

By Senator Legg

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1                                   A bill to be entitled  
2           An act relating to targeted economic development;  
3           creating s. 288.126, F.S.; requiring the Department of  
4           Economic Opportunity to create economic development  
5           zones for science, technology, engineering, and  
6           mathematics; authorizing a STEM zone in counties with  
7           a state university classified as having very high  
8           research activity located in its jurisdiction;  
9           requiring the county to apply to the department for a  
10          STEM zone designation; requiring the application to  
11          appoint a STEM zone development agency; providing  
12          criteria for the agency; requiring the STEM zone  
13          development agency to appoint a STEM zone development  
14          board; providing criteria for the board; providing  
15          that the incentives and benefits provided for  
16          enterprise zones are available to the STEM zones;  
17          specifying the incentives and benefits available in  
18          the STEM zones; requiring the department to develop a  
19          grant program that applies to a STEM zone; providing  
20          criteria for the awarding of a grant; directing the  
21          STEM zone development agency to perform certain  
22          functions; requiring the department to work with the  
23          STEM zone development agency, the Department of  
24          Education, and Workforce Florida, Inc., to develop  
25          accountability requirements and measurable objectives;  
26          providing criteria; requiring that all incentives and  
27          benefits provided for enterprise zones be made  
28          available to STEM zones by a specified date; assigning  
29          duties for the administration of STEM zones to the

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30 local governing bodies that have jurisdiction over  
31 such zones; providing for boundaries of the zones,  
32 eligibility criteria for the incentives, and benefits  
33 provided in the zones; requiring that the applicable  
34 requirements for employee residency for higher refund  
35 or credit thresholds be based on employee residency in  
36 the STEM zone or an enterprise zone; establishing  
37 priorities for funding certain projects; limiting the  
38 annual amount of such incentives; authorizing the  
39 carryforward of any unused amount of incentives for a  
40 specified period; providing for the issuance of  
41 certificates to eligible businesses; requiring the  
42 local governing body to certify to the Department of  
43 Revenue or the Department of Economic Opportunity  
44 which businesses or properties are eligible for the  
45 incentives; requiring the Department of Revenue to  
46 send written instructions to eligible businesses on  
47 claiming the credit on a sales and use tax return  
48 initiated through an electronic data interchange;  
49 providing an effective date.

50  
51 Be It Enacted by the Legislature of the State of Florida:

52  
53 Section 1. Section 288.126, Florida Statutes, is created to  
54 read:

55 288.126 Science, technology, engineering, and mathematics  
56 zone programs.—

57 (1) The Department of Economic Opportunity shall create  
58 economic development zones relating to science, technology,

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59 engineering, and mathematics (STEM). All incentives and benefits  
60 provided for enterprise zones pursuant to state law shall be  
61 available to the STEM zones designated pursuant to this section.

62 A STEM zone must be created in a county that has a state  
63 university that is classified as having very high research  
64 activity in the analysis by the Carnegie Foundation for the  
65 Advancement of Teaching.

66 (2) Each county that has a qualifying research institution  
67 must apply to the department to receive designation as a STEM  
68 zone. In the application, the county shall appoint a STEM zone  
69 development agency. The STEM zone development agency must:

70 (a) Be a nonuniversity, not-for-profit corporation under s.  
71 501(c)(3) of the Internal Revenue Code.

72 (b) Own or operate at least 50 acres of property that is  
73 adjacent to the qualifying research institution.

74 (c) Have experience with both private, not-for-profit  
75 partnerships and public, not-for-profit partnerships.

76 (d) Have a public attendance for programs which exceeds  
77 150,000 persons per year.

78 (e) Have a facility with a minimum of 10,000 square feet of  
79 exhibit or conference space available to showcase STEM  
80 technologies.

81 (f) Have significant experience in an informal STEM  
82 learning environment.

83 (g) Employ at least 10 full-time, in-house educational and  
84 training staff employees.

85 (h) Have experience with federal educational and  
86 scientific-type grants.

87 (i) Create and submit quarterly reports to the governing

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88 body of the county which evaluate the progress in implementing  
89 the strategic plan or measurable goals set by the STEM zone  
90 development board as described in section (3).

91 (3) (a) The STEM zone development agency shall appoint a  
92 STEM zone development board. The board shall consist of at least  
93 9 commissioners, but not more than 15 commissioners. At least  
94 two commissioners shall be associated with the STEM zone  
95 development agency, two commissioners shall come from the host  
96 county, and two commissioners shall be from local for-profit or  
97 not-for-profit corporations that are related to science,  
98 technology, engineering, and mathematics programs. At least one  
99 commissioner may be from each of the following areas: a  
100 qualifying research institution, a local school district, and a  
101 local municipality.

102 (b) The STEM zone development board shall:

- 103 1. Assist in the development, implementation, and annual  
104 review and update of the strategic plan or measurable goals.  
105 2. Oversee and monitor the implementation of the strategic  
106 plan or measurable goals.  
107 3. Identify and recommend to the local governing body of  
108 the county or the municipality ways to remove regulatory  
109 barriers.  
110 4. Identify for a county or municipality the financial  
111 needs of, and local resources or assistance available to,  
112 eligible businesses in the zone.  
113 5. Promote the STEM zone incentives to residents and  
114 businesses within the STEM zone.  
115 6. Recommend to the county boundary changes in a STEM zone  
116 such that a STEM zone does not exceed 2 square miles.

