

Bill No. SB 2420

Barcode 162530

CHAMBER ACTION

Senate

House

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

Comm: 1/RCS
03/20/2007 02:20 PM

.
. .
. .
. .
. .
. .

The Committee on Commerce (Ring) recommended the following amendment:

Senate Amendment (with title amendment)

Delete everything after the enacting clause

and insert:

Section 1. Sections 288.9621, 288.9622, 288.9623, 288.9624, 288.9625, 288.9626, and 288.9628, Florida Statutes, are created to read:

288.9621 Short title.--Sections 288.9621-288.9628 may be cited as the "SURE Venture Capital Act."

288.9622 Findings and intent.--

(1) The Legislature finds and declares that there is need to increase the availability of seed capital and early stage venture equity capital for emerging companies in this state which are commercializing state university research, technology, or patents, or commercializing in this state any other state-supported research organization's technology, products, or patents, including, without limitation, enterprises in life sciences, information technology, advanced

Bill No. SB 2420

Barcode 162530

1 manufacturing processes, aviation and aerospace, and homeland
2 security and defense, as well as other strategic technologies.

3 (2) It is the intent of the Legislature that ss.
4 288.9621-288.9628 serve to mobilize investment in a broad
5 variety of Florida-based, new technology companies within
6 diversified industries; retain private-sector-investment
7 criteria focused on rate of return; use the services of a
8 highly qualified manager in the venture capital industry;
9 facilitate the organization of the SURE Venture Capital Fund
10 as a coinvestor in seed and early stage companies; market
11 products developed in state universities and other publicly
12 funded entities located in this state; and precipitate capital
13 investment and extensions of credit to and in the Sure Venture
14 Capital Fund, and it is the further intent of the Legislature
15 that an institute be created to mentor, market, and attract
16 capital to such commercialization ventures.

17 (3) It is the intent of the Legislature to mobilize
18 venture equity capital for investment in such a manner as to
19 result in a significant potential to create new businesses and
20 jobs in this state which are based on high-growth-potential
21 technologies, products, or services and which will further
22 diversify the economy of this state.

23 288.9623 Definitions.--As used in ss.

24 288.9621-288.9628:

25 (1) "Board" means the board of trustees of the SURE
26 Trust.

27 (2) "Certificate" means a contract between the trust
28 and a designated investor or lender evidencing the terms of a
29 guarantee or incentive granted to a designated investor.

30 (3) "Designated investor" means a person, other than
31 the board, who purchases an equity interest in the SURE

Bill No. SB 2420

Barcode 162530

1 Venture Capital Fund, or who is a party to a certificate, or
2 who is a lender to the SURE Venture Capital Fund.

3 (4) "SURE Trust" or "trust" means a state beneficiary
4 public trust created under ss. 288.9621-288.9628.

5 (5) "SURE Venture Capital Fund" or "fund" means the
6 private, limited liability company in which a designated
7 investor purchases an equity interest or to which a designated
8 investor extends credit.

9 (6) "SURE Fund Board" or "directorate" means the board
10 of directors of the SURE Venture Capital Fund.

11 (7) "Tax credit" means a contingent tax credit issued
12 under ss. 288.9621-288.9628 or subsequent legislative action
13 which is available to offset tax liabilities imposed by this
14 state if the proceeds of the tax are payable to the General
15 Revenue Fund. A tax credit is not eligible to offset tax
16 liabilities imposed by a political subdivision within this
17 state.

18 288.9624 SURE Trust.--

19 (1) PUBLIC TRUST.--The SURE Trust is created as a
20 state beneficiary public trust to be administered by the
21 board. The exercise by the board of powers conferred by ss.
22 288.9621-288-9628 is deemed and held to be the performance of
23 essential public purposes.

