

SB 264 by **Bradley (CO-INTRODUCERS) Brandes;** (Identical to H 0421) Traffic Enforcement Agencies and Traffic Citations

CS/SB 292 by **MS, Garcia (CO-INTRODUCERS) Sachs;** (Similar to H 0797) Small Business Financial Assistance

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SB 302 by **Simpson;** (Identical to H 0311) Community Contribution Tax Credit Program

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COMMITTEE MEETING EXPANDED AGENDA**APPROPRIATIONS SUBCOMMITTEE ON
TRANSPORTATION, TOURISM, AND ECONOMIC
DEVELOPMENT****Senator Latvala, Chair
Senator Clemens, Vice Chair****MEETING DATE:** Wednesday, February 18, 2015**TIME:** 10:00 a.m.—12:00 noon**PLACE:** 301 Senate Office Building**MEMBERS:** Senator Latvala, Chair; Senator Clemens, Vice Chair; Senators Brandes, Detert, Diaz de la Portilla, Gibson, Hukill, Sachs, and Thompson

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	SB 264 Bradley (Identical H 421)	Traffic Enforcement Agencies and Traffic Citations; Designating counties and municipalities as traffic enforcement agencies for purposes of the section and prohibiting them from establishing traffic citation quotas; requiring a county or municipality to submit a report of its traffic citation revenue and its expenses for operating a law enforcement agency during a fiscal year to the Legislative Auditing Committee under certain circumstances, etc. TR 02/05/2015 Favorable ATD 02/18/2015 Favorable FP	Favorable Yeas 9 Nays 0
2	CS/SB 292 Military and Veterans Affairs, Space, and Domestic Security / Garcia (Similar H 797)	Small Business Financial Assistance; Creating the Veterans Employment Small Business Grant Program within the Department of Veterans' Affairs; specifying grant amounts; providing that a small business may not receive an additional award for rehiring a veteran previously claimed as an employee for purposes of obtaining funds under the program; requiring the corporation to notify the appropriate regional small business center of a small business's participation, etc. MS 02/03/2015 Fav/CS ATD 02/18/2015 Temporarily Postponed AP	Temporarily Postponed
3	SB 302 Simpson (Identical H 311)	Community Contribution Tax Credit Program; Extending the expiration date applicable to the granting of the community contribution tax credit against the sales and use tax, corporate income tax, and insurance premium tax for contributions and donations to eligible sponsors of revitalization and housing projects approved by the Department of Economic Opportunity, etc. CA 02/03/2015 Favorable ATD 02/18/2015 Fav/CS AP	Fav/CS Yeas 9 Nays 0

COMMITTEE MEETING EXPANDED AGENDA

Appropriations Subcommittee on Transportation, Tourism, and Economic Development
Wednesday, February 18, 2015, 10:00 a.m.—12:00 noon

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
		Agency Overviews and Updates on Economic Development Programs	Presented
	Other Related Meeting Documents		

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 Appropriations Subcommittee on Transportation, Tourism, and Economic Development

BILL: SB 264

INTRODUCER: Senators Bradley and Brandes

SUBJECT: Traffic Enforcement Agencies and Traffic Citations

DATE: February 12, 2015 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Jones	Eichin	TR	Favorable
2.	Gusky	Miller	ATD	Favorable
3.			FP	

I. Summary:

SB 264 prohibits a traffic enforcement agency from establishing a traffic citation quota, and creates a reporting requirement for counties and municipalities under certain circumstances.

II. Present Situation:

In current law, an agency of the state is prohibited from establishing a traffic citation quota.¹ These state agencies are listed as²:

- Florida Highway Patrol;
- Fish and Wildlife Conservation Commission’s Division of Law Enforcement;
- Agents, inspectors, and officers of the Department of Law Enforcement;
- University police officers;
- Florida College System police officers;
- School safety officers;
- Police officers and parking enforcement specialists employed by an airport authority; and
- The Office of Agricultural Law Enforcement.

The Department of Transportation, county sheriff’s offices, and police departments of chartered municipalities are defined as traffic enforcement agencies of the state³, but are not *explicitly* prohibited in statute from establishing traffic citation quotas.

¹ Section 316.640(1)(a)2., F.S.

² Section 316.640(1), F.S.

³ Section 316.640(8), F.S.

Traffic Citation Quotas

The term “Traffic Citation Quota” is not defined in statute. However, it is commonly defined as any establishment of a predetermined or specified number of traffic citations a traffic enforcement officer must issue in a specified time. The prohibition of a traffic citation quota can also include the prohibition of any evaluation, promotion, compensation, or discipline based on a specific number of citations issued.⁴

In some instances, quotas have been used as a way to measure an officer’s performance. However, according to correspondence with The Florida’s Police Chiefs Association⁵, issuing traffic citations is only part of a traffic enforcement officer’s enumerated duties, and performance is more effectively measured by shifting an officer’s focus to “stopping the errant driving behavior” versus a focus on issuing traffic citations. An officer’s performance evaluation, when assessing matters dealing with traffic safety, also includes⁶:

- Providing for the safe and convenient flow of traffic and pedestrians;
- Investigating traffic crashes;
- Providing first aid;
- Conducting DUI investigations;
- Promoting vehicular and pedestrian safety; and
- Reporting unsafe road conditions.

City of Waldo Police Department

In 2012, the National Motorists Association reported that the City of Waldo was voted as one of the worst speed traps in the nation.⁷ Additionally, this past year, multiple Waldo police officers disclosed they were required to meet traffic citation quotas. It was reported that the revenue from the traffic citations accounted for over one-third of the city’s entire revenue, with the police department’s budget financed over 50 percent from traffic citation revenue.⁸ The city has since disbanded its police force.

III. Effect of Proposed Changes:

Section 1 prohibits a traffic enforcement agency from establishing traffic citation quotas. It clarifies that any agency or governmental entity vested with the powers to enforce traffic laws under the state, county, or municipality is a traffic enforcement agency.

Section 2 requires a county or municipality to submit a report to the Legislative Auditing Committee if the total revenue from traffic citations exceeds 50 percent of the expense to operate

⁴ See La. R.S. 40:2401.1., TENN. CODE ANN. s. 39-16-516., and TEX. TRANSP. CODE ANN. s. 720.002.

⁵ Email from Chief Railey to Amy Mercer, Executive Director, The Florida Police Chiefs Association (Jan. 29, 2015) (on file with the Senate Transportation Committee)

⁶ *Id.*

⁷ National Motorists Association, *Nationwide Poll Reveals Top U.S. and Canadian Speed Traps* (Aug. 2012), <http://www.motorists.org/other/August%202012%20News%20Release--FINAL.pdf> (last visited Jan. 30, 2015)

⁸ CBS News, *Florida Town Infamous for Speed Traps Disbanding Police Force* (Oct. 2014), <http://www.cbsnews.com/news/florida-town-infamous-for-speed-traps-disbanding-police-force/> (last visited Jan. 30, 2015)

the county's or municipality's law enforcement agency in the same fiscal year. If required, the report must be submitted within six months after the end of the fiscal year and must detail:

- The total revenue from traffic citations of the city or municipality; and
- The total expenses for law enforcement of the city or municipality.

Section 3 provides that the bill takes effect July 1, 2015.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill may have an indeterminate, but minimal, fiscal impact on a county or municipality required to submit a report.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 316.640 and 316.660.

IX. Additional Information:

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

None.

- B. **Amendments:**

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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 Appropriations Subcommittee on Transportation, Tourism, and Economic Development

BILL: CS/SB 292

INTRODUCER: Military and Veterans Affairs, Space, and Domestic Security Committee and Senator Garcia and others

SUBJECT: Small Business Financial Assistance

DATE: February 12, 2015 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Sanders/Ryon</u>	<u>Ryon</u>	<u>MS</u>	<u>Fav/CS</u>
2.	<u>Gusky</u>	<u>Miller</u>	<u>ATD</u>	<u>Pre-meeting</u>
3.	_____	_____	<u>AP</u>	_____

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 292 creates the Veterans Employment Small Business Grant Program to encourage small businesses in Florida to hire veterans. The program is created within the Department of Veterans' Affairs (FDVA) and is to be administered by Florida Is For Veterans, Inc. (FIFV). Under the program, a small business in Florida that hires a veteran as an employee may receive a one-time grant of \$3,000 for each veteran hired, or \$5,000 for each disabled veteran hired by the small business. These awards may not exceed \$25,000 per fiscal year.

To qualify for a grant under the program, a small business must agree to:

- Employ a qualifying veteran for at least 6 months;
- Provide a report with information on the employment status of each qualifying veteran upon the request of the FIFV;
- Pay each qualifying veteran an amount equal to at least 80 percent of the annual median income for veterans in Florida based on the most recent federal census or the most recent American Community Survey 5-year estimated published by the U.S. Census Bureau;
- Reinvest any awarded grant moneys in the small business to facilitate further job creation; and
- Not receive an additional award for hiring a veteran previously claimed as an employee within the same small business for purposes of obtaining funds under the program.

A small business may be eligible for an additional one-time grant of \$1,000 for each qualifying veteran whose employment continues beyond an initial 12-month period and an additional one-time grant of \$1,000 for each qualifying veteran if the business used the services of a regional workforce board when hiring the veteran.

The bill appropriates \$10 million in nonrecurring funds from the General Revenue Fund to the Department of Veterans’ Affairs for transfer to FIFV to implement and administer the program. FIFV may award grant moneys up to a maximum of \$800,000 per fiscal year; FIFV’s administrative costs are capped at \$150,000 per fiscal year.

II. Present Situation:

Florida Veterans

A veteran is defined as a person who served in the active military, naval, or air service and who was honorably discharged or released from active duty under honorable conditions.¹ In the United States there are over 21 million veterans, of which, over 1.5 million reside in Florida.² This makes Florida the state with the third largest veteran population, behind California and Texas.³ The chart below shows veterans residing in Florida by age range. More than half of Florida’s veterans are age 60 or older.

Veterans in Florida by Age Range ⁴						
Under 40	40-49	50-59	60-69	70-79	80+	TOTAL
186,238	187,599	280,743	352,029	312,702	264,385	1,583,696

Florida also has the third largest population of disabled veterans in the nation with more than 249,000.⁵ The U.S. Department of Veterans Affairs (USDVA) is the federal agency tasked with making the official determination of the existence of a service-connected disability. The term “disabled veteran” is defined in the U.S. Code as an individual who has served on active duty in the armed forces, has been separated under honorable conditions, and has established the existence of a service-connected disability. Generally, a disabled veteran receives compensation, disability retirement benefits, or a pension pursuant to public statute administered by the USDVA or a military department.⁶

The term “service-connected” is further defined in the U.S. Code to mean that the disability or death suffered by the veteran was incurred or aggravated in the line of duty in active military, naval, or air service.⁷ Veterans who have been determined by the USDVA to have a service-connected disability are eligible for monthly disability compensation. Disability compensation is a monetary benefit paid directly to the veteran by the USDVA. The amount of compensation varies with the degree of disability and the number of dependents the veteran has. After a

¹ Section 1.01(14), F.S.

² U.S. Census Bureau, A Snapshot of Our Nation’s Veterans, <http://www.census.gov/library/infographics/veterans.html>, last viewed January 30, 2015.

³ Florida Department of Veterans’ Affairs. *Fast Facts*, http://floridavets.org/?page_id=50 (last visited January 30, 2015).

⁴ Office of the Actuary, Office of Policy and Planning. Department of Veterans Affairs. October 2014.

⁵ Florida Department of Veterans’ Affairs. *Fast Facts*., http://floridavets.org/?page_id=50 (last visited January 30, 2015).

⁶ 5 USC § 2108(2).

⁷ 38 USC § 101(16).

medical examination, the USDVA assigns the veteran a disability rating in ten percent increments from 0 percent⁸-100 percent. This starts the process for which a disabled veteran is eligible to receive monthly disability compensation and certain USDVA medical benefits.⁹

There are instances in which a veteran's service-connected disability is not determined by the USDVA. In this instance, the Department of Defense (DoD) would determine the existence of a disability and provide compensation to the veteran. This is the case when a service member acquires a medical condition or physical disability that renders him or her unfit to perform his or her required duties while on active duty. The service member may be separated or retired from the military for medical reasons. The secretaries of the military departments have the authority to make the final determination of disability in each case.¹⁰ When the determination has been made that a service member must retire due to medical reasons related to the member's service in the military, the member may decide whether to receive military retirement benefits from the DoD or disability compensation from the USDVA.

Employment Assistance for Veterans in Florida

The CareerSource Florida network connects employers with qualified, skilled talent and Floridians with employment and career development opportunities. The workforce network is comprised of CareerSource Florida, which is the statewide board of business and government leaders charged with setting state workforce policy; the Department of Economic Opportunity (DEO), the state agency responsible for administrative and fiscal affairs and policy implementation; and 24 Regional Workforce Boards, which oversee the local design and delivery of workforce services to businesses, job seekers and workers at nearly 100 One-Stop Career Centers statewide.

Each One-Stop Career Center is equipped to help job seekers connect with businesses in their field, locate training opportunities, and teach skills such as resume writing and interview techniques. Within each career center are Disabled Veterans' Outreach Program (DVOP) specialists and Local Veterans' Employment Representatives (LVER).¹¹ DVOP specialists focus on intensive case management services for veterans with barriers to employment, particularly disabled veterans.¹² LVERs build relationships with employers and engage in advocacy efforts with hiring executives and managers to increase employment opportunities for veterans.¹³ They are also responsible for ensuring that veterans receive the full range of priority workforce services in the One-Stop Career Centers.

⁸ A 0 percent disability rating means the USDVA has acknowledged a disability, but the disability is not severe enough to rate a monetary benefit. The disability can be reevaluated in the future if the disability worsens.

⁹ Federal Benefits for Veterans, Dependents and Survivors, Chapter 1 Health Care Benefits, http://www.va.gov/opa/publications/benefits_book/benefits_chap01.asp (last visited January 17, 2014); Federal Benefits for Veterans, Dependents and Survivors, Chapter 2 Service-Connected Disabilities, Disability Compensation, http://www.va.gov/opa/publications/benefits_book/benefits_chap02.asp (last visited January 17, 2014).

¹⁰ 10 USC § 1201.

¹¹ In FY 2013-2014, the Florida Department of Economic Opportunity was awarded approximately \$11.4 million in federal funding from the U.S. Department of Labor through the Jobs for Veterans' Grant to fund 104 DVOP and 72 LVER positions.

¹² DEO. Quick Facts Workforce Services: Services for Veterans, <http://www.floridajobs.org/docs/default-source/office-of-workforce-services/services-for-vets.pdf?sfvrsn=2> (last visited on February 2, 2015).

¹³ *Id.*

Veterans may also utilize the Employ Florida Vets website, an online job search engine and portal administered by CareerSource Florida and the DEO and tailored to veterans.¹⁴ Developed through a series of focus groups with Florida veterans, the Employ Florida Vets Portal translates a veteran's Military Occupational Specialty Code (a code that represents the employment classification for the specialty/job that the military veteran performed while on active duty) into an equivalent civilian job title.¹⁵ In 2013-2014, there were approximately 40,000 visits to the portal.¹⁶

Florida's overall unemployment rate for the calendar year 2013 was 7.2 percent.¹⁷ Unemployment rate among Florida veterans was 6.1 percent.¹⁸ The national unemployment rate among Post-9/11 era veterans averaged 9 percent.

Florida Is For Veterans, Inc.

During the 2014 Regular Session, the Legislature created Florida Is For Veterans, Inc. (FIFV), a non-profit corporation created within the FDVA.¹⁹ The purpose of the FIFV is to promote Florida as a veteran-friendly state, encourage retired and recently separated military personnel to keep or make Florida their permanent residence, help equip veterans for employment opportunities, and promote the hiring of veterans.²⁰ The FIFV is governed by a nine-member board of directors in which the Governor, the President of the Senate, and the Speaker of the House of Representatives each appoint three members.

The FIFV is responsible for administering the Veterans Employment and Training Services (VETS) program for the purpose of connecting veterans and employers.²¹ Under the VETS program, the FIFV will create a grant program for businesses to train veterans to meet a business's workforce-skill needs and will set up a veteran-specific entrepreneur initiative program through a contract with one or more universities in Florida.²² Additionally, as part of the VETS program, the FIFV is directed to provide one-on-one assistance to veterans seeking employment which may include skills assessments, resume creation, identification of employment goals, and referrals to One-Stop Career Centers. FIFV must also connect with employers in the state to educate them on the value of a veteran's military experience in the workplace.

Employment Initiatives for Small Businesses in Florida

Enterprise Florida, Inc. (EFI) markets the state's favorable business climate, infrastructure, workforce, trade, and quality of life to attract and retain businesses. For small businesses that choose Florida as a base of operations, EFI can connect them to a program offered in partnership with the DEO named the State Small Business Credit Initiative (SSBCI). The SSBCI is a

¹⁴ Employ Florida Vets website, <http://www.employflorida.com/portals/veteran/> (last visited February 11, 2015).

¹⁵ Id at p. 47.

¹⁶ Id.

¹⁷ DEO. Local Area Unemployment Statistics. Annual Averages 2013.

¹⁸ U.S. Department of Labor. Bureau of Labor Statistics. Employment Situation of Veterans – 2013.

¹⁹ Chapter 2014-1, L.O.F.

²⁰ Section 295.21, F.S.

²¹ Section 295.22, F.S.

²² During the 2014 Regular Session, the FIFV was allocated \$2 million for the veterans training grant program and \$1 million for the entrepreneur initiative program. See HB 5001 (2014 Reg. Session).

federally funded program created to support state-run small business lending programs and increase access to private capital.²³ It is designed to assist small businesses in obtaining loan approvals and leverage private capital for use in startup costs, working capital, business procurement, franchise fees, equipment, inventory, or the purchase of owner-occupied commercial real estate.

The Florida Small Business Development Center (SBDC) Network is another resource available to small business owners seeking assistance. The SBDC is designated as the principal business assistance organization for small businesses in the state.²⁴ Initially funded by the U.S. Small Business Administration (SBA) in 1976, the Florida SBDC Network links the state's education system with community outreach to aid in the development and education of the state's entrepreneurs and small business community. The network provides entrepreneurs and small business owners with one-on-one business development consulting; entrepreneurial, business, and management development training; and business information and research.²⁵

There are currently no state incentive programs that specifically encourage Florida small businesses to hire veterans.

III. Effect of Proposed Changes:

The bill creates s. 295.24, F.S., to establish the Veterans Employment Small Business Grant Program (program). The program is created within the FDVA and is to be administered by FIFV. This program is an incentive based program created to stimulate investment in the state's economy by providing grants to small businesses that hire honorably discharged veterans or veterans with a service-connected disability.

The bill defines a "small business" as a business that:

- Is independently owned and operated;
- Is for-profit and privately held;
- Employs fewer than 200 persons;
- Generates \$2 million or less in annual revenue; and
- Has maintained its principal place of business in this state for at least the previous 4 calendar years.

A qualifying small business may receive up to \$25,000 per fiscal year for hiring honorably discharged veterans and veterans with service-connected disabilities. A qualifying small business that hires a veteran as an employee may be eligible to receive a one-time grant of:

- \$3,000 for each veteran as defined in s. 1.01(14), F.S.; and
- \$5,000 for each disabled veteran, as described in s. 295.07(1)(a)1, F.S.

²³Florida has received \$97,662,349 to date in SSBCI funding from the U.S. Department of Treasury. As a result, the state is expected to leverage nearly \$1 billion in private lending to Florida small businesses.

²⁴ Section 288.001, F.S.

²⁵ *America's SBDC FLORIDA Fact Sheet*, <http://floridasbdc.org/wp-content/uploads/2014/10/Fact-Sheet.pdf>, (last visited February 10, 2015).

A small business may receive an additional \$1,000 for each qualifying veteran whose employment is continued beyond an initial 12-month period and an additional \$1,000 for each veteran hired using the services of a regional workforce board. These additional awards are not restricted by the \$25,000 cap noted above.

In order to qualify for grant funding, a small business must enter into an agreement with FIFV that requires the small business to:

- Employ a qualifying veteran for at least 6 months in order to become eligible for grant funding;
- Provide a report with information on the employment status of each qualifying veteran upon the request of FIFV;
- Pay each qualifying veteran an amount equal to at least 80 percent of the annual median income for veterans in Florida based on the most recent federal census or the most recent American Community Survey 5-year estimated published by the U.S. Census Bureau;
- Reinvest any awarded grant moneys in the small business to facilitate further job creation; and
- Not receive an additional award for hiring a veteran previously claimed as an employee within the same small business for purposes of obtaining funds under the program.

FIFV must notify the appropriate regional small business center of a small business' participation in the grant program in order to facilitate improved access to the resources of the Florida Small Business Development Center.

The bill authorizes the FDVA to develop rules to implement the program to include, but not limited to, specifying requirements for the application and approval process and the documentation necessary to claim the moneys available through the grant program.

The bill appropriates \$10 million in nonrecurring funds from the General Revenue Fund to FDVA for transfer to FIFV to implement and administer the program. FIFV may award grant moneys up to a maximum of \$800,000 per fiscal year to small businesses and is authorized to expend no more than \$150,000 annually for staffing and administrative costs. Upon the termination of the program, all remaining funds return to the General Revenue Fund.

The bill provides an effective date of July 1, 2015.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Businesses that choose to participate in the program may be eligible to receive up to \$25,000 per fiscal year for hiring honorably discharged veterans and veterans with service-connected disabilities. Small businesses may apply to receive:

- \$3,000 for hiring an honorably discharged veteran; and
- \$5,000 for hiring a veteran with a service-connected disability

Small businesses may also apply for additional awards that are not restricted by the \$25,000 limit:

- \$1,000 for each qualifying veteran whose employment extends beyond the initial 12-month period; and
- \$1,000 for each qualifying veteran hired through a regional workforce board.

C. Government Sector Impact:

The bill appropriates \$10 million in nonrecurring funds from the General Revenue Fund to FDVA for transfer to FIFV to implement and administer the program. FIFV may award grant moneys up to a maximum of \$800,000 per fiscal year to small businesses and FIFV is authorized to expend no more than \$150,000 annually for staffing and administrative costs.

The CS/SB 292 provides that: "Upon termination of the program, all remaining appropriated funds shall revert to the General Revenue Fund". The bill does not provide a termination date for the program so it is unclear when unspent funds would be subject to reversion.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates section 295.24 of the Florida Statutes.

IX. Additional Information:

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

CS by Military and Veterans Affairs, Space, and Domestic Security on February 3, 2015:

The committee substitute makes the following changes:

- Changes the administering agency of the grant program from the Department of Economic Opportunity to the Florida Department of Veterans' Affairs (FDVA) and directs Florida Is For Veterans, Inc. (FIFV) to manage the program.
- Directs FDVA to transfer the \$10 million appropriation to FIFV for implementation and administration of the program.
- Authorizes FIFV to spend no more than \$150,000 per year for staffing and administrative costs to implement and administer the program.
- Stipulates that a small business may not receive grant funding until the qualifying veteran has been employed by the business for at least 6 months.

- B. **Amendments:**

None.



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LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
02/18/2015	.	
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Appropriations Subcommittee on Transportation, Tourism, and Economic Development (Diaz de la Portilla) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Section 110.1121, Florida Statutes, is created to read:

110.1121 Employment opportunity for veterans.—

(1) It is the policy of this state to assist in providing the assurance of equal employment opportunity through programs



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10 of affirmative and positive action that will allow full
11 utilization of veterans of the United States Armed Forces.

12 (2) The head of each executive agency shall:

13 (a) Develop and implement a veterans recruitment plan in
14 accordance with rules adopted by the department and approved by
15 a majority vote of the Administration Commission before their
16 adoption.

17 (b) Appoint a veterans employment officer. The veterans
18 employment officer's responsibilities include developing annual
19 employment goals for veterans, monitoring agency compliance, and
20 providing consultation to agency management regarding progress,
21 deficiencies, and appropriate corrective action.

22 (3) Each executive agency shall establish annual goals for
23 ensuring full utilization of veterans in the agency's workforce
24 as compared to the relevant labor market, as defined by the
25 agency. Each executive agency shall design its veterans
26 recruitment plan to meet its established goals.

27 (4) The department shall:

28 (a) Report information in its annual workforce report
29 relating to the implementation, continuance, updating, and
30 results of each executive agency's veterans recruitment plan for
31 the previous fiscal year.

32 (b) Provide to all supervisory personnel of the executive
33 agencies training on the principles of veterans recruitment and
34 hiring, the development and implementation of a veterans
35 recruitment plan, and the establishment of veteran employment
36 goals. The department may contract for training services, and
37 each participating agency shall reimburse the department for
38 costs incurred through such contract. After the department



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39 approves the contents of the training program for the agencies,
40 the department may delegate this training to the executive
41 agencies.

42 (c) Review and monitor executive agency actions in carrying
43 out the rules adopted by the department pursuant to this
44 section.

45 Section 2. Section 295.24, Florida Statutes, is created to
46 read:

47 295.24 Veterans Employment Small Business Grant Program.—
48 The Veterans Employment Small Business Grant Program is created
49 within the Department of Veterans' Affairs to be administered by
50 Florida Is For Veterans, Inc. The purpose of the program is to
51 stimulate investment in the state's economy by providing grants
52 to small businesses that hire and employ honorably discharged
53 veterans or disabled veterans with a service-connected
54 disability.

