HOUSE OF REPRESENTATIVES ANALYSIS

BILL #:	HB 809	**RELATING TO:**	Economic Stimulus
SPONSOR(S):	Kilmer		
TIED BILLS:		**IDEN./SIM. BILLS:**	

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
(1) Finance & Tax		Overton	Diez-Arguelles
(2)			
(3)			
(4)			
(5)			

SUMMARY ANALYSIS

This bill incorporates the recommendations made by Enterprise Florida, Inc. (EFI) to enhance economic development incentives. The bill:

- Creates a sales and use tax exemption for machinery and equipment used in research and development;
- Lowers the sales price threshold from $5,000 to $500 for the sales tax exemption for machinery and equipment purchased for use in an enterprise zone.
- Changes the name of the "Urban High Crime Area Job Tax Credit Program" to the "Designated Urban Job Tax Credit Area Program" and enhances the credit program by increasing local designation of the zones, expanding eligible industries, removing reference to high crime, and allowing transferability of unused credits.
- Expands the Capital Tax Credit Program to include any business certified by EFI as a qualified target industry; and
- Revises the Technology Development Program to more accurately reflect EFI's current mission.

The estimated fiscal impact upon General Revenue is ($14.9) million for FY 03-04. There will be a negative, but insignificant impact on State Trust Funds. The estimated fiscal impact upon local governments is ($3.8) million for FY 03-04. The total estimated fiscal impact for this bill is ($17.7) million for FY03-04.

The bill shall take effect upon becoming a law.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

1. Reduce government?	Yes[]	No[]	N/A[x]
2. Lower taxes?	Yes[x]	No[]	N/A[]
3. Expand individual freedom?	Yes[]	No[]	N/A[x]
4. Increase personal responsibility?	Yes[]	No[]	N/A[x]
5. Empower families?	Yes[]	No[]	N/A[x]

For any principle that received a "no" above, please explain:

B. EFFECT OF PROPOSED CHANGES:

Enterprise Florida, Inc. (EFI) is the public-private partnership responsible for leading Florida's statewide economic development efforts. EFI was formed in July 1996, is responsible for economic development, international trade, and statewide business marketing. EFI's mission is to increase economic opportunities for all Floridians through the creation and retention of quality jobs and the active support of strong and growing businesses. (Enterprise Florida's WebPage at www.myflorida.com.)

States and communities compete with one another to attract, expand, and retain high-wage industries. Florida has incentive programs designed to attract and maintain such desired industries in the state. EFI annually reports on these incentive programs and makes recommendations for changes and improvements in the programs. This bill incorporates the recommendations made by EFI in its report entitled, 2002 Incentives Report: A Progress Report on Programs Funded From the Economic Development Incentives Account.

Research and Development Sales Tax Exemption

Presently s. 212.052, F.S., provides an exemption from sales and use tax for a business that makes for its own use any tangible personal property which the business uses solely and directly in research and development. However, tax is imposed on the purchase, rental, or repair of property used in research and development. For example, if a business makes a new type of generator from parts and raw materials, the business does not have to pay use tax on the generator, if the generator is used exclusively for research and development. However, if the business buys a piece of equipment to be used in research and development, the business must pay sales tax on the purchase of the equipment unless it qualifies for the exemption pursuant to s. 212.08(5)(j), F.S.

Sec. 212.08(5)(j), F.S., provides that machinery and equipment is exempt from sales and use tax if used predominately in semiconductor wafer research and development activities in a semiconductor technology research and development facility certified by EFI.

The bill provides that machinery and equipment are exempt from sales and use tax if used predominately for research and development activities. "Machinery and equipment" includes molds, dies, machine tooling, other appurtenances or accessories to machinery and equipment, testing equipment, test beds, computers, and software, whether purchased or self-fabricated, and, if self-fabricated, includes materials and labor for design, fabrication, and assembly.