24 (2) PUBLIC RECORDS AND MEETINGS.--

25 (a) The trust is not a unit of state government or a
26 political subdivision of the state. However, the Legislature
27 declares that the trust is subject to s. 24, Art. I of the
28 State Constitution and chapter 119, relating to public
29 records, and the provisions of chapter 286 relating to public
30 meetings and records. Furthermore, all officers, trustees, and
31 employees of the trust must comply with the code of ethics for

Bill No. SB 2420

Barcode 162530

1 public officers and employees under part III of chapter 112.

2 (b) The trust must establish at least one corporate
3 office in this state and appoint a registered agent.

4 (c) The trust may hire or contract for all personnel
5 necessary to properly execute the powers and duties bestowed
6 upon it within the funds appropriated to implement ss.
7 288.956-288.9566. Using funds appropriated to implement this
8 section, the trust may not expend more than \$1 million each
9 year for personnel and necessary administrative expenditures,
10 including, but not limited to, travel and per diem, legal
11 fees, consultant's fees, rents and utilities, and audit fees.

12 (d) Subject to appropriations, Enterprise Florida,
13 Inc., shall reasonably contract to provide administrative
14 support to the trust as requested by the trust. If the trust
15 is dissolved, Enterprise Florida, Inc., becomes the trust's
16 successor in interest and assumes all rights, duties, and
17 obligations of the trust under any contract to which the trust
18 is then a party and under law.

19 (3) PURPOSE.--The trust shall be organized to receive,
20 hold, invest, administer, and disburse funds appropriated by
21 the Legislature; to receive and hold transferable tax credits;
22 to issue guarantees or pledge tax credits for guarantee of
23 funds borrowed by or invested in the SURE Venture Capital
24 Fund; and to liquidate tax credits as may be necessary to
25 effect performance on any guarantee.

26 (4) BOARD; MEMBERSHIP.--The trust shall be governed by
27 a board of trustees.

28 (a) The board of trustees shall consist of nine voting
29 trustees, of whom the Governor shall appoint three, the
30 President of the Senate shall appoint three, and the Speaker
31 of the House of Representatives shall appoint three.

Bill No. SB 2420

Barcode 162530

1 (b) As a candidate to be selected to the board of
2 trustees, an individual must have prior experience with and
3 demonstrated expertise and competence in early stage business
4 investment, corporate management, the supervision of early
5 stage investment managers, venture capital investment,
6 management of entrepreneurial companies, the fiduciary
7 management of investment funds, or the commercialization of
8 research products. The individual must also demonstrate
9 competence with respect to the administration and management
10 of a publicly listed company, or experience and competence in
11 public accounting, auditing, and fiduciary responsibilities. A
12 trustee may not have an ownership interest in any entity to
13 which a certificate is issued or have any business
14 relationship with any investment manager hired by SURE Venture
15 Capital Fund.

16 (c) Each trustee of the board of trustees shall be
17 appointed to a term of 4 years, except that for the initial
18 appointments the Governor, the President of the Senate, and
19 the Speaker of the House of Representatives shall each appoint
20 one trustee for a term of 1 year, one trustee for a term of 2
21 years, and one trustee for a term of 4 years in order to
22 achieve staggered terms among the trustees of the board. A
23 trustee is not eligible for reappointment to the board, except
24 that a trustee appointed to an initial term of 1 year or 2
25 years may be reappointed for an additional term of 4 years,
26 and a person appointed to fill a vacancy having 2 years or
27 less remaining on the term may be reappointed for an
28 additional term of 4 years. The Governor, the President of the
29 Senate, and the Speaker of the House of Representatives shall
30 make their initial appointments to the board by October 1,
31 2007.

Bill No. SB 2420

Barcode 162530

1 (d) The Governor, the President of the Senate, or the
 2 Speaker of the House of Representatives, respectively, shall
 3 fill a vacancy on the board of trustees, according to who
 4 appointed the trustee whose vacancy is to be filled or whose
 5 term has expired. A vacancy that occurs before the scheduled
 6 expiration of the term of the trustee shall be filled for the
 7 remainder of the unexpired term. A trustee whose term has
 8 expired shall continue to serve until his or her replacement
 9 has been appointed.

