TAB

#### The Florida Senate

**COMMITTEE MEETING EXPANDED AGENDA** 

#### COMMERCE AND TOURISM Senator Montford, Chair Senator Gainer, Vice Chair

MEETING DATE: TIME: PLACE:	4:00—6:00 p.r	ember 12, 2016 n. <i>Committee Room,</i> 110 Senate Office Building						
MEMBERS:	Senator Montford, Chair; Senator Gainer, Vice Chair; Senators Gibson, Hutson, Latvala, Passidomo, Rodriguez, and Young							
BILL NO. and INTR	ODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION					

Discussed

Discussed

1 Introduction of committee members and staff.

2 Overview of the committee's jurisdiction by the committee staff.

Other Related Meeting Documents

# Senate Commerce & Tourism Committee Jurisdiction

*Revised* 11/17/16

The jurisdiction of the Senate Commerce & Tourism Committee includes five general subject areas:

- Workforce Development / Reemployment Assistance;
- Economic Development;
- Business Organizations;
- Commercial Activity; and
- Consumer Protection.

In addition, the committee may be second reference for selected issues relating to banking and insurance; taxation; regulated industries; military affairs and space; education; telecommunications; tort reform; and transportation.

**Workforce Development** includes programs overseen by CareerSource Florida, Inc., the Department of Economic Opportunity (DEO), and the 24 local workforce development boards. These agencies work together to provide services to both individuals and businesses, such as assistance finding a job and workforce training and education. The DEO administers the **Reemployment Assistance Program**, which determines eligibility and duration of reemployment assistance benefits. The committee may also consider matters related to the state minimum wage, employee leasing, conditions of employment, migrant and contract labor, and "preference" for Florida workers and contractors in public contracts.

**Economic Development** is a broad category of issues that the committee routinely considers, and that overlaps with workforce development. The Department of Economic Opportunity (DEO) and Enterprise Florida, Inc. (EFI), work together on business recruitment and job creation, and to administer programs related to incentives for businesses relocating or expanding in Florida. The state also has programs that focus on trade, biotech research, technology, space, seaports, film and entertainment, sports, minority businesses, enterprise zones, small businesses, and access to capital. Economic development also encompasses activities related to tourism. Other entities with related programs include Visit Florida, Space Florida, the Florida Sports Foundation, the Office of Film and Entertainment in the DEO, Black Business Investment Corporations, the Institute for the Commercialization of Public Research, and the Florida Opportunity Fund.

A **Business Organization**, or business legal structure, governs the formation, operation, merger, conversion, and dissolution of businesses - corporations, limited liability companies, not-for-profit corporations, and limited partnerships. Generally in Florida such organizations are required to annually file documents with the Division of Corporations in the Department of State (DOS). In addition to required filings, other **Commercial Activity** under the jurisdiction of the committee includes meeting the requirements of the Uniform Commercial Code and the protection of proprietary information, like trade secrets. The DOS also commissions notary publics.

**Consumer Protection** issues cover a broad range of topics, including advertising, sales of goods, sale of services, event tickets, service contracts, secondary metal recyclers, civil rights, and the Florida Deceptive and Unfair Trade Practices Act (FDUTPA). The committee may also be referenced legislation related to liability (relating to employees or public safety), lending and credit (relating to consumer finance), and trespassing (relating to unauthorized commercial activity).

The Department of Agriculture and Consumer Services (DACS) administers nonagricultural programs over which the committee has jurisdiction. The Division of Consumer Services acts as the state's clearinghouse for consumer complaints and information. This division regulates the "Do-Not-Call" registry, pawnbrokers, sellers of travel, game promotions, movers, telemarketers, motor vehicle repair shops, business opportunities, charitable organizations, and health studios. The division also administers liquid petroleum gas and petroleum inspections, amusement ride inspections, weights and measures, and the Motor Fuel Marketing Practices Act.

Also under the DACS, the Division of Licensing regulates the private security, private investigation, and recovery (repossession) industries (businesses and agents); and the concealed weapons license program.



# **Division of Consumer Services**

The Division of Consumer Services is the state's clearinghouse for consumer complaints and information. The division has responsibility for regulating 18 business industries operating in Florida and maintains a call center with a toll free consumer hotline 1-800-HELPFLA (1-800-435-7352). The call center is staffed with highly trained agents who provide assistance to consumers and businesses on a wide variety of topics. Each month, call center agents handle approximately 25,000 telephone calls, live chat inquiries, email messages and requests for electronic and printed information.

Consumer education is a main focus of the division. The division includes the Communications and Consumer Outreach section which promotes educational outreach programs aimed at increasing public awareness of consumer protection issues among Florida citizens. This section assists consumers and businesses statewide through a variety of avenues including newspaper articles, newsletters, educational brochures and public presentations. The division offers speakers and representatives to participate at community or civic group meetings, senior centers, conferences, schools, planned events and other various meetings statewide. Along with the information provided through the consumer assistance center, thousands of educational brochures are distributed each year to individuals who attend these meetings and events.

In addition, the division maintains a website at www.800helpfla.com which helps educate Florida consumers and businesses and provides online complaint filing, business/complaint lookup, as well as the ability to register a business online. Also on the website is our A-Z Resource Guide which will help you quickly find information on a wide variety of issues. This guide is an alphabetical listing that provides general information, the regulatory agency and the specific statute when applicable.

The division consists of four bureaus and one board office:

## **Bureau of Compliance**

The Bureau of Compliance has regulatory responsibility for registering and licensing the following types of business entities:

Sweepstakes/Game Promoters: Promoters are required to register with the department at least seven days prior to the commencement of their game promotion.

Health Studios: Health studios are required to register with the department annually and in some cases post a \$50,000 security. The purpose of this security is to reimburse members if the studio fails to meet its contractual obligations to its members.

Household Moving Services: Moving companies of household goods within the state of Florida are required to annually register with the department and maintain insurance.

LP Gas: LP Gas licensing is charged with licensing entities involved in liquefied petroleum gas in Florida wherever this product is stored, distributed, transported, and utilized.

Motor Vehicle Repair Shops: Each motor vehicle repair shop is required to register with the department prior to doing business in the state.

"Do Not Call": Residents can list their telephone numbers with the division to help relieve them of unwanted and unsolicited telephone solicitation calls.

Pawnbroking: Pawnshops are required to annually register with the department and obtain a license. Each pawnshop must maintain a net worth of at least \$50,000 or file security in the amount of \$10,000.

Sellers of Travel: Any seller or promoter of travel-related services is required to register annually with the department, unless exempt. Sellers of travel are required to submit a security in an amount not to exceed \$25,000 or \$50,000 if they sell vacation certificates. Independent agents are also required to be registered.

Solicitation of Contributions: Charitable organizations, sponsors, professional solicitors, fundraising consultants and solicitor individuals who work for professional solicitors and have access to donors' financial information such as bank account numbers and credit card numbers are required to register with the department before soliciting contributions.

Telemarketing: Non-exempt businesses that engage in the sale of consumer goods or services by telephone are required to be licensed and post security of \$50,000 prior to soliciting in the state. Salespersons for these businesses are also required to be licensed.

Weights and Measures: All weighing and measuring devices used in commerce within the state require calibrating and permitting.

Agricultural Dealer's Licenses: Dealers in agricultural products must be licensed and bonded to facilitate the marketing of Florida agricultural products and ensure that the producers of products covered by the law receive proper accounting and payment for their products.