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

Business Property Used in an Enterprise Zone

Enterprise zones are area targeted for economic revitalization. Sec. 212.08(5)(h), F.S., provides that business property purchased for use in an enterprise zone by a business located in an enterprise zone is exempt from sales and use tax. The exemption is provided by a refund. For purposes of s. 212.08(5)(h), F.S., the sales price of the business property must be in excess of $5,000 to qualify for the exemption.

EFI has found that the majority of businesses expanding or locating in an enterprise zone are small businesses who do not make many purchases of machinery and equipment in excess of $5,000. The bill lowers the sales price threshold from $5,000 to $500 so that more businesses can take advantage of the credit.

The Urban High-Crime Area Job Tax Credit Program

The Urban High-Crime Area Job Tax Credit Program was created in 1997 to encourage the creation of jobs in urban areas of Florida. (s. 212.097, F.S.) The program provides tax credits to eligible businesses that are located within the 13 urban areas designated by OTTED and hire a specific number of employees. The credit ranges from $500 to $2,000 per qualified job and can be taken against either the Florida Corporate Income Tax or the Florida Sales and Use Tax, but not both. A total of $5 million of tax credits may be approved under the Urban Job Tax Credit Program each calendar year.

EFI reports that under the current program approved credits are less than the full $5 million of authorized credits. Credits approved under the Urban High-Crime Area Job Tax Credit in recent years were as follows:

- $260,500 in 1999;
- $4,999,500 in 2000 – approximately $3.5 million was approved fro a single applicant (Universal Studios);
- $2,486,500 in 2001; and
- $1,405,000 in 2002.

The bill implements EFI recommendations of enhancing the credit program by increasing local designation of the zones, expanding eligible industries, removing reference to high crime, and allowing transferability of unused credits.

- ***Name of Tax Credit Program***

The name of the credit program is changed “Urban High Crime Area Job Tax Credit Program” to “Designated Urban Job Tax Credit Area Program.”

- ***Eligible Businesses***

Current businesses eligible to receive a tax credit under the program include: agriculture, forestry, fishing manufacturing, retail, public warehousing, public storage, hotels, other lodging places, research and development, motion picture production and allied services, public golf courses, and public amusement parks.

The bill expands the businesses eligible to apply for the Designated Urban Job Tax Credit Area Program to include targeted industries eligible for the qualified target industry business tax refund under s. 288.106, F.S. Sec. 288.106(1)(m), F.S., provides that the Office of Tourism, Trade, and Economic Development

(OTTED), in conjunction with EFI, develop a list of targeted industries which are eligible to apply for the tax refund. In developing the list, the following principles must be used:

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

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

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

4. Market and resource independent.—The location of industry businesses should not be dependent on Florida markets or resources as indicated by industry analysis.

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

6. Economic benefits.—The industry should have strong positive impacts on or benefits to the state and regional economies.

- ***Rankings and Credits***

In administering the credit, the top 15 high-crime areas are ranked by the Office of Tourism, Trade and Economic Development according to the following five factors:

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

Tier-one areas are ranked 1 through 5 and represent the highest crime areas according to this ranking. Tier-two areas are ranked 6 through 10. Tier-three areas are ranked 11 through 15 and represent those areas with the lowest crime rate according to this ranking.

A new eligible business may apply for a one time tax credit at any time during its first year of operation. A new company located in a tier-one crime area that has 10 or more qualified employees receives a $1,500 tax credit for each employee. A new company located in a tier-two crime area that has 20 or more qualified employees receives a $1,000 tax credit for each employee. A new company located in a tier-three crime area that has 30 or more qualified employees receives a $500 tax credit for each employee.

An existing eligible business located in a tier-one crime area that has five or more qualified employees than it had one year prior to its date of application receives a $1,500 tax credit for each additional employee. An existing company located in a tier-two crime area that has 10 or more qualified employees receives a $1,000 tax credit for each additional employee. An existing company located in a tier-three crime area that has 15 or more qualified employees receives a $500 tax credit for each additional employee. An existing eligible business may apply for the credit at any time but no more than once in any 12-month period. An existing eligible business that received a credit as a new eligible business may not apply for this credit sooner than 12 months after application as a new eligible business.