10 (e) Each trustee who is not otherwise required to file
 11 financial disclosure under s. 8, Art. II of the State
 12 Constitution or s. 112.3144, shall file disclosure of
 13 financial interests under s. 112.3145.

14 (f)1. A trustee appointed to the board must agree to
 15 refrain from having any direct interest in any contract,
 16 franchise, privilege, or other benefit arising from the trust,
 17 SURE Venture Capital Fund, or a project receiving investment
 18 from the SURE Venture Capital Fund during the term of his or
 19 her appointment and for 2 years after the termination of the
 20 appointment.

21 2. If a trustee accepts a direct interest in any
 22 contract, franchise, privilege, or other benefit prohibited by
 23 this paragraph within 2 years after the termination of his or
 24 her service on the board, the trustee commits a misdemeanor of
 25 the first degree, punishable as provided in s. 775.083 or s.
 26 775.084.

27 (g) A trustee may not receive compensation for his or
 28 her services, but is entitled to receive reimbursement for
 29 necessary expenses, including travel and per diem expenses,
 30 incurred in the performance of his or her duties.

31 (h) A trustee is accountable for the proper

Bill No. SB 2420

Barcode 162530

1 performance of the duties of office, and each trustee owes a
 2 fiduciary duty to the people of the state to ensure that funds
 3 or tax credits provided in furtherance of ss.
 4 288.9621-288.9628 are disbursed and used as prescribed by law
 5 and contract and in the best interests of the state.

6 (i) The Governor, the President of the Senate, or the
 7 Speaker of the House of Representatives, according to which
 8 officer appointed the trustee, may remove a trustee for
 9 malfeasance, misfeasance, neglect of duty, incompetence,
 10 permanent inability to perform official duties, unexcused
 11 absence from three consecutive meetings of the board, arrest
 12 or indictment for a crime that is a felony or a misdemeanor
 13 involving theft or a crime of dishonesty, or pleading nolo
 14 contendere to, or being found guilty of, any crime.

15 (5) ORGANIZATION; MEETINGS.--

16 (a)1. The board of trustees shall annually elect a
 17 chairperson and a vice chairperson from among the board's
 18 trustees. The trustees may, by a vote of five of the nine
 19 board trustees, remove a trustee from the position of
 20 chairperson or vice chairperson before the expiration of his
 21 or her term as chairperson or vice chairperson. His or her
 22 successor shall be elected to serve for the balance of the
 23 removed chairperson's or vice chairperson's term.

24 2. The chairperson is responsible for ensuring that
 25 records are kept of the proceedings of the board of trustees
 26 and is the custodian of all books, documents, and papers filed
 27 with the board; the minutes of meetings of the board; and the
 28 official seal of the trust.

29 (b)1. The board of trustees shall meet upon the call
 30 of the chairperson or at the request of a majority of the
 31 trustees, but not less than twice each calendar year and more

Bill No. SB 2420

Barcode 162530

1 frequently if necessary to promptly act on a request for a
2 matched investment.

3 2. A majority of the voting trustees of the board
4 constitutes a quorum. Except as otherwise provided in this
5 section, the board may take official action by a majority vote
6 of the trustees present at any meeting at which a quorum is
7 present. Trustees may not vote by proxy.

8 3. A trustee may participate in a meeting of the board
9 by telephone or videoconference through which each trustee may
10 hear every other trustee.

11 (6) POWERS AND DUTIES.--The trust shall be organized
12 to receive and hold transferable tax credits; to issue
13 guarantees or pledge tax credits for guarantee of funds
14 borrowed by or invested in the SURE Venture Capital Fund; to
15 liquidate tax credits as may be necessary to effect
16 performance on any guarantee; and to receive, hold, invest,
17 administer, and disburse funds appropriated by the
18 Legislature. The trust shall disburse any income generated
19 from the investment of these funds consistent with the purpose
20 and provisions of ss. 288.9621-288.9628. In addition to the
21 powers and duties prescribed in chapter 617 and the articles
22 and bylaws adopted under that chapter, the trust:

23 (a) May make and enter into contracts and assume any
24 other functions that are necessary to carry out the purpose of
25 the trust.