### **Bureau of Mediation and Enforcement**

The Bureau of Mediation and Enforcement is responsible for operating the state's Consumer Complaint Clearinghouse. Analysts provide informal mediation services for thousands of consumers each year complaining about unregulated issues in addition to working complaints against entities within the department's jurisdiction. The bureau actively refers complaints to federal, state and local regulatory agencies when appropriate. Mediation and Enforcement processes well over 40,000 complaints each year, of which approximately 40 percent relate to Florida's Do Not Call law. The bureau analyzes all regulated complaints for statutory violations and refers such violations to the Office of Agricultural Law Enforcement or prepares administrative actions and agency orders in addition to preparing all actions related to licensing, registration and non-compliance for the division's other operating bureaus.

### **Bureau of Standards**

The Bureau of Standards is responsible for conducting inspections at more than 25,000 retail and wholesale facilities inspecting more than 260,000 commercial measuring devices. Inspections of measuring devices include calibration verification tests; proper installation, operation and maintenance; and labeling. Types of measuring devices include scales of multiple capacities (from jewelry to industrial and livestock to vehicle), distance measuring devices and liquid measuring devices such as gas pumps. Inspectors and lab staff check for the presence of water and debris in motor fuels while other key operational fuel quality parameters are tested for in the lab. Lab staff also ensures vehicular fluid products such as antifreeze and brake fluid meet quality standards to ensure safe operation in consumer vehicles.

Additionally, inspectors test the accuracy of retail price scanners, as well as the accuracy of labels and net contents of packaged food items, packaged goods such as dry goods, household items, building and construction materials, gardening products and hundreds of other product types purchased daily by consumers and businesses.

Bureau inspectors are also charged with the safety regulation of liquefied petroleum gas wherever this product is stored, distributed, transported, and utilized at more than 16,000 locations statewide. Safety inspections are conducted at high volume bulk plants, retail dispensers and cylinder exchange cages. The bureau also houses the state's primary measurement standards of mass, length, and volume, directly traceable to National Institute of Standards and Technology located in Gaithersburg, MD.

### **Bureau of Fair Rides Inspection**

The Bureau of Fair Rides Inspection inspects and permits all amusement rides in Florida, except those at certain exempt facilities. The bureau investigates all accidents, incidents, and consumer complaints involving amusement rides. Inspection specialists inspect mechanical, structural, electrical, and operational characteristics of each amusement ride and determine whether the ride meets the requirements of Florida law before it is allowed to operate in Florida.

### **Board of Professional Surveyors and Mappers**

The Board of Professional Surveyors and Mappers consists of nine members: seven professional surveyors and mappers as well as two consumer members. The board has been charged by the Florida Legislature with protecting the public interest and encouraging the entry of qualified individuals into the profession. Individuals who apply for licensure must meet certain education, experience, and testing criteria prior to licensure. The board also provides protection by disciplining those licensees who violate the professional practice act.

## Florida Laws

Chapter 472, F.S. Chapter 496, F.S. Chapter 501, F.S. Chapter 507, F.S. Chapter 525, F.S. Chapter 526, F.S. Chapter 527, F.S. Chapter 531, F.S. Chapter 539, F.S. Chapter 559, F.S. Chapter 570, F.S. Chapter 604, F.S. Section 610.108, F.S. Section 616.242, F.S. Section 849.094, F.S.

# **Division of Licensing**

The Division of Licensing administers two distinct licensing programs. While these two programs are oriented in different directions -- one involves the regulation of a group of specialized professionals and businesses, the other licenses qualified individuals to carry concealed weapons -- they do share one common goal: to enhance the safety and welfare of Florida citizens by providing reasonable assurances that licensees are law-abiding individuals who are trained, qualified, and knowledgeable and do not pose a threat to society.

# Private Security, Private Investigation, and Recovery

The division licenses and regulates more than 175,000 individuals and agencies in the private security, private investigation, and recovery (repossession) industries. The division's regulatory powers are comprehensive, encompassing all critical aspects of the operation of the regulated industries. The division's oversight begins with the establishment of education and training curricula and minimum licensure requirements for new licensees. The licensure process involves subjecting each application to careful scrutiny to ensure that the applicant meets all statutory requirements and does not have a disqualifying criminal record. The division monitors licensed individuals and agencies for compliance with regulatory requirements to ensure that each licensee provides services in accordance with the law.

## **Concealed Weapon or Firearm Licenses**

The division issues concealed weapon or firearm licenses to qualified individuals who wish to carry a concealed weapon for lawful self-defense. Florida made history in 1987 when it became the first state to issue a statewide concealed weapon license. Currently, more than 1.68 million individuals hold such a license. The division's objective is to ensure that the issuance of licenses to all qualified individuals and the continued eligibility of those licensees are consistent with statutory requirements. The division reviews each license application to confirm that an applicant is qualified and competent to carry a firearm. Applicants are subjected to criminal history background checks and are screened for disqualifying conditions (mental incapacities, drug or alcohol abuse, felony convictions, domestic violence injunction, etc.). The division also works closely with law enforcement authorities in the name of public safety.

# **Tax Collector Partnership**

Since 2014, the division has partnered with approved Florida Tax Collectors to accept concealed weapon or firearm license applications. During the first 27 months of this partnership, the division has brought 46 offices in 41 counties on board to serve as "fast-track" application intake locations. During fiscal year 2015-2016, 73,252 applications for a concealed weapon or firearm license were submitted to the division via a tax collector's office. The division continues to partner with tax collectors interested in participating in the program.

The Division of Licensing is organizationally structured as follows:

### **Bureau of License Issuance (BLI)**

The Bureau of License Issuance is responsible for the issuance and denial of licenses and oversight of regional offices. This bureau receives and examines applications for statutory compliance and verifies each applicant's eligibility for licensure. This verification process involves a review and evaluation of any relevant information revealed by the criminal history background check and, depending on the type of application submitted, may also include a review and evaluation of the applicant's prior work history and educational background. During fiscal year 2015-2016, BLI processed 459,000 license applications and received 256,000 phone calls and 50,000 chats. BLI provides services to applicants and licensees at eight regional offices located in Doral, West Palm Beach, Jacksonville, Orlando, North Port, Tampa, Fort Walton Beach, and Tallahassee. During fiscal year 2015-2016, staff in the eight regional offices processed 105,844 "fast-track" concealed weapon or firearm license applications. The regional offices also host informal hearings for applicants and licensees who are appealing the division's decisions regarding the status of an application or license.

## **Bureau of Regulation and Enforcement (BRE)**

The Bureau of Regulation and Enforcement ensures licensees operate in compliance with the law and carries out administrative actions against licensees who commit violations. The attorneys in the bureau's Legal Section routinely perform legal research on matters pertaining to the activities of the regulated industries and on weapons possession and/or ownership. They also represent the division in administrative hearings and other civil and appellate proceedings. The bureau's Regulatory Compliance Section (RCS) conducts research to determine the operational status of expired agency licenses; RCS then attempts to bring those licensees into compliance and, when necessary, confers administrative action for non-compliance. The Regulatory Review Section (RRS) reviews thousands of arrest records, domestic violence records and other reports the division receives from various law enforcement agencies and makes recommendations to initiate suspensions against licensees who have violated the law. The RRS also assists the Legal Section by processing incoming legal mail and preparing administrative pleadings.

### **Bureau of Support Services (BSS)**

The Bureau of Support Services coordinates and performs the division's administrative and support operations. This bureau is responsible for the operation of the division's electronic document management system and other data processing functions (including systems development, implementation, and maintenance). This bureau also operates the division's mailroom which processes all incoming paper applications, manual fingerprint cards and photographs; during fiscal year 2015-2016, BSS mailroom staff processed 428,964 pieces of incoming mail.