An additional credit of $500 is available for new employees who are welfare transition program participants. Such employee must be employed on the application date and have been employed less than 1 year. This is for both new and existing businesses at all tier levels.

Instead of OTTED ranking areas using separate criteria, the bill directs OTTED to rank those areas nominated by a county or municipality as urban tax credit areas using the same criteria as the county and municipalities (see Designation Process below). Instead of designating the 15 highest distress profile urban areas, the bill directs OTTED to designate 30. The bill eliminates the tier system. Under the bill all eligible new businesses qualify for a $1,000 tax credit per employee and all eligible existing businesses with 10 or more employees qualify for a $1,000 credit per employee.

- ***Designation Process***

A county, municipality, or a county and one or more municipalities together may apply to OTTED upon the adoption of a resolution that:

(a) Finds that a high-crime area exists in such county or municipality, or in both the county and one or more municipalities, which exhibits extreme levels of poverty, unemployment, physical deterioration, and economic disinvestment;

(b) Determines that the rehabilitation, conservation, or redevelopment, or a combination, of the high-crime area is necessary for the health, safety, and welfare of the residents of the local government submitting an application; and

(c) Determines that the revitalization of the high-crime area can occur if the public or private sector can be induced to invest its own resources in productive enterprises that build or rebuild the economic viability of the area.

The governing body of the local government nominating the area for designation must provide OTTED with the following information:

(a) The overall index crime rate for the geographic area;

(b) The overall index crime volume for the area;

(c) The percentage of reported index crimes that are violent in nature;

(d) The reported crime volume and the rate of specific property crimes, i.e. business and residential burglary, motor vehicle theft, and vandalism; and

(e) The arrest rates within the geographic area for violent crime and for crimes such as drug sale, prostitution, disorderly conduct, and public-order offenses.

Under the bill the county or municipality follows the same procedure, except the county or municipality no longer is required to provide OTTED the information outlined above. Instead, the county or municipality must demonstrate to OTTED that the area meets the following:

(a) Income characteristics:

1. Forty percent of area residents earn at or below minimum wage; or
2. More than 20 percent of residents or families live below the federal standard of poverty for individuals or a family of four.

(b) Education characteristics:
1. Has a high school dropout rate higher than the county average; or
2. Has a high school graduation rate lower than the state average.

(c) Workforce and employment characteristics:
1. Has an unemployment rate at least 3 percentage points higher than the state's unemployment rate;
2. Greater than 50 percent of families subject to the welfare-to-work transition time limit are either within 6 months of the time limit or are receiving cash assistance under a period of hardship extension to the time limit; or
3. Is identified as a labor surplus area using the criteria established by the United States Department of Labor's Employment and Training Administration.

(d) Crime characteristics:
1. Has an arrest rate higher than the state's average rate for such crimes as drug sale, drug possession, prostitution, vandalism, and civil disturbances, as recorded by total crime 387 index of the Department of Law Enforcement; or
2. Ranks in the top 30 percent of zip codes with reported crimes that are violent in nature.

(e) Residential and commercial property related characteristics:
1. Fifty percent or more of area residents rent;
2.a. Property values are within the lower 50 percent of the county's assessed property values;
b. More than 5 percent of area homes, apartments, or buildings are abandoned, have been condemned within the previous 24 months, or have a greater number of violations of the Florida Building Code than recorded in the remainder of the county or municipality; or
c. Tax or special assessment delinquencies which exceed the fair value of the land.

- ***Designated Area Size and Population***

Under present law, an area nominated must not exceed 20 square miles and either has a continuous boundary or consists of not more than three noncontiguous parcels. In addition, the area may not exceed the following mileage limitation:

1. For communities having a total population of 150,000 persons or more, the area may not exceed 20 square miles.

2. For communities having a total population of 50,000 persons or more, but fewer than 150,000 persons, the area may not exceed 10 square miles.