26 (b) May enter into leases and contracts for the
27 purchase of real and personal property and execute notes,
28 mortgages, guarantees, or security agreements to secure the
29 performance of a contract or certificate.

30 (c) May perform all acts and things necessary or
31 convenient to carry out the powers expressly granted in ss.

Bill No. SB 2420

Barcode 162530

1 288.9621-288.9628 and perform on a contract or certificate
2 agreement entered into between the trust and a designated
3 investor.

4 (d) May make expenditures from funds provided by this
5 state, including any necessary administrative expenditures
6 consistent with its powers.

7 (e) Shall indemnify, and purchase and maintain
8 insurance on behalf of, trustees, officers, and employees of
9 the trust against any personal liability or accountability.

10 (f) Shall disburse funds under this section and any
11 contract entered into between the trust and a designated
12 investor.

13 (g) Shall receive and review reports and financial
14 documentation provided by a SURE Venture Capital Fund to
15 ensure compliance with ss. 288.9621-288.9626 and a
16 certificate.

17 (h) Shall prepare an annual report as prescribed in
18 subsection (8).

19 (i) May accept gifts, grants, donations, in-kind
20 services, or other goods and services for carrying out its
21 purposes.

22 (6) INVESTMENT OF FUNDS.--The trust must enter into an
23 agreement with the State Board of Administration under which
24 funds received by the trust which are not disbursed must be
25 invested by the State Board of Administration on behalf of the
26 trust. Funds shall be invested in suitable instruments
27 authorized under s. 215.47 and specified in investment
28 guidelines established and agreed to by the State Board of
29 Administration and the trust.

30 (7) ANNUAL REPORT.--By December 1 of each year, the
31 trust shall prepare a report of the activities and outcomes of

Bill No. SB 2420

Barcode 162530

1 the trust and submit the report to the Governor, the President
2 of the Senate, and the Speaker of the House of
3 Representatives. The report, at a minimum, must include:

4 (a) An accounting of the amount of grants and
5 proposals awarded and disbursed during the preceding fiscal
6 year by project and university and the value of certificates
7 issued the previous fiscal year and the total certificates
8 outstanding.

9 (b) Information concerning the amount and nature of
10 economic activity in this state generated through university
11 and other state-supported research projects receiving funding
12 from the trust.

13 (c) Project summaries of the information reported by
14 grant recipients in paragraph (b).

15 (d) A description of the benefits to this state
16 resulting from the trust program, including the number of
17 businesses created, associated industries started, and the
18 growth of related research projects.

19 (e) Independently audited financial statements,
20 including statements that show receipts and expenditures
21 during the preceding fiscal year for personnel,
22 administration, and operational costs of the trust.

23 (f) A description of those projects supported by the
24 trust in which two or more universities are working
25 cooperatively to avoid duplicating activities, programs, and
26 functions and to leverage the expertise offered by other
27 universities.

28 (g) A description of any sale of tax certificates
29 which is reasonably anticipated by the board to meet its
30 certificate obligations.

31 (8) LIABILITY.--The appropriation or disbursement of

Bill No. SB 2420

Barcode 162530

1 funds under this section does not constitute a debt,
 2 liability, or obligation of the state or any political
 3 subdivision thereof, or a pledge of the faith and credit of
 4 the state or of any political subdivision.

5 (9) ACTIVITIES.--The board may engage consultants,
 6 expend funds, invest funds, contract, bond or insure against
 7 loss, provide guarantees or other incentives, hold
 8 transferable tax credits, sell tax credits, or enter into any
 9 financial or other transaction or perform any other act
 10 necessary to carry out its purpose under ss.