## Bureau of External Services and Quality Assurance (BESQA)

The Bureau of External Services and Quality Assurance manages the division's external relationships including the tax collector partnership, the Private Investigative, Security and Recovery Council (PIRSAC), the division's call and chat center and maintains the division's

public record request, executive correspondence, reciprocity tracking and records management functions. Additionally, the quality control unit within the bureau conducts audits of the division's application processing records (and other business process records) to support the division's mission and vision as defined within its strategic plan which includes the timely and error free processing of license applications and issuance of licenses to only those who are qualified. During fiscal year 2015-2016, the division processed 4,565 public records requests and executive correspondence needs and conducted 14 quality control assessments.

## Florida Laws

Chapter 493, F.S. Section 790.06, F.S.





# 2016 Department Overview December 2016

# **Cissy Proctor, Executive Director**

Dean Izzo, Chief of Staff

Karl Blischke, Director, Division of Strategic Business Development Taylor Teepell, Director, Division of Community Development Tom Clendenning, Director, Division of Workforce Services

Jim Poppell, General Counsel James Landsberg, Inspector General Chris Peary, Chief Information Officer Damon Steffens, Chief Financial Officer Erin Gillespie, Director, Office of Communications and External Affairs William "Bill" Wilson, Director, Office of Legislative and Cabinet Affairs

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# **DEO At-A-Glance**

DEO is a multidimensional department that touches many facets of life in Florida. It has a focus that combines economic development, workforce support and training, and community development. DEO operates with transparency, efficiency and accountability. In addition to meeting its statutory charges, the work of DEO aligns with and supports the Governor's three priorities for building a better Florida:

- Economic Development and Job Creation Focus on Job Growth and Retention.
- World Class Education Improve Education.
- Public Safety Protect our Communities by Ensuring Health, Welfare and Safety of our Citizens.

## Agency Vision

Florida will have the nation's top performing economy and be recognized as the world's best place to live, learn, play, work and do business.

## Agency Mission

In collaboration with our partners, assist the Governor in advancing Florida's economy by championing the state's economic development vision and by administering state and federal programs and initiatives to help citizens, businesses, communities and visitors.

## **Agency Goals and Objectives**

- Goal 1. Further Florida's economic vision by providing support that enhances the economy and develops vibrant, safe and healthy communities.
  - Objective 1.1. Provide financial assistance and support (e.g., grant awards, incentives, loans, emergency services, self-sufficiency programs and weatherization activities) to businesses, communities and local governments and people eligible for Reemployment Assistance.
  - Objective 1.2. Provide technical assistance and information (e.g., community and competitiveness planning, public awareness, film and entertainment production) that help businesses and communities improve their local economies and quality of life.
  - Objective 1.3. Provide workforce development, training and placement services that meet the needs of Florida businesses and job seekers.
- Goal 2. Optimize the effectiveness of DEO's available resources and tools.
  - Objective 2.1. Ensure accountability and quality of DEO programs, services and partnerships through prioritization, planning, performance measurement and support, reporting and auditing.
  - Objective 2.2. Improve collaboration and alignment among state, regional and local entities toward the state's economic development vision.

# DEO's Statutory Charge

Formed in 2011, DEO combines the state's economic, workforce and community development efforts to help expedite economic development projects to fuel job creation and create competitive communities. DEO's executive mandate is to "facilitate the direct involvement of the Governor and the Lieutenant Governor in economic development and workforce development projects" [s. 20.60.4(a), Fla. Stat.]. DEO's five statutorily mandated agency responsibilities are:

s. 20.60(4)(b), Fla. Stat. Recruit new businesses to this state and promote the expansion of existing businesses by expediting permitting and location decisions, worker placement and training and incentive awards.

s. 20.60(4)(c), Fla. Stat. Promote viable, sustainable communities by providing technical assistance and guidance on growth and development issues, grants and other assistance to local communities.

s. 20.60(4)(d), Fla. Stat. Ensure that the state's goals and policies relating to economic development, workforce development, community planning and development and affordable housing are fully integrated with appropriate implementation strategies.

s. 20.60(4)(e), Fla. Stat. Manage the activities of public-private partnerships and state agencies in order to avoid duplication and promote coordinated and consistent implementation of programs in areas including, but not limited to, tourism; international trade and investment; business recruitment, creation, retention and expansion; minority and small business development; rural community development; commercialization of products, services, or ideas developed in public universities or other public institutions; and the development and promotion of professional and amateur sporting events.

s. 20.60(4)(f), Fla. Stat. Coordinate with state agencies on the processing of state development approvals or permits to minimize the duplication of information provided by the applicant and the time before approval or disapproval.

# **DEO's Divisions and their Functions**

DEO implements goals, objectives and metrics aligned with the Department's commitment to its statutory charge and the *Florida Strategic Plan for Economic Development*.

For example, within the Division of Strategic Business Development, policies and procedures are being implemented to bolster Florida's competitiveness with other states while ensuring transparency and accountability for Florida's taxpayers. Within the Division of Workforce Services, policies and programs are furthering the availability of a skilled workforce to meet the current and future needs of Florida's employers. Within the Division of Community Development, targeted technical assistance and supports are being provided to small and rural communities and residents with low incomes in need of assistance and programs to enhance small businesses and rural economies are being implemented.



Working collaboratively, DEO's three program divisions and six statutorily identified publicprivate partners create opportunities for positioning Florida for future growth and prosperity. In supporting the work of these six public-private partnerships:

- The Division of Strategic Business Development partners with Enterprise Florida, including the Florida Sports Foundation; the Institute for the Commercialization of Public Research; Space Florida and VISIT FLORIDA.
- The Division of Workforce Services partners with CareerSource Florida, Inc.
- The Division of Community Development partners with the Florida Housing Finance Corporation and Enterprise Florida.

## **Division of Strategic Business Development**

The Division of Strategic Business Development provides support for attracting out-of-state businesses to Florida, promoting the creation and expansion of Florida businesses, furthering economic development across the state and facilitating the state's economic development partnerships. The primary initiatives and activities of the Division of Strategic Business Development are carried out in the Bureaus of Business and Economic Incentives, Compliance and Accountability, and Planning and Partnerships and in the Office of Film and Entertainment. The Division of Strategic Business Development's initiatives and activities include:

- Coordinate intergovernmental and statewide planning for economic development strategies.
- Facilitate and support economic development projects.
- Monitor and verify compliance of economic development incentives and grant performance.
- Work closely with Enterprise Florida, Inc., the Florida Ports Council, Florida Sports Foundation, the Institute Commercialization of Public Research, Space Florida and VISIT FLORIDA.
- Develop, market and provide services to Florida's film and entertainment industry.

# **Division of Workforce Services**

The Division of Workforce Services partners with CareerSource Florida and the state's 24 Local Workforce Development Boards to strengthen Florida's business climate by supporting employers and helping Floridians gain employment, remain employed and advance in their careers. The primary initiatives and activities of the Division are carried out in the Bureaus of Labor Market Statistics, One-Stop and Program Support and Reemployment Assistance. The Division of Workforce Services' initiatives and activities include:

- Provide development, guidance, oversight and technical assistance, as well as federal performance reporting for the state's workforce programs.
- Produce, analyze and deliver timely and reliable labor statistics to improve economic decision-making.
- Assist Florida employers in finding, developing and keeping
- Promote employment for Florida's jobseekers, including veterans, individuals with disabilities and others with barriers to employment.
- Provide Florida's Reemployment Assistance services.