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

56 (a) "Corporation" means Florida Is For Veterans, Inc.

57 (b) "Small business" means an independently owned and
58 operated, for-profit, and privately held business that employs
59 200 or fewer persons; generates \$2 million or less in annual
60 revenue; and has maintained its principal place of business in
61 this state for at least the previous 4 calendar years.

62 (2) The corporation may accept and administer moneys
63 appropriated to the department, for transfer to the corporation,
64 for providing grants to encourage small businesses in this state
65 to hire and employ veterans.

66 (3) A small business that hires a veteran as an employee
67 may receive a one-time grant of:



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68 (a) Three thousand dollars for each veteran, as defined in
69 s. 1.01(14).

70 (b) Five thousand dollars for each disabled veteran, as
71 described in s. 295.07(1)(a)1.

72 (4) The grants awarded to a given small business under
73 subsection (3) may not exceed \$25,000 per fiscal year.

74 (5) A small business must apply to and enter into an
75 agreement with the corporation in order to participate in the
76 program. The agreement must require that the small business:

77 (a) Employ a qualifying veteran for at least 1 year in
78 order to become eligible for grants awarded under subsection
79 (3).

80 (b) Upon the request of the corporation, report information
81 regarding the employment status of each qualifying veteran.

82 (c) Pay each qualifying veteran an amount equal to at least
83 80 percent of the annual median income for veterans in this
84 state based on the most recent federal census or the most recent
85 American Community Survey 5-year estimates published by the
86 United States Census Bureau.

87 (d) Reinvest any awarded grant moneys in the small business
88 to facilitate further job creation. Reinvestments under this
89 subsection are limited to manufacturing, equipment, and
90 facilities expenditures, or other operating or fixed capital
91 outlay projects.

92 (e) Not receive an additional award for rehiring a veteran
93 previously claimed as an employee within the same small business
94 for purposes of obtaining funds under the program.

95 (f) May receive a grant award only for a veteran initially
96 hired on or after October 1, 2015.



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97 (6) The corporation shall notify the regional small
98 business center serving the county in which a participating
99 small business is located of a small business's participation in
100 the grant program in order to facilitate improved access to the
101 resources of the Florida Small Business Development Center
102 Network.

103 (7) The grant program terminates on the date that all funds
104 appropriated for the program are expended or on October 1, 2025,
105 whichever occurs first.

106 (8) The Department of Veterans' Affairs may adopt rules to
107 implement and administer this section, including, but not
108 limited to, rules specifying requirements for the application
109 and approval process and the documentation necessary to claim
110 grant moneys awarded under this section.

111 Section 3. Effective July 1, 2015 for the 2015-2016 fiscal
112 year, the sum of \$10 million in nonrecurring funds from the
113 General Revenue Fund is appropriated to the Department of
114 Veterans' Affairs for transfer to Florida Is For Veterans, Inc.,
115 to implement and administer this act. The corporation may award
116 grant moneys up to a maximum of \$850,000 per fiscal year. The
117 corporation may spend up to \$150,000 per fiscal year of funds
118 transferred by the department for staffing and administrative
119 costs associated with implementation and administration of the
120 program. If any appropriated funds remain upon termination of
121 the program, Florida Is For Veterans, Inc., shall transfer such
122 funds to the Department of Veterans' Affairs to revert to the
123 General Revenue Fund.

124 Section 4. Except as otherwise expressly provided in this
125 act and except for this section, which shall take effect July 1,



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126 2015, this act shall take effect October 1, 2015.

127

128 ===== T I T L E A M E N D M E N T =====

129 And the title is amended as follows:

130 Delete everything before the enacting clause
131 and insert:

132 A bill to be entitled
133 An act relating to veteran support; creating s.
134 110.1121, F.S.; establishing state policy with respect
135 to the employment of veterans in state agencies;
136 requiring the head of each executive agency to develop
137 and implement a veterans recruitment plan and appoint
138 a veterans employment officer; requiring each
139 executive agency to establish annual goals regarding
140 utilization of veterans in the agency's workforce;
141 requiring the Department of Management Services to
142 report veterans' employment information in the annual
143 workforce report; requiring the department to provide
144 training to executive agency supervisory personnel;
145 requiring the department to review and monitor
146 executive agency actions; creating s. 295.24, F.S.;
147 creating the Veterans Employment Small Business Grant
148 Program within the Department of Veterans' Affairs;
149 directing Florida Is For Veterans, Inc., to administer
150 the program; defining terms; authorizing the
151 corporation to accept and administer moneys
152 appropriated for such grants; specifying grant
153 amounts; limiting the amount that a small business may
154 receive under the program; requiring a small business



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155 to apply to and enter into an agreement with the
156 corporation to receive grants; providing requirements
157 for participation in the program; providing that a
158 small business may not receive an additional award for
159 rehiring a veteran previously claimed as an employee
160 for purposes of obtaining funds under the program;
161 requiring the corporation to notify the appropriate
162 regional small business center of a small business's
163 participation; providing for termination of the
164 program; authorizing the department to adopt rules;
165 providing an appropriation; providing effective dates.

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 Appropriations Subcommittee on Transportation, Tourism, and Economic Development

BILL: CS/SB 302

INTRODUCER: Recommended CS by Appropriations Subcommittee on Transportation, Tourism, and Economic Development and Senator Simpson

SUBJECT: Community Contribution Tax Credit Program

DATE: February 19, 2015 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>White</u>	<u>Yeatman</u>	<u>CA</u>	Favorable
2.	<u>Gusky</u>	<u>Miller</u>	<u>ATD</u>	Recommended Fav/CS
3.	_____	_____	<u>AP</u>	_____

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 302 delays the expiration of the Community Contribution Tax Credit (CCTC) Program from June 30, 2016 to June 30, 2025. Under this program, persons that have made contributions to eligible projects may receive tax credits, equal to 50 percent of the contribution, which can be taken against sales and use, corporate income, and insurance premium taxes.

The bill expands the CCTC program to authorize tax credits for persons that contribute to eligible sponsors who provide housing opportunities for persons with special needs. A “person with special needs” means:

- An adult person who has a disabling condition and requires independent living services in order to maintain housing or develop independent living skills;
- A young adult formerly in foster care who is eligible for certain services;
- A survivor of domestic violence; or
- A person receiving veteran’ disability benefits or benefits under the Social Security Disability Insurance (SSDI) program or the Supplemental Security Income (SSI) program.

The CCTC Program currently has 126 approved sponsors that may see declines in charitable contributions if persons decrease their charitable contributions due to the program being scheduled to expire on June 30, 2016.

The Revenue Estimating Conference has determined that delaying the expiration of the Community Contribution Tax Credit Program will reduce general revenue funds by \$19.8 million, and local revenue by \$2.1 million in Fiscal Year 2015-2016.

II. Present Situation:

Community Contribution Tax Credit Program

The CCTC Program (Program) was established in 1980 by the Florida Legislature to encourage private sector participation in community revitalization and housing projects.¹ The Program offers tax credits, in the form of refunds, to persons who make contributions to sponsors who have been approved to participate in the Program. Eligible project sponsors² under the Program include a wide variety of community organizations, housing organizations, historic preservation organizations, units of state and local government, and regional workforce boards. An eligible project³ includes activity undertaken by an eligible sponsor that is designed to:

- Construct, improve or substantially rehabilitate housing that is affordable to low-income households or very-low income households, as those terms are defined in s. 420.9071, F.S.;
- Provide commercial, industrial, or public facilities;
- Improve entrepreneurial and job development opportunities for low-income persons.

A community contribution must be in the form of cash or other liquid assets; real property; goods or inventory; or other physical resources as identified by the Department of Economic Opportunity (DEO).⁴ Eligible projects that construct or rehabilitate housing for low-income or very-low-income households are not limited to particular locations. Other eligible projects must be located in an area designated as an enterprise zone or a Front Porch Florida Community, unless the project is designed to provide high-speed broadband capabilities which include coverage of a rural enterprise zone. In that case, the project's infrastructure can be located in any area of a rural county.

The DEO is responsible for marketing the Program⁵ in consultation with the Florida Housing Finance Corporation (FHFC) and other statewide and regional housing and financial intermediaries.⁶ The DEO is also responsible for administering the Program by reviewing sponsor project proposals and tax credit applications, which are approved throughout the year.⁷ Currently, there are 126 sponsors approved to participate in the Program.⁸ After the person receives approval for community contribution tax credits, it must claim the credit from the Department of Revenue (DOR).

¹ Chapter 80-249, L.O.F.

² See ss. 212.08(5)(p)2.c., F.S.; 220.183(2)(c), F.S.; and 624.5105(2), F.S.

³ See ss. 212.08(5)(p)2.b.; and 220.183(2)(d), F.S. See also s. 220.03(1)(t), F.S.

⁴ Sections 212.08(5)(p)2.a., F.S.; 220.183(2)(a), F.S.; and 624.5105(5)(a), F.S.

⁵ For information on becoming a sponsor or donor, see DEO, *CCTCP Program Overview*, available at http://www.floridajobs.org/Community/CCTCP_ProgramOverview.pdf (last visited Jan. 28, 2015).

⁶ Section 220.183(4), F.S.

⁷ DEO approves projects for a fiscal year. Sponsors can apply for re-certification at the end of each state fiscal year.

⁸ *Community Contribution Tax Credit Program – List of Approved Sponsors, Fiscal Year 2014/2015, as of January 30, 2015.*

The tax credits are equal to 50 percent of the amount donated, up to \$200,000 annually.⁹ The tax credit may be applied toward the person's sales and use, corporate, or insurance premium tax obligations.¹⁰ A person may only apply the credits toward one tax obligation. Unused credits against corporate income taxes and insurance premium taxes may be carried forward for five years.¹¹ Unused credits against sales taxes may be carried forward for three years.¹²

The CCTC Program has grown substantially since its inception. The program began in 1980 with corporate income tax credits limited to \$3 million annually (the tax credit cap) and a 1986 expiration date.¹³ In 1984, its expiration was delayed to 1996 and the credits were extended to the insurance premium tax.¹⁴ In 1994, the tax credit cap was reduced to \$2 million annually and the program's expiration was delayed to 2005.¹⁵ In 1998, the tax credit cap was increased to \$5 million,¹⁶ and, in 1999, the tax credit cap was doubled to \$10 million.¹⁷ In 2001, the credit was extended to the sales and use tax.¹⁸ In 2005, the tax credit cap was increased to \$12 million, the program's expiration date was delayed to 2015, and a portion of the program was set aside for "all other projects".¹⁹ In 2006, the tax credit cap was increased to \$14 million - \$10.5 million for home ownership projects and \$3.5 million for all other projects.²⁰ In Fiscal Year 2013-2014, the demand for tax credits for home ownership projects equaled the tax credit cap (\$10.5 million). The demand for tax credits for all other projects exceeded the amount available and the tax credits for all other projects were prorated (approximately \$4.4 million was requested and only \$3.5 million was available). In 2014, the program's expiration date was delayed to 2016 and the tax credit cap was increased to the current levels of \$18.4 million annually for projects that provide homeownership opportunities for low-income and very-low-income households and \$3.5 million for all other projects.²¹ In the current year, the DEO has approved approximately \$14.2 million of the \$18.4 available for tax credits for homeownership projects to date. Approximately \$4.1 million of tax credits were requested for all other projects, again exceeding the \$3.5 million available for those projects.

I. Effect of Proposed Changes:

Section 1 amends s. 212.08, F.S., to delay the expiration date of the application of the community contribution tax credit against the sales and use tax from June 30, 2016 to June 30, 2025. The bill also expands the CCTC Program to include sales and use tax credits for contributions made to eligible sponsors of projects that provide housing opportunities for persons with special needs, as that term is defined in s. 420.0004(13), F.S.

⁹ Sections 220.183 (1)(a) and (b), F.S.; 212.08(5)(p).

¹⁰ See ss. 212.08(5)(p), F.S.; 220.183, F.S.; and 624.5105, F.S.

¹¹ Sections 220.183(1)(e), F.S.; and 624.5105, F.S.

¹² Section 212.08(5)(p)1.b., F.S.

¹³ Ch. 80-249, L.O.F.

¹⁴ Ch. 84-356, L.O.F.

¹⁵ Ch. 94-136, L.O.F.

¹⁶ Ch. 98-219, L.O.F.

¹⁷ Ch. 99-265, L.O.F.

¹⁸ Ch. 2001-201, L.O.F.

¹⁹ Ch. 2005-282, L.O.F.

²⁰ Ch. 2006-78, L.O.F.

²¹ Ch. 2014-38, L.O.F.; sections 212.08(5)(p)1.e., F.S.; 220.183(1)(c), F.S.; and 624.5105(1)(c), F.S.

Section 2 amends s. 220.03(1)(t), F.S., the definition of “project” in the Income Tax Code, to include activities undertaken by an eligible sponsor designed to provide housing opportunities for persons with special needs. The bill delays the expiration date for the “project” definition from June 30, 2015 to June 30, 2025, to conform to the CCTC Program’s expiration date.

Section 3 amends s. 220.183, F.S., to delay the expiration date of the application of the community contribution tax credit against the corporate income tax from June 30, 2016 to June 30, 2025. The bill also expands the CCTC Program to include corporate income tax credits for contributions made to eligible sponsors of projects that provide housing opportunities for persons with special needs, as that term is defined in s. 420.0004(13), F.S.

Section 4 amends s. 624.5105, F.S., to delay the expiration date of the application of the community contribution tax credit against the insurance premium tax from June 30, 2016 to June 30, 2025. The bill also expands the CCTC Program to include insurance premium tax credits for contributions made to eligible sponsors of projects that provide housing opportunities for persons with special needs, as that term is defined in s. 420.0004(13), F.S.

Section 6 provides that the bill takes effect upon becoming law.

II. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

III. Fiscal Impact Statement:

A. Tax/Fee Issues:

The Revenue Estimating Conference has determined that delaying the expiration of the Community Contribution Tax Credit Program will reduce general revenue by \$19.8 million, and local revenue by \$2.1 million in Fiscal Year 2015-2016.²²

B. Private Sector Impact:

Under CS/SB 302, eligible project sponsors in the CCTC Program will continue to receive contributions through 2025. Likewise, taxpayers will continue to receive tax

²² Revenue Estimating Conference, *2015 Session Conference Table*, available at <http://edr.state.fl.us/content/conferences/revenueimpact/2015%20Session%20Conference%20Table.pdf> (Feb. 6, 2015).

credits for their contributions. The total amount of tax credits that may be granted annually is \$21.9 million.

In Fiscal Year 2013-2014, 143 taxpayers requested and received approval for \$10.5 million in community contribution tax credits, for charitable contributions made to 40 eligible sponsors for homeownership projects. Of that amount, approximately \$10.4 million was awarded to taxpayers who made contributions to 36 Habitat for Humanity chapters throughout the state. During that fiscal year, 76 taxpayers requested approximately \$4.4 million and received approval for \$3.5 million on a prorated basis, for charitable contributions made to 30 eligible sponsors for all other projects. Of that amount, approximately \$1.9 million was awarded to taxpayers who made contributions to the Ringling College of Art and Design. Other eligible sponsors who benefitted from the program included Fresh Ministries, Inc., the Florida Aquarium, and the Jacksonville Alliance for KIPP Schools.

C. **Government Sector Impact:**

None.

IV. Technical Deficiencies:

None.

V. Related Issues:

None.

VI. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 212.08, 220.03, 220.183, and 624.5105.

VII. Additional Information:

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

Recommended Barcode 523058 by Appropriations Subcommittee on Transportation, Tourism, and Economic Development on February 18, 2015:The Committee Substitute expands the CCTC program to authorize tax credits for persons that contribute to eligible sponsors who provide housing opportunities for persons with special needs. A “person with special needs” means:

- An adult person who has a disabling condition and requires independent living services in order to maintain housing or develop independent living skills;
- A young adult formerly in foster care who is eligible for certain services;
- A survivor of domestic violence; or

- A person receiving veteran' disability benefits or benefits under the Social Security Disability Insurance (SSDI) program or the Supplemental Security Income (SSI) program.

The Committee Substitute also amends s. 220.03(1)(t), F.S., the definition of "project" in the Income Tax Code, to include activities undertaken by an eligible sponsor designed to provide housing opportunities for persons with special needs. The bill delays the expiration date for the "project" definition from June 30, 2015 to June 30, 2025, to conform to the CCTC Program's expiration date.

B. Amendments:

None.



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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/20/2015	.	
	.	
	.	
	.	

Appropriations Subcommittee on Transportation, Tourism, and Economic Development (Detert) recommended the following:

Senate Amendment (with title amendment)

Delete lines 65 - 349
and insert:
homeownership housing opportunities for persons with special needs or homeownership opportunities for low-income households or very-low-income households as those terms are defined in s. 420.9071 and \$3.5 million annually for all other projects. As used in this paragraph, the term "person with special needs" has the same meaning as provided in s. 420.0004 and the terms "low-



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11 income person," "low-income household," "very-low-income
12 person," and "very-low-income household" have the same meaning
13 provided in s. 420.9071.

14 f. A person who is eligible to receive the credit provided
15 in this paragraph, s. 220.183, or s. 624.5105 may receive the
16 credit only under one section of the person's choice.

17 2. Eligibility requirements.-

18 a. A community contribution by a person must be in the
19 following form:

20 (I) Cash or other liquid assets;

21 (II) Real property;

22 (III) Goods or inventory; or

23 (IV) Other physical resources identified by the Department
24 of Economic Opportunity.

25 b. All community contributions must be reserved exclusively
26 for use in a project. As used in this sub-subparagraph, the term
27 "project" means activity undertaken by an eligible sponsor which
28 is designed to construct, improve, or substantially rehabilitate
29 housing that is affordable to low-income households or very-low-

30 ~~income households as these terms are defined in s. 420.9071;~~
31 designed to provide housing opportunities for persons with

32 special needs; designed to provide commercial, industrial, or
33 public resources and facilities; or designed to improve

34 entrepreneurial and job-development opportunities for low-income
35 persons. A project may be the investment necessary to increase
36 access to high-speed broadband capability in rural communities
37 with enterprise zones, including projects that result in
38 improvements to communications assets that are owned by a
39 business. A project may include the provision of museum



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40 educational programs and materials that are directly related to
41 a project approved between January 1, 1996, and December 31,
42 1999, and located in an enterprise zone designated pursuant to
43 s. 290.0065. This paragraph does not preclude projects that
44 propose to construct or rehabilitate housing for low-income
45 households, or very-low-income households on scattered sites; or
46 housing opportunities for persons with special needs. With
47 respect to housing, contributions may be used to pay the
48 following eligible special needs, low-income, and very-low-
49 income housing-related activities:

50 (I) Project development impact and management fees for
51 special needs, low-income, or very-low-income housing projects;

52 (II) Down payment and closing costs for persons with
53 special needs, low-income persons, and very-low-income persons,
54 ~~as those terms are defined in s. 420.9071;~~

55 (III) Administrative costs, including housing counseling
56 and marketing fees, not to exceed 10 percent of the community
57 contribution, directly related to special needs, low-income, or
58 very-low-income projects; and

59 (IV) Removal of liens recorded against residential property
60 by municipal, county, or special district local governments if
61 satisfaction of the lien is a necessary precedent to the
62 transfer of the property to a low-income person, or very-low-
63 income person, ~~as those terms are defined in s. 420.9071,~~ for
64 the purpose of promoting home ownership. Contributions for lien
65 removal must be received from a nonrelated third party.

66 c. The project must be undertaken by an "eligible sponsor,"
67 which includes:

68 (I) A community action program;



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69 (II) A nonprofit community-based development organization
70 whose mission is the provision of housing for persons with
71 specials needs, low-income households, or very-low-income
72 households or increasing entrepreneurial and job-development
73 opportunities for low-income persons;

74 (III) A neighborhood housing services corporation;

75 (IV) A local housing authority created under chapter 421;

76 (V) A community redevelopment agency created under s.
77 163.356;

78 (VI) A historic preservation district agency or
79 organization;

80 (VII) A regional workforce board;

81 (VIII) A direct-support organization as provided in s.
82 1009.983;

83 (IX) An enterprise zone development agency created under s.
84 290.0056;

85 (X) A community-based organization incorporated under
86 chapter 617 which is recognized as educational, charitable, or
87 scientific pursuant to s. 501(c)(3) of the Internal Revenue Code
88 and whose bylaws and articles of incorporation include
89 affordable housing, economic development, or community
90 development as the primary mission of the corporation;

91 (XI) Units of local government;

92 (XII) Units of state government; or

93 (XIII) Any other agency that the Department of Economic
94 Opportunity designates by rule.

95

96 A contributing person may not have a financial interest in the
97 eligible sponsor.



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98 d. The project must be located in an area designated an
99 enterprise zone or a Front Porch Florida Community, unless the
100 project increases access to high-speed broadband capability for
101 rural communities that have enterprise zones but is physically
102 located outside the designated rural zone boundaries. Any
103 project designed to construct or rehabilitate housing for low-
104 income households, or very-low-income households or housing
105 opportunities for persons with special needs ~~as those terms are~~
106 ~~defined in s. 420.9071~~ is exempt from the area requirement of
107 this sub-subparagraph.

108 e.(I) If, during the first 10 business days of the state
109 fiscal year, eligible tax credit applications for projects that
110 provide housing opportunities for persons with special needs, or
111 homeownership opportunities for low-income households, or very-
112 low-income households ~~as those terms are defined in s. 420.9071~~
113 are received for less than the annual tax credits available for
114 those projects, the Department of Economic Opportunity shall
115 grant tax credits for those applications and grant remaining tax
116 credits on a first-come, first-served basis for subsequent
117 eligible applications received before the end of the state
118 fiscal year. If, during the first 10 business days of the state
119 fiscal year, eligible tax credit applications for projects that
120 provide housing opportunities for persons with special needs, or
121 homeownership opportunities for low-income households, or very-
122 low-income households ~~as those terms are defined in s. 420.9071~~
123 are received for more than the annual tax credits available for
124 those projects, the Department of Economic Opportunity shall
125 grant the tax credits for those applications as follows:

126 (A) If tax credit applications submitted for approved



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127 projects of an eligible sponsor do not exceed \$200,000 in total,
128 the credits shall be granted in full if the tax credit
129 applications are approved.

130 (B) If tax credit applications submitted for approved
131 projects of an eligible sponsor exceed \$200,000 in total, the
132 amount of tax credits granted pursuant to sub-sub-sub-
133 subparagraph (A) shall be subtracted from the amount of
134 available tax credits, and the remaining credits shall be
135 granted to each approved tax credit application on a pro rata
136 basis.

137 (II) If, during the first 10 business days of the state
138 fiscal year, eligible tax credit applications for projects other
139 than those that provide housing opportunities for persons with
140 special needs, or homeownership opportunities for low-income
141 households, or very-low-income households ~~as those terms are~~
142 ~~defined in s. 420.9071~~ are received for less than the annual tax
143 credits available for those projects, the Department of Economic
144 Opportunity shall grant tax credits for those applications and
145 shall grant remaining tax credits on a first-come, first-served
146 basis for subsequent eligible applications received before the
147 end of the state fiscal year. If, during the first 10 business
148 days of the state fiscal year, eligible tax credit applications
149 for projects other than those that provide housing opportunities
150 for persons with special needs, or homeownership opportunities
151 for low-income households, or very-low-income households ~~as~~
152 ~~those terms are defined in s. 420.9071~~ are received for more
153 than the annual tax credits available for those projects, the
154 Department of Economic Opportunity shall grant the tax credits
155 for those applications on a pro rata basis.



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156 3. Application requirements.-

157 a. An ~~Any~~ eligible sponsor seeking to participate in this
158 program must submit a proposal to the Department of Economic
159 Opportunity which sets forth the name of the sponsor, a
160 description of the project, and the area in which the project is
161 located, together with such supporting information as is
162 prescribed by rule. The proposal must also contain a resolution
163 from the local governmental unit in which the project is located
164 certifying that the project is consistent with local plans and
165 regulations.

166 b. A ~~Any~~ person seeking to participate in this program must
167 submit an application for tax credit to the Department of
168 Economic Opportunity which sets forth the name of the sponsor, a
169 description of the project, and the type, value, and purpose of
170 the contribution. The sponsor shall verify, in writing, the
171 terms of the application and indicate its receipt of the
172 contribution, and such verification must accompany the
173 application for tax credit. The person must submit a separate
174 tax credit application to the Department of Economic Opportunity
175 for each individual contribution that it makes to each
176 individual project.

177 c. A ~~Any~~ person who has received notification from the
178 Department of Economic Opportunity that a tax credit has been
179 approved must apply to the department to receive the refund.
180 Application must be made on the form prescribed for claiming
181 refunds of sales and use taxes and be accompanied by a copy of
182 the notification. A person may submit only one application for
183 refund to the department within a 12-month period.

184 4. Administration.-



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185 a. The Department of Economic Opportunity may adopt rules
186 necessary to administer this paragraph, including rules for the
187 approval or disapproval of proposals by a person.