11 288.9621-288.9628.

12 (10) TAX CREDITS.--The board, in conjunction with the
 13 Department of Revenue, shall develop a system for registration
 14 of any tax credits received by the trust and transferred under
 15 ss. 288.9621-288.9628. The board shall also create a system of
 16 documentation that permits verification that any tax credit
 17 claimed upon a tax return is validly held by the person
 18 claiming such tax credit and properly taken in the year of
 19 claim and that any transfers of the tax credit are made in
 20 accordance with the requirements of ss. 288.9621-288.9628.

21 (11) EMPLOYEES.--If the board elects to hire
 22 employees, such persons shall be selected by the board based
 23 upon knowledge and leadership in the field for which the
 24 person performs services for the board. The board shall charge
 25 fees for its guarantees to designated investors or for other
 26 services such that the board's operations may be conducted
 27 without subsequent legislative appropriation.

28 288.9625 Issuance of tax credits.--

29 (1) The trust shall receive and hold for the purposes
 30 of ss. 288.9621-288.9628 tax credits that may be used to
 31 reduce any tax liability imposed by the state under chapter

Bill No. SB 2420

Barcode 162530

1 212, chapter 220, s. 624.509, or s. 624.510. The total amount
2 of tax credits issued and transferred to the trust is \$50
3 million. The tax credits shall be transferable by the board as
4 provided in this section if such transferred tax credit is not
5 exercisable before July 1, 2012, or after July 1, 2037.

6 (2) The board may transfer and sell tax credits solely
7 for the purpose of fulfilling, in whole or in part, any
8 certificate obligation issued by the board. The board shall
9 immediately notify the Governor, the President of the Senate,
10 the Speaker of the House of Representatives, and the
11 Department of Revenue, in writing, if any tax credit is
12 transferred. The board shall be notified immediately of any
13 transfers of tax credits by persons or businesses other than
14 the board and shall notify the Department of Revenue, in
15 writing, of such transfers.

16 (3)(a) The board shall ensure that no more than \$15
17 million in tax credits is transferred, which may be claimed
18 and used to reduce taxes payable to the General Revenue Fund
19 for any single state fiscal year. The board shall clearly
20 indicate upon the face of the document transferring the tax
21 credit the principal amount of the tax credit and the state
22 fiscal year or years during which the credit may be claimed.

23 (b) Tax credits may be transferred in increments of no
24 less than \$100,000. A copy of the document transferring the
25 tax credit shall be transmitted to the executive director of
26 the Department of Revenue, who shall allow the credit to be
27 claimed against tax liabilities of the person or business
28 consistent with the terms appearing in the transfer document.

29 (4) If the tax liabilities of the taxpayer are
30 insufficient to exhaust the tax credit for which the taxpayer
31 is eligible, the balance of the tax credit may be refunded by

Bill No. SB 2420

Barcode 162530

1 the state. If a tax credit granted under this section is not
 2 claimed in the year designated for claiming the credit on the
 3 transfer document, any return for the year in which the credit
 4 was eligible to be claimed may be amended to claim the credit
 5 within the time specified by ss. 95.091 and 215.26.

6 (5) Persons or businesses to which tax credits under
 7 this section are transferred shall retain documentation
 8 supporting eligibility to claim the tax credits and evidence
 9 of the transfer of the tax credits, if applicable, until the
 10 time provided to audit the tax returns on which the tax
 11 credits were claimed has passed.

12 (6) The Department of Revenue, in conjunction with the
 13 board, may adopt rules governing the manner and form of
 14 documentation required to claim tax credits granted or
 15 transferred under this section and may establish guidelines as
 16 to the requisites for an affirmative showing of qualification
 17 for tax credits granted or transferred under this section.