3. For communities having a total population of 20,000 persons or more, but fewer than 50,000 persons, the area may not exceed five square miles.

4. For communities having a total population of fewer than 20,000 persons, the area may not exceed three square miles.

The bill changes these requirements by providing:

The selected area has a continuous boundary or consists of not more than three noncontiguous parcels. The selected area does not exceed the following mileage limitation:
a. For areas having a total population of 421 150,000 persons or more, the selected area does not exceed 20 square miles and is within 10 miles of the central business district of a city.

b. For area having a total population of 50,000 persons or more, but fewer than 150,000 persons, the selected area does not exceed 10 square miles and is within 7.5 miles of the central business district of a city.
c. For areas having a total population of 20,000 persons or more, but fewer than 50,000 persons, the selected area does not exceed 5 square miles and is within 5 miles of the central business district of a city. For areas having a total population of fewer than 20,000 persons, the selected area does not exceed 3 square miles and is within 3 miles of the central business district of a city.

A designated urban core or inner city may not include any portion of a central business district, as that term is used for purposes of the most recent Census of Retail Trade, unless the poverty rate for each census geographic block group in the district is not less than 30 percent.

- ***Transfer of Unused Credits***

Presently, a corporation who receives a credit but does not have enough tax liability to fully utilize the credit may not transfer the credit to another entity.

The bill allows a corporation to transfer any unused credit in whole or in units of no less than 25% of the remaining credit. The entity acquiring the credit may use it in the same manner and the same limitations as the original recipient. The credits may not be transferred again.

The Capital Investment Tax Credit

The Capital Investment Tax Credit is an annual credit against Florida corporate income tax or insurance premium tax for certain qualifying businesses expanding or creating a new facility in Florida that generates at least 100 new full-time jobs. The amount of the annual credit is equal to 5% of the eligible capital costs and can be taken for 20 consecutive years. Eligible capital costs include all expenses incurred in the acquisition, construction, installation, and equipping of a project from the beginning of construction to the commencement of operations. Qualifying projects include high-impact businesses identified by EFI pursuant to s. 288.108(6), F.S., such as: aviation; aerospace; automotive and silicon technology industries.

The tax credit shall be granted against only the corporate income tax liability or the premium tax liability arising out of the qualifying project, and the sum of all the tax credits shall not exceed 100 percent of the eligible capital costs of the project. The credits may not be carried forward or backward. The annual tax credit granted under this section shall not exceed the following percentages of the annual corporate income tax liability or the premium tax liability generated by or arising out of a qualifying project:

(a) One hundred percent for a qualifying project which results in a cumulative capital investment of at least $100 million.

(b) Seventy-five percent for a qualifying project which results in a cumulative capital investment of at least $50 million but less than $100 million.

(c) Fifty percent for a qualifying project which results in a cumulative capital investment of at least $25 million but less than $50 million.

A qualifying project which results in a cumulative capital investment of less than $25 million is not eligible for the capital investment tax credit.

The bill expands the definition of “qualifying project” to include any business certified by EFI as a qualified target industry business pursuant to s. 288.106, F.S. Presently the Capital Investment Tax Credit program is limited to high-impact businesses.

Authorized Technology Development Programs

The Technology Development Program was created in 1993. Sec. 288.9515, F.S., authorizes EFI to:

- Create technology applications services
- Create a technology development financing fund called the Florida Technology Research Investment Fund. The fund is used to increase technology development in the state by investing in technology development projects. EFI shall also invest the fund in technology research or development projects that have the potential for commercial market application.
- Create technology commercialization programs in partnership with private enterprises, educational institutions, and other institutions.