188 b. The decision of the Department of Economic Opportunity
189 must be in writing, and, if approved, the notification shall
190 state the maximum credit allowable to the person. Upon approval,
191 the Department of Economic Opportunity shall transmit a copy of
192 the decision to the department.

193 c. The Department of Economic Opportunity shall
194 periodically monitor all projects in a manner consistent with
195 available resources to ensure that resources are used in
196 accordance with this paragraph; however, each project must be
197 reviewed at least once every 2 years.

198 d. The Department of Economic Opportunity shall, in
199 consultation with the statewide and regional housing and
200 financial intermediaries, market the availability of the
201 community contribution tax credit program to community-based
202 organizations.

203 5. Expiration.—This paragraph expires June 30, 2025 ~~2016~~;
204 however, any accrued credit carryover that is unused on that
205 date may be used until the expiration of the 3-year carryover
206 period for such credit.

207 Section 2. Paragraph (t) of subsection (1) of section
208 220.03, Florida Statutes, is amended to read:

209 220.03 Definitions.—

210 (1) SPECIFIC TERMS.—When used in this code, and when not
211 otherwise distinctly expressed or manifestly incompatible with
212 the intent thereof, the following terms shall have the following
213 meanings:



214 (t) "Project" means any activity undertaken by an eligible
215 sponsor, as defined in s. 220.183(2)(c), which is designed to
216 construct, improve, or substantially rehabilitate housing that
217 is affordable to low-income or very-low-income households as
218 defined in s. 420.9071(19) and (28); designed to provide housing
219 opportunities for persons with special needs; designed to
220 provide commercial, industrial, or public resources and
221 facilities; or designed to improve entrepreneurial and job-
222 development opportunities for low-income persons. A project may
223 be the investment necessary to increase access to high-speed
224 broadband capability in rural communities with enterprise zones,
225 including projects that result in improvements to communications
226 assets that are owned by a business. A project may include the
227 provision of museum educational programs and materials that are
228 directly related to any project approved between January 1,
229 1996, and December 31, 1999, and located in an enterprise zone
230 designated pursuant to s. 290.0065. This paragraph does not
231 preclude projects that propose to construct or rehabilitate low-
232 income or very-low-income housing on scattered sites; or housing
233 opportunities for persons with special needs. With respect to
234 housing, contributions may be used to pay the following eligible
235 project-related activities:

- 236 1. Project development, impact, and management fees for
237 special needs, low-income or very-low-income housing projects;
238 2. Down payment and closing costs for eligible persons, as
239 defined in s. 420.9071(19) and (28);
240 3. Administrative costs, including housing counseling and
241 marketing fees, not to exceed 10 percent of the community
242 contribution, directly related to special needs, low-income or



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243 very-low-income projects; and

244 4. Removal of liens recorded against residential property
245 by municipal, county, or special-district local governments when
246 satisfaction of the lien is a necessary precedent to the
247 transfer of the property to an eligible person, as defined in s.
248 420.9071(19) and (28), for the purpose of promoting home
249 ownership. Contributions for lien removal must be received from
250 a nonrelated third party.

251
252 ³The provisions of this paragraph shall expire and be void on
253 June 30, 2025 ~~2015~~.

254 Section 3. Subsections (1), (2) and (5) or section 220.183,
255 Florida Statutes, are amended to read,
256 220.183 Community contribution tax credit.—

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

260 (a) There shall be allowed a credit of 50 percent of a
261 community contribution against any tax due for a taxable year
262 under this chapter.

263 (b) No business firm shall receive more than \$200,000 in
264 annual tax credits for all approved community contributions made
265 in any one year.

266 (c) The total amount of tax credit which may be granted for
267 all programs approved under this section, s. 212.08(5)(p), and
268 s. 624.5105 is \$18.4 million annually for projects that provide
269 housing opportunities for persons with special needs as defined
270 in s. 420.0004 and for homeownership opportunities for low-
271 income households or very-low-income households as defined in s.



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272 420.9071 and \$3.5 million annually for all other projects.

273 (d) All proposals for the granting of the tax credit shall
274 require the prior approval of the Department of Economic
275 Opportunity.

276 (e) If the credit granted pursuant to this section is not
277 fully used in any one year because of insufficient tax liability
278 on the part of the business firm, the unused amount may be
279 carried forward for a period not to exceed 5 years. The
280 carryover credit may be used in a subsequent year when the tax
281 imposed by this chapter for such year exceeds the credit for
282 such year under this section after applying the other credits
283 and unused credit carryovers in the order provided in s.
284 220.02(8).

285 (f) A taxpayer who files a Florida consolidated return as a
286 member of an affiliated group pursuant to s. 220.131(1) may be
287 allowed the credit on a consolidated return basis.

288 (g) A taxpayer who is eligible to receive the credit
289 provided for in s. 624.5105 is not eligible to receive the
290 credit provided by this section.

291 (2) ELIGIBILITY REQUIREMENTS.—

292 (a) All community contributions by a business firm shall be
293 in the form specified in s. 220.03(1)(d).

294 (b)1. All community contributions must be reserved
295 exclusively for use in projects as defined in s. 220.03(1)(t).

296 2. If, during the first 10 business days of the state
297 fiscal year, eligible tax credit applications for projects that
298 provide housing opportunities for persons with special needs or
299 homeownership opportunities for low-income or very-low-income
300 households as defined in s. 420.9071(19) and (28) are received



523058

301 for less than the annual tax credits available for those
302 projects, the Department of Economic Opportunity shall grant tax
303 credits for those applications and shall grant remaining tax
304 credits on a first-come, first-served basis for any subsequent
305 eligible applications received before the end of the state
306 fiscal year. If, during the first 10 business days of the state
307 fiscal year, eligible tax credit applications for projects that
308 provide housing opportunities for persons with special needs or
309 homeownership opportunities for low-income or very-low-income
310 households as defined in s. 420.9071(19) and (28) are received
311 for more than the annual tax credits available for those
312 projects, the Department of Economic Opportunity shall grant the
313 tax credits for those applications as follows:

314 a. If tax credit applications submitted for approved
315 projects of an eligible sponsor do not exceed \$200,000 in total,
316 the credit shall be granted in full if the tax credit
317 applications are approved.

318 b. If tax credit applications submitted for approved
319 projects of an eligible sponsor exceed \$200,000 in total, the
320 amount of tax credits granted under sub-subparagraph a. shall be
321 subtracted from the amount of available tax credits, and the
322 remaining credits shall be granted to each approved tax credit
323 application on a pro rata basis.

324 3. If, during the first 10 business days of the state
325 fiscal year, eligible tax credit applications for projects other
326 than those that provide housing opportunities for persons with
327 special needs or homeownership opportunities for low-income or
328 very-low-income households as defined in s. 420.9071(19) and
329 (28) are received for less than the annual tax credits available



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330 for those projects, the Department of Economic Opportunity shall
331 grant tax credits for those applications and shall grant
332 remaining tax credits on a first-come, first-served basis for
333 any subsequent eligible applications received before the end of
334 the state fiscal year. If, during the first 10 business days of
335 the state fiscal year, eligible tax credit applications for
336 projects other than those that provide housing opportunities for
337 persons with special needs or homeownership opportunities for
338 low-income or very-low-income households as defined in s.
339 420.9071(19) and (28) are received for more than the annual tax
340 credits available for those projects, the Department of Economic
341 Opportunity shall grant the tax credits for those applications
342 on a pro rata basis.

343 (c) The project must be undertaken by an "eligible
344 sponsor," defined here as:

- 345 1. A community action program;
- 346 2. A nonprofit community-based development organization
347 whose mission is the provision of housing for persons with
348 special needs, low-income or very-low-income households or
349 increasing entrepreneurial and job-development opportunities for
350 low-income persons;
- 351 3. A neighborhood housing services corporation;
- 352 4. A local housing authority, created pursuant to chapter
353 421;
- 354 5. A community redevelopment agency, created pursuant to s.
355 163.356;
- 356 6. A historic preservation district agency or organization;
- 357 7. A regional workforce board;
- 358 8. A direct-support organization as provided in s.



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359 1009.983;

360 9. An enterprise zone development agency created pursuant
361 to s. 290.0056;

362 10. A community-based organization incorporated under
363 chapter 617 which is recognized as educational, charitable, or
364 scientific pursuant to s. 501(c)(3) of the Internal Revenue Code
365 and whose bylaws and articles of incorporation include
366 affordable housing, economic development, or community
367 development as the primary mission of the corporation;

368 11. Units of local government;

369 12. Units of state government; or

370 13. Such other agency as the Department of Economic
371 Opportunity may, from time to time, designate by rule.

372

373 In no event shall a contributing business firm have a financial
374 interest in the eligible sponsor.

375 (d) The project shall be located in an area designated as
376 an enterprise zone or a Front Porch Florida Community. Any
377 project designed to construct or rehabilitate housing for low-
378 income or very-low-income households as defined in s.
379 420.9071(19) and (28) or housing opportunities for persons with
380 special needs is exempt from the area requirement of this
381 paragraph. This section does not preclude projects that propose
382 to construct or rehabilitate housing for low-income or very-low-
383 income households on scattered sites; or housing opportunities
384 for persons with special needs. Any project designed to provide
385 increased access to high-speed broadband capabilities which
386 includes coverage of a rural enterprise zone may locate the
387 project's infrastructure in any area of a rural county.



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388 (5) EXPIRATION.—The provisions of this section, except
389 paragraph (1)(e), expire and are void on June 30, 2025 ~~2016~~

390 Section 4. Subsections (1), (2), and (6) of section
391 624.5105, Florida Statutes, are amended to read:

392 624.5105 Community contribution tax credit; authorization;
393 limitations; eligibility and application requirements;
394 administration; definitions; expiration.—

395 (1) AUTHORIZATION TO GRANT TAX CREDITS; LIMITATIONS.—

396 (a) There shall be allowed a credit of 50 percent of a
397 community contribution against any tax due for a calendar year
398 under s. 624.509 or s. 624.510.

399 (b) No insurer shall receive more than \$200,000 in annual
400 tax credits for all approved community contributions made in any
401 one year.

402 (c) The total amount of tax credit which may be granted for
403 all programs approved under this section and ss. 212.08(5)(p)
404 and 220.183 is \$18.4 million annually for projects that provide
405 housing opportunities for persons with special needs as defined
406 in s. 420.0004 or homeownership opportunities for low-income or
407 very-low-income households as defined in s. 420.9071 and \$3.5
408 million annually for all other projects.

409 (d) Each proposal for the granting of such tax credit
410 requires the prior approval of the director.

411 (e) If the credit granted pursuant to this section is not
412 fully used in any one year because of insufficient tax liability
413 on the part of the insurer, the unused amount may be carried
414 forward for a period not to exceed 5 years. The carryover credit
415 may be used in a subsequent year when the tax imposed by s.
416 624.509 or s. 624.510 for such year exceeds the credit under



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417 this section for such year.

418 (f) An insurer that claims a credit against premium-tax
419 liability earned by making a community contribution under this
420 section need not pay any additional retaliatory tax levied under
421 s. 624.5091 as a result of claiming such a credit. Section
422 624.5091 does not limit such a credit in any manner.

423 (2) ELIGIBILITY REQUIREMENTS.—

424 (a) Each community contribution by an insurer must be in a
425 form specified in subsection (5).

426 (b) Each community contribution must be reserved
427 exclusively for use in a project as defined in s. 220.03(1)(t).

428 (c) The project must be undertaken by an "eligible
429 sponsor," as defined in s. 220.183(2)(c). In no event shall a
430 contributing insurer have a financial interest in the eligible
431 sponsor.

432 (d) The project shall be located in an area designated as
433 an enterprise zone or a Front Porch Community. Any project
434 designed to provide housing opportunities for persons with
435 special needs or designed to construct or rehabilitate housing
436 for low-income or very-low-income households as defined in s.
437 420.9071(19) and (28) is exempt from the area requirement of
438 this paragraph.

439 (e)1. If, during the first 10 business days of the state
440 fiscal year, eligible tax credit applications for projects that
441 provide housing opportunities for persons with special needs or
442 provide homeownership opportunities for low-income or very-low-
443 income households as defined in s. 420.9071(19) and (28) are
444 received for less than the annual tax credits available for
445 those projects, the Department of Economic Opportunity shall



523058

446 grant tax credits for those applications and shall grant
447 remaining tax credits on a first-come, first-served basis for
448 any subsequent eligible applications received before the end of
449 the state fiscal year. If, during the first 10 business days of
450 the state fiscal year, eligible tax credit applications for
451 projects that provide housing opportunities for persons with
452 special needs or provide homeownership opportunities for low-
453 income or very-low-income households as defined in s.

454 420.9071(19) and (28) are received for more than the annual tax
455 credits available for those projects, the Department of Economic
456 Opportunity shall grant the tax credits for those applications
457 as follows:

458 a. If tax credit applications submitted for approved
459 projects of an eligible sponsor do not exceed \$200,000 in total,
460 the credits shall be granted in full if the tax credit
461 applications are approved.

462 b. If tax credit applications submitted for approved
463 projects of an eligible sponsor exceed \$200,000 in total, the
464 amount of tax credits granted under sub-subparagraph a. shall be
465 subtracted from the amount of available tax credits, and the
466 remaining credits shall be granted to each approved tax credit
467 application on a pro rata basis.

468 2. If, during the first 10 business days of the state
469 fiscal year, eligible tax credit applications for projects other
470 than those that provide housing opportunities for persons with
471 special needs or provide homeownership opportunities for low-
472 income or very-low-income households as defined in s.

473 420.9071(19) and (28) are received for less than the annual tax
474 credits available for those projects, the Department of Economic



523058

475 Opportunity shall grant tax credits for those applications and
476 shall grant remaining tax credits on a first-come, first-served
477 basis for any subsequent eligible applications received before
478 the end of the state fiscal year. If, during the first 10
479 business days of the state fiscal year, eligible tax credit
480 applications for projects other than those that provide housing
481 opportunities for persons with special needs or provide
482 homeownership opportunities for low-income or very-low-income
483 households as defined in s. 420.9071(19) and (28) are received
484 for more than the annual tax credits available for those
485 projects, the Department of Economic Opportunity shall grant the
486 tax credits for those applications on a pro rata basis.

487 (6) EXPIRATION.—The provisions of this section, except
488 paragraph (1)(e), expire and are void on June 30, 2025 ~~2016~~.

489
490 ===== T I T L E A M E N D M E N T =====

491 And the title is amended as follows:

492 Delete lines 4 - 24

493 and insert:

494 624.5105, F.S.; expanding the community contribution
495 tax credit against the sales and use tax, corporate
496 income tax, and insurance premium tax for
497 contributions made to eligible sponsors of specified
498 projects to include contributions made to eligible
499 sponsors of housing projects for persons with certain
500 special needs; extending the expiration date
501 applicable to the granting of the community
502 contribution tax credit against such taxes; providing
503 an effective



FLORIDA
DEPARTMENT *of*
ECONOMIC
OPPORTUNITY

Department Overview

Jesse Panuccio
DEO Executive Director

Senate Appropriations Subcommittee on Transportation,
Tourism, and Economic Development

February 18, 2015



DEO Overview

- The Department was created in 2011
- Vision of Governor Scott and the Legislature to combine 3 Agencies
- Streamline Economic Development Policies and Procedures



FLORIDA DEPARTMENT *of* ECONOMIC OPPORTUNITY



FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY STRUCTURE



PARTNERS



DIVISION of COMMUNITY DEVELOPMENT



*Community Assistance
Community Revitalization
Community Planning
Community Economic Development*

PARTNERS



DIVISION of STRATEGIC BUSINESS DEVELOPMENT



*Business & Economic Incentives
Compliance & Accountability
Planning & Partnerships
Film & Entertainment*

PARTNERS



DIVISION of WORKFORCE SERVICES



*Labor Market Statistics
One Stop Program Support
Reemployment Assistance*



FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY



DIVISION *of* STRATEGIC BUSINESS DEVELOPMENT

*Business & Economic Incentives
Compliance & Accountability
Planning & Partnerships
Film & Entertainment*

PARTNERS



FLORIDA DEPARTMENT *of* ECONOMIC OPPORTUNITY

DIVISION *of* WORKFORCE SERVICES



*Labor Market Statistics
One Stop Program Support
Reemployment Assistance*

PARTNERS



FLORIDA DEPARTMENT *of* ECONOMIC OPPORTUNITY



DIVISION *of* COMMUNITY DEVELOPMENT



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Community Revitalization
Community Planning
Community Economic Development*

PARTNERS

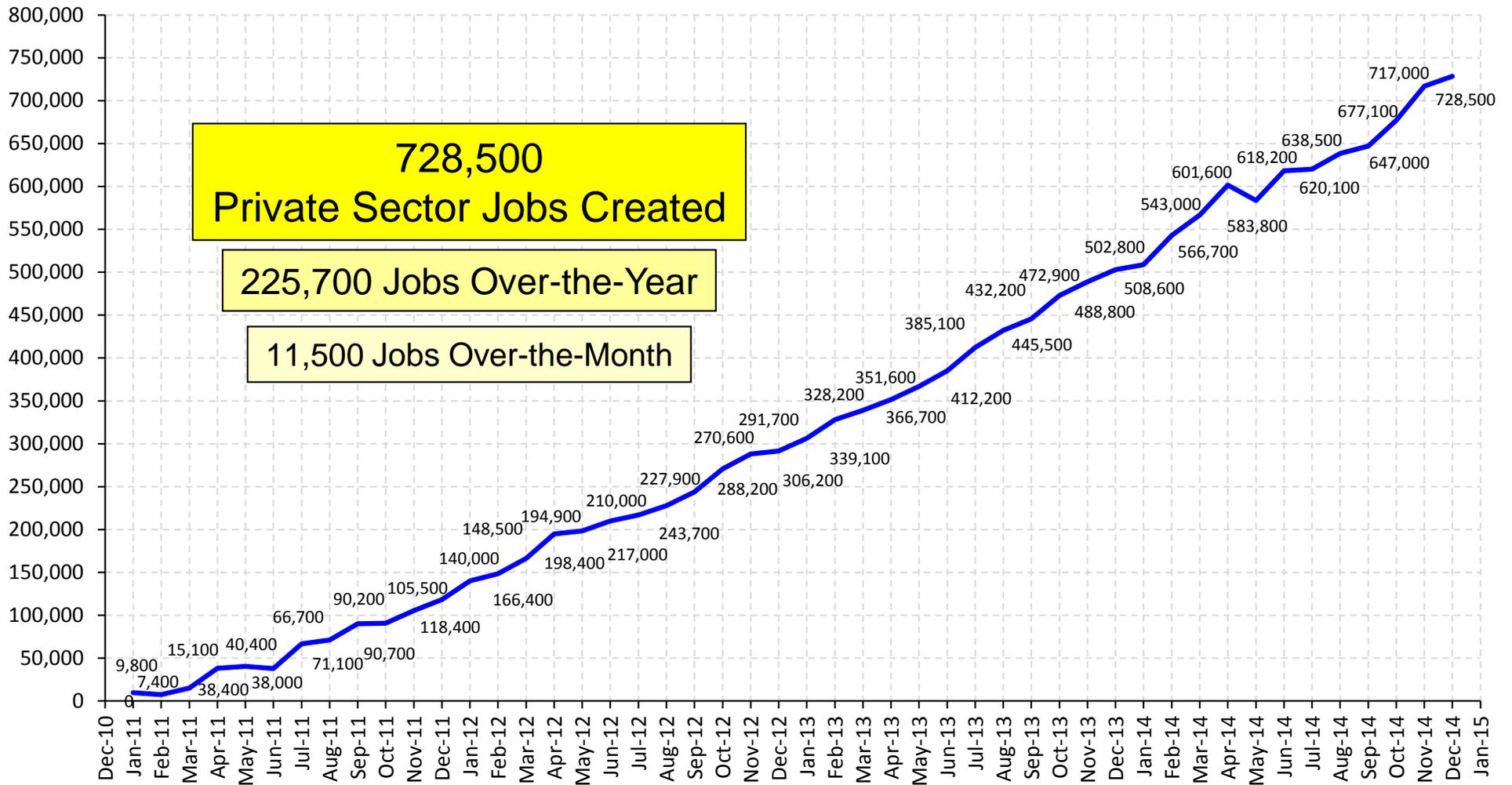


FLORIDA DEPARTMENT *of* ECONOMIC OPPORTUNITY



Private-Sector Jobs Created

December 2010 – December 2014, Seasonally Adjusted



728,500
Private Sector Jobs Created

225,700 Jobs Over-the-Year

11,500 Jobs Over-the-Month

Source: U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics Program, released January 23, 2015.

Prepared by: Florida Department of Economic Opportunity, Bureau of Labor Market Statistics.



FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY

Private-Sector Job Growth Florida vs. the Nation

Jurisdiction	Total Jobs Added OTY	% Increase
United States	2,861,000	2.5%
Texas	420,200	4.4%
North Carolina	119,900	3.5%
Florida	225,700	3.4%
Georgia	106,500	3.1%
California	323,800	2.5%
New York	114,400	1.5%
Ohio	61,200	1.4%
Michigan	49,400	1.4%
Pennsylvania	57,600	1.1%
Illinois	52,800	1.1%

- Over the last four years, Florida has had an 11.9% increase in private-sector jobs while the nation as a whole has had an 9.1 % increase.
- Florida's over-the-year job growth rate is more than triple that of Illinois and Pennsylvania.

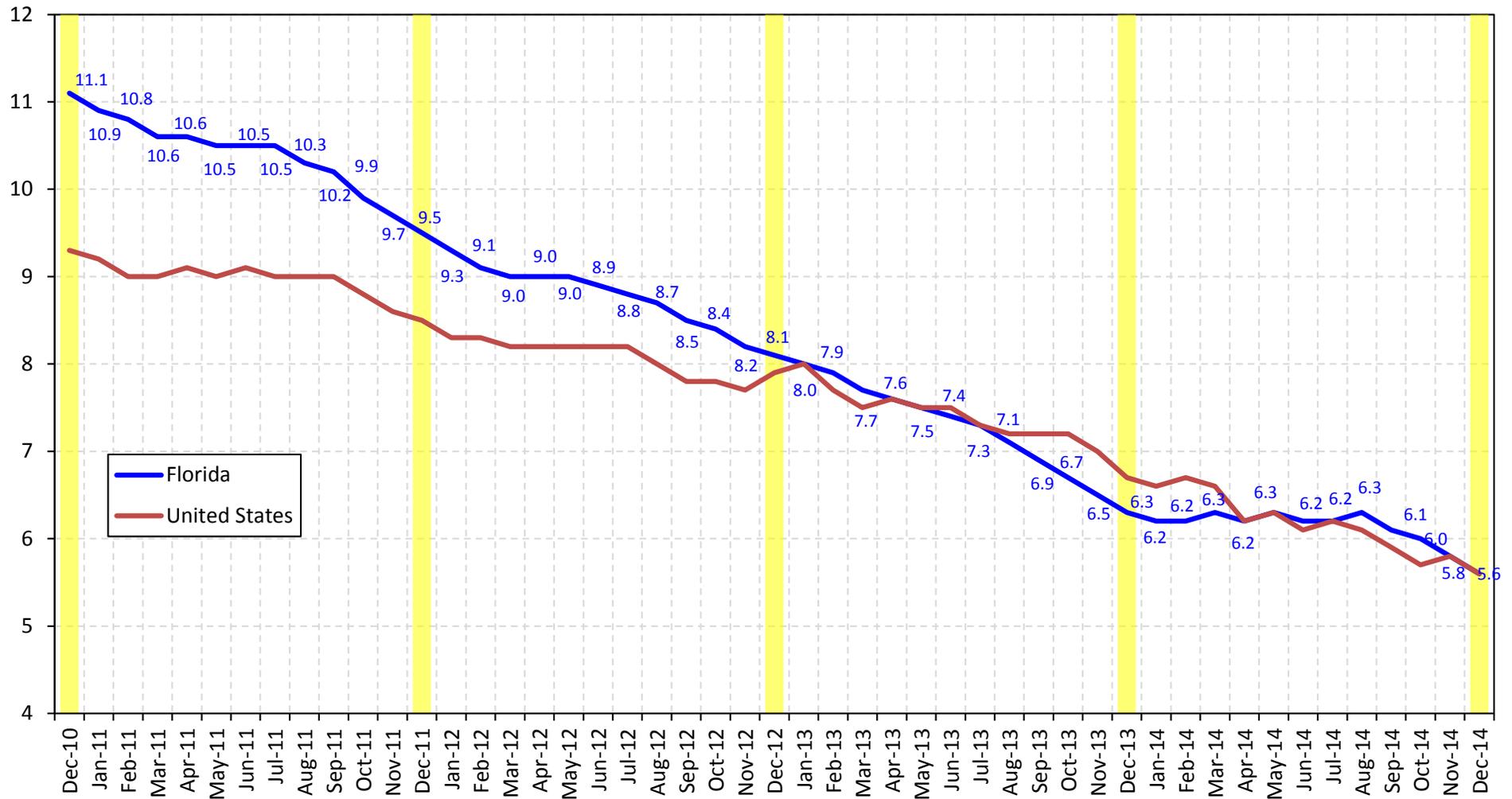
Source: U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics Program, released January 27, 2015.
Prepared by: Florida Department of Economic Opportunity, Bureau of Labor Market Statistics.