18 (7) An insurance company claiming a credit against
 19 premium tax liability under this section is not required to
 20 pay any additional retaliatory tax levied pursuant to s.
 21 624.5091 as a result of claiming such credit. Because credits
 22 under this section are available to an insurance company, s.
 23 624.5091 does not limit such credit in any manner.

24 (8) Any original sale of tax credits by the board
 25 shall be by competitive bidding unless the sale is for the
 26 full face value of the credits.

27 288.9626 SURE Venture Capital Fund.--

28 (1)(a) At the request of the board, Enterprise
 29 Florida, Inc., shall facilitate the creation of the SURE
 30 Venture Capital Fund, a private corporation. Enterprise
 31 Florida, Inc., shall be the corporation's sole shareholder or

Bill No. SB 2420

Barcode 162530

1 member. The corporation is not a public corporation or
2 instrumentality of the state.

3 (b) The purpose of the SURE Venture Capital Fund is to
4 select an early stage venture capital investment advisor,
5 negotiate for investment capital or loan proceeds from
6 private, institutional, or banking sources having the benefit
7 of guarantees from the SURE Trust and coinvest capital in
8 companies in this state which are accepted into or promoted by
9 the Institute for the Commercialization of Public Research.

10 The fund shall manage its business affairs and conduct
11 business consistent with its organizational documents and the
12 purposes set forth in this section.

13 (2)(a) The vice chair of Enterprise Florida, Inc.,
14 shall select from among its sitting board of directors a
15 five-person appointment committee. The appointment committee
16 shall select five initial members of a board of directors for
17 the fund.

18 (b) The persons elected to the initial board of
19 directors by the appointment committee shall include persons
20 who have expertise in the area of the selection and
21 supervision of early stage investment managers or in the
22 fiduciary management of investment funds and other areas of
23 expertise as considered appropriate by the appointment
24 committee.

25 (c) After election of the initial board of directors,
26 vacancies on the board shall be filled by vote of the board of
27 directors of Enterprise Florida, Inc., and board members shall
28 serve terms as provided in the fund's organizational
29 documents.

30 (d) Members of the board are subject to any
31 restrictions on conflicts of interest specified in the

Bill No. SB 2420

Barcode 162530

1 organizational documents and may not have an interest in any
2 venture capital investment selected by the corporation under
3 ss. 288.9621-288.9628.

4 (3) The board shall organize the SURE Venture Capital
5 Fund, select an early stage venture capital investment
6 manager, negotiate the terms of a contract with the SURE
7 Venture Capital Fund investment manager, execute the contract
8 with the selected venture capital investment fund manager on
9 behalf of the SURE Venture Capital Fund, manage the business
10 affairs of the SURE Venture Capital Fund, such as accounting,
11 audit, insurance, and related requirements, solicit and
12 negotiate the terms, contract for and receive investment
13 capital and loan proceeds with the assistance of the
14 investment manager and with certificates of guarantee from the
15 SURE Trust, receive investment returns, pay investors and
16 debtors, and reinvest the investment returns in the fund in
17 order to provide additional venture capital investments
18 designed to result in a significant potential to create new
19 businesses and jobs in this state and further diversify the
20 economy of this state.

21 (4) Upon organization, the board shall conduct a
22 national solicitation for investment plan proposals from
23 qualified venture capital investment managers for the raising
24 and investing of capital by the SURE Venture Capital Fund. Any
25 proposed investment plan must address the applicant's level of
26 experience, quality of management, investment philosophy and
27 process, provability of success in fundraising, prior
28 investment fund results, and plan for achieving the purposes
29 of this act. The board shall select only venture capital
30 investment managers having demonstrated expertise in the
31 management of and investment in companies.

Bill No. SB 2420

Barcode 162530

1 (5) A member of the board of directors shall receive
2 no compensation for his or her services, but is entitled to
3 receive reimbursement for necessary expenses, including travel
4 and per diem expenses, incurred in the performance of his or
5 her duties.

6 (6) The fund shall have all powers granted under its
7 organizational documents and shall indemnify members to the
8 broadest extent permissible under the laws of this state.