Chapter 2002-265, Laws of Florida, directs the Office Program Policy Analysis and Government Accountability (OPPAGA) to review EFI's authority to establish technology commercialization[1] and development[2] projects. Chapter 93-187, Laws of Florida, directs that program is repealed on December 31, 2003 unless reenacted by the Legislature.

After conducting its review, OPPAGA recommends the EFI play a central role in fostering technology commercialization and development in the state. EFI is presently implementing several initiatives to increase the number of technology-based companies and jobs in Florida.[3]

In its report, OPPAGA made the following specific recommendations concerning s. 288.9515, F.S.:

- The Legislature should re-enact s. 288.9515(5), Florida Statutes, which authorizes Enterprise Florida, Inc., to create technology commercialization programs in partnership with private enterprises, educational institutions, and other institutions. This would underscore Enterprise Florida, Inc., as having a key role in supporting technology commercialization and development in the state.

- The Legislature should amend and re-enact s. 288.9515(1)(a)–(f), Florida Statutes. These sections presently authorize Enterprise Florida, Inc., to create technology applications services, and to serve as an umbrella organization for technology applications service providers in the state. Section 288.9511(6), Florida Statutes, defines technology applications as the introduction and adaptation of off-the-shelf technologies and state-of-the-art management practices to the specific circumstances of an individual firm. Technology application services were provided by the former Florida Manufacturing Technology Center, which . . . is no longer affiliated with Enterprise Florida, Inc.

- Enterprise Florida, Inc., proposes to have s. 288.9515(1)(a)–(f), Florida Statutes, amended so as to eliminate references to technology application services, and to broaden their focus to authorizing the corporation to provide services to technology-based businesses. Enterprise Florida, Inc.'s specific recommendations for amending these and other statutory provisions are presented in their entirety in Appendix A[4]. We have reviewed these recommendations and conclude that they are reasonable.

The Technology Investment Research Fund was established to partner the private sector and the state's research universities to develop marketable technologies. The fund was to invest in projects that had potential to generate marketable products beneficial to the state's economy. EFI still administers the Technology Research Investment Fund. EFI presently administers contracts with 14 entities that were

---

[1] "Technology commercialization" means the process of bringing an investment-grade technology out of an enterprise, university, or federal laboratory for first-run application in the marketplace. s. 288.9511(8), F.S.
[2] "Technology development" means strategically focused research aimed at developing investment-grade technologies essential to market competitiveness. s. 288.9511(8), F.S.
[3] OPPAGA Report No. 02-59, Statutes Authorizing Technology Commercialization and Technology Development Should Be Re-enacted, December 2002.
[4] Appendix A contains EFI's recommended changes to s. 288.9515, F.S. Those changes are contained in the bill.

disbursed a total of $2,403,871 from the fund during Fiscal Years 1997-98 and 1998-99. The fund's balance as of June 30, 2002, was $717,287.

As of June 30, 2002, EFI had received $52,839 in royalty payments from companies receiving financial support from the fund. The amount of royalty payments Enterprise Florida, Inc., received through June 30, 2002, is generally consistent with what would be expected for these types of programs. Technology commercialization programs are long-term in nature. A number of years is often needed before a project develops a technology that can be refined, manufactured, and marketed by a commercial business. Additional time is required for product sales to generate royalty payments.

OPPAGA recommends that:

- The Legislature should amend and re-enact s. 288.9515(3) and (4), Florida Statutes, relating to the Technology Research Investment Fund. Enterprise Florida, Inc., still administers Technology Research Investment Fund projects and has begun to receive royalty payments from projects that resulted in commercialized products. We recommend that the Legislature amend these sections to allow Enterprise Florida, Inc., to use the Technology Investment Fund as a seed capital fund to help finance the creation of new high technology businesses in the state and use moneys currently in the fund for that purpose.

