A bill to be entitled
An act relating to the Gulf Coast Economic Corridor;
amending s. 288.80, F.S.; conforming provisions;
amending s. 288.8012, F.S.; providing and revising
definitions; amending s. 288.8013, F.S.; deleting the
creation and identification of purposes of the
Recovery Fund; requiring a specified percentage of
payments to the state from the Deepwater Horizon
lawsuit to be transferred from the General Revenue
Fund to the Triumph Gulf Coast Trust Fund; revising
provisions concerning the trust account managed by
Triumph Gulf Coast, Inc.; requiring interest in the
trust account to be deposited into the Triumph Gulf
Coast Trust Fund; revising provisions related to the
investment of funds in the trust account; revising
annual reporting requirements; amending s. 288.8014,
F.S.; expanding the membership of the board of
directors; specifying conditions for appointing
additional board members; deleting references to the
Recovery Fund; deleting obsolete language; revising
conflict of interest restrictions imposed on board
members of Triumph Gulf Coast, Inc.; removing the
requirement that Triumph Gulf Coast, Inc., retain an
independent financial advisor and an economic advisor;
revising provisions relating to conflict of interest
restrictions imposed on retained staff; amending s. 288.8015, F.S.; conforming a provision to changes made by the act; amending s. 288.8016, F.S.; requiring Triumph Gulf Coast, Inc., to publish on its website specified information prior to making an award; amending s. 288.8017, F.S.; conforming provisions to changes made by the act; revising provisions governing the uses of awards from Triumph Gulf Coast, Inc.; requiring Triumph Gulf Coast, Inc., to ensure that a minimum percentage of funds appropriated for such awards from the trust fund be expended in certain affected counties; repealing s. 377.43, F.S., relating to the disbursement of funds received for damages caused by the Deepwater Horizon oil spill; providing appropriations; authorizing appropriations in the 2017-2018 fiscal year to be spent in the 2018-2019 fiscal year; specifying that the conflict of interest restrictions imposed on board members of the Triumph Gulf Coast, Inc., apply to members after a specified date; providing a directive to the Division of Law Revision and Information; providing an effective date.

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

Section 1. Section 288.80, Florida Statutes, is amended to
read:

288.80 Short title—This section and ss. 288.8011-288.8017 may be cited as the "Gulf Coast Economic Corridor Act."

Section 2. Section 288.8012, Florida Statutes, is amended to read:

288.8012 Definitions.—As used in ss. 288.80-288.8017, the term:

1) "Awardee" means a person, organization, or local government granted an award of funds as authorized in s. 288.8017 from the Recovery Fund for a project or program.

2) "Department" means the Department of Economic Opportunity.

3) "Disproportionately affected county" means Bay County, Escambia County, Franklin County, Gulf County, Okaloosa County, Santa Rosa County, Walton County, or Wakulla County.

4) "Earnings" means all the income generated by investments and interest.

5) "Settlement agreement" means the "Settlement Agreement Between the Gulf States and the BP Entities with Respect to Economic and Other Claims Arising from the Deepwater Horizon Incident," which was entered into on October 5, 2015, in the case styled In re: Oil Spill by the Oil Rig "Deepwater Horizon" in the Gulf of Mexico, on April 20, 2010, MDL 2179 in the United States District Court for the Eastern District of Louisiana.
"Recovery Fund" means a trust account established by Triumph Gulf Coast, Inc., for the benefit of the disproportionately affected counties.

Section 3. Section 288.8013, Florida Statutes, is amended to read:

288.8013 Triumph Gulf Coast, Inc.; Recovery Fund; creation; funding; investment.—

(1) There is created within the department of Economic Opportunity a nonprofit corporation, to be known as Triumph Gulf Coast, Inc., which shall be registered, incorporated, organized, and operated in compliance with chapter 617, and which is not a unit or entity of state government. Triumph Gulf Coast, Inc., may receive, hold, invest, and administer the Recovery Fund in support of this act. Triumph Gulf Coast, Inc., is a separate budget entity and is not subject to control, supervision, or direction by the department of Economic Opportunity in any manner, including, but not limited to, personnel, purchasing, transactions involving real or personal property, and budgetary matters.

(2) Seventy-five percent of all payments to the state pursuant to the settlement agreement shall be transferred immediately from the General Revenue Fund to the Triumph Gulf Coast Trust Fund within the department. Triumph Gulf Coast, Inc., must create and administer the Recovery Fund for the benefit of the disproportionately affected counties. The
principal of the fund shall derive from 75 percent of all funds recovered by the Attorney General for economic damage to the state resulting from the Deepwater Horizon disaster, after payment of reasonable and necessary attorney fees, costs, and expenses, including such attorney fees, costs, and expenses pursuant to s. 16.0155.