FLORIDA DEPARTMENT *of* ECONOMIC OPPORTUNITY

Unemployment Rate for Florida and the United States

December 2010 – December 2014, Seasonally Adjusted

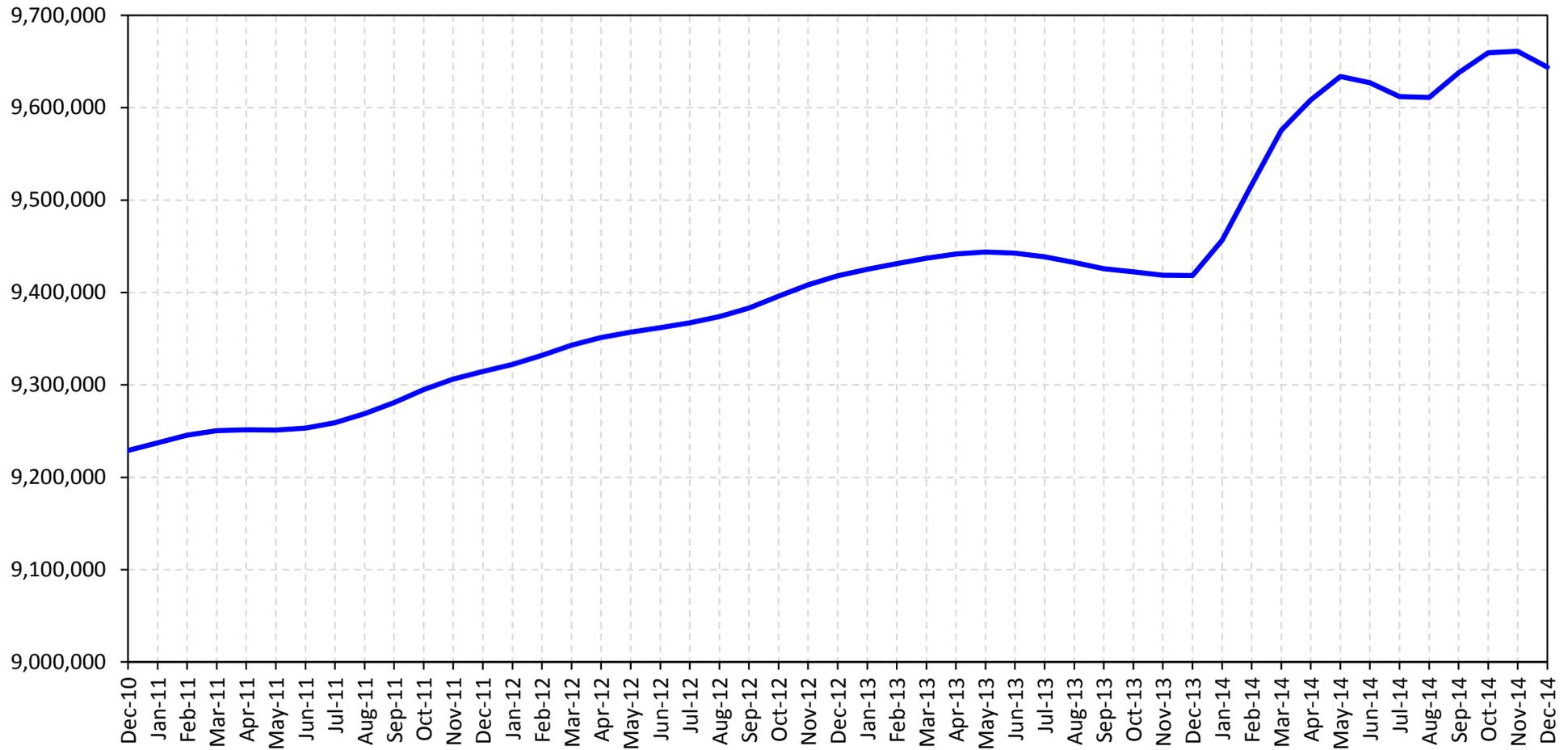


Source: U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics Program in cooperation with the Florida Department of Economic Opportunity, Bureau of Labor Market Statistics, released January 23, 2015.



FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY

Total Labor Force Florida



Source: U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics Program in cooperation with the Florida Department of Economic Opportunity, Bureau of Labor Market Statistics, released January 23, 2015.



FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY

Labor Force Growth in the Nation and the Ten Largest States

Jurisdiction	Change from December 2010	Change from December 2010 (%)	Over-the-Year Change	Over-the-Year Change (%)
United States	2,479,000	1.6	1,082,000	0.7
Florida	415,000	4.5	226,000	2.4
Texas	657,900	5.3	187,000	1.5
California	455,500	2.5	285,000	1.5
Michigan	41,100	0.9	47,000	1.0
Georgia	12,400	0.3	8,000	0.2
Illinois	-26,400	-0.4	8,000	0.1
Ohio	-71,400	-1.2	-20,000	-0.3
New York	-24,500	-0.3	-70,000	-0.7
North Carolina	-22,500	-0.5	-42,000	-0.9
Pennsylvania	-31,100	-0.5	-57,000	-0.9

Source: U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics Program in cooperation with the Florida Department of Economic Opportunity, Bureau of Labor Market Statistics, released January 27, 2015.

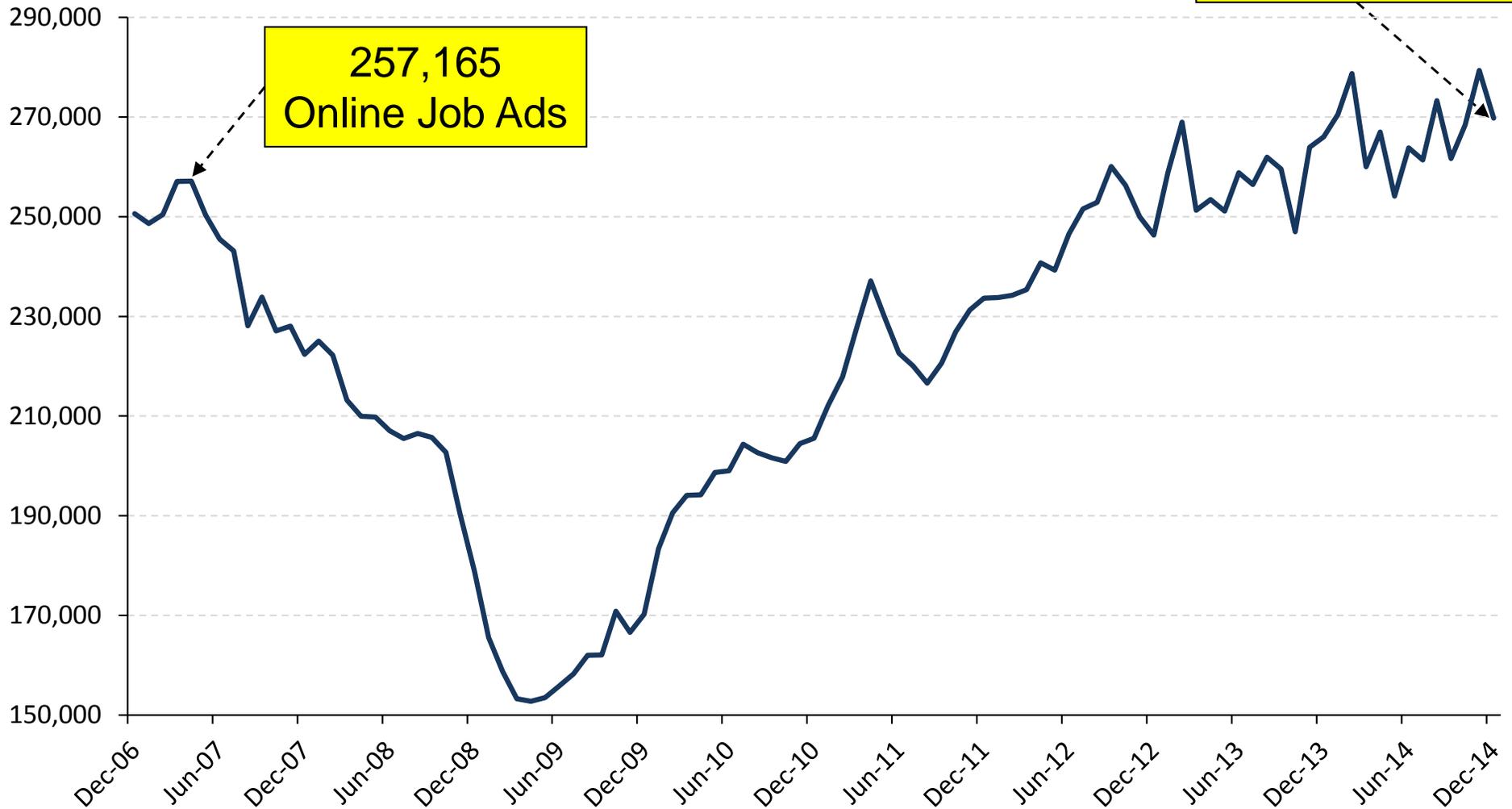


FLORIDA DEPARTMENT *of* ECONOMIC OPPORTUNITY



Job Demand

December 2006 – December 2014



Source: The Conference Board, Help Wanted OnLine, prepared by the Florida Department of Economic Opportunity, Bureau of Labor Market Statistics.



FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY

Top Occupations in Demand for Florida

General Occupations

Top Advertised Occupations for Florida	Online Ads January 2015
Florida Total Ads	279,244
Registered Nurses	16,288
Retail Salespersons	6,080
First-Line Supervisors of Retail Sales Workers	5,660
Customer Service Representatives	5,147
Heavy and Tractor-Trailer Truck Drivers	4,701
First-Line Supervisors of Food Preparation and Serving Workers	4,263
First-Line Supervisors of Office and Administrative Support Workers	3,893
Accountants	3,249
Sales Reps, Wholesale & Manufacturing, Except Technical & Scientific	3,195
Maintenance and Repair Workers, General	3,078
Medical and Health Services Managers	3,057
Computer User Support Specialists	2,840
Web Developers	2,671
Executive Secretaries and Executive Administrative Assistants	2,637
Computer Systems Analysts	2,617
Maids and Housekeeping Cleaners	2,565
Marketing Managers	2,523
Waiters and Waitresses	2,419
Bookkeeping, Accounting, and Auditing Clerks	2,411
Critical Care Nurses	2,385

Education Required - Postsecondary Adult Vocational

STEM Occupations

Top Advertised STEM Occupations for Florida	Online Ads January 2015
Florida Total Ads	59,876
Registered Nurses	16,288
Accountants	3,249
Computer User Support Specialists	2,840
Computer Systems Analysts	2,617
Critical Care Nurses	2,385
Network and Computer Systems Administrators	2,329
Software Developers, Applications	2,273
Financial Managers, Branch or Department	1,385
Information Technology Project Managers	1,350
Industrial Engineers	1,081
Computer Programmers	1,075
Auditors	861
Software Quality Assurance Engineers and Testers	819
Family and General Practitioners	815
Civil Engineers	741
Computer Systems Engineers/Architects	712
Physician Assistants	666
Surgical Technologists	648
Database Administrators	634
Computer and Information Systems Managers	624

Education Required - Postsecondary Adult Vocational

Source: The Conference Board, Help Wanted OnLine, prepared by the Florida Department of Economic Opportunity, Bureau of Labor Market Statistics.



FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY

Q&A

The letters 'Q&A' are rendered in a bold, dark blue, sans-serif font. The final 'A' is replaced by a circular graphic. The top half of the circle is a light green globe with white latitude and longitude lines. The bottom half is a dark blue circle containing a white silhouette of the state of Florida.

FLORIDA DEPARTMENT *of* ECONOMIC OPPORTUNITY



Highlights for the New Markets Development Program

Background

In 2009, the Florida New Markets Development Program was established to encourage capital investment in rural and urban low-income communities by allowing taxpayers to earn credits against specified taxes by investing in qualified community development entities that make qualified low-income community investments in qualified active low-income community businesses to create and retain jobs.

Florida's New Market Development Program, which is molded after the Federal New Markets Tax Credit Program, provides delayed state tax credit to investors in Community Development Entities or CDE's, which in turn invest in qualified businesses in low income communities.

Tax credits are available over a seven-year period after the New Markets investment. Tax credits claimed by investors are equal to 7 percent of the qualified investment begin in the third year followed by 8 percent credits annually for the fourth through the seventh year. Similar New Markets Programs exist in 14 states, including Florida.

Results

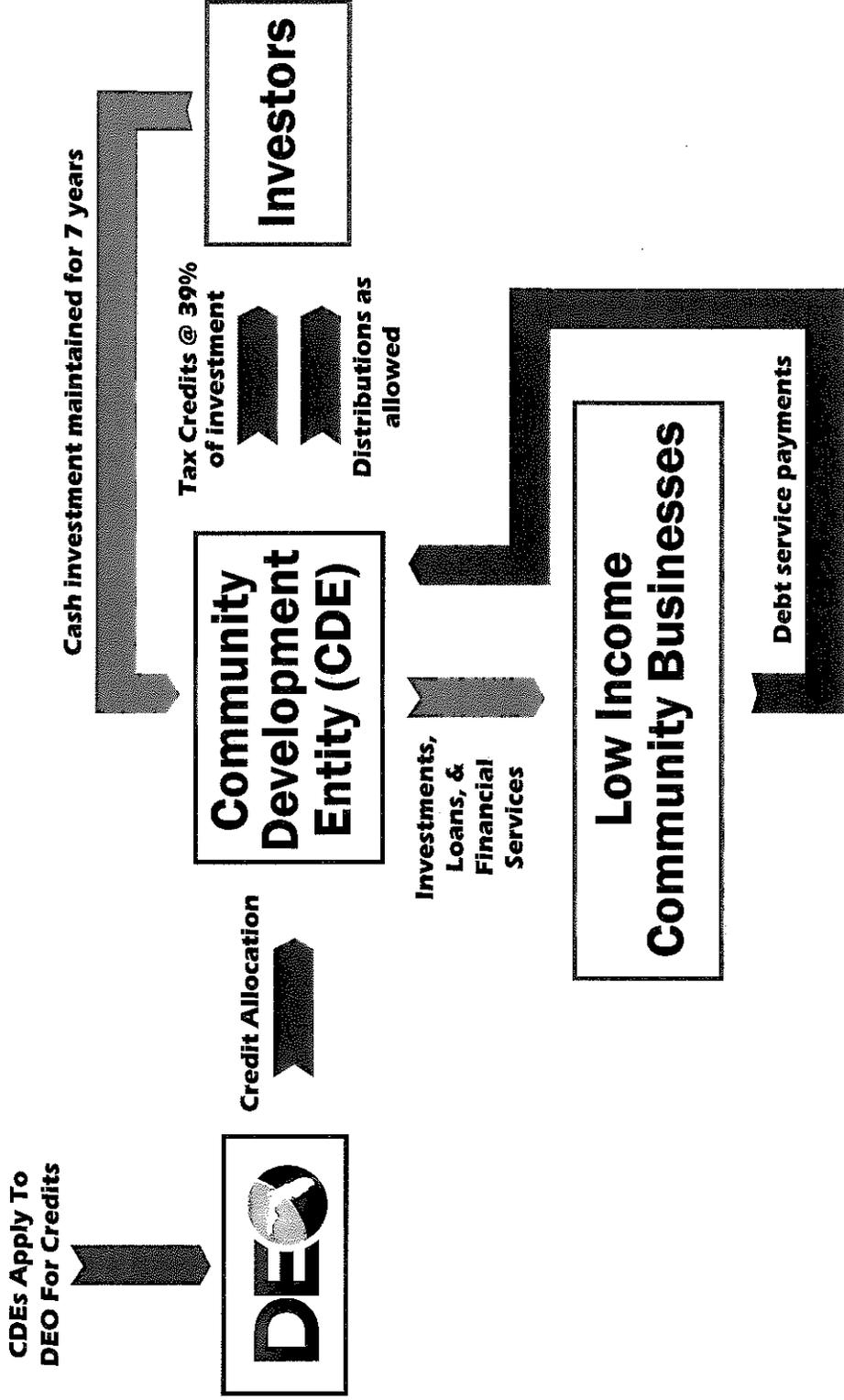
Total Tax Credits that have been allocated since 2010	\$216.34M
Total New Markets Development Projects around the state	83
Total Number of Community Development Entities participating in 2014-15	15

New Markets Development Project Examples

Business Name	Location	Investment
Jerome Brown BBQ	Jacksonville, FL	Enabled the family-run company to expand into a much larger manufacturing plant. The Browns use the manufacturing plant for not only sauces but also for cooking pulled pork and desserts such as peach cobbler that will be packaged for sale at retail stores. The company expects the addition of the plant will generate up to 56 jobs within the next several years.
Atlas Paper Mills	Hialeah, FL	Enabled Atlas, a leading manufacturer of environmentally friendly tissue products, to expand operations in Florida and hire an additional 29 employees while retaining 185 jobs.
Summit Broadband	Orlando, FL	Provided Summit Broadband with equipment financing and increased Summit's capacity to install new cable systems that directly resulted in the creation of 29 new jobs as well as the retention of 51 employees in a low-income community.
Metropolitan Ministries	Tampa, FL	Provided financing to build Miracle Place, a new complex that will offer education, rehabilitation, family counseling, child care, food services, and emergency shelter for homeless residents.
University Plaza	Miami, FL	Helped to develop a 148-bed skilled nursing facility in a highly distressed census tract in Miami, FL. University Plaza is a skilled nursing facility that serves as the cornerstone of an aging in place campus that is partnered with Miami-Dade County, Jackson Memorial Hospital and The University of Miami Center on Aging.
Prioria Robotics	Gainesville, FL	Provided investment to Prioria, an unmanned aerial device manufacturer, in order to meet future contract opportunities and assist the company to expand in Florida.

Florida's New Markets Development Program

STEPS



Enterprise Florida, Inc.

Senate Appropriations Subcommittee on Transportation, Tourism, and Economic Development

*Gray Swoope, CEO, Secretary of Commerce
February 18, 2015*



Leverage Points for Job Creation

Competitive Projects

These are the types of projects EFI works daily

- New Business
- Expansions
- Retention

Facilitated Growth

- Tourism
- International Trade
- Small Business Development Programs
- University Entrepreneurial Programs
- Commercialization Programs

Market Driven Growth

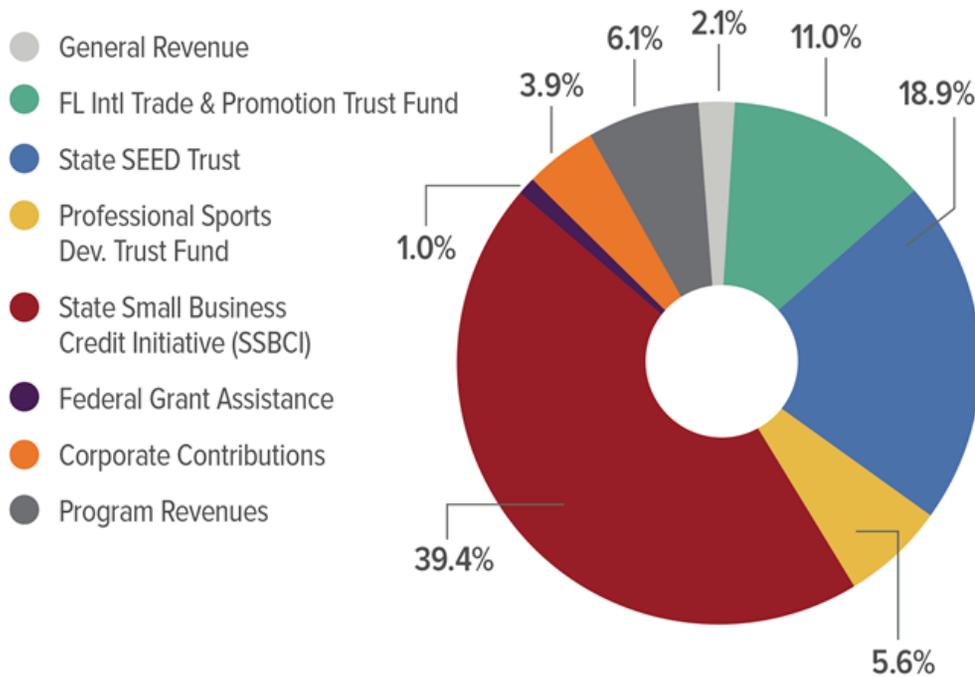
- New Business Start-Ups
- Companies Choosing Markets

Governor Scott's Goal: 700,000 jobs in 7 years

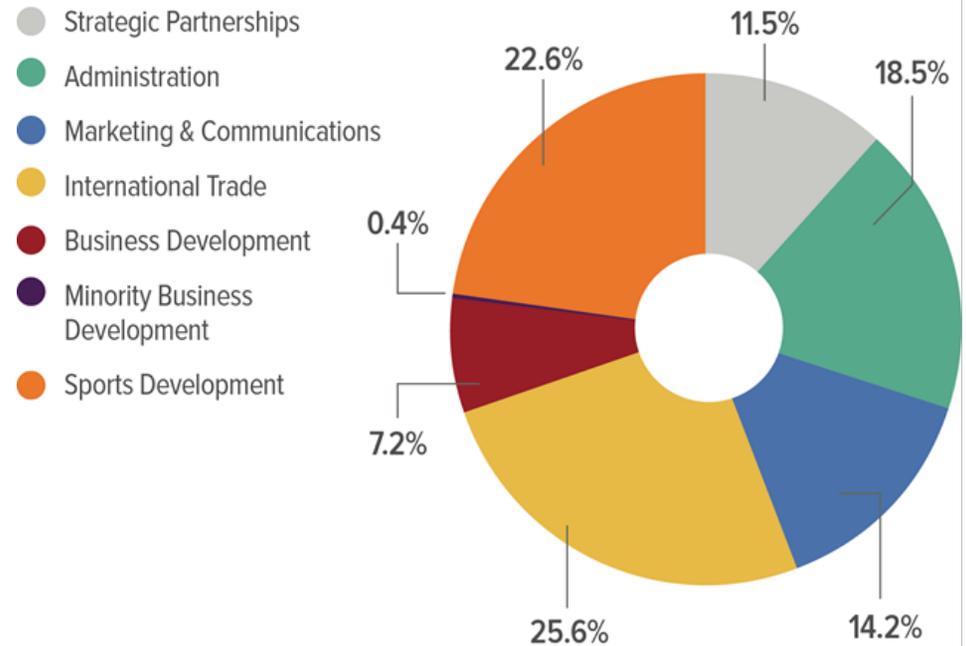
715,700 Jobs in just under 4 years!

