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A bill to be entitled  
 An act relating to economic development incentive  
 programs; amending s. 220.191, F.S.; including certain  
 financial services facilities as a qualified project for  
 purposes of the capital investment tax credit; providing  
 for future repeal; amending s. 288.1045, F.S.; revising a  
 definition; amending s. 288.106, F.S.; revising a  
 definition of target industry business to include defense  
 and homeland security businesses; extending a deadline for  
 application for a prorated tax refund under an economic  
 stimulus exemption; amending s. 288.1088, F.S.; deleting a  
 function of the Executive Office of the Governor relating  
 to project approval recommendations and release of certain  
 funds; authorizing the Governor to reallocate unencumbered  
 funds in the Quick Action Closing Fund to supplement  
 certain economic development programs and operations in  
 emergency or special circumstances; providing for  
 reallocation approval and fund release recommendations by  
 the Executive Office of the Governor; providing an  
 effective date.

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

Section 1. Section 220.191, Florida Statutes, is amended  
 to read:

220.191 Capital investment tax credit.--

(1) DEFINITIONS.--For purposes of this section:

(h) "Qualifying project" means:



29 |       1. A new or expanding facility in this state which creates  
30 | at least 100 new jobs in this state and is in one of the high-  
31 | impact sectors identified by Enterprise Florida, Inc., and  
32 | certified by the office pursuant to s. 288.108(6), including,  
33 | but not limited to, aviation, aerospace, automotive, and silicon  
34 | technology industries; or

35 |       2. A new financial services facility in this state, which  
36 | creates at least 2,000 new jobs in this state, pays an average  
37 | annual wage of at least \$50,000, and makes a cumulative capital  
38 | investment of at least \$30 million. This subparagraph is  
39 | repealed June 30, 2004.

40 |       Section 2. Paragraph (e) of subsection (1) of section  
41 | 288.1045, Florida Statutes, is amended to read:

42 |       288.1045 Qualified defense contractor tax refund  
43 | program.--

44 |       (1) DEFINITIONS.--As used in this section:

45 |       (e) "Department of Defense contract" means a competitively  
46 | bid Department of Defense contract or subcontract or a  
47 | competitively bid federal agency contract or subcontract issued  
48 | on behalf of the Department of Defense for manufacturing,  
49 | assembling, fabricating, research, development, or design with a  
50 | duration of 2 or more years, but excluding any contract or  
51 | subcontract to provide goods, improvements to real or tangible  
52 | property, or services directly to or for any particular military  
53 | base or installation in this state. The term includes contracts  
54 | or subcontracts for products or services for military use or  
55 | homeland security which contracts or subcontracts are approved  
56 | by the United States Department of Defense, the United States



57 Department of State, or the United States Department of Homeland  
58 Security Coast-Guard.

59 Section 3. Paragraph (o) of subsection (1) and paragraph  
60 (b) of subsection (4) of section 288.106, Florida Statutes, are  
61 amended to read:

62 288.106 Tax refund program for qualified target industry  
63 businesses.--

64 (1) DEFINITIONS.--As used in this section:

65 (o) "Target industry business" means a corporate  
66 headquarters business or any business that is engaged in one of  
67 the target industries identified pursuant to the following  
68 criteria developed by the office in consultation with Enterprise  
69 Florida, Inc.:

70 1. Future growth.--Industry forecasts should indicate  
71 strong expectation for future growth in both employment and  
72 output, according to the most recent available data. Special  
73 consideration should be given to Florida's growing access to  
74 international markets or to replacing imports.

75 2. Stability.--The industry should not be subject to  
76 periodic layoffs, whether due to seasonality or sensitivity to  
77 volatile economic variables such as weather. The industry should  
78 also be relatively resistant to recession, so that the demand  
79 for products of this industry is not necessarily subject to  
80 decline during an economic downturn.

81 3. High wage.--The industry should pay relatively high  
82 wages compared to statewide or area averages.

83 4. Market and resource independent.--The location of  
84 industry businesses should not be dependent on Florida markets



85 or resources as indicated by industry analysis. Special  
86 consideration should be given to the development of strong  
87 industrial clusters which include defense and homeland security  
88 businesses.

89 5. Industrial base diversification and strengthening.--The  
90 industry should contribute toward expanding or diversifying the  
91 state's or area's economic base, as indicated by analysis of  
92 employment and output shares compared to national and regional  
93 trends. Special consideration should be given to industries that  
94 strengthen regional economies by adding value to basic products  
95 or building regional industrial clusters as indicated by  
96 industry analysis.

97 6. Economic benefits.--The industry should have strong  
98 positive impacts on or benefits to the state and regional  
99 economies.