## **Division of Community Development**

The Division of Community Development fosters economic development and planning in the state's rural and urban communities. It assists local governments with efforts that prioritize local needs and balance state and federal requirements and resources. The primary initiatives and activities of the Division are carried out in the Bureaus of Community Assistance, Community Planning, Community Revitalization and Economic Development. The Division of Community Development's initiatives and activities include:

- Award grants, loans and credits for infrastructure, housing rehabilitation and community revitalization.
- Administer state and federal grants, loans, technical assistance, tax incentive funding and capital access programs.
- Coordinate and facilitate multi-agency efforts for rural community development, issues and concerns.
- Facilitate and support economic development projects in the designated Rural Areas of Opportunity.
- Monitor and verify compliance of grant performance.
- Provide technical assistance and support to rural and urban local governments, economic development representatives and small or minority business technical assistance providers.
- Support community planning and development initiatives while protecting resources of state significance.
- Provide technical assistance and work closely with state-level entities, Florida's Regional Planning Councils, Enterprise Florida and local governments.
- Contract with local agencies providing assistance programs for low-income Floridians.
- Provide guidance and support to the board of the Florida Housing Finance Corporation.

# **Examples of DEO's Accomplishments**

DEO has accomplished a great deal in its first five years. The highlights below give a brief overview of the agency's initial efforts and accomplishments since its creation in 2011.

In the past five years, Florida businesses have added more than 1 million jobs to the state's economy. With our partners from Enterprise Florida, DEO has helped private sector businesses add more than 82,000 of these jobs since 2011. In addition, with Space Florida, we have implemented 45 projects with 6,511 new jobs. With our partner VISIT FLORIDA, the state's annual number of visitors has increased to 105 million, and every 85 visitors in Florida equals one new job.

Building Florida's workforce has been another priority. With our partner CareerSource Florida and the 100 local career centers across the state, we have provided services to more than 100,000 businesses and 400,000 job seekers each year. We have also drastically reduced the number of individuals on Reemployment Assistance by providing better connections to local jobs.

### **Economic Development**

In 2012, the Division of Strategic Business Development began streamlining Florida's **economic development incentives process**. As a first step, DEO removed duplication of efforts with Enterprise Florida by clarifying roles and responsibilities. Then staff made the incentive review process more efficient by incorporating due diligence efforts far earlier in the application process. Subsequent incentive contracts better protected taxpayer dollars as a result of incorporated due diligence, improved accountability, and a process that was easier to use and more accessible to businesses.

Complementing this process was the launch in 2013 of the **Economic Development Incentives Portal**. The use of the portal has transformed DEO's economic incentives data management system and DEO's interactions with businesses and public stakeholders. This portal has allowed for enhanced management of Florida's economic development incentives, including accounts, average annual wages, and management of incentives, ledgers, and claims. This portal provides:

- Increased transparency concerning the use of taxpayer dollars.
- More robust reporting and analysis of economic development incentive data.
- Unprecedented access by the public to performance measurements and each company's progress toward reaching their required goals.
- All incentive performance information to be instantly available to DEO's external compliance firm to accelerate the independent validation and review process.

On July 18, 2013, the *Florida Strategic Plan for Economic Development* was formally delivered to the Governor, the Senate President, and the Speaker of the House. The *Strategic Plan* established the Economic Development Vision for Florida: *Florida will have the nation's top performing economy and be recognized as the world's best place to live, learn, play, work, and do business.* Additionally, it established three goals, five objectives and 29 strategies for advancing economic development in Florida. As of December 2016:

- 25 state agencies cited alignment with the *Strategic Plan* in their requests for 2017-18 funding.
- 19 statewide agencies and organizations reported they are implementing the *Strategic Plan,* nine reporting they are implementing 10 or more strategies.
- 15 state agencies and organizations created a total of 65 tactics and 145 associated performance metrics for measuring and reporting quarterly and annual progress on implementing the *Strategic Plan's* 29 strategies.
- All 10 of Florida's Economic Development Districts aligned their federally required Comprehensive Economic Development Strategies with the *Strategic Plan* framework.

### **Employment and Workforce Development**

The Division of Workforce Services has successfully reduced the **reemployment tax** burden of employers. Through DEO's efforts, Florida has realized a 94 percent reduction in the employers' reemployment tax, from a high of \$120.80 (minimum rate per employee in 2013) to \$7.00 (minimum rate per employee in 2016). This allows businesses to reinvest the savings in their companies, their employees, and their communities.

Additionally, the Division of Workforce Services has increased the solvency of the Unemployment Compensation (UC) Trust Fund. Florida's **UC Trust Fund** recovered from owing the federal government \$2.3 billion to currently being funded at \$2.5 billion in June 2016. It is one of the healthiest unemployment trust funds of all large states.

To further protect Floridians, the Division of Workforce Services designed, developed, and implemented in January 2014 the Fraud Initiative Rules and Rating Engine (FIRRE) System. FIRRE is a best-in-the-nation Reemployment Assistance (RA) **fraud detection and prevention system**. It was developed internally using technologies that allow for fast, concurrent, and parallel processing of data in real-time to identify fraudulent patterns before an RA claim is ever paid. This system has reduced RA payments to criminals perpetuating fraud through identify theft. In two years, FIRRE has stopped more than 100,000 fraudulent claims, saving hundreds of millions of dollars and lowering employer contributions. FIRRE:

- Preserves the solvency of the UC Trust fund.
- Prevents erroneous charges being assessed to unknowing victims of identity theft.
- Received the Prudential Productivity Award three years in a row (2014, 2015, and 2016).
- Received the State Excellence Award for Leadership from the National Association of State Workforce Agencies in 2015.

In addition, the Division of Workforce Services has successfully implemented the Workforce Innovation and Opportunity Act (WIOA) of 2014, which has paved a new course for workforce development, both nationally and in Florida. Legislation aligning Florida's nationally recognized workforce system with WIOA was signed by Governor Scott in April 2016. The Division of Workforce Services began implementation of WIOA in 2016. Anticipated benefits of WIOA implementation include:

- Increased access to education, training, and employment.
- Improved structure and delivery of services to families, including those with disabilities and low incomes.

## **Community Development**

The Division of Community Development improved DEO's outreach for Florida's **small cities and communities** through the Small Cities Community Development Block Grant (CDBG), the Rural Infrastructure Fund, and the innovative Competitive Florida Partnership. Florida's small cities and counties are more economically viable and able to create jobs through financial assistance for specific job creation projects, redeveloped and enhanced commercial areas, updated infrastructure, and affordable housing. The Competitive Florida Partnership has helped 13 small communities:

- Explore local assets that set them apart and make them competitive.
- Create unique economic development strategies that harness the potential of local assets.
- Identify resources available to help communities accomplish goals.
- Implement local projects.

The State Small Business Credit Initiative Program has created more than 2,660 jobs by providing **access to capital for small businesses** across the state that would not otherwise be eligible.

Through the Low Income Home Energy Assistance Program, the Division of Community Development has assisted more than 6,000 low-income families make **energy-efficiency improvements** to their homes, resulting in lower energy costs and allowing families to spend their money on other important needs that enable them to achieve self-sufficiency. These efforts have provided for improved living conditions by providing long-term utility cost reductions and have allowed seniors to age in place and avoid having to move into long-term care facilities.

# ENTERPRISE FLORIDA ORGANIZATIONAL CHART





Enterprise Florida, Inc. (EFI) is a public-private partnership between Florida's business and government leaders, and is the principal economic development organization for Florida. EFI's mission is to expand and diversify the state's economy through job creation. In pursuit of its mission, EFI works closely with a statewide network of economic development partners and is funded both by the State of Florida and private-sector businesses.

Oversight of Enterprise Florida occurs through a board of directors, chaired by Florida's governor, comprising top business, economic development and government leaders.

Enterprise Florida recruits new business to the state, and works to retain and expand existing industry and business. EFI focuses its economic development efforts on a wide range of industry sectors, including aviation & aerospace, life sciences, information technology, financial & professional services, manufacturing and more.

Enterprise Florida is the state's primary entity for trade and export development. EFI's International Trade & Development (ITD) team supports more than 60,000 small and mid-sized exporting businesses through statewide seminars and workshops, and worldwide tradeshows and trade missions.

The organization also works with its Team Florida partners to promote the state as the premier business location, expansion and relocation site in the nation.

Integrated into the corporation as an outcome of legislative mandate are the Florida Defense Support Task Force, Florida Sports Foundation, and the Minority & Small Business, Entrepreneurship and Capital division (MaSBEC).

The mission of the Florida Defense Support Task Force is to preserve, protect, and enhance Florida's military missions and installations. The Task Force does this in a number of ways, including working with Florida's Base Commanders to prevent encroachment from impacting mission capabilities, improving transportation access to Florida's military installations, and strengthening state support for military families and veterans.



Rick Scott, Florida Governor Chairman

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ENTERPRISEFLORIDA.COM



The Florida Sports Foundation serves to assist communities with securing, hosting and retaining sporting events and sports-related business that generate significant economic impact and sports tourism through the Foundation's grant programs, legislative initiatives and industry partner service, recognition and development.

MaSBEC develops strategic partnerships to expand Florida's business support services and streamline the regulatory environment to spur growth for small companies. MaSBEC works directly with firms that also are committed to providing small businesses with access to resources that can stimulate job creation.

### Fast Facts...

- Funded by a combination of state appropriations and private sector contributions. State funding for the 2016-17 fiscal year (FY): \$23.5 million.
- Private businesses contributed \$1.8 million during FY 2015-16, which was used for economic diversification initiatives.
- Responsible for facilitating the creation and retention of 28,919 jobs statewide in FY 2015-16 and \$2.82 billion in capital investments.
- Helped Florida companies record more than \$911 million in actual and expected export sales through trade missions and tradeshows.
- The Florida Sports Foundation awarded 115 grants to Florida communities during FY 2015-16. The awarded events created more than \$633 million in economic impact, attracted over 635,000 out of state and international visitors, and added nearly 7,500 jobs.



Rick Scott, Florida Governor Chairman

#### HEADQUARTERS

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#### TALLAHASSEE

101 North Monroe Street Suite 1000 Tallahassee, Florida 32301 T 850-298-6620 F 850-298-6659

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# FLORIDA'S WORKFORCE SYSTEM

Florida's workforce system is a major contributor to national, state and local economic growth and sustainability efforts. The system includes CareerSource Florida inc., 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 as well as policy implementation; and 24 local workforce development boards that oversee the local design and delivery of workforce services to businesses, job seekers and workers at 100 career centers throughout the state.



Created by the Florida Workforce Innovation Act of 2000, the system is designed to foster public-private partnerships and leadership in responding – through demand-driven, market-relevant strategies and services – to the employment and training needs of businesses, job seekers and workers.

The legislative cornerstones for the publicly funded state system – the federal Workforce Innovation and Opportunity Act (WIOA) and the Florida Workforce Innovation Act, Chapter 445, Florida Statutes – provide for state and local flexibility in addressing workforce development demands and priorities.

# Workforce Innovation and Opportunity Act

WIOA is designed to help job seekers access employment, education, training and support services to succeed in the labor market. This federal legislation also helps match employers with the skilled workers they need to compete in the global economy. Florida is considered a national model state for workforce investment. WIOA reflects many of the leading strategies already undertaken by Florida while providing a roadmap for further innovation.

On April 8, 2016, Governor Rick Scott signed state legislation that aligned Florida's nationally recognized workforce system with WIOA. Florida's new legislation required a heightened level of collaboration between workforce, education and industry partners to ensure the state's workforce system remains market relevant and focused on meeting the needs of businesses, job seekers and workers.

Florida's workforce mission is to connect "employers with qualified, skilled talent and Floridians with employment and career development opportunities to achieve economic prosperity." The system strives to meet this mission daily through its core values – business-driven, continuous improvement, integrity, talent focus and purpose-driven – and its pillars – collaborate, innovate and lead. It also works to ensure these principles guide workforce investments statewide.

## **Collaboration and Governance**

While CareerSource Florida provides systemwide oversight and leadership, the contributions of every entity, local and state, are integral to the overall effectiveness in promoting an environment that aligns the talent development needs of businesses and job seekers, cultivates a world-class talent base for every business (particularly those in targeted sectors and infrastructure industries, such as energy, healthcare and transportation, that underpin the economy); and makes relevant training and education as well as employment and career advancement opportunities available to Floridians.

The Florida Legislature serves an essential role, as legislators must approve the receipt and distribution of federal funding. The Senate President and House Speaker also appoint one legislator from each chamber to serve on the CareerSource Florida Board of Directors.

At the local level, chief elected officials have a fiduciary responsibility and an essential role in appointing local workforce development board members and local workforce investment in strategies and services.

On the front lines, CareerSource Florida local workforce development boards direct local investment, design local strategies and deploy local services including career counseling, job search and placement assistance, and training for job seekers; as well as recruitment and assessment services, and training for employers. Workforce services also are accessible online statewide through <u>employflorida.com</u>. Figure 1. An illustration of the flow of federal laws, publications and guidance, which inform state and local laws, rules and policies. It also reflects the distribution of federal workforce funds, with the majority of workforce funds being passed on to the local level, where service delivery occurs.



# WORKFORCE FUNDING, ROLES AND RESPONSIBILITIES

# **Workforce Funding**

WIOA guides states in achieving and maintaining an integrated, outcome-oriented public workforce system that links diverse talent to businesses by ensuring:

- The needs of businesses and workers drive workforce solutions;
- Career centers provide excellent customer service to job seekers, workers and employers, and focus on continuous improvement; and,
- The workforce system supports strong regional economies.

Florida's workforce system is funded primarily through federal dollars received annually by the state. The funding is received from several streams with specific purposes supporting job search, job placement and the training needs of job seekers as well as business services such as talent matching and human resources support. Most of these funds – 90 percent in fiscal year 2016-2017 – are either passed on to the 24 CareerSource Florida local workforce development boards for local service delivery or spent at the state level on behalf of the local workforce development boards. The remaining funds are retained at the state level for use by the Governor to address statewide workforce needs. The largest funding streams – WIOA, Wagner-Peyser and Temporary Assistance for Needy Families (TANF) – support the majority of state workforce services.

- WIOA funds provide core, intensive and training services to adults, youth, laid-off workers and people facing employment barriers or who have low income. Core services may include activities such as job search assistance and planning or resume help, while intensive services may include more targeted career guidance and planning as well as individual or group counseling. Training services may include programs that help workforce customers upgrade skills to better their chances of getting a job or advancing in their current position. Training services also may include customized training to help businesses provide incumbent employees or new hires with the training needed for the business to remain competitive.
- **Wagner-Peyser** funds support labor exchange services at local career centers to place people in employment by providing a variety of placement-related services at no cost to job seekers and employers seeking qualified workers to fill vacancies.
- **TANF** funds serve low-income families with children. TANF strongly emphasizes "work first," combining time limits for participation and sanctions with added assistance in obtaining needed training, starting work, receiving childcare, transportation and transitional supports to retain employment, advance and become self-sufficient.

Other funding streams support dedicated veterans employment assistance programs and assist agencies with costs associated with operating the Food Stamp program and administering Reemployment Assistance services.

# **Roles and Responsibilities**

Opportunities to set the policy direction for the federal workforce funds that flow into states exist at multiple levels of government. Florida workforce roles and responsibilities are designated by both federal and state law. The roles of state and local elected officials include the following:

### Florida's Governor:

- Is liable for workforce funds received by the state. To manage those funds, the Governor designates a state agency DEO to receive and disburse the money.
- Is responsible for appointing members and serving on the Board of Directors for CareerSource Florida, the state workforce policy and investment board.
- Through CareerSource Florida, serves in the lead role for submitting Florida's <u>Workforce</u> <u>Innovation and Opportunity Act Unified Plan</u>, which aligns the federal planning efforts of workforce and education programs identified by WIOA. This plan is the blueprint for workforce services in Florida.