Enterprise Florida FY13-14 Budget

Source of Funds 2013-14



Use of Funds 2013-14



Record-Breaking year for EFI

- Since FY10-11, we have seen an increase:
 - **\$2.78 billion capital investment** (FY13-14 up 150%)
 - **36,207 total** established jobs (FY13-14 up 84%)
 - **23,864 new jobs** established (FY13-14 up 65%)
- EFI's International team provided **5,234** export consultations with **2,653 companies** in the state
- Record setting year in partnerships – largest number of **new investors** and **investment**
- Florida Sports awarded **161 grants**, creating **\$663 million** in economic impact, attracting **700,000+ new visitors**

EFI's Presence in Florida

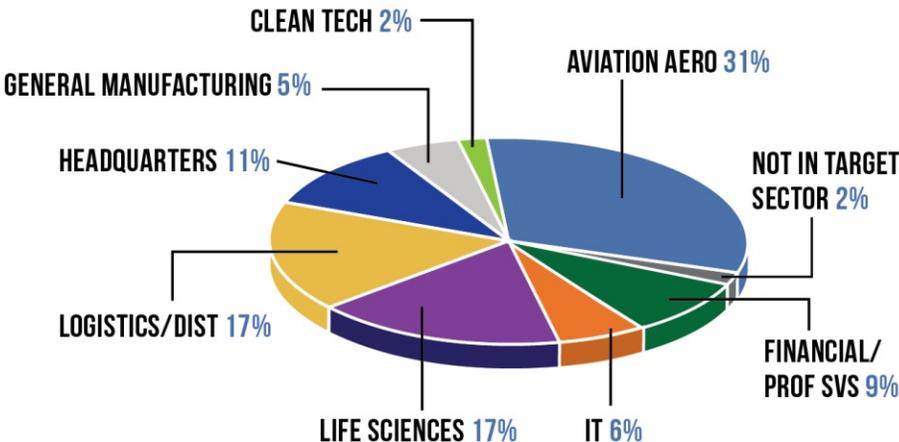
LEGEND: ENTERPRISE FLORIDA (EFI) ACTIVITIES

- 10** Team Florida Partnership Visits
- 15** Military & Defense Visits
- 72** President & CEO Visits
- 59** EFI Partner Activities & Interactions
- 19** Board Member Visits
- 40** EOG Announcements Coordinated by EFI
- 60** Export Assistance / International Events
- 148** Competitive Projects Located / Expansions
- 25** Asset Tours / Product Development

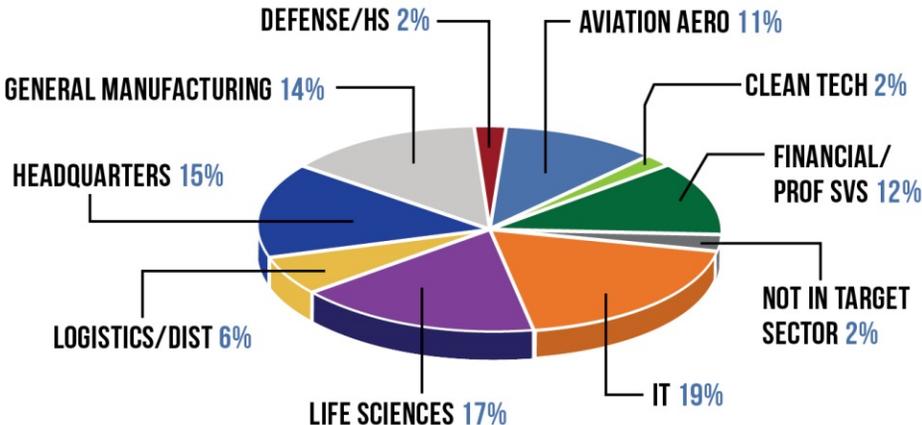


Competitive Projects – Business Development

Percentage of Capital Investment by Industry (FY 2013-14)



Established Projects by Industry (FY 2013-14)



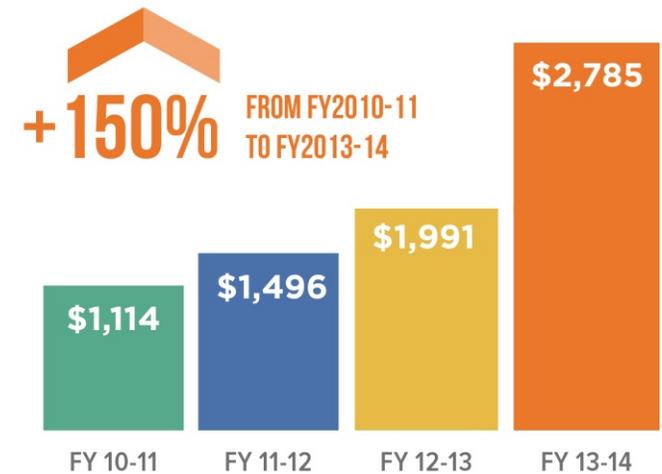
Competitive Projects – Business Development

- Business Development Performance

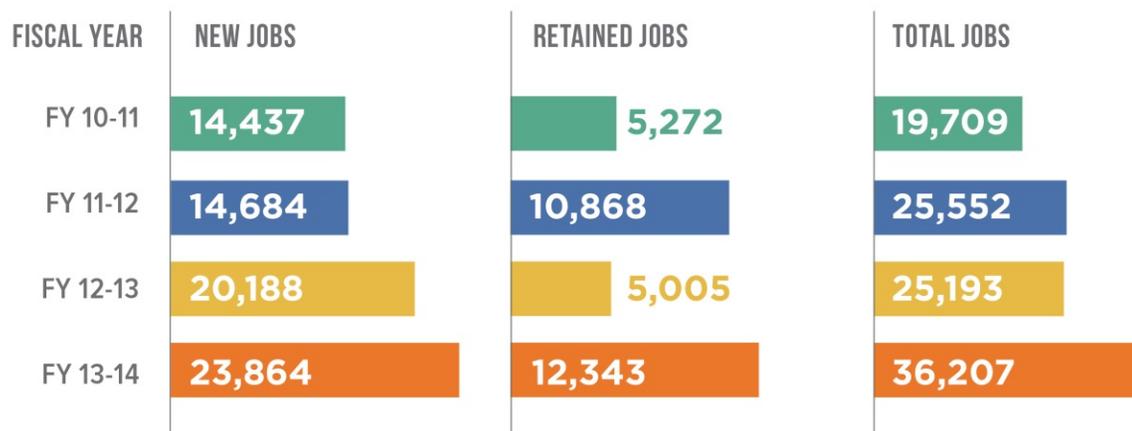
Competitive Projects Average Wage (4 Year Comparison)



Capital Investment (\$millions)



FY 2010-14 New Jobs + Retained Jobs = Total Jobs



Sampling of Key Competitive Projects FY13-14

ESCAMBIA

Global Business Solutions, Inc.
Industry: Information Technology
Project type: Expansion
New Jobs: 120
Capital Investment: \$5,000,000

DUVAL

Bank of America Corporation
Industry: Financial/Professional Services
Project type: Recruitment
New Jobs: 1,500
Capital Investment: \$30,000,000

SEMINOLE

Verizon Corporate Resources Group LLC - HQ
Industry: Financial/Professional Services
Project type: Expansion
New Jobs: 350
Capital Investment: \$50,000,000

HILLSBOROUGH

USAA Southeast Regional Office
Industry: Financial/Professional Services
Project type: Recruitment
New Jobs: 1,215
Capital Investment: \$162,770,000

ALACHUA

Optym
Industry: Logistics/Distribution
Project type: Expansion
New Jobs: 100
Capital Investment: \$4,800,000

ORANGE

United States Tennis Association (USTA)
Industry: Headquarters
Project type: Recruitment
New Jobs: 154
Capital Investment: \$60,000,000

Healthplan Holdings

Industry: Headquarters
Project type: Expansion
New Jobs: 1,025
Capital Investment: \$38,593,000

BREVARD

Northrop Grumman Melbourne
Industry: Aviation/Aerospace
Project type: Recruitment
New Jobs: 1,800
Capital Investment: \$500,000,000

PINELLAS

Stonegate Mortgage
Industry: Financial/Professional Services
Project type: Expansion
New Jobs: 139
Retained Jobs: 58
Capital Investment: \$2,100,000

POLK

Amazon.com
Industry: Logistics/Distribution
Project type: Recruitment
New Jobs: 385
Capital Investment: \$102,200,000

LEE

Gartner Group, Inc.
Industry: Information Technology
Project type: Expansion
New Jobs: 400
Capital Investment: \$28,000,000

Embraer Aircraft Holding, Inc.

Industry: Aviation/Aerospace
Project type: Expansion
New Jobs: 600
Capital Investment: \$15,000,000

PALM BEACH

Office Depot
Industry: Headquarters
Project type: Retention/Expansion
New Jobs: 378, Retained Jobs: 2,100
Capital Investment: \$3,000,000

MIAMI-DADE

Brink's
Industry: Headquarters
Project type: Expansion
New Jobs: 105
Capital Investment: \$1,600,000

Global Outreach - International Trade

- Trade Results FY 2013 – 2014

FLORIDA	is the largest user of the U.S. Department of Commerce's Gold Key Program
5,234	Consultations with 2,653 Florida companies, nearly all of which are small to medium enterprises (SMEs)
1,523	New-to-program companies working with EFI in the area of international trade
40	Domestic and overseas events were conducted
724	Companies participated in EFI international events
\$820.4M	Total projected export sales as a result of EFI's export assistance and export development programs

Global Outreach - International Trade

- EFI International Activities FY 2013 – 2014
- 40 domestic and international events (~3 events/month)



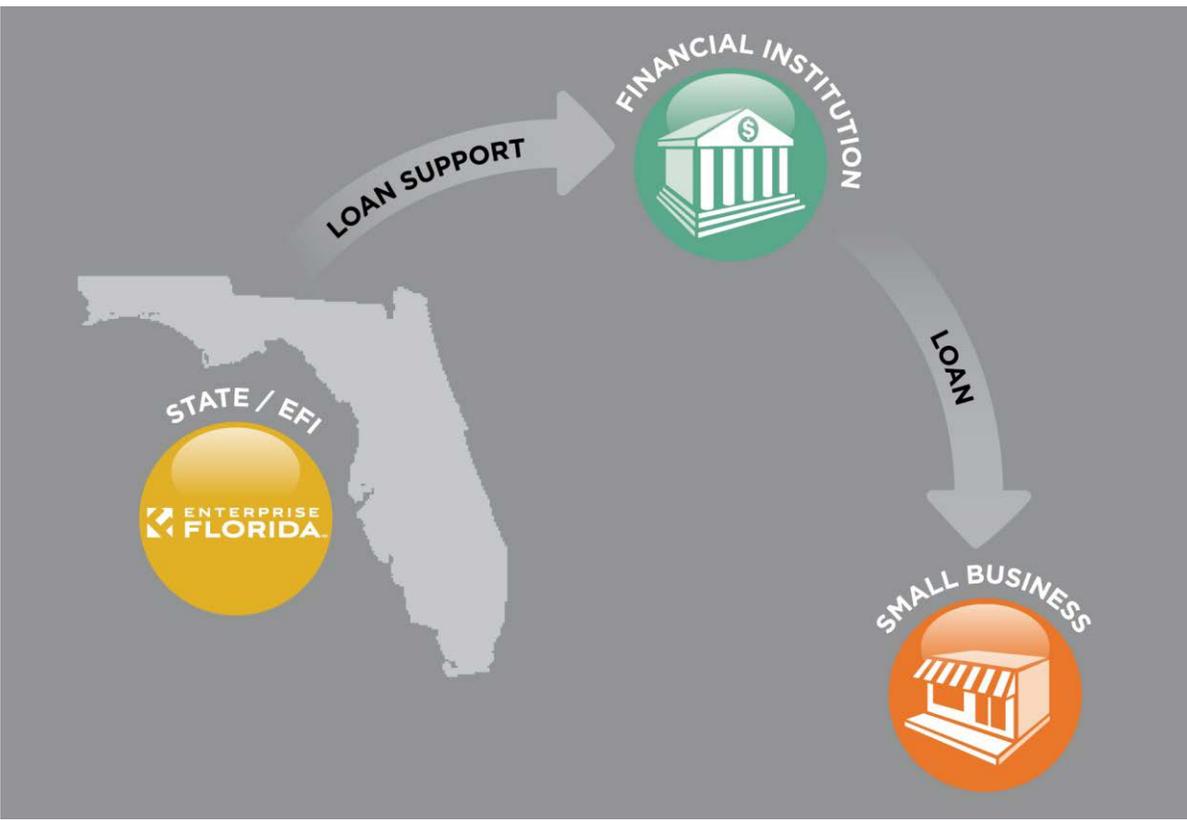
MaSBEC / Capital Programs Results FY13 - 14

25 Number of SSBCI Lenders Participating

\$12.2M Loan Guarantees (Leveraged Amount)

30 EFI-Assisted companies that have accessed financing

\$9.2M Loan Participations



Military & Defense Funding FY13-14

\$4M

Florida Defense Support Task Force

\$850,000

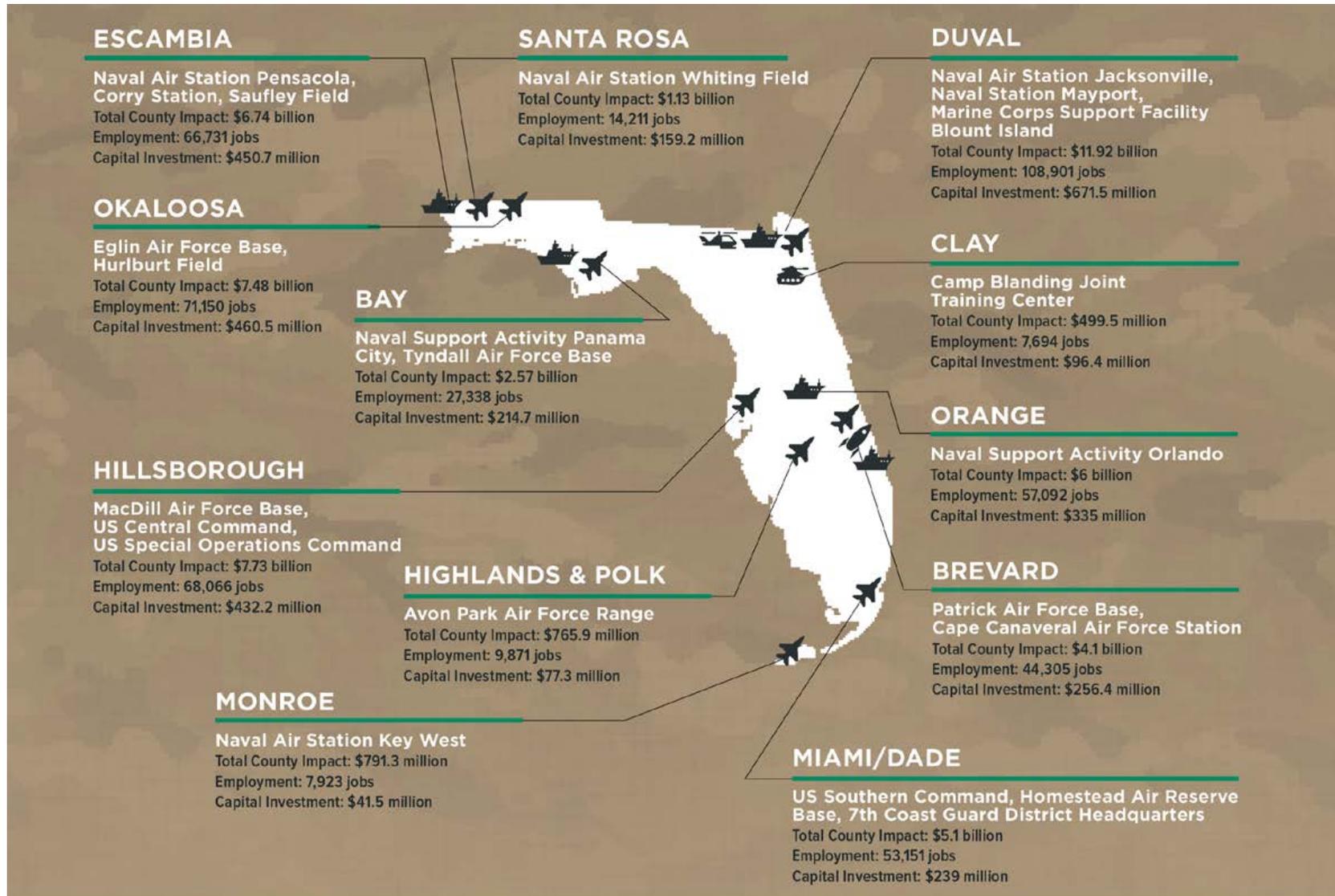
Defense Reinvestment Grant

\$1.6M

Defense Infrastructure Grant

\$150,000

Military Base Protection Grant



 Marine Corp

 Army Base

 Air Force Base

 Naval Base

 NASA

Florida Sports Foundation Impact

\$44.4B

Sports industry economic impact to Florida

13.3M

Out-of-state visitors that attended sporting events

2,567

Events hosted by Florida's 27 sports commissions

- **Florida Sports Grants program**
 - Awarded 109 grants
 - Grants created \$663M in economic impact
 - Attracted 700,000+ visitors creating more than 8,235 jobs.
 - Record sales for specialty license plate - 144,000+ sold

- **Florida Sports activities Across the State**



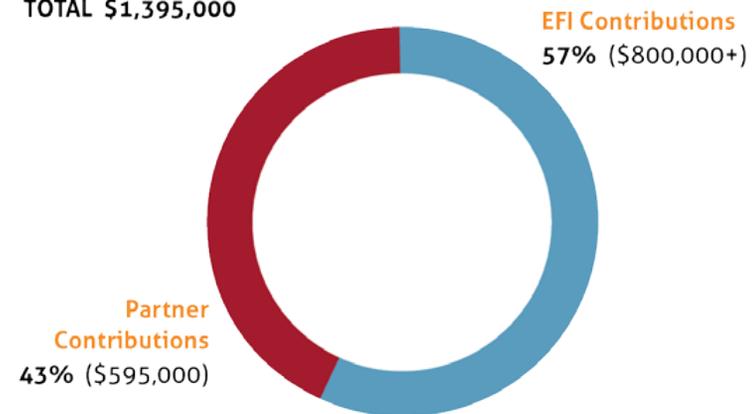
Team Florida Partnership Outreach

Perfect Business Climate Campaign

- In first 18 months, 19 organizations joined EFI to raise \$1.4 million for ongoing marketing campaign
- Campaign results to date:
 - Over 57 million impressions
 - Direct contact with over 2,300 site consultants and business decision – makers
 - 124 consultant / CEO attendees at relationship -building events

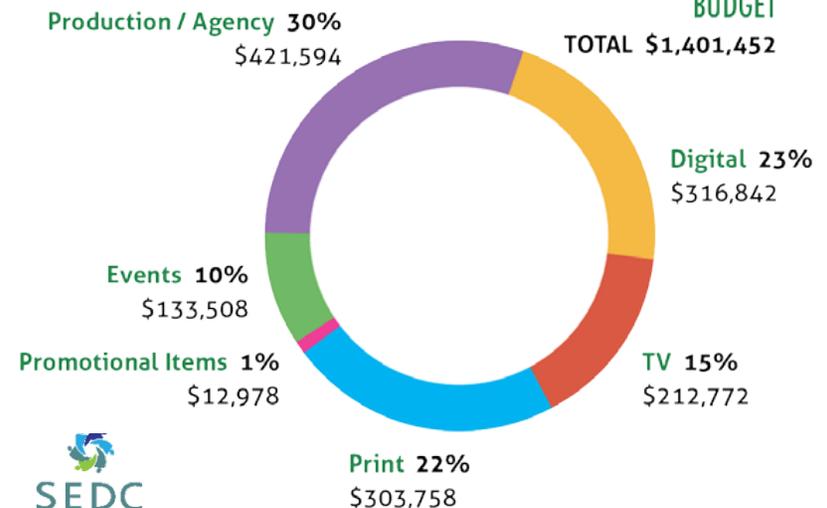
CONTRIBUTIONS

TOTAL \$1,395,000



BUDGET

TOTAL \$1,401,452



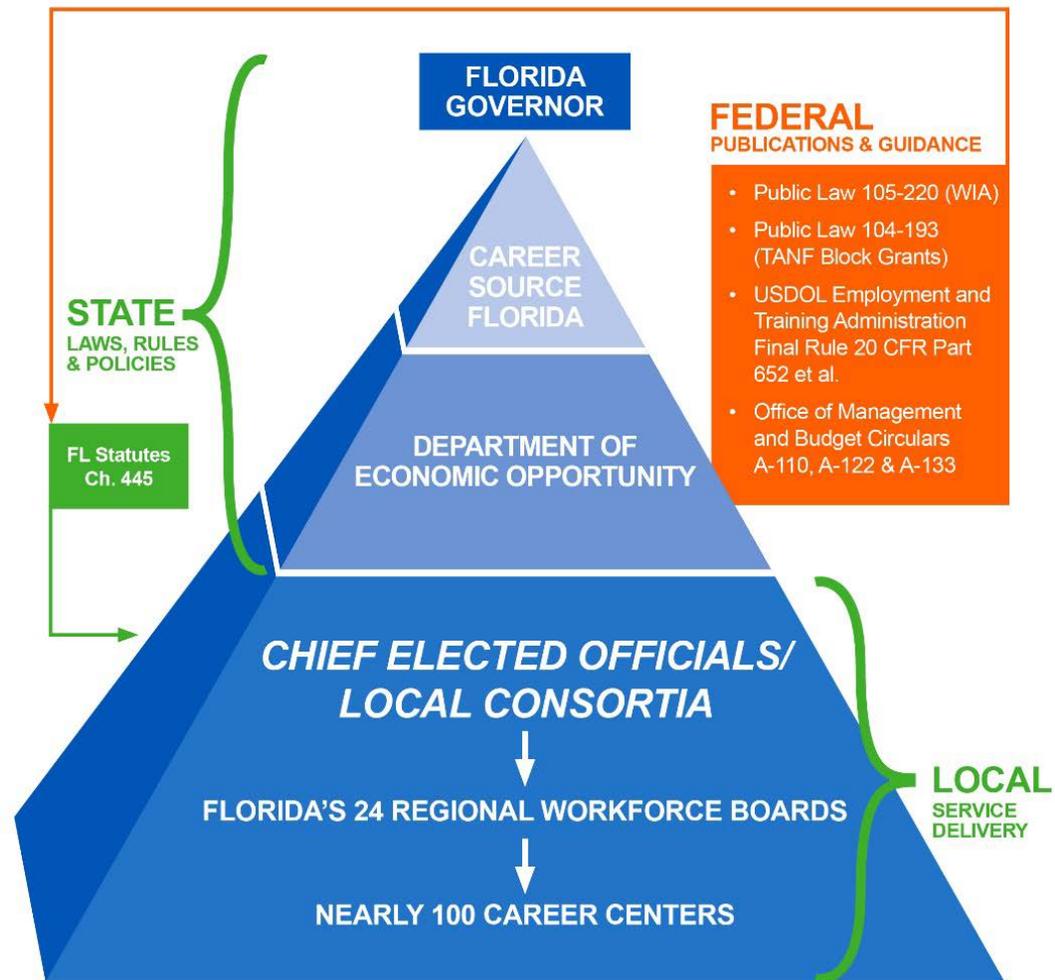
What's on the Horizon?

- Utilize the Public/Private Partnerships
- Continue to open new markets to Florida small business exporters
- Continue to win legislatively directed targeted sector projects that **diversify** and **transform regional economies**
- Maintain our momentum
- Continue to improve the process focused on the needs of the customers
- Dedicated marketing funding to promote Florida for business



CareerSource Florida Network Overview

Chris Hart IV, President/CEO
February 18, 2015



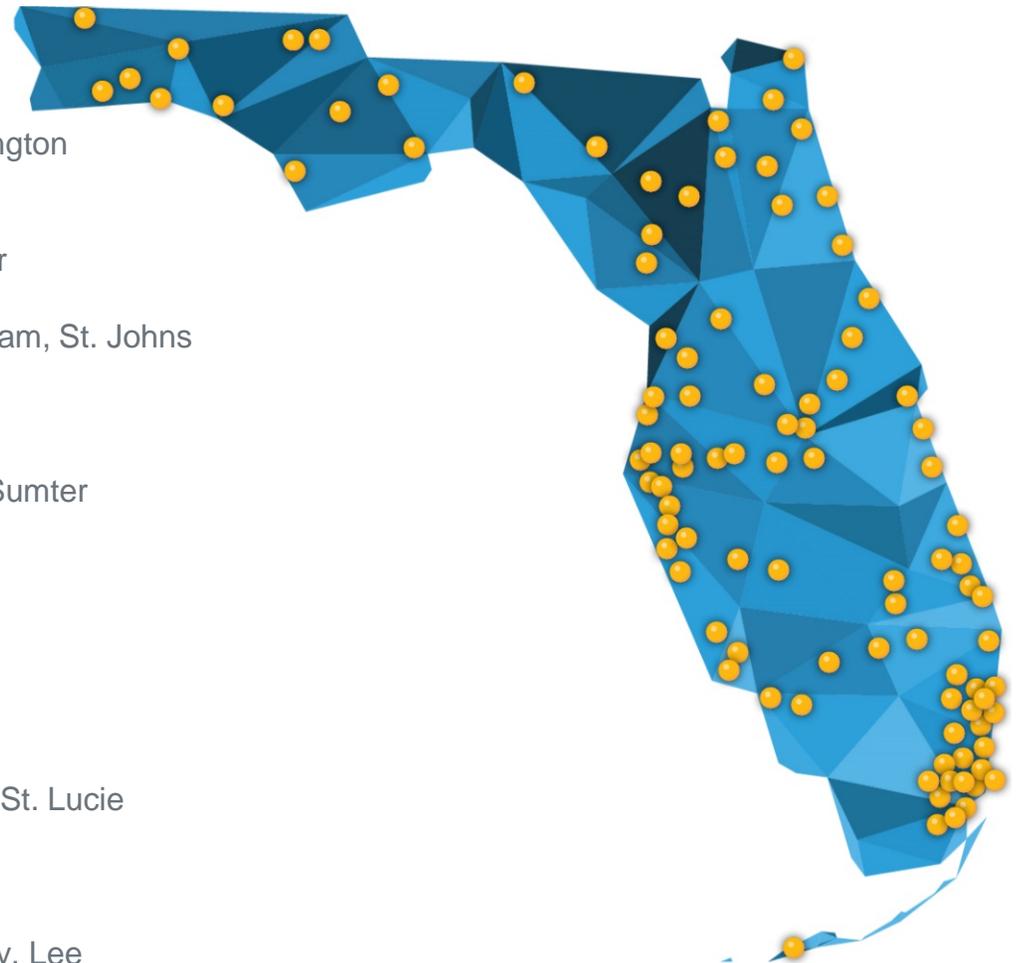


CareerSource Florida Network Local Team

24 Regional Workforce Boards

- CareerSource Escarosa | Escambia, Santa Rosa
- CareerSource Okaloosa Walton | Okaloosa, Walton
- CareerSource Chipola | Calhoun, Holmes, Jackson, Liberty, Washington
- CareerSource Gulf Coast | Bay, Gulf, Franklin
- CareerSource Capital Region | Gadsden, Leon, Wakulla
- CareerSource North Florida | Lafayette, Madison, Suwannee, Taylor
- CareerSource Florida Crown | Columbia, Dixie, Glichrist, Union
- CareerSource Northeast Florida | Baker, Clay, Duval, Nassau, Putnam, St. Johns
- CareerSource North Central Florida | Alachua, Bradford
- CareerSource Citrus Levy Marion | Citrus, Levy, Marion
- CareerSource Flagler Volusia | Flagler, Volusia
- CareerSource Central Florida | Orange, Osceola, Seminole, Lake, Sumter
- CareerSource Brevard | Brevard
- CareerSource Pinellas | Pinellas
- CareerSource Tampa Bay | Hillsborough
- CareerSource Pasco Hernando | Pasco, Hernando
- CareerSource Polk | Polk
- CareerSource Suncoast | Manatee, Sarasota
- CareerSource Heartland | DeSoto, Hardee, Highlands
- CareerSource Research Coast | Indian River, Martin, Okeechobee, St. Lucie
- CareerSource Palm Beach County | Palm Beach
- CareerSource Broward | Broward
- CareerSource South Florida | Miami-Dade, Monroe
- CareerSource Southwest Florida | Charlotte, Collier, Glades, Hendry, Lee

Nearly 100 Career Centers



Earnings Success

CAREERSOURCE FLORIDA NETWORK POST-EMPLOYMENT EARNINGS

TOTAL EARNINGS IMPACT

- Total Earnings Differential: **\$1.8 Bil**
- Total Annual Earnings: **\$9.8 Bil**

AVERAGE PER-WORKER WAGE (FULL-TIME)

- Prior Annual Wage: **\$20,290**
- Post Annual Wage: **\$31,735**
- Annual Wage Differential: **\$11,445**

AVERAGE PER-WORKER WAGE (PART-TIME)

- Prior Annual Wage: **\$15,536**
- Post Annual Wage: **\$21,995**
- Annual Wage Differential: **\$6,460**

JOB SEEKERS SERVED

- Unemployed: **821,766**
- Employed Following Services: **583,282**

(The CareerSource Florida network provided staff-assisted services to more than 706,000 individuals. Others independently accessed resources available through the network to aid in their search for employment.)