The bill re-enacts s. 288.9515, F.S. and includes EFI's recommended changes. The amendments to s. 288.9515(1) & (2), F.S., delete references to technology application services. These services are no longer provided by EFI because in 1999 the Manufacturing Technology Center was separated from EFI. Technology application services were provide by the Manufacturing Technology Center, and are now provided by its successor organization, the Florida Manufacturing Extension Partnership. The amendments also more accurately reflect EFI's current activities and focus on emerging technologies.

The amendments to s. 288.9515(3) & (4), F.S., to use the Technology Investment Fund as a seed capital fund to help finance the creation of new high technology businesses in the state and use moneys currently in the fund for that purpose.

OPPAGA also recommends that the Legislature should not re-enact s. 288.9517, Florida Statutes, relating to audits and examinations by the Auditor General and OPPAGA. The Auditor General and OPPAGA already have authority under other sections of the statutes to audit and examine Enterprise Florida, Inc., and its programs.

The bill also repeals s. 288.9517, F.S. relating to audits and examinations of the technology development board by the Auditor General and OPPAGA.

C. SECTION DIRECTORY:

Section 1: Amends s. 212.052, F.S., to create a sales tax exemption for machinery and equipment used predominately for research and development activities.

Section 2: Amends s. 212.08(5)(h)9.d., F.S., to amend the definition of business property which is eligible to receive a sales tax exemption when used in an enterprise zone. The restriction on sales price is lowered from $5,000 per unit to $500 per unit.

Section 3: Amends s. 212.097, F.S., to change the name of the Urban High Crime Area Job Tax Credit Program" to "Designated Urban Job Tax Credit Area Program." Include targeted qualified industry businesses as eligible for the credit. Increase from 15 to 30 the numbers of areas eligible to qualify for the program. Revise the criteria for an area to qualify for the program. Allow for the transfer of unused credits.

Section 4. Amends s. 220.191(1)(e), F.S., to correct an obsolete reference. Amends (1)(h) to expand the types of businesses who can qualify for the Capitol Investment Tax Credit.

Section 5: Amends s. 288.9515(1) & (2), F.S., delete references to technology application services; amends to s. 288.9515(3) & (4), F.S., to allow EFI to use the Technology Investment Fund as a seed capital fund to help finance the creation of new high technology businesses in the state and use moneys currently in the fund for that purpose.

Section 6: Repeals s. 288.9517, F.S. relating to audits and examinations of the technology development board by the Auditor General and OPPAGA.

Section 7: Provides that the act shall take effect upon becoming a law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

	General Revenue		State Trust		Local Trust		Total	
Issue	**Cash**	**Recurr**	**Cash**	**Recurr**	**Cash**	**Recurr**	**Cash**	**Recurr**
Machinery and Equipment for Research and Development	-13.5	-13.5	(*)	(*)	-2.7	-2.7	-16.2	-16.2
Enterprise zone, minimum purchase threshold, lower from $5,000 to $500	-0.6	-1.2	(*)	(*)	-0.1	-0.3	-0.7	-1.9
Urban job tax credits, change requirements for qualifying	-0.3	-0.6	(*)	(*)	(*)	(*)	-0.3	-0.6
Qualified Target Industry, project exporting at least 50% of its products or services outside the state*	-0.5	-7.9	0	0	0	0	-0.5	-7.9
Total							-17.7	-26.6

*This estimate is for an amended version of Section 4 of the bill. The language currently in Section 4 has not been reviewed by the Revenue Estimating Conference.

2. Expenditures: None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues: See table above.

2. Expenditures: None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

D. FISCAL COMMENTS:

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

Although the bill will reduce the authority of municipalities and counties to raise revenues, the impact is expected to be insignificant and the bill is therefore exempt form the provisions of Article VII, Section 18(b), Florida Constitution.

While the bill will reduce the amount of the Local Government Half Cent Sales Tax shared with municipalities and counties, it does not reduce the percentage of a state tax shared with municipalities and counties. Therefore, Article VII, Section 18(b), Florida Constitution does not apply.

2. Other: None.

B. RULE-MAKING AUTHORITY: None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES