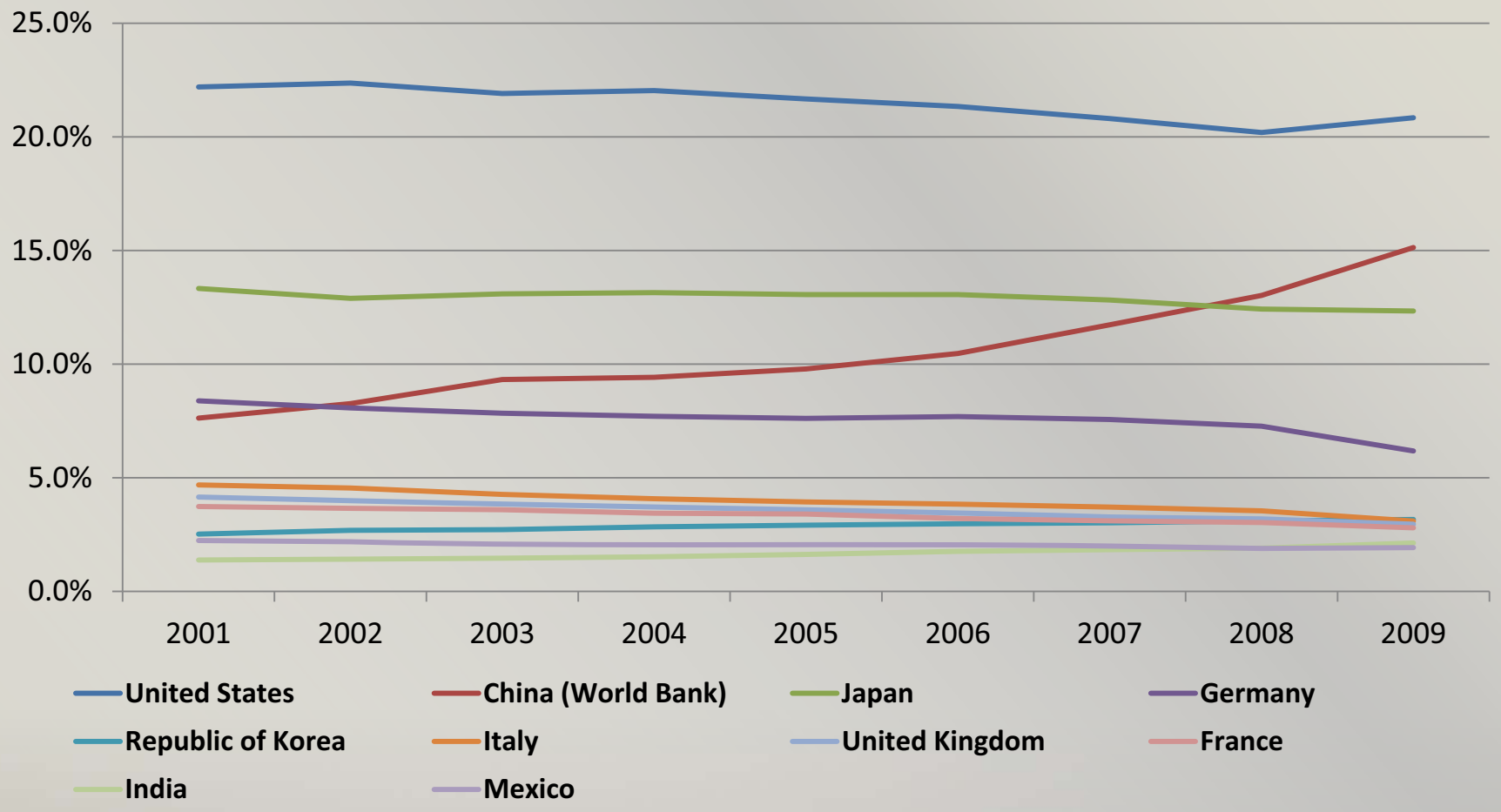
Florida TaxWatch

Manufacturing Jobs Require Higher Skills



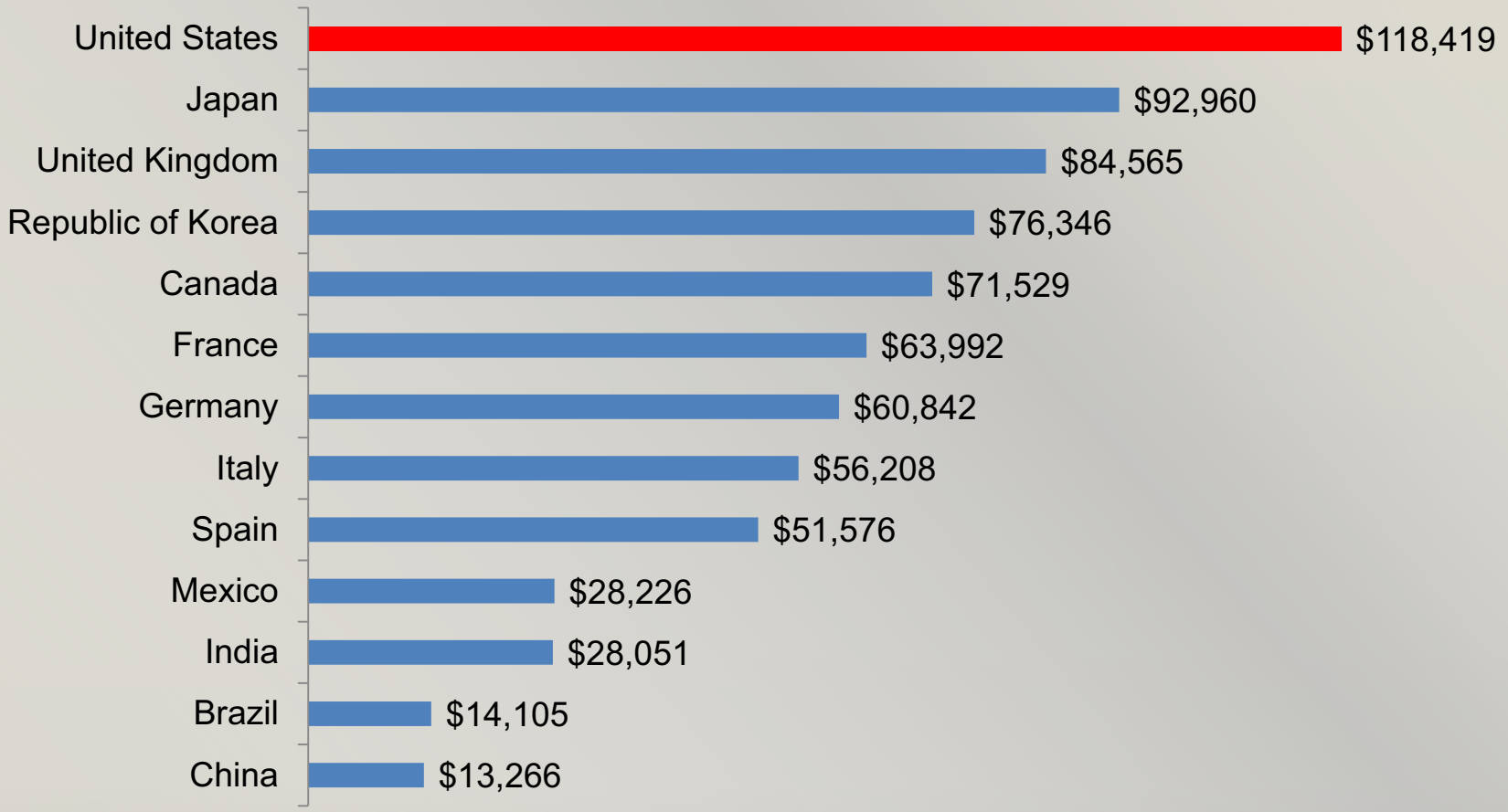
Global Manufacturing Output

U.S. Still Dominates Manufacturing Worldwide, with China Close Behind



Source: *United Nations Statistics Division, with China data from the World Bank.*