MEDIAN ANNUAL WAGE
\$30,660



Quick Response Training (QRT)

- Demand-driven, flexible program provides reimbursement grant funding for customized training to new or expanding businesses (10+ employees)
- Helps create high-skill, high-wage jobs in target industries
- Businesses must produce an exportable good or service
- Economic developers across Florida cite QRT as the No. 1 program with the largest impact on their ability to win multi-state competitive projects – *2012 Florida competitiveness study by McCallum Sweeney Consulting*

Quick Response Training (QRT)



FY 2014-15 Contracts To Date: **38 (41 businesses)**

- Awards to Date: **\$9.4 million**
- Projected Trainees: **7,799**

FY 2013-14 Contracts: **42 (99 businesses)**

- Awards: **\$12 million under contract**
- Projected Trainees: **10,066**



High Skill/High Wage Workforce Training Program

Governor Rick Scott Keep Florida Working Budget
Recommendation: **\$30 million**



- Focus on **STEM-related occupations**
- **Flexible** funding for STEM businesses
- **Scholarships** and **apprenticeship opportunities** for individuals seeking STEM-related occupational training at a Florida state college or post-secondary vocational center



Questions?

Chris Hart IV

850-410-2315

chart@careersourceflorida.com

Space Florida

*Presentation to the
Senate Appropriations
Subcommittee on Transportation,
Tourism, and Economic Development*

February 18, 2015



Space Florida

Focus on Aerospace / Space Industry Growth In Florida



- ***Authority for Florida's Spaceport System Infrastructure, Development and Operation***
- ***Economic Development assist to Aviation and Aerospace Growth / International Trade***



SPACE FLORIDA:

Powers Under Florida Law

- **Space Florida's Enabling Statute - Chapter 331 Part II ... Spaceport Authority / Aerospace**
- **Empowered to exercise certain powers statewide (e.g. Conduit Debt and Bond Financing, Other Structures)**
- **Empowered to finance/own/lease real estate, Spaceport and Aerospace infrastructure, machinery & equipment)**
- **May hold rights to intellectual property**
- **Create and update a statewide Spaceport Master Plan**



Major FY-14 Accomplishments

- **Met all State Performance Goals for FY-14, and last five years**
- **Closed 11 Economic Development Transactions**
- **Broadened Financing Network of Banking partners to support statewide financings**
- **Focused On:**
 - **Securing Key Leases for Infrastructure Assets**
 - **Fulfillment work on Redline and C3PF (Boeing)**
 - **Sponsored several Innovation Grant Competitions, Space Education/Research Events**

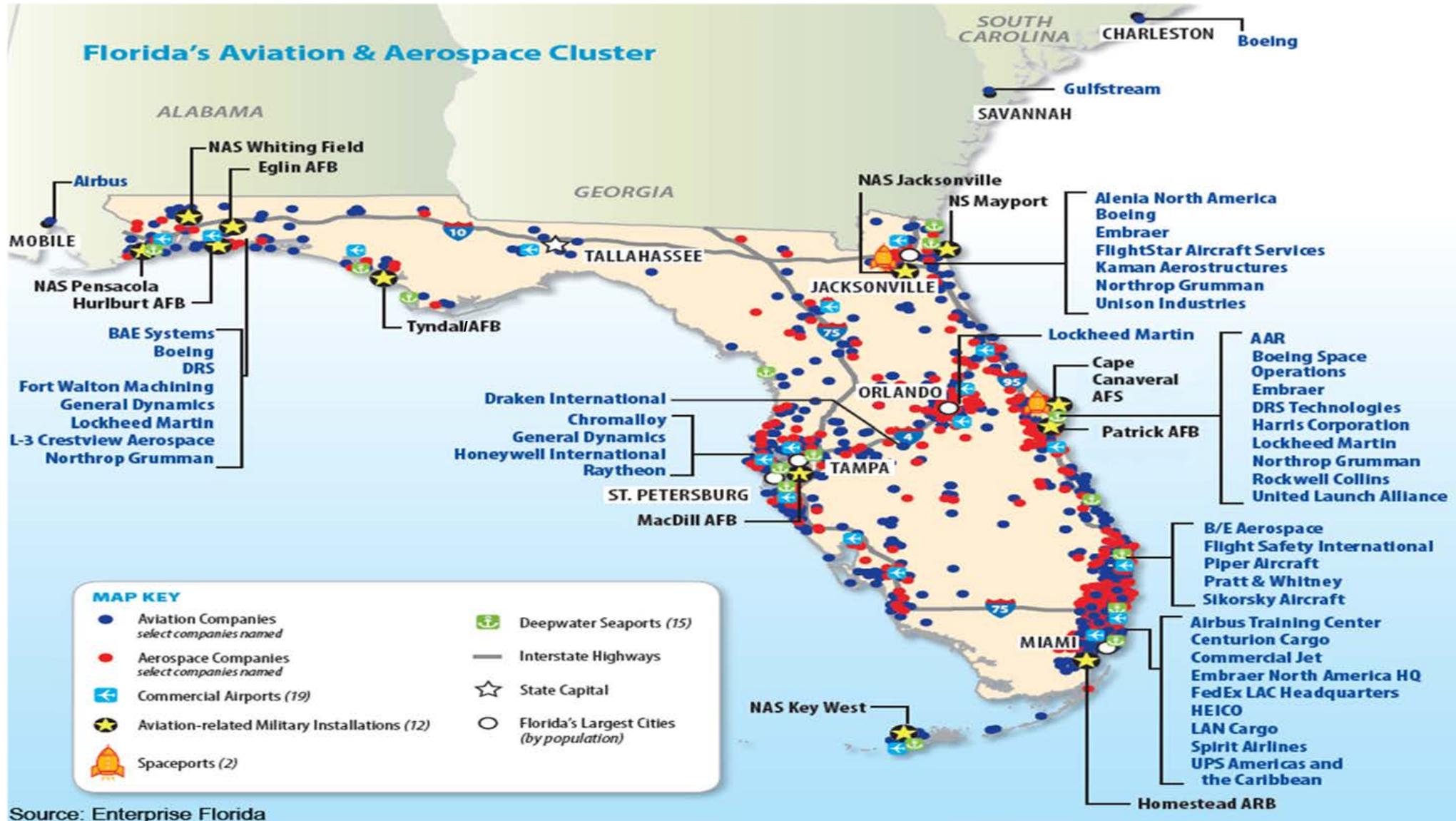


The Space Industry is Transitioning

- *Global Space Industry Revenues from Commercial Sources far exceed Government*
- *Even without Sequestration, Federal Budgets for Space will be severely constrained*
- *Government reliance on the private sector will significantly increase*



Florida's Aerospace Industry Clusters



Key Project Example - Orion Capsule Launch

- NASA's Orion Capsules processed in facility refurbished by Florida in 2008
- 300+ direct jobs
- Established capsule assembly and checkout in Florida
- 5 December launch from Complex supported by SF Financing



Key Project Example

Strategic Weapon System Ashore Progress

- Navy Program for Land Based Testing of Submarine Missile Systems
- Reactivates old Navy complex
- Consolidates multiple locations to Florida
- 80-year program life
- Multiple contractors and vendors to Navy for long-term program



Project Magellan (Northrop Grumman)



- **Announced March 7, 2014**
- **To be Located at Melbourne International Airport**
- **1800 Jobs Potentially @ \$100K**
- **\$500m+ Capital Investment in 8 Advanced Manufacturing Facilities**
- **Construction has commenced on first facility; hiring underway**



Florida Spaceport System Plan Goals

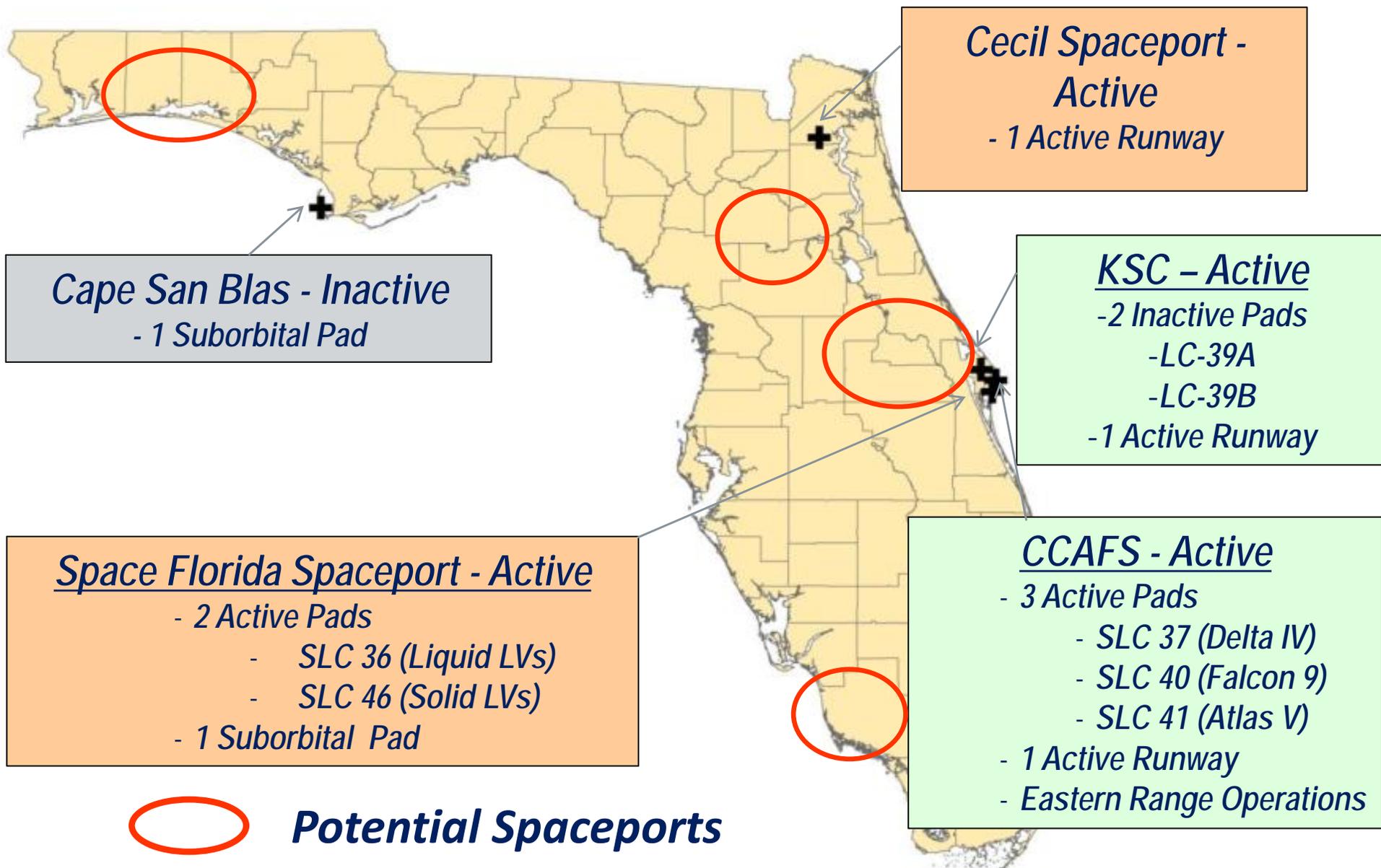


- *Create a stronger economy where Florida's spaceports and aerospace businesses can thrive*
- *Guide public and private investment into emerging and growing aerospace enterprises and maximize the use of existing aerospace resources*
- *Enrich our quality of life while providing responsible environmental stewardship*
- *Advance a safer and secure spaceport transportation system for residents, businesses, and others*

Florida Spaceport Master Plans



Florida's Spaceport Network



Ongoing / Completed Projects

FDOT Grant Projects



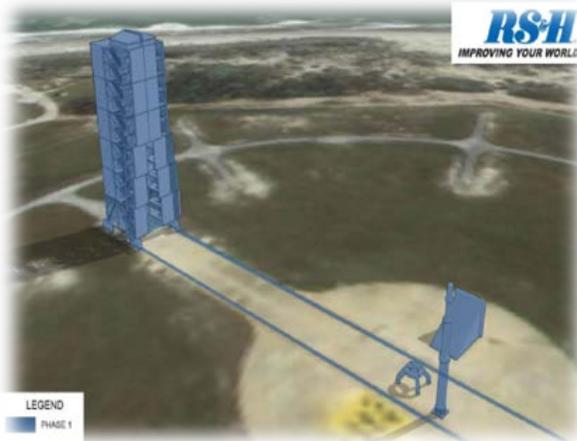
Orbiter Processing Facility 3



Orbiter Processing Facility 1



**Commercial
Heavy Lift**



Launch Complex 46



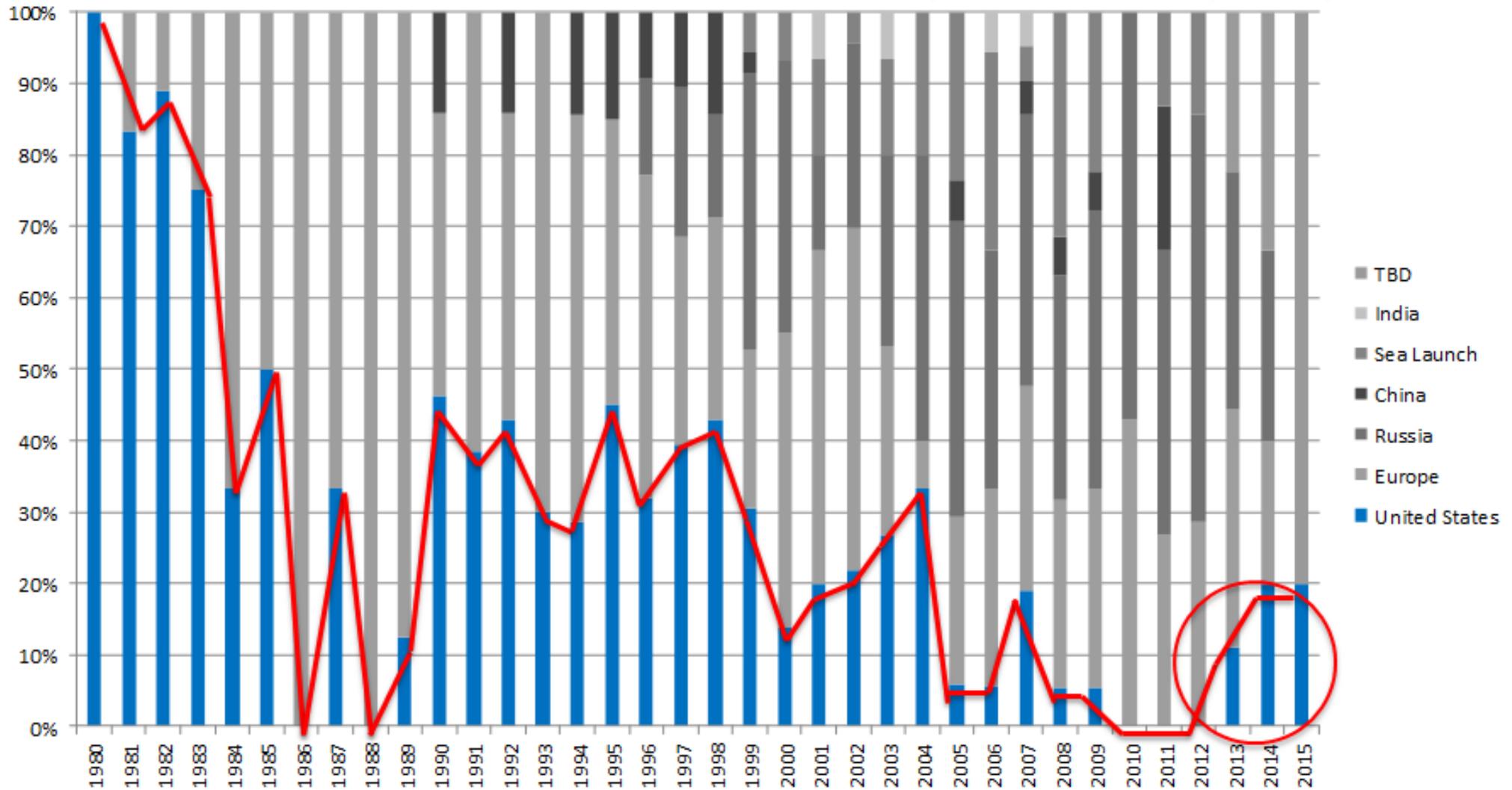
Payload Integration Facility



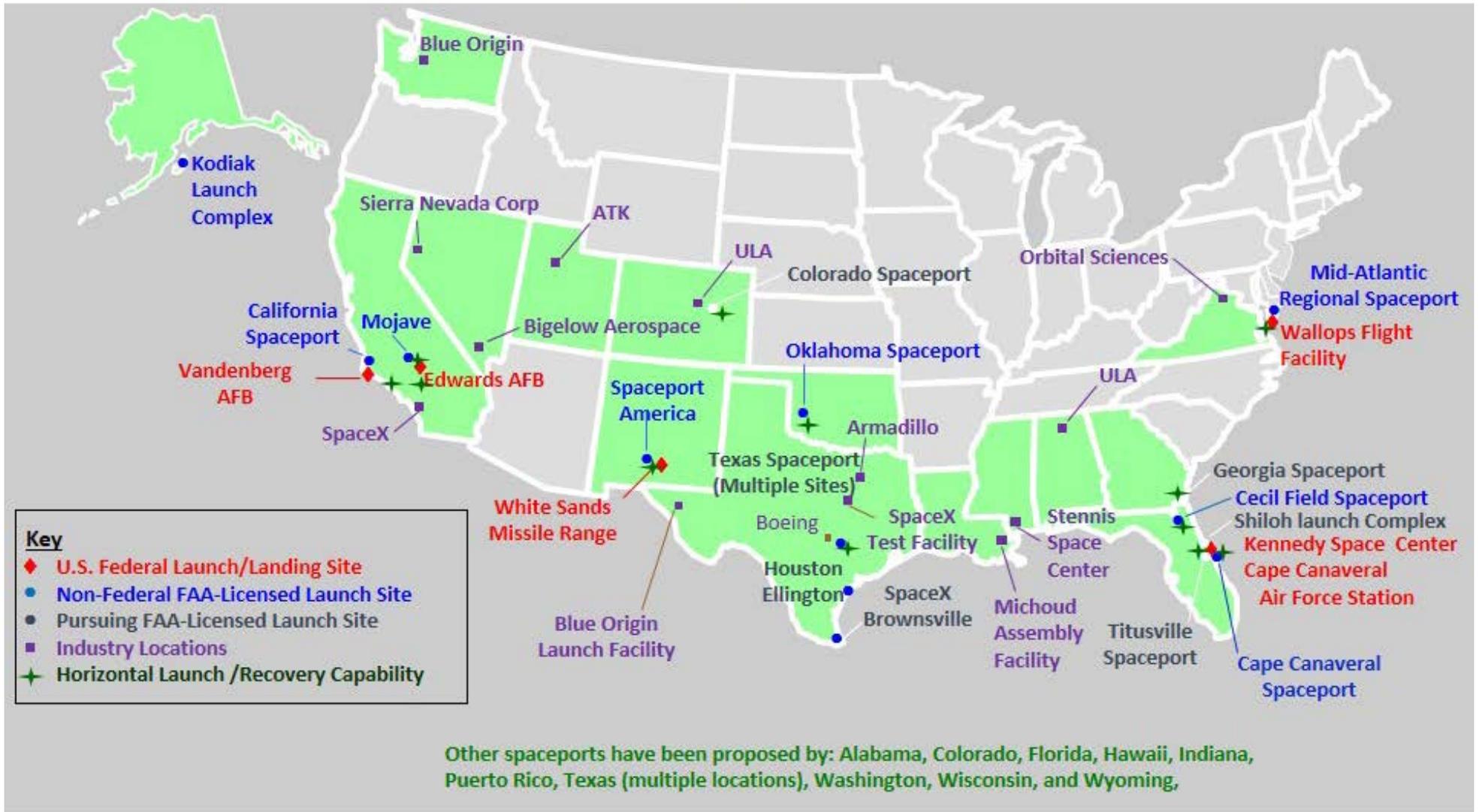
Why is This Important?

... .. American Space Competitiveness

American commercial launch market share has drastically declined over the past 30 years.



Space Industry Competition



Commercial operators have multiple options outside of Florida.



Governor's FY 15-16 Budget Recommendations

	2015-16 Budget Recommendations
MANAGEMENTS AND OPERATIONS	\$10,000,000
SPACE TOURISM AND MARKETING	\$1,500,000
MEMORANDUM WITH ISRAEL	\$1,000,000



Team Approach with Our Partners



**FLORIDA DEPARTMENT *of*
ECONOMIC OPPORTUNITY**



Thank You

Frank DiBello

President & CEO

321-730-5301

fdibello@SpaceFlorida.gov

Sharon Spratt

Senior Director of Government Affairs

850-921-1128

sspratt@SpaceFlorida.gov





Growing Florida's Innovation Economy

February 2015

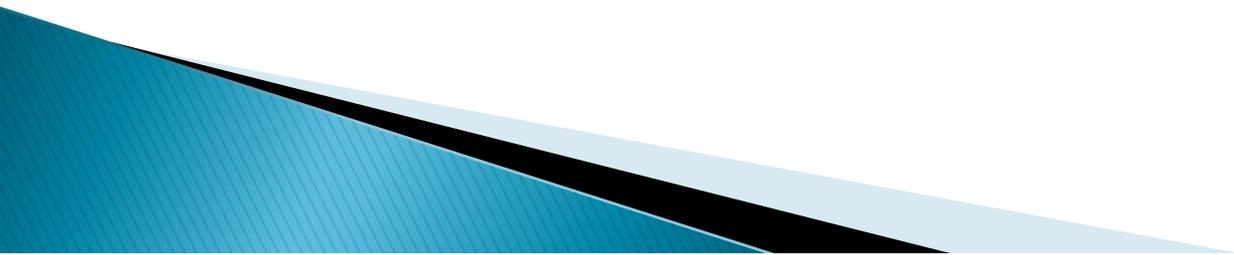
www.florida-institute.com

2013 Bill Signing Ceremony with Governor Rick Scott



Opportunity

- ▶ A seamless, end-to-end funding and support ecosystem is critical to the development of Florida's innovation economy.
- ▶ Florida Institute fills ecosystem gaps to start, grow and keep innovation-based companies here.