9 (7)(a) The fund may negotiate any and all terms and
10 conditions for its investments.

11 (b) The fund shall invest directly only in companies
12 in this state which are accepted into or promoted by the
13 Institute for the Commercialization of Public Research. The
14 fund shall invest only if additional private capital is
15 invested in an amount equal to or greater than the investment
16 of the fund, only if the fund's reasonable due diligence
17 determines that the company is viable and has prospects for
18 profitable operations, and only if the company has manifested
19 its intent to remain located in this state. Not more than 15
20 percent of the fund's accessible capital may be invested in
21 one company project.

22 (8) If the fund is liquidated or has returned all
23 capital to designated investors in accordance with contractual
24 agreements, or if the guarantee capacity of the corporation,
25 at the sole discretion of the board, is sufficient for
26 additional certificates, a new funding of the SURE Venture
27 Capital Fund may be implemented for subsequent venture capital
28 investments. If the board takes exception to an additional
29 funding, such additional funding may be implemented only
30 without the benefit of certificates from the board.

31 (9) The directorate shall issue an annual report

Bill No. SB 2420

Barcode 162530

1 concerning the activities conducted by the SURE Venture
2 Capital Fund and present the report to the SURE Trust no later
3 than November 15 for inclusion in the board's report to the
4 the Governor, the President of the Senate, and the Speaker of
5 the House of Representatives. The annual report must include,
6 but need not be limited to, a copy of the independent audit of
7 the fund, the number of investments made or committed during
8 the fiscal year, the amount of debt or capital in or committed
9 to the fund for which certificates have been issued by the
10 board, and a general description of the companies receiving
11 investment by the fund and their associated industry.

12 288.9628 Institute for the Commercialization of Public
13 Research.--There is established the Institute for the
14 Commercialization of Public Research.

15 (1) It is the intent of the Legislature that the
16 Institute for the Commercialization of Public Research be
17 established in Florida. Enterprise Florida, Inc., shall issue
18 a request for proposals to public universities in south
19 Florida requesting proposals to fulfill the purposes of the
20 institute as described in this section and provide for its
21 physical location in a major metropolitan area of the state
22 having extensive commercial air service to facilitate access
23 by Venture Capital providers. Enterprise Florida, Inc., shall
24 review the proposals in a committee appointed by its board of
25 directors which shall make a recommendation for final
26 selection. Final approval of the selected proposal must be by
27 the board of directors of Enterprise Florida, Inc., at one of
28 its duly noticed meetings.

29 (2)(a) The purpose of the institute is to assist in
30 the commercialization of products developed by the research
31 and development activities of publicly supported universities

Bill No. SB 2420

Barcode 162530

1 and colleges, research institutes, and other publicly
2 supported organizations within the state.

3 (b) To be eligible for assistance, the company or
4 organization attempting to commercialize its product must be
5 accepted by the institute before receiving the institute's
6 assistance. The institute shall receive recommendations from
7 any publicly supported organization that a company that is
8 commercializing the research, technology, or patents from a
9 qualifying publicly supported organization should be accepted
10 into the institute.

11 (c) The institute shall thereafter review the business
12 plans and technology information of each such recommended
13 company. If accepted, the institute shall mentor the company,
14 develop marketing information on the company, and use its
15 resources to attract capital investment into the company, as
16 well as bring other resources to the company which may foster
17 its effective management, growth, capitalization, technology
18 protection, marketing or business success.

19 (3) The institute shall:

20 (a) Maintain a centralized location to showcase
21 companies and their technologies and products;

22 (b) Develop an efficient process to inventory and
23 publicize companies and products that have been accepted by
24 the institute for commercialization;

25 (c) Routinely communicate with private investors and
26 venture capital organizations regarding the investment
27 opportunities in its showcased companies;

28 (d) Facilitate meetings between prospective investors
29 and eligible organizations in the institute;

30 (e) Hire full-time staff who understand relevant
31 technologies needed to market companies to the angel investors

Bill No. SB 2420

Barcode 162530

1 and venture capital investment community;

2 (f) Operate within an allocated annual budget of \$1
3 million or less; and

4 (g) Develop cooperative relationships with publicly
5 supported organizations all of which work together to provide
6 resources or special knowledge that is likely to be helpful to
7 institute companies.