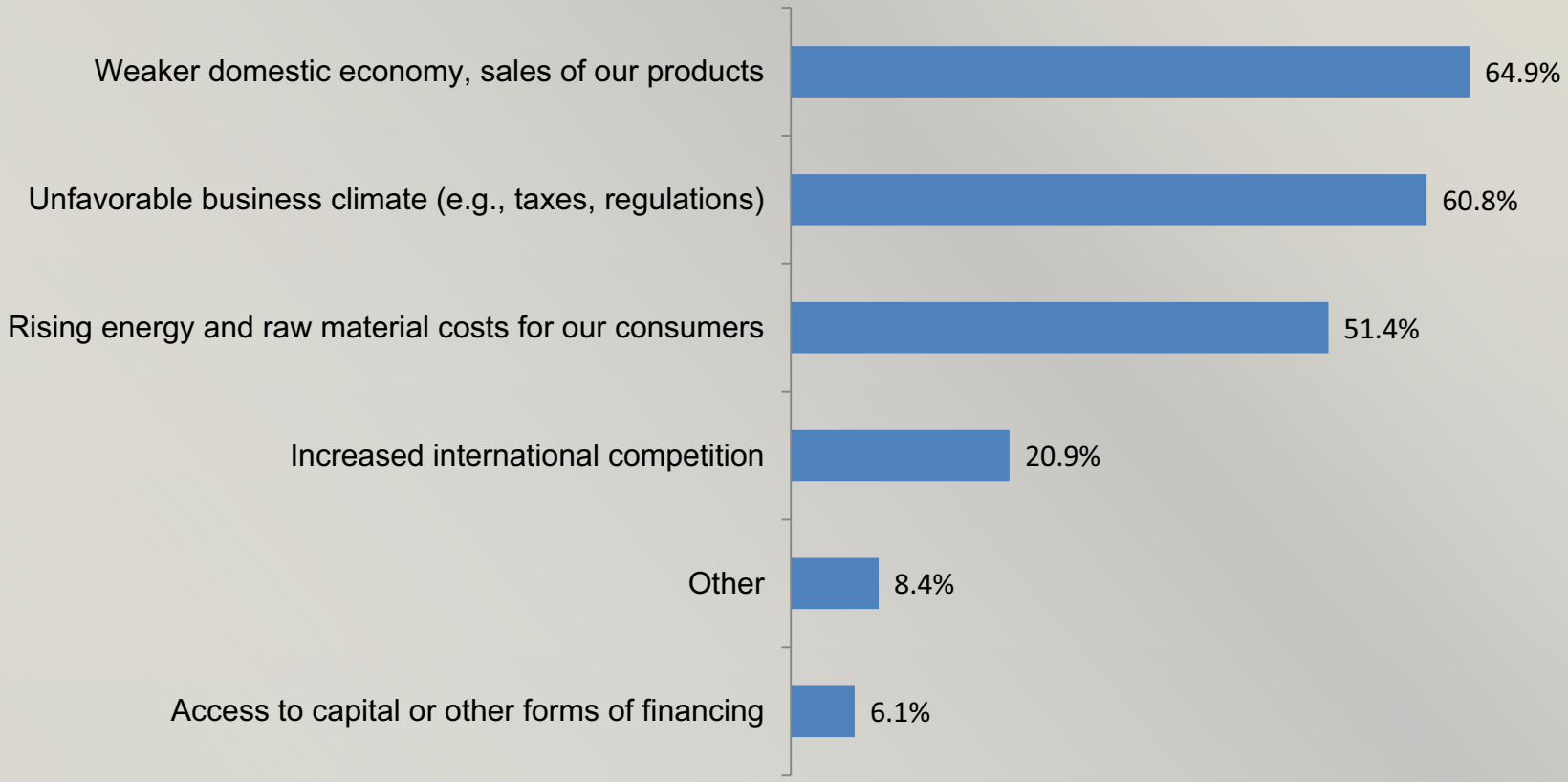
Manufacturing Value-Added Per Worker



Source: *United Nations, Bureau of Labor Statistics, International Labor Organization*