Florida Institute for Commercialization

- ▶ Leverages \$2B statewide research infrastructure to build great companies and products that improve and save lives
 - ▶ Supports ~30 universities and research institutions statewide
 - ▶ Delivers company creation, building and funding programs
 - Mentoring and coaching to prepare for fundraising
 - CEO Council of individuals looking for “next opportunity”
 - Seed funds that require private investor match
 - Investor Advisory Board reviews funding applicants
 - Comprehensive due diligence and governance process
 - Creation of statewide angel investor networks
- 

Florida State University
Florida Agricultural and Mechanical University

Mayo Clinic
University of North Florida

University of Florida

University of West Florida
Florida Institute for Human and Machine Cognition
Doolittle Institute
Gulf Coast State College

Embry Riddle Aeronautical University
University of Central Florida
Florida Hospital
Sanford-Burnham Medical Research Institute
Florida Institute of Technology
NASA Kennedy Space Center

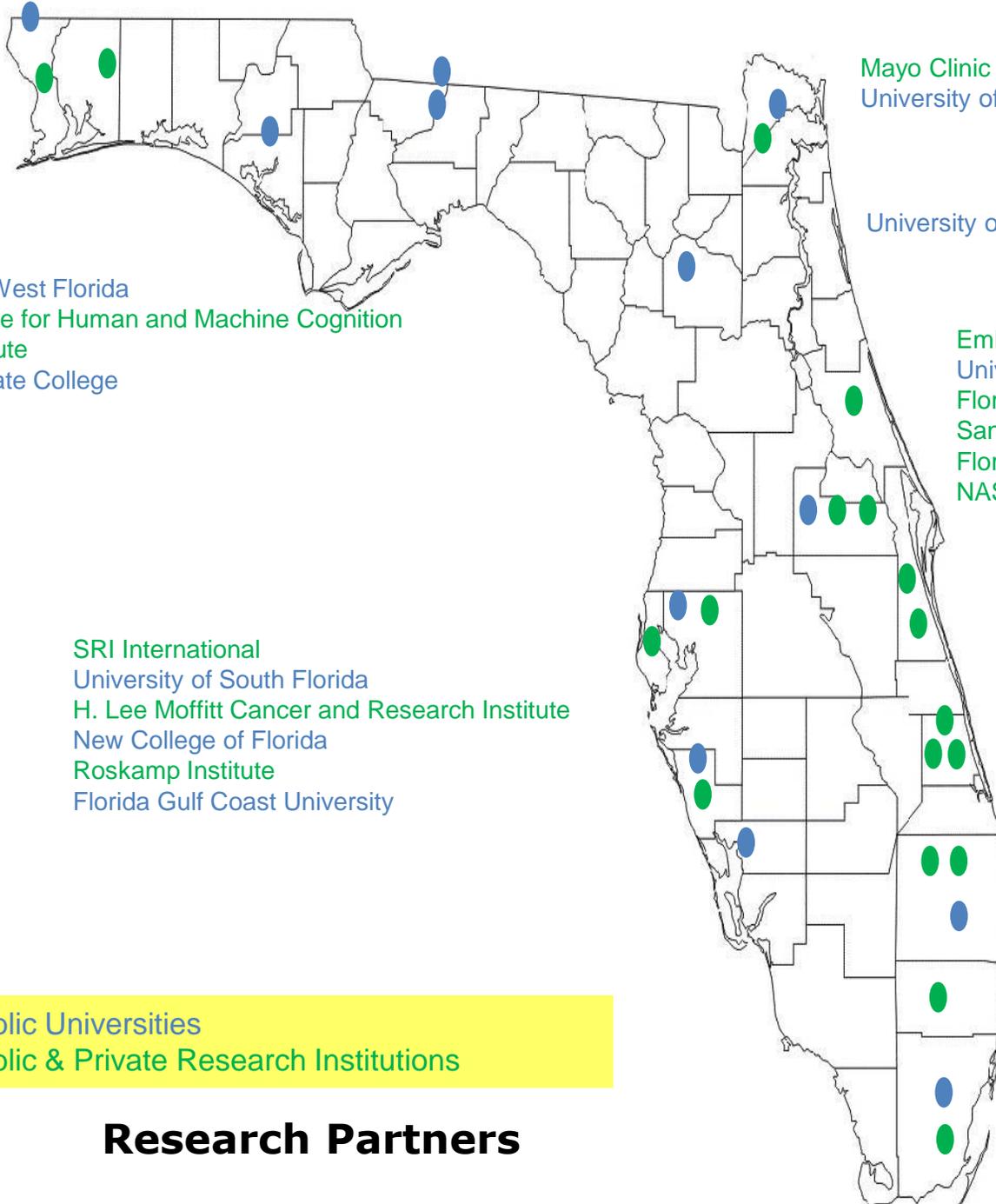
SRI International
University of South Florida
H. Lee Moffitt Cancer and Research Institute
New College of Florida
Roskamp Institute
Florida Gulf Coast University

Vaccine and Gene Therapy Institute of Florida
Mann Research Center
Torrey Pines Institute for Molecular Studies

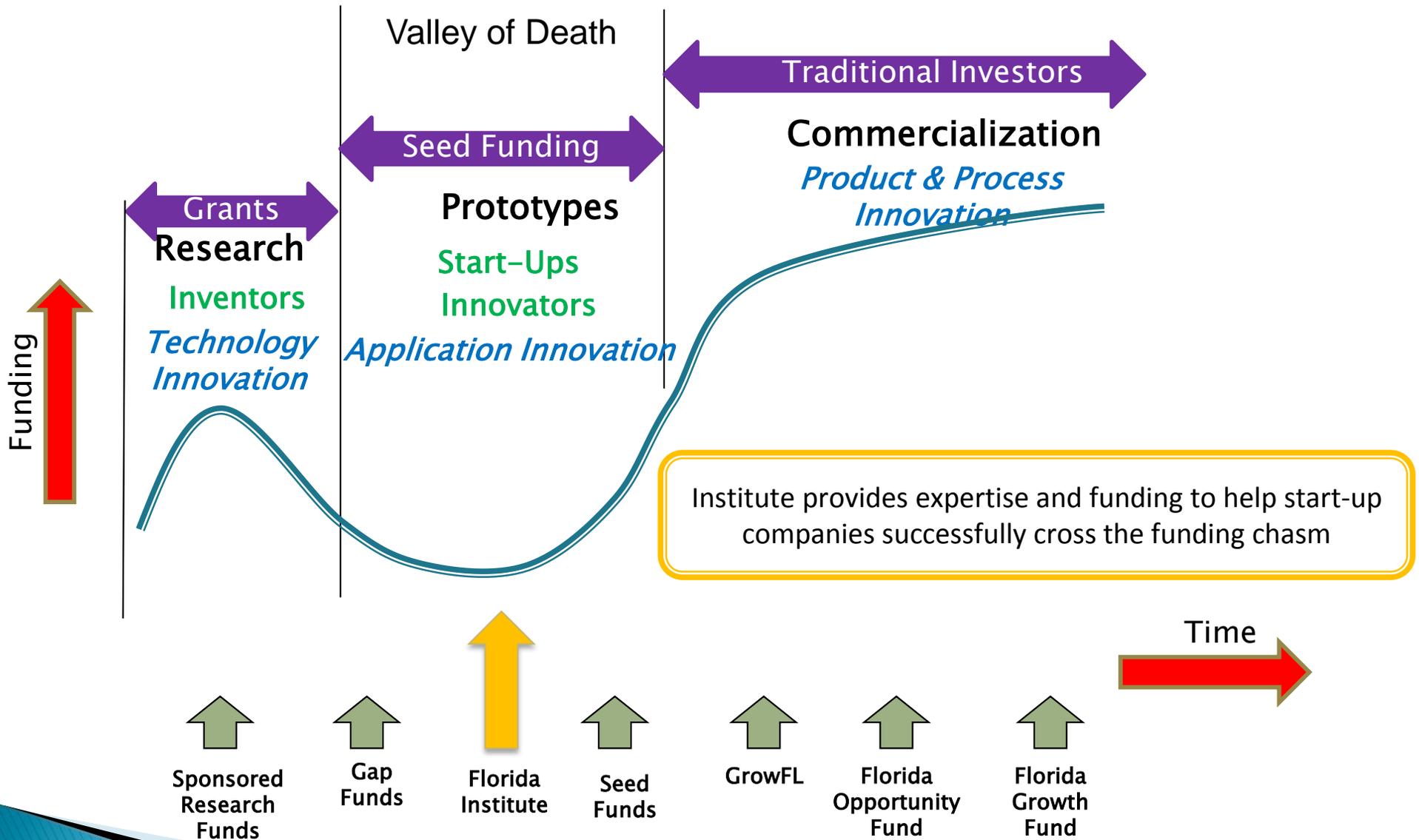
Scripps Florida
Max Planck Florida Institute
Florida Atlantic University
Nova Southeastern University
Florida International University
University of Miami

- Public Universities
- Public & Private Research Institutions

Research Partners



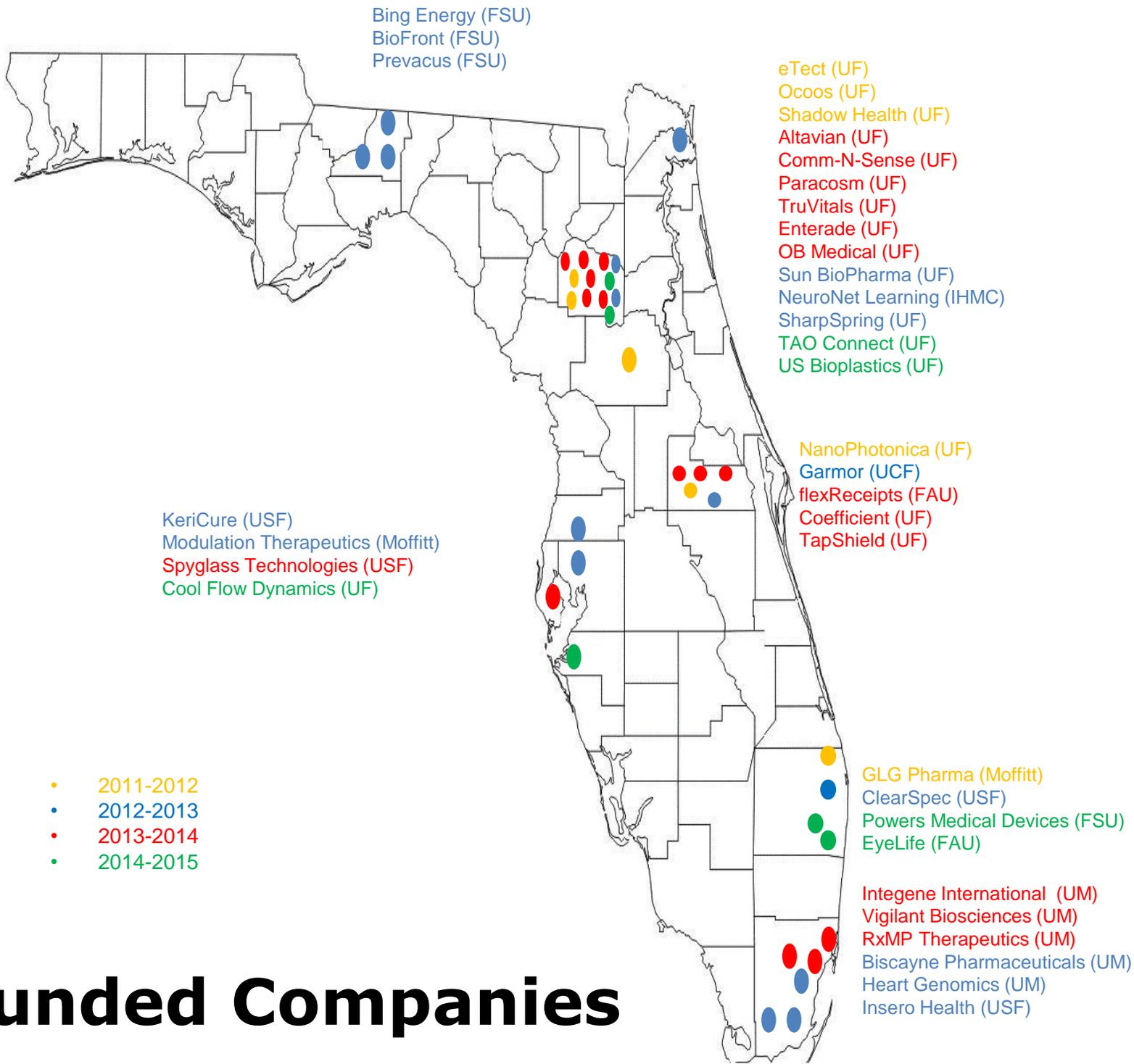
Funding Continuum



Seed Funding Programs

- ▶ Seed Capital Accelerator Program launched 2011
 - ▶ \$8.5M for loans ranging between \$50,000 and \$300,000
 - ▶ Funds 100% committed; 30 companies funded
 - ▶ Seed Capital Fund launched in 2013; Fund will be evergreen
 - ▶ First funding up to \$300,000; requires 1:1 match
 - ▶ Second funding for select companies up to \$200,000; requires 2:1 match
 - ▶ 12 companies approved for funding; 10 funded
- 

Funded Companies



Results to Date

- ▶ Funded companies have raised 3x – 5x private investment (> \$40MM)
- ▶ Avg. salary per job created = \$74,000
- ▶ One company acquired; loan repaid
- ▶ ~50% of companies generating revenue
- ▶ Overall Institute economic impact = \$210MM*

(*Washington Economics Group October 2014)



Robust Pipeline Statewide

100 New Applications Annually

- ▶ Research partners continue to conduct groundbreaking research & development that results in new patented technologies
 - ▶ Institute receives on average 25 new applications per quarter; Applications exceed available funds 4:1
 - ▶ Foundation in place to identify promising technologies and build and fund the next generation of great companies and entrepreneurs deliver products that improve and save lives
- 

Summary

- ▶ Leverage robust research base to develop a pipeline of investible, high growth–potential companies
 - ▶ Develop products and companies that solve today's tough challenges
 - ▶ Create jobs and provide a positive ROI while building Florida's future
 - ▶ Attract and retain top talent in Florida
 - ▶ Facilitate angel investment; attract more VC
 - ▶ Compete nationally and globally in entrepreneurship and innovation
- 

FLORIDA
OPPORTUNITY
F U N D

The logo for the Florida Opportunity Fund, featuring the words "FLORIDA", "OPPORTUNITY", and "FUND" stacked vertically in a serif font. The letters "F", "U", "N", and "D" are spaced out below "FUND". A thin gold arc is positioned below the text.

FLORIDA OPPORTUNITY FUND

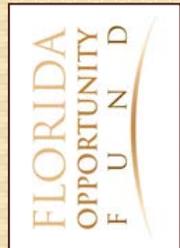
***COMBINING CAPABILITIES AND RESOURCES
TO DELIVER EXCEPTIONAL PERFORMANCE***

Presentation to the Florida Senate Appropriations Subcommittee
on Transportation, Tourism, and Economic Development

February 18, 2015

Agenda

- Florida Opportunity Fund (FOF) Overview
- Overview of FOF Programs
 - Fund-of-Funds
 - Clean Energy Investment Program (FOF-CEIP)
 - Florida Venture Capital Program (FOF-FLVCP)
- Florida Opportunity Fund Expansion Initiative



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FLORIDA OPPORTUNITY FUND

Florida Opportunity Fund Overview

Florida Opportunity Fund Overview



...created to realize significant long-term capital appreciation by investing in high-quality venture capital funds, businesses and infrastructure projects that will provide a lasting benefit to Florida

Clean Energy Investment Program

Promoting the adoption of energy-efficient and renewable energy products and technologies through direct investment in Florida businesses

- Fund Size: ~\$36M
- Target Investment: \$500k - \$5M
- Investment Structure: Debt / Equity

Florida Venture Capital Program

Actively investing in emerging Florida-focused companies in Energy, Healthcare, Manufacturing, Technology and other sectors with strategic importance to the State

- Fund Size: ~\$42M
- Target Investment: \$1M - \$3M
- Investment Structure: Debt / Equity

Fund of Funds Program

Creating a portfolio of venture capital funds that target investment opportunities within Florida

- Fund Size: ~\$30M
- Target Investment: \$1M - \$3M

- **Private capital leverage ratio > 10:1**
- **Florida jobs positively impacted ~ 1000**

“Board-Supervised” Fund

Florida Opportunity Fund
Board of Directors

- Governance and oversight
- Customized, detailed and timely reporting
- Approval of all investment commitments

Florida First Partners

Investee
#1

Investee
#2

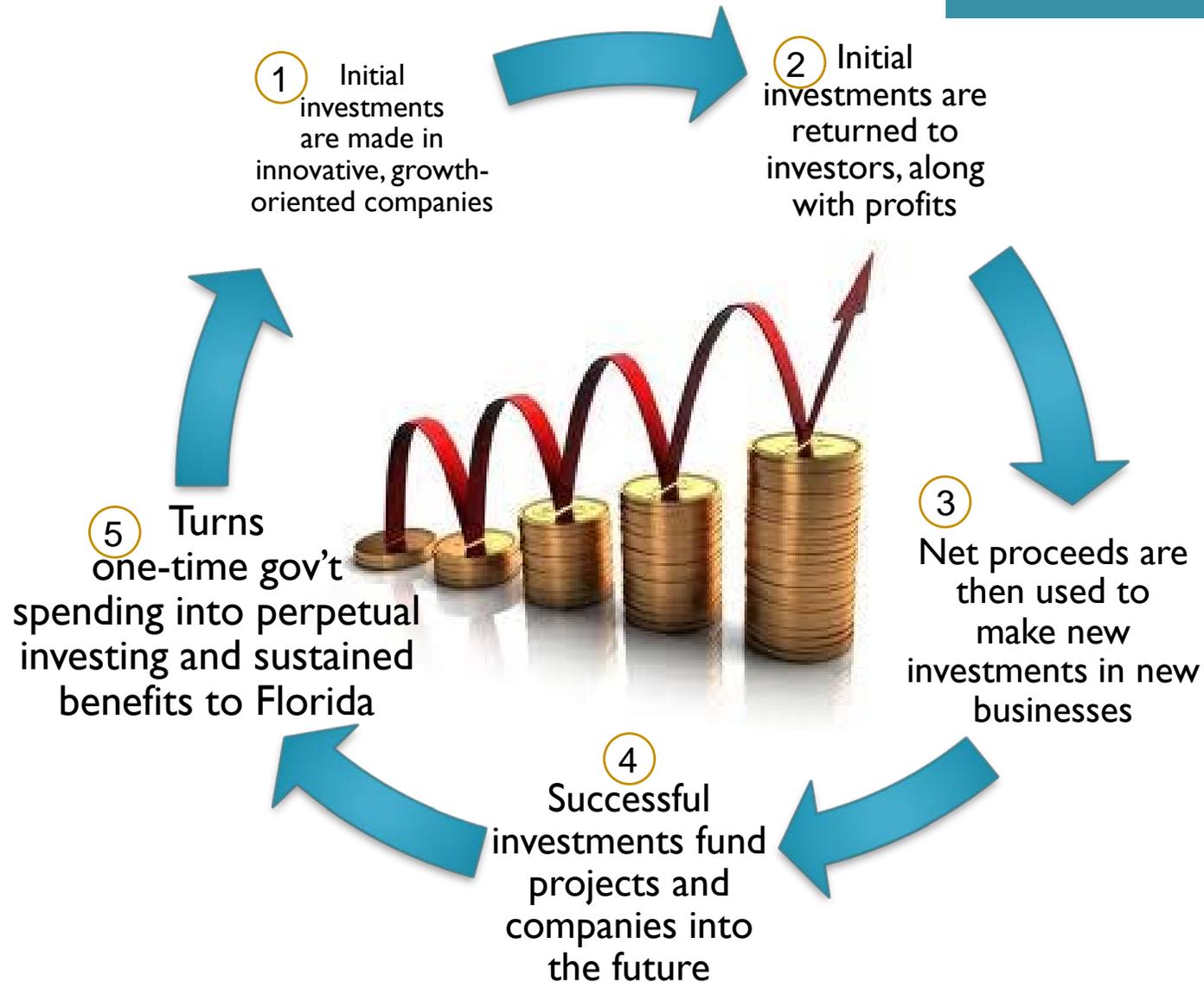
Investee
#n

Investee
#3

Investee
#4

- Investment opportunity outreach, sourcing, and selection
- Active portfolio management
- Standard reporting structures
- Value-add contributions across and between investees

“Evergreen” Fund Promotes Longevity

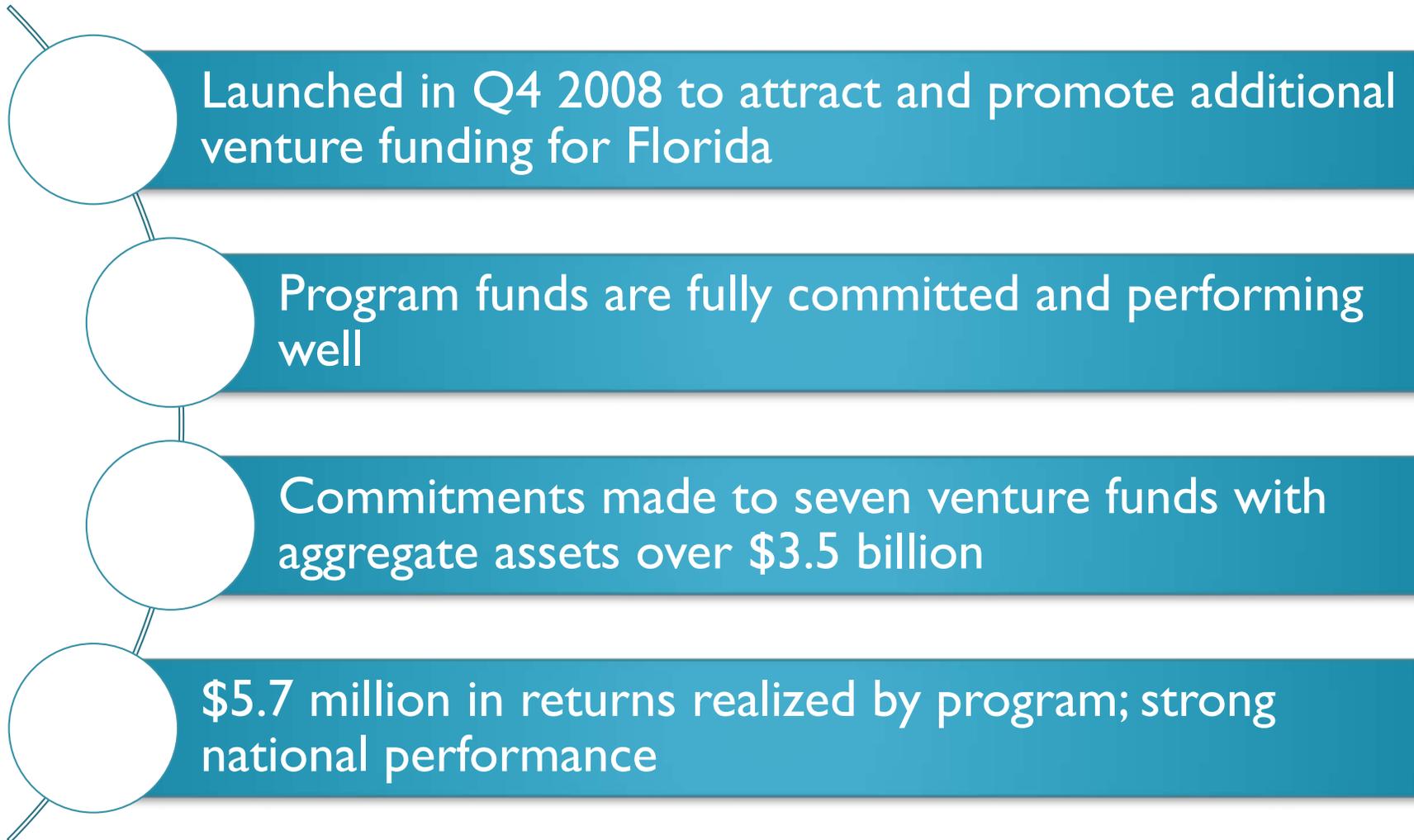


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FLORIDA OPPORTUNITY FUND

Fund-of-Funds Overview

Fund-of-Funds Overview



Fund-of-Funds Portfolio

Manager	Fund	Presence	Investment Focus
 ELEMENT partners	Element Partners II	National	Cleantech
 Harbert Venture Partners	Harbert II	Regional	Healthcare / IT
 NEA New Enterprise Associates®	NEA 13	National	IT, Cleantech & Healthcare
 5AM VENTURES	5AM Ventures III	Regional	Life Sciences
 H.I.G. BIOVENTURES	HIG Bioventures II	National	Life Sciences
 Harbert Venture Partners	Harbert III	Regional	Healthcare / IT
 STONEHENGE GROWTH EQUITY PARTNERS	Stonehenge Growth Equity Fund	Local	IT, Security, Cleantech, Devices

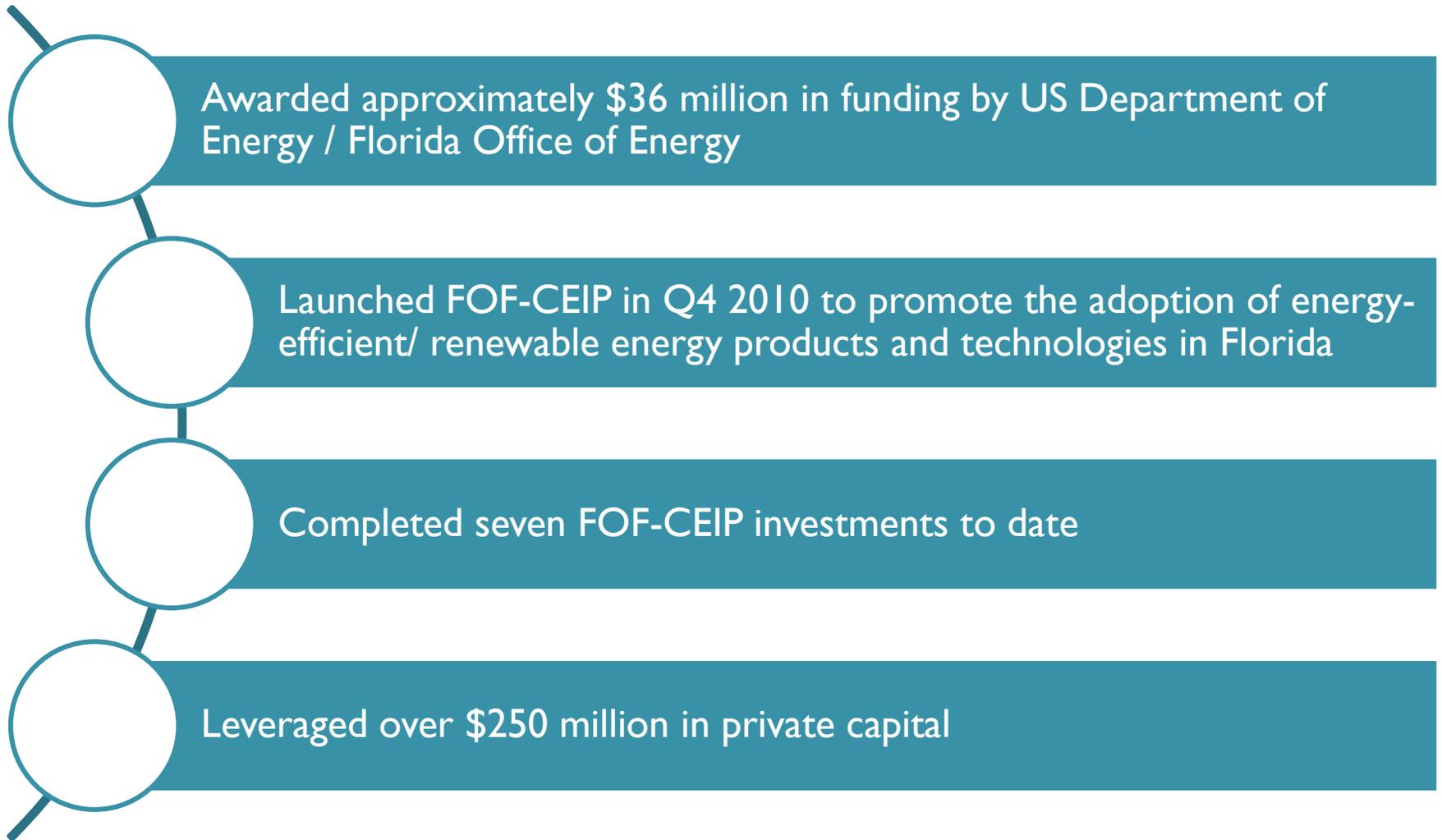
FLORIDA
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F U N D

The logo for the Florida Opportunity Fund, featuring the text "FLORIDA OPPORTUNITY FUND" in a serif font, with "FUND" on a separate line. Below the text is a stylized orange arc.