8 (4) The institute may not develop or accrue any
9 ownership, royalty, patent, or other such rights over or
10 interest in companies or products in the institute and shall
11 maintain the secrecy of proprietary information.

12 (5) The institute may not charge for services rendered
13 to state universities and affiliated organizations, community
14 colleges, or state agencies.

15 Section 2. The nonrecurring sum of \$700,000 is
16 appropriated from the General Revenue Fund to the SURE Venture
17 Capital Fund and the nonrecurring sum of \$300,000 is
18 appropriated to the SURE Trust for the purpose of initiating
19 activities necessary to implement its responsibilities under
20 this act for the 2007-2008 fiscal year.

21 Section 3. The nonrecurring sum of \$100,000 is
22 appropriated to Enterprise Florida and the nonrecurring sum of
23 \$900,000 is appropriated from the General Revenue Fund to the
24 Institute for the Commercialization of Public Research for the
25 purpose of initiating activities necessary to implement its
26 responsibilities under this act for the 2007-2008 fiscal year.

27 Section 4. This act shall take effect July 1, 2007.

28
29

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

31 And the title is amended as follows:

Bill No. SB 2420

Barcode 162530

1 Delete everything before the enacting clause

2

3 and insert:

4 A bill to be entitled

5 An act relating to venture capital funds;

6 creating s. 288.9621, F.S.; providing a short

7 title; creating s. 288.9622, F.S.; providing

8 legislative findings and intent; creating s.

9 288.9623, F.S.; providing definitions; creating

10 s. 288.9624, F.S.; creating the SURE Trust as a

11 state beneficiary public trust; requiring

12 Enterprise Florida, Inc., to provide

13 administrative support to the trust and be its

14 successor in interest; providing for

15 administration by a board of trustees;

16 providing for appointment of board trustees;

17 providing for terms; providing for service

18 without compensation; providing for

19 reimbursement for travel and other expenses;

20 providing criteria for trustees; providing

21 powers and duties of trustees; providing for

22 hiring employees; providing for meetings of the

23 board; creating s. 288.9625, F.S.; authorizing

24 the trust to receive, hold, use, transfer, and

25 sell certain tax credits for certain purposes;

26 providing requirements and limitations;

27 authorizing the Department of Revenue to adopt

28 rules for certain purposes; creating s.

29 288.9626, F.S.; requiring Enterprise Florida,

30 Inc., to facilitate establishment of the SURE

31 Venture Capital Fund; specifying criteria of

Bill No. SB 2420

Barcode 162530

1 the fund; providing for appointment of a board
2 of trustees selection committee; providing for
3 selection of a board of directors of the fund
4 by Enterprise Florida, Inc.; specifying
5 criteria; providing for terms and requirements
6 of the directors; providing purposes of the
7 fund; providing duties and responsibilities of
8 the fund; authorizing the fund to charge a
9 management fee for certain purposes; providing
10 for reimbursement for travel and other direct
11 expenses; providing for powers of the fund;
12 providing investment requirements for the fund;
13 requiring the board of directors to issue an
14 annual report on the activities of the fund;
15 providing report requirements; creating s.
16 288.9628, F.S.; creating the Institute for the
17 Commercialization of Public Research; providing
18 legislative intent; providing that the purpose
19 of the institute is to commercialize the
20 products of public research; providing
21 responsibilities of the institute; prohibiting
22 the institute from having any interest in any
23 product supported by the institute; providing
24 appropriations; providing an effective date.

25
26
27
28
29
30
31