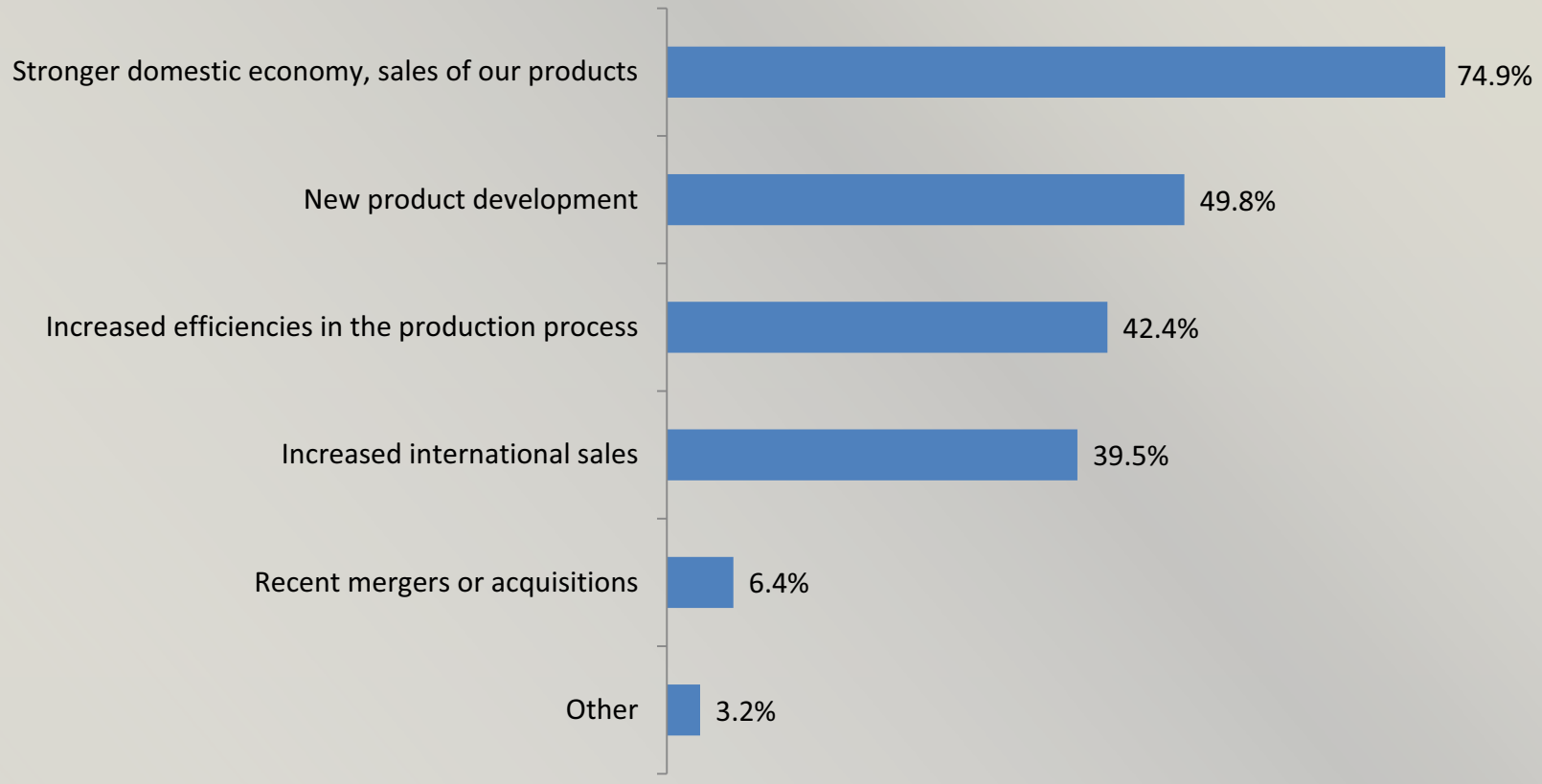
Primary Current Business Challenges

Third Quarter 2011



Source: *NAM/Industry Week Survey of Manufacturers*
Note: *Respondents were able to check all that apply. Therefore, responses exceed 100 percent.*