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117 7. Work with organizations affiliated with a high-ranking  
118 state research university to promote the purpose and goals of  
119 the STEM zone.

120 8. Dispense funds to promote, develop, and expand the STEM  
121 zone and educational training programs.

122 9. Develop an education curriculum focusing on science,  
123 technology, engineering, and mathematics for grades pre-K  
124 through 12 to further enhance the skill set of the state's  
125 students in order to compete for jobs.

126 10. Work with companies within the STEM zone to develop  
127 training and certification programs needed to train a workforce  
128 to have skills that are needed by companies and businesses in  
129 this state.

130 11. Work with Workforce Florida, Inc., to retrain, educate,  
131 and certify unemployed workers in new skills.

132 12. Work with Workforce Florida, Inc., to develop and make  
133 available grant programs within the STEM zone that foster the  
134 expansion of workforce education and training strategies,  
135 activities, and resources in conjunction with one-stop-career  
136 centers in the region. Each program must include a coach or a  
137 mentor who connects a participant to an employer and acts as a  
138 workforce guidance counselor. The coach or mentor shall create a  
139 career path chart for each program participant.

140 13. Provide directives to the STEM zone development agency.

141 (4) (a) In order to provide incentives, each local governing  
142 body that has jurisdiction over a STEM zone must, by local  
143 ordinance, establish the boundary of the STEM zone, specify  
144 applicable standards, and determine eligibility criteria for the  
145 application of state and local incentives and benefits in the

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146 STEM zone. However, in order to receive benefits provided under  
147 s. 288.106, a business must be a qualified target industry  
148 business under s. 288.106 for state purposes. A STEM zone's  
149 boundary may be revised by local ordinance. Such incentives and  
150 benefits include those in ss. 212.08, 212.096, 220.181, 220.182,  
151 220.183, 220.196, 288.106, and 624.5105 and the public utility  
152 discounts provided in s. 290.007(8). For purposes of this  
153 section, any applicable requirements for employee residency for  
154 higher refund or credit thresholds must be based on employee  
155 residency in the STEM zone or an enterprise zone.

156 (b) A county that has a designated a STEM zone in its  
157 jurisdiction may waive its impact fees for new construction  
158 within the STEM zone.

159 (c) Enterprise Florida, Inc., may increase the loan amount  
160 it may guarantee to \$10 million for projects in a STEM zone.

161 (d) The department and each county with a STEM zone in its  
162 jurisdiction shall review its rules or regulations that affect  
163 the relocation or expansion of a business to a STEM zone to  
164 determine if a rule or regulation may be modified or repealed to  
165 facilitate relocation or expansion.

166 (5) The department shall develop a high-tech grant program  
167 that applies in the STEM zone. The grant program shall solicit  
168 competitive applications to organizations that propose to  
169 encourage and reward groundbreaking ideas that greatly expand  
170 innovation, commercialization, and new enterprise formation  
171 across the state. A grant shall be awarded to applicants who  
172 submit the best strategies to:

173 (a) Create proof of concept centers that greatly increase  
174 innovation within their organizations; or

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175       (b) Create processes to commercialize or implement  
176 innovation and build networks that can use that innovation and  
177 entrepreneurship for local economic development.

178       (6) The STEM zone development agency, with cooperation of  
179 other state agencies, shall:

180       (a) Partner with science, technology, engineering, or  
181 mathematics companies, Workforce Florida, Inc., and local  
182 workforce boards to offer workforce training programs to train  
183 unemployed, underemployed, and new workers in skills that are  
184 needed in the science, technology, engineering, or mathematics  
185 fields.

186       (b) Offer training programs for persons who traditionally  
187 are not typical candidates to transition into science,  
188 technology, engineering, or mathematics careers; ease the  
189 transition for dislocated or transitioning workers into science,  
190 technology, engineering, or mathematics fields; and integrate  
191 state, regional, and local efforts into a more powerful set of  
192 partnerships and coordinated strategies.

193       (c) Build a gateway to science, technology, engineering, or  
194 mathematics careers by helping to prepare an educated, skilled  
195 workforce in the context of its investments in preparing talent  
196 for economic development in regional economies.

197       (d) Enhance the capacity of talent development institutions  
198 to produce more and better skilled workers in the science,  
199 technology, engineering, and mathematics fields through  
200 investment of department resources and through greater  
201 integration and alignment of existing public and private  
202 resources, so that more workers have access to postsecondary  
203 opportunities.

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204       (e) Stimulate and support innovation, entrepreneurship, and  
205 economic growth that can expand employment opportunities in the  
206 science, technology, engineering, and mathematics fields.

207       (f) Develop educational objectives for STEM zones that:

208       1. Increase funding for grant opportunities in order to  
209 implement additional educational programming related to science,  
210 technology, engineering, and mathematics.