100

101 The office, in consultation with Enterprise Florida, Inc., shall  
102 develop a list of such target industries annually and submit  
103 such list as part of the final agency legislative budget request  
104 submitted pursuant to s. 216.023(1). A target industry business  
105 may not include any industry engaged in retail activities; any  
106 electrical utility company; any phosphate or other solid  
107 minerals severance, mining, or processing operation; any oil or  
108 gas exploration or production operation; or any firm subject to  
109 regulation by the Division of Hotels and Restaurants of the  
110 Department of Business and Professional Regulation.

111 (4) TAX REFUND AGREEMENT.--



112 (b) Compliance with the terms and conditions of the  
113 agreement is a condition precedent for the receipt of a tax  
114 refund each year. The failure to comply with the terms and  
115 conditions of the tax refund agreement results in the loss of  
116 eligibility for receipt of all tax refunds previously authorized  
117 under this section and the revocation by the director of the  
118 certification of the business entity as a qualified target  
119 industry business, unless the business is eligible to receive  
120 and elects to accept a prorated refund under paragraph (5)(d) or  
121 the office grants the business an economic-stimulus exemption.

122 1. A qualified target industry business may submit, in  
123 writing, a request to the office for an economic-stimulus  
124 exemption. The request must provide quantitative evidence  
125 demonstrating how negative economic conditions in the business's  
126 industry, or specific acts of terrorism affecting the qualified  
127 target industry business, have prevented the business from  
128 complying with the terms and conditions of its tax refund  
129 agreement.

130 2. Upon receipt of a request under subparagraph 1., the  
131 director shall have 45 days to notify the requesting business,  
132 in writing, if its exemption has been granted or denied. In  
133 determining if an exemption should be granted, the director  
134 shall consider the extent to which negative economic conditions  
135 in the requesting business's industry, or specific acts of  
136 terrorism affecting the qualified target industry business, have  
137 prevented the business from complying with the terms and  
138 conditions of its tax refund agreement.



139           3. As a condition for receiving a prorated refund under  
140 paragraph (5)(d) or an economic-stimulus exemption under this  
141 paragraph, a qualified target industry business must agree to  
142 renegotiate its tax refund agreement with the office to, at a  
143 minimum, ensure that the terms of the agreement comply with  
144 current law and office procedures governing application for and  
145 award of tax refunds. Upon approving the award of a prorated  
146 refund or granting an economic-stimulus exemption, the office  
147 shall renegotiate the tax refund agreement with the business as  
148 required by this subparagraph. When amending the agreement of a  
149 business receiving an economic-stimulus exemption, the office  
150 may extend the duration of the agreement for a period not to  
151 exceed 1 year.

152           4. A qualified target industry business may submit a  
153 request for an economic-stimulus exemption to the office in lieu  
154 of any tax refund claim scheduled to be submitted after January  
155 1, 2001, but before June 30, 2004 ~~July 1, 2003~~.

156           5. A qualified target industry business that receives an  
157 economic-stimulus exemption may not receive a tax refund for the  
158 period covered by the exemption.

159           Section 4. Paragraph (b) of subsection (3) of section  
160 288.1088, Florida Statutes, is amended, and subsection (4) is  
161 added to said section, to read:

162           288.1088 Quick Action Closing Fund.--

163           (3)

164           (b) Upon receipt of the evaluation and recommendation from  
165 Enterprise Florida, Inc., the director shall recommend approval  
166 or disapproval of a project for receipt of funds from the Quick



167 Action Closing Fund to the Governor. In recommending a project,  
168 the director shall include proposed performance conditions that  
169 the project must meet to obtain incentive funds. The Governor  
170 shall consult with the President of the Senate and the Speaker  
171 of the House of Representatives before giving final approval for  
172 a project. ~~The Executive Office of the Governor shall recommend~~  
173 ~~approval of a project and release of funds pursuant to the~~  
174 ~~legislative consultation and review requirements set forth in s.~~  
175 ~~216.177. The recommendation must include proposed performance~~  
176 ~~conditions the project must meet to obtain funds.~~

177 (4) The Governor may, in an emergency or special  
178 circumstance, and in consultation with the President of the  
179 Senate and the Speaker of the House of Representatives,  
180 reallocate unencumbered funds appropriated to the Quick Action  
181 Closing Fund to supplement statutorily created economic  
182 development programs and operations. The Executive Office of the  
183 Governor shall recommend approval of the transfer and release of  
184 funds pursuant to the legislative consultation and review  
185 requirements set forth in s. 216.177.

186 Section 5. This act shall take effect upon becoming a law.