Primary Drivers of Future Growth,
Third Quarter 2011



Source: *NAM/Industry Week Survey of Manufacturers*
Note: *Respondents were able to check all that apply. Therefore, responses exceed 100 percent.*

Growing the Florida Manufacturing Sector

- Designate a manufacturing advocate within the Department of Economic Opportunity to promote manufacturing, enhance trade assistance, connect businesses to financial resources, and facilitate permitting
- Revise state incentive programs to work for manufacturers
  - Recognize the value of capital investment by incentivizing it for small and medium manufacturers
  - Reduce the emphasis on numbers of employees in manufacturing incentive programs
  - Apply state incentive programs to all types of business models
- Permanently repeal the 10% productivity requirement in order to qualify for a sales tax exemption on machinery and equipment for all manufacturing businesses
- Continue to invest in workforce training programs (Incumbent worker training and quick response training)

Growing the Florida Manufacturing Sector

- Expand and improve talent development programs in K-12, technical centers, colleges and workforce training to align with industry needs and industry certifications
- Continue to enhance port capabilities and expand Enterprise Florida's international presence
- Institute an energy policy that is inclusive of all energy sources in a way that reduces energy costs and incentivizes manufacturing investment
- Continue to enhance the research and development tax incentives
- Reject onerous and costly federal regulatory programs
- Offer "painless" permitting and approvals for business start-ups and expansions

How MAF Promotes Exporting

- Work with Enterprise Florida to communicate trade missions, seminars, teleconferences, expos and opportunities
- Organize educational panels with Enterprise Florida and the ports at the annual Manufacturers Summit (This year: November 30-December 1, 2011 in Orlando)
- Hold an international marketplace in conjunction with the annual Manufacturers Summit
- Facilitated a pilot project at a university for students to help identify markets for a specific company
- Connect manufacturers with export resources
- Support Florida Chamber International Days and serve on the International Committee
- Participate in selected trade missions to promote Florida manufactured products
- Regional manufacturing associations hold educational events for members

Enhancing Trade and Foreign Direct Investment

- Reaching small and medium sized manufacturers with “how to” information, mentoring, guidance, introductions
- Overcoming the “fear” factor
- Trustworthy relationships with buyers and agents in other countries
- Florida liaison staff in more countries with high export potential for Florida
- Reliable financing and payment arrangements
- Identification of the best markets for a product
- Courting foreign companies that would like to establish operations in Florida
- Free trade agreements (federal)

In Conclusion

With your support, the Florida manufacturing sector has the potential to grow in the future, increasing exports, providing well-paying jobs for educated and appropriately trained Floridians, and adding value to other Florida industries.

CONTACT

Nancy Stephens, Executive Director

Manufacturers Association of Florida

1625 Summit Lake Drive, Suite 300

Tallahassee, FL 32317

(850) 402-2954; cell (850) 445-1607

Email nancy@mafmfg.com; website www.mafmfg.com

Manufacturers Association of Florida

Tab 6

THE FLORIDA SENATE

COMMITTEE APPEARANCE RECORD

(Submit to Committee Chair or Administrative Assistant)

MANUFACTURING PRESENTATION

10/4/11
Date

Bill Number

Name NANCY STEPHENS

Phone 850 445 1607

Address 1625 SUMMIT LAKE DR
Street

E-mail nancy@mafmfg.com

TALLAHASSEE FL 32317
City State Zip

Job Title EXECUTIVE DIRECTOR

Speaking: ☐ For ☐ Against ☐ Information

Appearing at request of Chair ☒

Subject MANUFACTURING & TRADE

Representing MANUFACTURERS ASSOCIATION OF FLORIDA

Lobbyist registered with Legislature: ☒ Yes ☐ No

Pursuant to s. 11.061, *Florida Statutes*, state, state university, or community college employees are required to file the first copy of this form with the Committee, unless appearance has been requested by the Chair as a witness or for informational purposes.

If designated employee: Time: from_____ ___ .m. to _____ ___ .m.