### Each Local Workforce Area's Chief Elected Official (CEO):

- Is liable for workforce funds, which can be administered either by local government or by a fiscal agent designated by the CEO. Local workforce development boards must receive CEO approval of annual budgets and must submit them to CareerSource Florida for review.
- Appoints local workforce development board members, who are accountable to the CEO for planning and oversight of public workforce services delivered in the local area.
- Has control over local resource alignment as well as the opportunity to facilitate the connection of WIOA programs with high schools, postsecondary institutions, public housing agencies, human service agencies and other people-serving entities or organizations.
- Collaborates with local workforce development boards to develop the local plan and also approves the plan. This plan should be based on the local labor market and workforce needs and should be aligned with local priorities, which would be defined by the CEO or board of local elected officials. Typically, the local workforce board also develops a strategy, documented in the local plan, for connecting employers with services available through the public workforce system.
- Has many opportunities to facilitate the alignment of local education partners with the workforce system. WIOA encourages local communities to improve collaboration between adult education, vocational rehabilitation, and workforce system programs while ensuring these programs are meeting the workforce needs of businesses.

### The Florida Legislature:

- Must approve the receipt and distribution of federal funding. The Legislature also should be aware of Florida's <u>Workforce Innovation and Opportunity Act Unified Plan</u>, which is the operating blueprint for the state's workforce investment system.
- Has representatives who serve on the CareerSource Florida Board of Directors. They are appointed by the Senate President and House Speaker.

# FLORIDA'S WORKFORCE SYSTEM PARTNERS

# **CareerSource Florida**

CareerSource Florida is the federally required statewide workforce investment board. The <u>Board</u> of <u>Directors</u> is composed of a majority of private-sector business leaders who are appointed by the Governor. The board is required to have representatives of small businesses, apprenticeship programs, organized labor, and local elected officials. The board also includes members from each legislative chamber, the director of DEO and the Florida Commissioner of Education. All members serve voluntarily and are eligible to serve two, three-year terms. CareerSource Florida's governing board and councils meet quarterly. In addition to the Board of Directors, the current governance structure includes an Executive Committee and two councils, Finance and Strategic Policy.

The board is led by Chairman Britt Sikes, of DEX Imaging, and the board is supported by a professional team. Through demand-driven, business-led strategies and investment, CareerSource Florida focuses on statewide efforts for addressing today's and tomorrow's talent needs for Florida. Examples of statewide initiatives funded and advanced by CareerSource Florida include:

- Quick Response Training (QRT): Through partial reimbursement, this nationally recognized grant program provides customized training for new or expanding businesses. CareerSource Florida receives \$12 million in state funding annually for the grant program. For the fiscal year ending June 30, 2016, CareerSource Florida awarded all of its funding to support training for 9,551 Floridians in newly created and retained jobs. On average, trainees' wages increased by more than 31 percent within a year of completing QRT-supported training, based on the latest available data.
- Incumbent Worker Training (IWT): Incumbent Worker Training grants help established businesses maintain a competitive workforce by partially reimbursing training to upgrade employees' skills. Businesses need only one full-time employee to potentially qualify. From July 2015 through June 2016, CareerSource Florida awarded 124 Incumbent Worker Training grants totaling more than \$2 million to help companies train and retain 4,253 full-time workers. Trainees' wages have increased more than 7 percent on average within 15 months of completing IWT-supported training, based on the latest available data.

- Employ Florida: Employflorida.com is the state's comprehensive online employment resource and virtual gateway to Florida workforce services and resources, providing access 24 hours a day, seven days a week at no cost. Employ Florida includes over 6 million registered job seekers. Local businesses can view over 500,000 new online resumes per year. Job seekers can view more than 300,00 active Florida job listings each day, as well as access resume building assistance, skills assessment and more.
- Paychecks for Patriots: The CareerSource Florida network, with leadership from DEO and the 24 local workforce development boards working with the Florida Department of Veterans Affairs, the Florida National Guard and Florida businesses, have held three annual (2013, 2014 and 2015) Paychecks for Patriots events focused on connecting Florida veterans and their families with immediate career opportunities from businesses ready to hire individuals from among this valuable and dedicated talent pool. CareerSource Florida's local partners provide local specialists year round to connect veterans to employment and training opportunities and also administer the Military Family Employment and Advocacy Program to provide priority services to active duty military spouses and family members near Florida's major military installations. Additionally, the network offers a specialized portal, Employ Florida Vets, for veterans to search for jobs.

At both the state and local levels, working collaboratively with education partners is critical to improving Florida's talent pipeline and talent supply. Systemwide performance and accountability also are paramount. Through its evaluation of outcomes and financial resources, CareerSource Florida measures performance by local workforce development boards, identifies best practices, rewards high performance and, through the leadership of DEO, identifies and addresses performance problems that may require technical assistance. Examples of performance measures consistently examined include job placements, employment retention, earnings and occupational credentials.

While there are many tools used to track performance, the Daily and Monthly Job Placement Reports were created to provide better, real-time measurement of job placement performance by CareerSource Florida local boards and career centers. They provide local and state workforce partners with a performance overview of the number of reported job placements by each local board as well as a statewide total. The goal of the reports is to highlight and share job placement successes so that workforce system partners can identify and replicate best practices and strategies to help job seekers gain employment. The monthly reports are available online on <u>DEO's website</u>.

# The Department of Economic Opportunity

DEO, led by Executive Director Cissy Proctor, is responsible for receiving Florida's federal workforce funds. It houses Florida's Labor Market Statistics Center and administers the state's Reemployment Assistance program, which provides unemployment compensation to eligible

unemployed Floridians seeking new jobs. Through a performance-based contract with CareerSource Florida, as required by state law, DEO performs fiscal and administrative duties affecting local workforce development boards including financial and programmatic monitoring and implementation of new policies set by the CareerSource Florida Board of Directors.

DEO was created in October 2011 to streamline state community planning and development as well as workforce and economic development functions, and promote economic opportunities for all Floridians. DEO replaced the former Agency for Workforce Innovation and also absorbed responsibilities of the Department of Community Affairs and the Office of Tourism, Trade and Economic Development formerly housed within the Executive Office of the Governor.

# **Local Workforce Development Boards**

Florida has 24 local workforce development boards responsible for overseeing the local delivery of workforce services to job seekers and businesses through nearly 100 bricks-and-mortar career centers statewide (See Fig. 2).

Available services include job placement and recruitment assistance as well as funding for skills training. Local boards' efforts often are geared toward specific industries as targets due to demand and wage potential. The flexibility built into the system allows each local board to collaboratively determine with its local leadership - including Chief Elected Officials, among others – what employment and training services are most needed in their communities, and to support economic development priorities that are most likely to lead to job placement and advancement while bolstering business competitiveness. Local boards are essential to the state's efforts to strengthen the economy through business attraction and retention.





Like CareerSource Florida, each of the 24 local boards is led by a public-private volunteer Board of Directors with majority representation from the business community along with leaders from education, economic development, government, labor and community-based organizations. Each local board has performance measures and contracts in place to strengthen accountability. Contact information for local workforce development boards can be found at <u>www.careersourceflorida.com/your-local-team/</u>.

# **STATE LAW CHANGES**

Governor Rick Scott's continuing focus on jobs and growing Florida's economy – as well as his recognition of the workforce system as a critical partner in achieving state economic development goals – has cultivated new opportunities to foster greater collaboration among state and local leaders, and enhance accountability and transparency. Among major policy changes is the Regional Workforce Boards Accountability Act, which was signed into law by Governor Scott on March 28, 2012, and took effect on July 1, 2012.