FLORIDA OPPORTUNITY FUND

FOF-CEIP Overview

FOF-CEIP Summary



FOF-CEIP Portfolio



Sarasota, FL

www.mustangvac.com

Leading global provider of advanced vacuum coating equipment incorporating state-of-the-art PVD (Physical Vapor Deposition) thin-film deposition technology.



Okeechobee, FL

www.reglifesciences.com

Acquired by REG Life Sciences. Manufacturer of commercially-available biodiesel and specialty chemical products.



Gainesville, FL

www.fractureme.com

Provider of an e-commerce platform for framing digital images.



St. Petersburg, FL

www.towercloud.com

Leading provider of broadband transport services in Florida and the Southeast US.

FOF-CEIP Portfolio (cont.)

FL Biofuels

Ft. Myers, FL

Energy efficient producer of biodiesel from waste oils and other renewable feedstock supplies. Actively marketing company for acquisition.

 **JDCPhosphate**

Fort Meade, FL

www.jdcphosphate.com

Developer and manufacturer of an improved process for the production of phosphate products in the agricultural, industrial, and food markets in a sustainable and environmentally effective manner.

 **VitAGcorp**
A Beneficial Useable Technology

Zellwood, FL

www.vitagcorp.com

Developer and manufacturer of a proprietary based conversion process that creates a high value, controlled release fertilizer from bio-solid waste material.

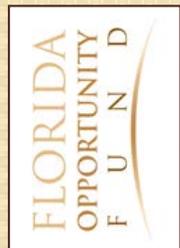
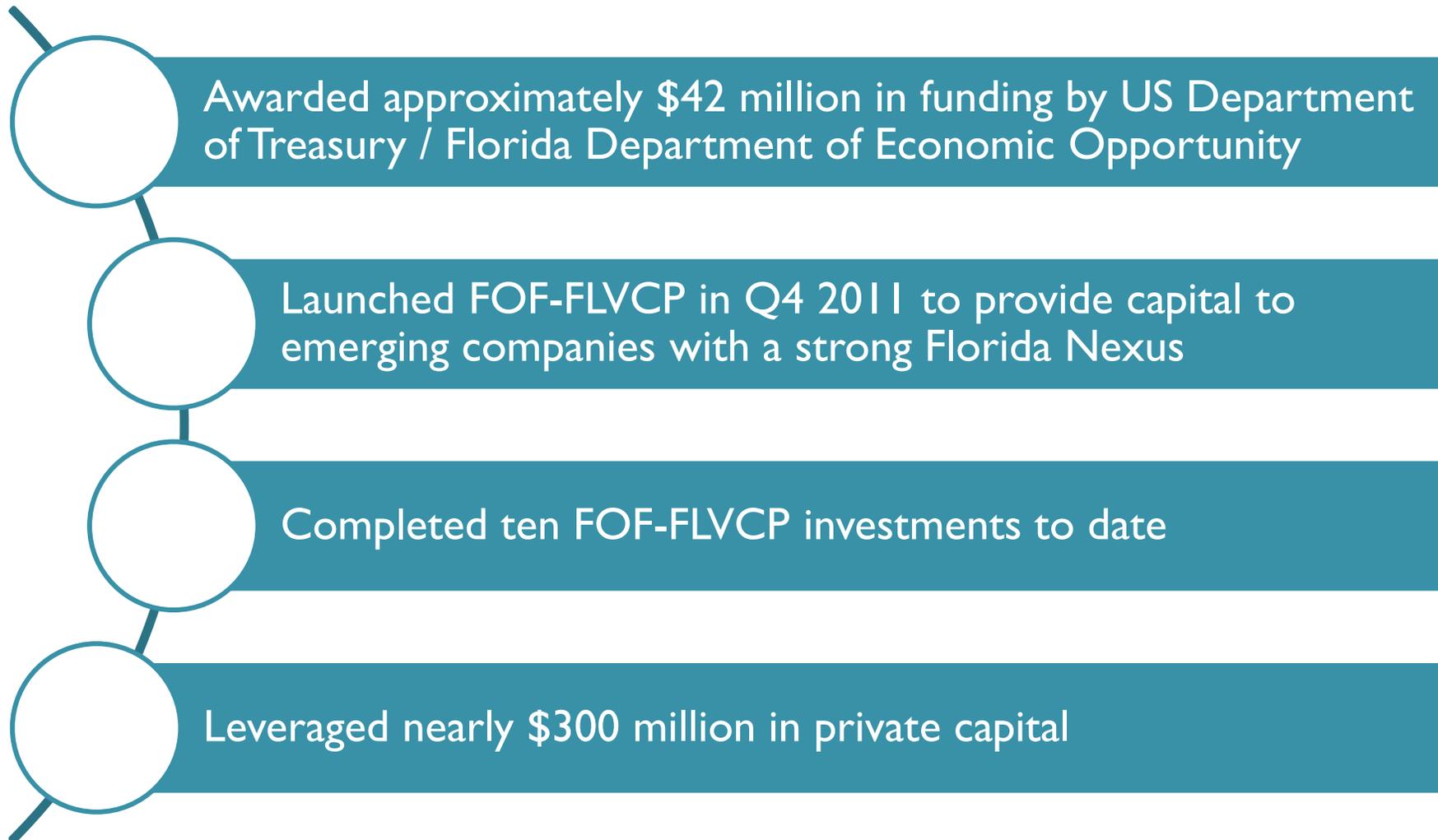
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FLORIDA OPPORTUNITY FUND

FOF-FLVCP Overview

FOF-FLVCP Summary



FOF-FLVCP Portfolio



St. Petersburg, FL
www.towercloud.com

Leading provider of broadband transport services in Florida and the Southeast US.



Orlando, FL
www.xosdigital.com

Provides sports organizations an unrivaled competitive advantage by unlocking insight and value from their digital media assets. XOS offers software, analytics and services that enable our partners to preserve and monetize their digital media assets and help our coaches to better scout, recruit, teach and win.



Maitland, FL
www.thriveicecream.com

Manufacturer and marketer of a nutritionally complete premium ice cream.



Sarasota, FL
www.myus.com

An information technology and logistics company providing international aggregation and shipping services.



Orlando, FL
www.zentila.com

Developer and marketer of a software-as-a-service (SaaS) platform that facilitates the transaction of booking group meetings between corporate planners and hotels.



FOF-FLVCP Portfolio (cont.)



Gainesville, FL

www.ingagepatient.com

Developer of a Software as a Service (SaaS) platform for enabling patient engagement dedicated to the healthcare industry.



Orlando, FL

www.lensar.com

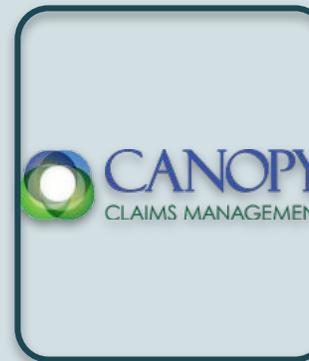
Developer and manufacturer of a minimally invasive, optical pulsing laser for refractive cataract removal and presbyopia surgery.



Fort Meade, FL

www.jdcphosphate.com

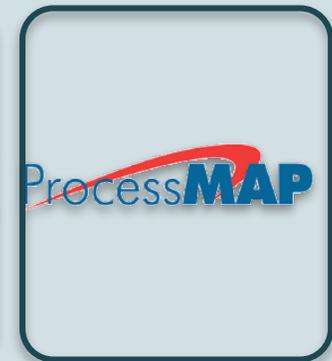
Developer and manufacturer of an improved process for the production of phosphate products in the agricultural, industrial, and food markets in a sustainable and environmentally effective manner.



Maitland, FL

www.canopyclaims.com

A claims management and processing company serving small, medium, and large businesses; and individuals.



Sunrise, FL

www.processmap.com

A cloud based software provider empowering organizations in 3 key areas: Environmental Health and Safety (EHS), Sustainability & Compliance Management.

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FLORIDA OPPORTUNITY FUND

FOF Expansion Initiative

Florida Opportunity Fund

Proposed Public/Private Infrastructure Program

- **The FOF proposes the creation of a \$350 million FOF-managed infrastructure investment program (the “Fund”)**
 - This Fund would focus on Florida infrastructure opportunities including transportation, water and wastewater needs, amongst other sectors vital to the State
- **The Fund would be supported by a contingent State support vehicle that would be utilized beginning in 2028 only if needed**
 - Assuming the Fund merely generates historic industry average investment returns, none of the State’s support would be needed and the State would benefit from over 50,000 jobs in Florida and over \$3B of infrastructure, without paying anything, ever.
 - This State support vehicle would only be used to ensure a return of principal investment (\$350M) to co-financiers investing alongside the Fund
- **With potentially no cost to the State, the immediate effect on Florida's economy would be a "win-win" - job creation and improved infrastructure providing lasting benefits to all Floridians**
 - The fund would create/retain over 50,000 jobs in Florida
 - The fund is expected to attract over \$3B in additional capital to Florida

FLORIDA
OPPORTUNITY
F U N D

The logo for the Florida Opportunity Fund is contained within a white rectangular box with a thin black border. It features the words "FLORIDA", "OPPORTUNITY", and "FUND" stacked vertically in a serif font. The letters "F", "U", "N", and "D" in "FUND" are spaced out horizontally. Below the text is a stylized, curved line representing a horizon or a path.

FLORIDA OPPORTUNITY FUND

***COMBINING CAPABILITIES AND RESOURCES
TO DELIVER EXCEPTIONAL PERFORMANCE***

A decorative horizontal line spans the width of the page. It consists of a thin gold line that transitions into a thicker teal bar on the right side.



Improving the Value of Florida's Enterprise Zone Program

Presentation to the Senate Appropriations
Subcommittee on Transportation, Tourism, and
Economic Development

February 18, 2015

The Program

- Created in 1982 to revitalize and redevelop distressed blighted areas
- One of the first programs of its kind in the nation
- Many states modeled their version of the program after Florida's
- Today at least 40 other states have similar programs, yet an ideal model has not been found

The Program

- Direct comparison with other economic development programs may be misleading
- Metrics such as ROI do not show the true impact of the program's effectiveness

According to Florida EDR,

“For some programs, the ROI may not be the principal purpose of the program or even a secondary goal. This applies to the Brownfield Redevelopment Bonus Tax Refund, Innovation Incentive, and Enterprise Zone programs”.

Important Program Benefits

- One of the few programs available to small businesses and retailers
- Companies in Enterprise Zones provide access to food and medications in “food deserts”
- Currently, the program’s state cost does not burden taxpayers. It only costs about \$0.79 per Floridian per year
- Created 12,982 jobs in FY 2013-14
- Benefits several key industries in Florida
- Although not its main goal, has successfully attracted out-of-state business

Industry Impact

Largest Share of Enterprise Zone Incentives - FY2013-14

- Accommodation and Food Services (Tourism Sector)
- Retail Trade
- Manufacturing
- Finance and Insurance
- Construction
- Utilities
- Real Estate, Rental, Leasing

Recommended Reforms

- Market Enterprise Zones to companies that are proven job-creators
- Require zones to measure and report their progress, to be periodically recertified based on established, written, and empirical criteria, and to be dissolved if inactive or ineffective
- Allow local flexibility for zone administration
- Provide information on all distributed incentives easily to taxpayers

Recommended Reforms

- Improve marketing efforts and simplify application process for businesses
- Make program more attractive by promoting its coupling with other state and federal programs
- Waive residency requirements for tax incentives in certain zones
- Create a tiered system for different sized businesses

THE FLORIDA SENATE

APPEARANCE RECORD

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

2/18/15
Meeting Date

264
Bill Number (if applicable)

Topic TRAFFIC ENFORCEMENT

Amendment Barcode (if applicable)

Name Amy MERCER

Job Title EXECUTIVE DIRECTOR

Address 924 N. GADSDEN ST
Street

Phone

TALLAHASSEE FL 32303
City State Zip

Email

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing FL Police Chiefs Association

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.

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

THE FLORIDA SENATE

APPEARANCE RECORD

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

2.18.15

Meeting Date

264

Bill Number (if applicable)

Topic Traffic Enforcement

Amendment Barcode (if applicable)

Name Ken Kopczynski (Cope-CHEN-ski)

Job Title Lobbyist

Address 300 East Brevard St

Phone 222-3329

Street

Tallahassee FL 32301

City

State

Zip

Email ken@flpba.org

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

Waive Speaking: [X] In Support [] Against (The Chair will read this information into the record.)

Representing Fla PBA

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

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

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THE FLORIDA SENATE
APPEARANCE RECORD

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2/15/15

Meeting Date

Bill Number (if applicable)

Topic COMMUNITY CONTRIBUTION TAX CREDIT

Amendment Barcode (if applicable)

Name BILL WILSON

Job Title DIRECTOR, LEGISLATIVE AFFAIRS

Address CALDWELL BUILDING

Phone 245-7370

Street

TALLAHASSEE

FL

32399

Email BILL.WILSON@PED.MAFLORIDA.COM

City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing DEPARTMENT OF ECONOMIC OPPORTUNITY

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

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S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

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

2-18-15
Meeting Date

302
Bill Number (if applicable)

Topic Comm Contribution Tax Credit

Amendment Barcode (if applicable)

Name Barbara Finnan

Job Title President/CEO

Address 2605 Enterprise Rd E
Street

Phone 727-475-1363

Clearwater FL 33759
City State Zip

Email ceo@habitat
florida.org

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Habitat For Humanity of Florida

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

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THE FLORIDA SENATE
APPEARANCE RECORD

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02/18/2015

Meeting Date

Bill Number (if applicable)

Topic Agency Overviews and Updates on Economic Development Programs

Amendment Barcode (if applicable)

Name Jesse Panuccio

Job Title Executive Director

Address 107 E. Madison Street

Phone 850-245-7116

Street

Tallahassee

FL

32301

Email jesse.panuccio@deo.myflorida.com

City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing The 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.

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S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

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

2-18-15
Meeting Date

Bill Number (if applicable)

Topic DEO

Amendment Barcode (if applicable)

Name DEAN IZZO

Job Title CFO

Address _____
Street

Phone 295-7335

City _____ State _____ Zip _____

Email dean.izzo@deo.myflorida

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing DEO

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.

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THE FLORIDA SENATE

APPEARANCE RECORD

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2/18/15

Meeting Date

Bill Number (if applicable)

Topic

Amendment Barcode (if applicable)

Name Grey Swoope

Job Title President & CEO EFT / Sec. of Comm.

Address 101 N. Monroe Street Suite 1060

Phone 800-298-6630

Tallahassee FL 32301

Email

Speaking: [] For [] Against [] Information

Waive Speaking: [] In Support [] Against (The Chair will read this information into the record.)

Representing EFT

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

Lobbyist registered with Legislature: [] Yes [] No

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THE FLORIDA SENATE
APPEARANCE RECORD



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2.18.15

Meeting Date

Bill Number (if applicable)

Topic FL Institute for the Commercialization of Public Research

Amendment Barcode (if applicable)

Name Jamie Grooms

Job Title CEO

Address 747 SE 2nd Ave

Phone 352-514-5729

Gainesville FL

City State Zip

Email Jamie.Grooms@Florida-Institute.com

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing _____

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.

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THE FLORIDA SENATE
APPEARANCE RECORD



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

2/18/15

Meeting Date

Bill Number (if applicable)

Topic Florida Opportunity Fund

Amendment Barcode (if applicable)

Name Christopher Fountas

Job Title Partner

Address 270 West New England Ave

Phone 407 838 1400

Street

Winter Park FL 34786

Email chris@floridaopportunityfund.com

City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing _____

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.

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

CourtSmart Tag Report

Room: SB 301

Case:

Type:

Caption: Appropriations Subcommittee on Transportation, Tourism, and Economic Development **Judge:**

Started: 2/18/2015 9:59:46 AM

Ends: 2/18/2015 12:00:04 PM

Length: 02:00:19

10:00:38 AM Sen. Latvala (Chair)
10:01:00 AM Introduces Brigadier General Michael A. Calhoun, Assistant Adjutant General - Army, Joint Force Headquarters, St. Augustine [New commander of the National Guard]
10:01:24 AM S 264
10:01:25 AM Sen. Bradley
10:02:47 AM Sen. Detert - giving citations to support small town police departments
10:03:31 AM Sen. Bradley
10:04:11 AM Sen. Detert - proof of revenue
10:04:39 AM Sen. Bradley
10:05:11 AM Sen. Diaz de la Portilla - how prevalent is this practice
10:05:39 AM Sen. Bradley
10:05:53 AM Sen. Latvala
10:06:21 AM Sen Clemens - how did you arrive at the percentage
10:06:43 AM Sen. Bradley
10:07:07 AM Amy Mercer, Executive Director, Florida Police Chiefs Association, waives in support of the bill and Ken Kopczynski, Lobbyist, Florida PBA, waives in support
10:07:41 AM Sen Clemens - speeding tickets have no correlation in safety/no drop in accidents
10:08:08 AM Bradley Closes
10:08:11 AM Sen. Latvala calls for roll
10:08:32 AM Sen. Latvala - bill S 264 is reported favorably
10:08:43 AM S 292
10:08:54 AM Sen. Garcia
10:09:35 AM AM 465870 - asks the amendment to be withdrawn
10:10:06 AM Sen. Diaz de la Portilla - withdraws the amendment
10:10:44 AM Sen. Brandes - any separation requirements
10:11:13 AM Sen. Garcia
10:11:31 AM Sen. Latvala - rather work out issues in this subcommittee
10:12:30 AM Sen. Garcia - S 292 TP
10:12:51 AM Sen. Latvala
10:13:02 AM Sen. Garcia - there is a cap on this
10:13:25 AM Sen Latvala - on motion by Sen. Brandes we temporarily pass S 292
10:13:43 AM S 302
10:13:45 AM Sen. Simpson
10:14:34 AM Sen. Latvala
10:14:37 AM Am 523058
10:14:45 AM Sen. Detert - adds org. whose mission provides for housing for persons with special needs
10:16:01 AM Sen. Clemens - what the fiscal impact will be
10:16:07 AM Sen. Detert
10:16:34 AM Sen. Latvala - amendment shown as adopted
10:16:39 AM Sen. Clemens - how does the program work
10:17:00 AM Sen. Simpson
10:18:03 AM Sen. Clemens
10:18:21 AM Sen. Simpson
10:18:41 AM Sen. Gibson - If a business gives to a community development corp.
10:19:05 AM Sen. Simpson
10:19:41 AM Sen. Gibson - how do we get information out
10:19:58 AM Sen. Simpson
10:20:24 AM Sen. Detert - Florida Housing Corp. /Home Depot and Lowes
10:21:46 AM Sen. Simpson
10:22:15 AM Sen. Deter - amendment addresses renters also
10:22:36 AM Sen. Thompson - trying to understand the 'non housing activities'
10:22:51 AM Sen. Latvala - more info

10:23:23 AM Kristin Gusky defers to Department of Economic Opportunity
10:23:29 AM Bill Wilson, Director, Legislative Affairs, Department of Economic Opportunity
10:24:10 AM Sen. Thompson - what entities can build housing
10:24:47 AM B. Wilson
10:25:02 AM Sen. Thompson - how information gets to the public
10:25:10 AM B. Wilson
10:25:18 AM Sen. Latvala
10:25:36 AM Sen. Brandes - could we limit this program to housing
10:25:59 AM B. Wilson
10:26:29 AM Barbara Inman, President and CEO, Habitat for Humanity (waives in support)
10:26:44 AM Sen. Simpson - waive close
10:26:56 AM Roll call
10:27:16 AM Sen. Latvala - move as a CS;
10:27:28 AM Sen Hukill - may I be shown voting yes on bill S 264 by Sen. Bradley
10:27:50 AM Sen. Latvala - added information on future meetings
10:30:58 AM Agency Overviews and Updates
10:31:14 AM Jesse Panuccio, Executive Director, The Department of Economic Opportunity
10:45:52 AM Sen. Latvala - compare area rate of unemployment tax
10:47:09 AM J. Panuccio
10:48:03 AM Sen. Latvala - Sport Facility Bill - why there is no ranking by DEO
10:49:01 AM J. Panuccio
10:49:48 AM Sen. Latvala - Have these requirements except the 1st year
10:50:04 AM J. Panuccio
10:50:49 AM Sen. Latvala
10:51:06 AM J. Panuccio
10:52:12 AM Sen. Latvala - problems for The House and The Senate as we go into this Session
10:52:31 AM J. Panuccio
10:53:04 AM Sen. Detert - comments maybe we need a new bill
10:53:21 AM Sen. Latvala
10:53:51 AM Sen. Clemens
10:54:25 AM Sen. Gibson - types of jobs
10:55:15 AM J. Panuccio
10:56:07 AM Sen. Gibson
10:56:36 AM J. Panuccio
10:58:02 AM Sen. Clemens - private sector jobs/ why not include all jobs
10:58:29 AM J. Panuccio
10:59:03 AM Sen. Hukill - Sport Facilities - displeasure with the way this was handled and how to correct it
11:01:07 AM Sen. Detert - interested in jobs created with tax payer dollars
11:02:05 AM J. Panuccio
11:03:10 AM Sen. Detert - budget breakdown of each category
11:03:24 AM J. Panuccio
11:04:03 AM Dean Izzo, CFO, Department of Economic Development
11:04:17 AM Sen. Detert - address the Visit Florida question - major increase in funding/international expansion
11:05:21 AM J. Panuccio
11:05:25 AM Sen. Latvala - introduces Gray Swoope
11:06:51 AM Gray Swoope, President and CEO, Enterprise Florida/Secretary of Commerce
11:21:49 AM Sen. Sachs - what do the percentages represent?
11:22:40 AM G. Swoope
11:22:55 AM Sen. Sachs
11:23:18 AM G. Swoope
11:28:32 AM Sen. Latvala
11:29:44 AM G. Swoope
11:37:32 AM Sen. Detert
11:38:12 AM Sen. Thompson - is the percentage devoted to minority business? is it where it ought to be?
11:39:02 AM G. Swoope
11:40:32 AM Sen. Thompson - what are the statistics
11:41:13 AM G. Swoope
11:42:19 AM Sen. Gibson - export sales
11:43:25 AM G. Swoope
11:44:30 AM Sen. Latvala
11:45:35 AM Jamie Grooms, CEO, Institute for the Commercialization of Public Research
11:52:36 AM Christopher Fountas, General Partner, Florida Opportunity Fund