211       2. Offer incentives to a school district, a charter school,  
212 or a private school to implement and fully use a curriculum in  
213 science, technology, engineering, and mathematics.

214       3. Reduce the required local effort by up to 10 percent for  
215 a county school district that participates in the STEM zone.

216       4. Create regional centers of education and research for  
217 science, technology, engineering, and mathematics. The regional  
218 centers are a pipeline for students who excel in science,  
219 technology, engineering, and mathematics to their respective  
220 Florida research universities.

221       5. Develop career awareness programs in science,  
222 technology, engineering, and mathematics with high school  
223 counselors, which feature mentoring programs and outreach from  
224 professionals.

225       6. Develop vocational programs for science, technology,  
226 engineering, and mathematics to meet workforce demands of  
227 industry.

228       7. Establish programs that promote the pursuit of careers  
229 in science, technology, engineering, and mathematics among  
230 underrepresented students in grades K through 12.

231       8. Fund an advertising campaign designed to encourage local  
232 youth, particularly African American, Latin American, and women,



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233 to consider careers in fields of science, technology,  
234 engineering, and mathematics.

235 9. Work with the state universities to incorporate training  
236 programs, activities, and internships for students who are  
237 pursing degrees related to science, technology, engineering, and  
238 mathematics which further enhance their education.

239 (7) The department, in cooperation with the STEM zone  
240 development agency, the Department of Education, and Workforce  
241 Florida, Inc., shall develop accountability requirements and  
242 measureable objectives that include:

243 (a) Requiring companies to:

244 1. Sign an agreement with the STEM zone development agency  
245 to agree to be a partner in some form of education, volunteer,  
246 internship, or event or showcase program in order to encourage  
247 the community and children in our education system about the  
248 excitement in fields related to science, technology,  
249 engineering, or mathematics.

250 2. Participate in a corporate training program.

251 3. Submit to an annual audit by the state or local board if  
252 a tax credit, grant, loan, or other public assistance is  
253 received.

254 (b) Establishing performance metrics to ensure the mission  
255 of the STEM zone is being carried out.

256 (c) Reporting annually to the Legislature on the progress  
257 of implementing this section.

258 (d) Developing measurable objectives for each STEM zone to  
259 be monitored by the STEM zone development board with the goal of  
260 creating more jobs in the fields of science, technology,  
261 engineering, and mathematics, producing a workforce that is

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262 highly qualified, and improving the quality of life in the  
263 state.

264 (8) (a) Effective July 1, 2013, the total amount of state  
265 credits, refunds, and exemptions that may be provided by the  
266 local governing body of each STEM zone to eligible businesses  
267 for STEM zone economic incentives pursuant this section is  
268 \$300,000 per designated STEM zone in any state fiscal year. The  
269 governing body of a STEM zone shall disallow a credit or refund  
270 for which an application is submitted after the zone's  
271 respective \$300,000 limit is reached. If the \$300,000 incentive  
272 cap is not fully used in any one state fiscal year by a STEM  
273 zone, the unused amount under the cap may be carried forward for  
274 up to 5 years. The local governing body that has jurisdiction  
275 over the STEM zone is responsible for allocating the incentives,  
276 for verifying that businesses receiving such incentives are  
277 eligible for the incentives provided, and for ensuring that the  
278 incentives provided do not exceed the cap for the state fiscal  
279 year.

280 (b) Upon approving an incentive for an eligible business,  
281 the local governing body that has jurisdiction over the STEM  
282 zone shall provide the taxpayer with a certificate indicating  
283 the name and federal employer identification number of the  
284 eligible business, the date the incentive is provided, the name  
285 of the STEM zone, the incentive type, and the incentive amount.  
286 The local governing body shall certify to the Department of  
287 Revenue or the Department of Economic Opportunity, whichever is  
288 applicable, which businesses or properties are eligible to  
289 receive any or all of the state incentives according to their  
290 statutory requirements. The local governing body that has

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291 jurisdiction over the STEM zone shall provide a copy of the  
292 certificate to the Department of Revenue and the Department of  
293 Economic Development as notification that such incentives were  
294 approved for the specific eligible business or property. For  
295 incentives to be claimed against the sales and use tax under  
296 chapter 212, the Department of Revenue shall send, within 14  
297 days after receipt, written instructions to an eligible business  
298 on how to claim the credit on a sales and use tax return  
299 initiated through an electronic data interchange. Any credit  
300 against the sales and use tax shall be deducted from any sales  
301 and use tax remitted by the dealer to the Department of Revenue  
302 by electronic funds transfer and may be deducted only on a sales  
303 and use tax return initiated through an electronic data  
304 interchange. The dealer shall separately state the credit on the  
305 electronic return. The net amount of tax due and payable must be  
306 remitted by electronic funds transfer. If the credit exceeds the  
307 amount owed on the sales and use tax return, such excess amount  
308 may be carried forward for a period not to exceed 12 months  
309 after the date that the credit is initially claimed.

310 Section 2. This act shall take effect July 1, 2013.