S-001 (08/2005)

CourtSmart Tag Report

Room: SB 401 **Case:** **Type:**
Caption: Commerce and Tourism Committee **Judge:**

Started: 10/4/2011 2:03:48 PM
Ends: 10/4/2011 3:59:30 PM **Length: 01:55:43**

2:04:37 PM	Tab 1 - Doug Darling, Department of Economic Opportunity
2:19:20 PM	Michelle Dennard, Department of Economic Opportunity
2:40:00 PM	Cynthia Lorenzo, Department of Economic Opportunity
2:49:35 PM	Brian Pitts, Justice - 2- Jesus
2:51:59 PM	Tab 3 - SB 110 Steven Richardson for Senator Wise
2:53:56 PM	Brian Pitts
2:57:44 PM	Chris Snow, Space Florida
3:05:10 PM	Tab 4 - SB 154 Tracy Caddell for Senator Latvala
3:07:35 PM	Brian Pitts
3:11:04 PM	Tab 6 - Nancy Stephens, Manufacturers Association of Florida
3:32:02 PM	Tab 2 - Michelle Dennard, Department of Economic Opportunity
3:38:49 PM	Tab 6 - Patrick Sheehan, Department of Agriculture and Consumer Services

THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES:
Judiciary, Chair
Budget
Budget - Subcommittee on Education Pre-K - 12
Appropriations
Commerce and Tourism
Communications, Energy, and Public Utilities
Governmental Oversight and Accountability
Reapportionment
Rules

SENATOR ANITERE FLORES
Majority Whip
38th District

Approved 9/9/11

Mike H

September 7, 2011

The Honorable Mike Haridopolos
President of the Florida Senate
409 The Capitol
404 South Monroe Street
Tallahassee, FL 32399-1100

Dear President Haridopolos:

In the light of the October due date for the birth of my child, I will be unable to travel to Tallahassee for the September, October, and November interim committee meetings. Under Senate policy, I am writing to you in my capacity as chair of the Committee on Judiciary to request approval for excused absences from these meetings. I will work with Senator Joyner, the committee Vice Chair, and with Eric Maclure, the committee staff director, to plan the agendas for the meetings.

In addition, I have written to the respective chairs of the committees on which I serve to request excused absences from them. Because I need to miss multiple committee meetings, I wanted to apprise you as well. In this manner, I hope that this letter will serve as a global request to the Senate for an excused absence during this period.

Thank you for your consideration and your understanding. I look forward to working with you leading up to and during the 2012 Regular Session.

Sincerely,

Anitere Flores

CC: The Honorable Arthenia Joyner, Vice Chair, Committee on Judiciary
Ms. Debbie Brown, Interim Secretary
Mr. Craig Meyer, Chief of Staff

REPLY TO:
☐ 10691 North Kendall Drive, Suite 369, Miami, Florida 33176 (305) 270-6550
☐ 316 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5138

Senate ~ Website ~ www.flsenate.gov

MIKE HARIDOPOLOS
President of the Senate

MICHAEL S. "MIKE" BENNETT
President Pro Tempore

THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES:
Governmental Oversight and Accountability, *Chair*
Budget - Subcommittee on Education Pre-K - 12
Appropriations
Commerce and Tourism
Community Affairs
Health Regulation

SENATOR JEREMY RING
32nd District

September 27, 2011

President Mike Haridopolos
409 The Capitol
404 S. Monroe Street
Tallahassee, FL 32399-1100

Dear President Haridopolos,

I am requesting to be excused from all legislative business scheduled for the week of October 3rd for personal reasons that will keep me in Fort Lauderdale for the week.

Thank you in advance for considering this request to be excused from legislative business for the week of October 3rd. Please do not hestiate to contact me if you have any questions.

Sincerely,

Jeremy Ring

Jeremy Ring
Senator District 32

approved 9/27/11 (AW)

REPLY TO:
☐ 5790 Margate Boulevard, Margate, Florida 33063 (954) 917-1392
☐ 210 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5094

Senate's Website: *www.flsenate.gov*

MIKE HARIDOPOLOS
President of the Senate

MICHAEL S. "MIKE" BENNETT
President Pro Tempore