The Regional Workforce Boards Accountability Act strengthens the oversight, accountability, efficiency and transparency of local workforce development boards while preserving existing local authority to appoint and remove board members and chief executives. The law also maintains important local flexibility to develop workforce strategies and programs that best serve each region's needs.

# **ADDITIONAL RESOURCES**

- Monthly local workforce development board job placement reports: <u>http://www.floridajobs.org/local-workforce-development-board-resources/program-monito</u> <u>ring-and-reports/monthly-local-workforce-development-area-job-placement-reports</u>
- Online employment & training assistance: <u>www.employflorida.com</u>
- CareerSource Florida local workforce development board contact information: <u>http://careersourceflorida.com/your-local-team/</u>
- Training grants
  - Quick Response Training and Incumbent Worker Training: <u>http://careersourceflorida.com/business-services/training-grants/</u> or contact CareerSource Florida at 850.692.6887
  - Local Training & Employment Resources:
    Visit <u>http://careersourceflorida.com/your-local-team/</u>
- Workforce roles and responsibilities
  - National Association of Workforce Boards publications: <u>www.nawb.org/publications.asp</u>
- Veterans employment: <u>veterans.employflorida.com</u> or 866.352.2345
- Workforce news and perspectives Connect to @CareerSourceFL:
  - Twitter: https://twitter.com/careersourcefl
  - Facebook: <u>https://www.facebook.com/CareerSourceFlorida</u>
  - YouTube: https://www.youtube.com/user/careersourceflorida

- SlideShare: <u>http://www.slideshare.net/CareerSourceFlorida</u>
- LinkedIn: https://www.linkedin.com/company/careersourceflorida/



# Purpose:

Brighten the lives of all

# Vision:

Establish Florida as the No. 1 travel destination in the world

# Mission:

Strengthen Florida's share of the global travel market

# Goal:

Maximize the economic impact of travel and tourism to Florida

# Objective:

Generate \$100 billion in tourism-related spend by 2020

# Values:

Make an Impact Work Purposefully & Live Passionately Innovate

VISIT FLORIDA, the state's official tourism marketing corporation, serves as Florida's official source for travel planning to visitors across the globe. VISIT FLORIDA is not a government agency, but rather a not-for-profit corporation created as a public/private partnership by the Florida Legislature in 1996.

As the Sunshine State's No. 1 industry, tourism was responsible for welcoming 106.6 million visitors in 2015 who spent \$89.1 billion and employing 1.2 million Floridians. According to the Office of Economic and Demographic Research, for every \$1 the state invests in VISIT FLORIDA, \$3.20 in tax revenue is generated.

Each year, the Florida Legislature appropriates public funding to be allocated for tourism marketing. VISIT FLORIDA is required to match those public funds dollar-for-dollar, which is done by actively recruiting the state's tourism industry to invest as Partners through cooperative advertising campaigns, promotional programs and many other pay-to-play ventures. Through this public/private partnership, VISIT FLORIDA serves more than 12,000 tourism industry businesses, including major strategic alliance partnerships with Busch Gardens Tampa, Disney Destinations, The Hertz Corporation, LEGOLAND Florida Resort, SeaWorld Parks & Resorts Orlando, Simon Shopping Destinations and Universal Orlando Resort.

VISIT FLORIDA facilitates tourism industry participation in domestic and international travel trade and consumer shows, as well as media missions to the top global visitor markets. VISIT FLORIDA also works closely with travel agents, tour operators, meeting and event planners, and is responsible for operating Florida's five Official Welcome Centers.

VISIT FLORIDA has 136 full- and part-time positions in Florida and an international team of contracted staff covering Canada, China, India, Germany, Latin America and the United Kingdom. VISIT FLORIDA's corporate office is located at 2540 W. Executive Center Circle, Suite 200, Tallahassee, Florida 32301. The office can be reached at (850) 488-5607.

To learn more about VISIT FLORIDA, follow us on our industry social media channels:

SunshineMatters.org, Facebook and Twitter @FloridaTourism

# **EVERYTHING GOING UP** IS GOING DOWN IN FLORIDA.

#### TIMELINE OF INNOVATION

Space Florida is dedicated to the mission of transforming the Cape Canaveral Spaceport into a global leader of space commerce and travel by the year 2025. As this historic multi-sector spaceport continues its evolution, it will leverage Florida's vast, statewide capabilities and regional assets to attract worldwide investment. This mission continues to accelerate as illustrated by the many landmark achievements since July 2015.

#### JULY 2015 -

Oribital ATK | Announces mid-2017 launch of United States Air Force's ORS-5 SensorSat spacecraft from Launch Complex 46

#### SEPTEMBER 2015 -

Boeing | Unveils the CST-100 Starliner, a commercial crew transportation spacecraft. and plans to begin testing in 2017

#### **OCTOBER 2015 -**

Northrop Grumman | Selected by United States Air Force to build advanced generation, long-range strike bomber

#### JANUARY 2016 -

NASA | Announces selection of Commercial Resupply Services providers Orbital AK, Sierra Nevada and Space X

#### JULY 2016 -

Lockheed Martin | Selects Titusville for development of spacecraft manufacturing and testing facility · 300 new jobs JULY 2016

#### • SEPTEMBER 2015 Blue Origin | Selects Florida to develop

Orbital Launch Vehicle (OLV) program • 330 new jobs, \$200 million capital investment over 5 years

#### • OCTOBER 2015

United Launch Alliance (ULA) | Celebrates 100th successful mission (an Atlas V launch) of Boeing-Lockheed Martin joint venture

#### • DECEMBER 2015

Space X | Celebrates the launch and return of Falcon 9 rocket • the first successful mission of a reusable vertical commercial orbital vehicle

#### • APRIL 2016

OneWeb Satellites | Announces development Exploration Park · 250 new high-tech jobs,

#### RANKED #1 **Aerospace Manufacturing Attractiveness\***

Aerospace and aviation industry leaders continue to make Florida their launchpad for new discoveries, businesses and technologies. Since the Fall of 2015, Florida has experienced greater space industry growth - and more rocket launches — than ever before. These achievements continue to be recognized by our partners, peers, competitors and the global community of investors looking to invest in space commerce.



As Florida's aerospace and spaceport development authority, Space Florida is committed to attracting and expanding the next generation of space industry businesses. Everything we do generates opportunities for the industry and strengthens Florida's position as the global leader in aerospace research, investment, exploration and commerce. To learn more, visit SpaceFlorida.gov.



PricewaterhouseCooper 2015 Aerospace Manufacturing Attractiveness Rankings.



Space Florida's strategy to target 10 Aerospace & Aviation / 'Market Horizons' in the coming years will fully utilize Florida's space launch and processing capabilities, existing skilled workforce, and infrastructure assets. These markets are expanding their use of space-based technologies everyday, and Florida plans to become a critical part of the launch, processing, integration and supply chain opportunities that will result.

#### A&A Data Report (FY 2013) - For Space Day 2016

FLORIDA TOTALS	Total # of Market Horizon Companies (reported)	Total # of Market Horizon Employees (reported)	Total Market Horizon Industries Sales/ Revenues* (reported)		
	19,848	140,125	\$18,399,309,034		

Florida County	# Companies	# Employees	S	ales/Revenues	Florida County	# Companies	# Employees	S	ales/Revenues
Alachua	267	2,090	\$	213,847,029	Lee	650	3,427	\$	379,780,824
Baker	4	20	\$	2,896,737	Leon	249	2,287	\$	183,545,218
Вау	172	1,067	\$	109,101,457	Levy	17	64	\$	4,859,035
Bradford	9	66	\$	3,707,824	Liberty	3	10	\$	670,546
Brevard	779	23,453	\$	2,448,615,909	Madison	6	18	\$	1,661,522
Broward	2,778	15,225	\$	2,971,004,993	Manatee	288	1,769	\$	180,826,337
Calhoun	5	10	\$	653,682	Marion	236	1,110	\$	106,128,533
Charlotte	156	560	\$	63,078,375	Martin	311	1,600	\$	167,907,987
Citrus	102	322	\$	29,997,309	Miami-Dade	3,244	19,037	\$	2,911,345,601
Clay	124	1,026	\$	98,584,357	Monroe	126	445	\$	65,654,959
Collier	358	1,577	\$	175,961,276	Nassau	47	158	\$	24,775,081
Columbia	31	210	\$	22,793,019	Okaloosa	215	1,435	\$	162,476,269
DeSoto	14	72	\$	2,874,944	Okeechobee	24	97	\$	7,795,514
Dixie	6	11	\$	858,540	Orange	1,111	11,009	\$	1,255,057,315
Duval	779	5,225	\$	572,232,517	Osceola	138	641	\$	57,960,951
Escambia	251	1,668	\$	289,772,328	Palm Beach	1,657	9,594	\$	1,277,075,614
Flagler	79	307	\$	34,979,977	Pasco	299	1,635	\$	196,141,104
Franklin	7	19	\$	1,499,332	Pinellas	930	4,675	\$	744,214,414
Gadsden	12	67	\$	4,035,180	Polk	373	1,995	\$	206,766,152
Gilchrist	11	36	\$	2,363,815	Putnam	30	108	\$	11,735,316
Glades	2	5	\$	301,909	Santa Rosa	209	774	\$	69,987,484
Gulf	10	33	\$	3,414,456	Sarasota	219	860	\$	88,696,759
Hamilton	4	7	\$	430,040	Seminole	115	503	\$	48,718,764
Hardee	6	24	\$	766,566	Saint Johns	416	2,615	\$	313,400,541
Hendry	21	590	\$	66,541,187	Saint Lucie	563	6,344	\$	681,481,697
Hernando	126	610	\$	57,876,159	Sumter	56	214	\$	21,772,313
Highlands	58	301	\$	30,909,469	Suwannee	24	153	\$	17,059,629
Hillsborough	1,158	8,345	\$	1,519,181,547	Taylor	9	25	\$	2,093,970
Holmes	8	19	\$	1,125,909	Union	6	26	\$	1,513,238
Indian River	152	716	\$	87,097,771	Volusia	446	2,183	\$	236,870,559
Jackson	24	203	\$	15,548,330	Wakulla	25	102	\$	12,283,856
Jefferson	7	22	\$	1,531,198	Walton	60	318	\$	31,085,214
Lafayette	3	5	\$	256,828	Washington	25	241	\$	20,642,596
Lake	198	744	\$	73,484,153			The second second		

The Preliminary 2015 Economic Analysis Results based on 2013 NETS data (at 8 digit SIC/6 NAICS level of detail) and compiled by The Florida State University Center for Economic Forecasting and Analysis (FSU CEFA).\*The total aerospace industries sales and revenues for Florida counties are displayed in \$2013. <u>Note</u>: Baseline 9 NAICS codes for Aerospace & Aviation concur between Florida's Department of Economic Opportunity (DEO), Enterprise Florida & Space Florida.



#### Provide critical seed capital for new innovation based companies in the State of Florida

#### BACKGROUND

The Florida Institute works with the technology licensing offices of Florida's state universities and research institutions to build investable companies that in turn create high paying jobs in innovation industries. The Institute delivers both company building and seed funding, ensuring that selected startups receive the support and capital they need in order to grow. Since beginning the deployment of seed capital funds in 2011, the Florida Institute has exceeded all contract deliverables and demonstrated a highly positive return on the state's investment, as evidenced by:<sup>\*</sup>

- ✓ 114 companies formed
- ✓ 61 companies funded
- ✓ 4,091+ direct/indirect high paying knowledge-based jobs created\*\*
- ✓ >\$76,000 average annual salary per direct job
- ✓ \$630M overall economic impact (\$251M in FY15-16)\*\*
- ✓ >\$5.5M state tax revenues (greater than 1:1 dollar return to the state)
- ✓ ~\$7.35M projected state tax revenues by the end of FY16-17
- ✓ 22X return on investment to the Florida economy
- ✓ 5:1 ratio of additional private investment to state funds provided
- ✓ Beginning to establish a Florida innovation-based economy
- ✓ Highly successful "pilot project".

#### **NEED FOR FLORIDA INNOVATION-BASED ECONOMY**

Florida has 28 universities, colleges and research institutions that conduct over \$2 billion in publicly-funded research annually and a business climate conducive to entrepreneurship and innovation. In order to remain nationally and globally competitive, Florida must support new company creation and development of a knowledge-based innovation economy. Appropriate seed capital funding will have a significant impact upon our state's economy and establish Florida as a premier state for innovation and entrepreneurship.

The Florida Legislature has successfully provided seed capital funding during the pilot phase at the \$4M annual level, however, seed capital funding from the state is still near the bottom of the nation. Although Florida is the third most populous state, Florida entrepreneurs continue to receive a small percentage of venture capital funding nationally, with deals funded during the quarter ending June 30, 2015 making up just 1.4% of the total number of deals nationwide (PricewaterhouseCoopers). Nearly 40 states have seed and early-stage funds ranging between \$20 million and \$500 million.

Current funding provides capital for less than 5% of eligible technologies

#### **OTHER STATE-SPONSORED STARTUP FUNDS**



Jackson Streeter M.D., CEO Innovation Hub Gainesville, FL jackson.streeter@florida-institute.com

Jane Teague, COO Boca Raton, FL jane.teague@florida-institute.com

#### \* As of June 2016

\*\* 2016 Economic Impact Study Washington Economics Group (WEG)

# **CourtSmart Tag Report**

Room: EL 110 Caption: Commerce Case No.: Judge:

Started: 12/12/2016 4:00:08 PM Ends: 12/12/2016 4:09:58 PM

Length: 00:09:51

4:00:07 PM Call to order 4:00:22 PM Roll call 4:00:36 PM Quroum present 4:00:40 PM Senator Hutson is excused 4:01:06 PM Chairman Montford for opening comments 4:01:59 PM Introduction of members of the committee 4:04:06 PM Introduction of Todd McKay, Staff Director 4:04:37 PM Introduction of committee staff 4:05:38 PM Todd is recognized to explain the committee jurisdiction 4:08:49 PM Questions? Closing comments by the Chair 4:08:58 PM 4:09:41 PM Senator Gibson moves we adjourn

Type:



# THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES: Regulated Industries, *Chair* Appropriations Subcommittee on the Environment and Natural Resources Commerce and Tourism Environmental Preservation and Conservation Health Policy

SENATOR TRAVIS HUTSON 7th District

December 12, 2016

The Honorable Bill Montford, Chairman Commerce & Tourism Committee 404 S. Monroe Street Tallahassee, FL 32399

Dear Chairman Montford:

I am writing to request an excused absence from today's (12/12/16) Commerce & Tourism Committee meeting due to illness.

Thank you for your consideration of this request. If you have any questions, please do not hesitate to contact my office.

Sincerely,

Senator Travis Hutson District 6

VE

CC: Todd McKay

REPLY TO:

□ 4875 Palm Coast Parkway, NW, Suite 5, Palm Coast, Florida 32137 (386) 446-7610 FAX: (888) 263-3475 □ 314 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5007

Senate's Website: www.flsenate.gov