(3) The Recovery Fund must be maintained as a long-term and stable source of revenue, which shall decline over a 30-year period in equal amounts each year. Triumph Gulf Coast, Inc., shall establish a trust account at a federally insured financial institution to hold funds appropriated to it from the Triumph Gulf Coast Trust Fund and make deposits and payments. Interest earned in the trust account shall be deposited monthly into the Triumph Gulf Coast Trust Fund. Triumph Gulf Coast, Inc., may invest surplus funds in the Local Government Surplus Funds Trust Fund, pursuant to s. 218.407, and earnings generated by investments shall be deposited monthly into the Triumph Gulf Coast Trust Fund. Earnings generated by investments and interest of the fund, plus the amount of principal available each year, shall be available to make awards pursuant to this act and pay administrative costs. Earnings shall be accounted for separately from principal funds set forth in subsection (2). Administrative costs are limited to amounts appropriated for this purpose 2.25 percent of the earnings in a calendar year. Administrative costs include payment of investment fees, travel and per diem expenses.
of board members, audits, salary or other costs for employed or contracted staff, including required staff under s. 288.8014(9), and other allowable costs. The annual salary for any employee or contracted staff may not exceed $130,000 and associated benefits may not exceed 35 percent of salary. Any funds remaining in the Recovery Fund after 30 years shall revert to the State Treasury.

(4) Triumph Gulf Coast, Inc., shall invest and reinvest the principal of the Recovery Fund in accordance with s. 617.2104, in such a manner not to subject the funds to state or federal taxes, and consistent with an investment policy statement adopted by the corporation.

(a) The board of directors shall formulate an investment policy governing the investment of the principal of the Recovery Fund. The policy shall pertain to the types, kinds, or nature of investment of any of the funds, and any limitations, conditions or restrictions upon the methods, practices, or procedures for investment, reinvestments, purchases, sales, or exchange transactions, provided such policies shall not conflict with nor be in derogation of any state constitutional provision or law. The policy shall be formulated with the advice of the financial advisor in consultation with the State Board of Administration.

(b) Triumph Gulf Coast, Inc., must competitively procure one or more money managers, under the advice of the financial advisor in consultation with the State Board of Administration, to invest the principal of the Recovery Fund. The applicant
manager or managers may not include representatives from the financial institution housing the trust account for the Recovery Fund. The applicant manager or managers must present a plan to invest the Recovery Fund to maximize earnings while prioritizing the preservation of Recovery Fund principal. Any agreement with a money manager must be reviewed by Triumph Gulf Coast, Inc., for continuance at least every 5 years. Plans should include investment in technology and growth businesses domiciled in, or that will be domiciled in, this state or businesses whose principal address is in this state.

(e) Costs and fees for investment services shall be deducted from the earnings as administrative costs. Fees for investment services shall be no greater than 150 basis points.

(d) Annually, Triumph Gulf Coast, Inc., shall cause an audit to be conducted of the investment of the Recovery Fund by the independent certified public accountant retained in s. 288.8014. The expense of such audit shall be paid from earnings for administrative purposes.

(4) Triumph Gulf Coast, Inc., shall report on June 30 and December 30 each year to the Governor, the President of the Senate, and the Speaker of the House of Representatives on the financial status of the Recovery Fund and its investments, the established priorities, the project and program selection process, including a list of all submitted projects and programs and reasons for approval or denial, and the status of all
approved awards.

(5) The Auditor General shall conduct an operational audit of the Recovery Fund and Triumph Gulf Coast, Inc., annually. Triumph Gulf Coast, Inc., shall provide to the Auditor General any detail or supplemental data required.

Section 4. Subsections (2), (3), (4), (7), and (9) of section 288.8014, Florida Statutes, are amended to read:

288.8014 Triumph Gulf Coast, Inc.; organization; board of directors.—

(2) Triumph Gulf Coast, Inc., shall initially be governed by a five-member board of directors. Each of the Trustees of the State Board of Administration, the President of the Senate, and the Speaker of the House of Representatives shall each appoint one member from the private sector. As of the effective date of this act, the number of board members increases to seven, with the President of the Senate and the Speaker of the House of Representatives each appointing an additional private sector member from one of the four least populous disproportionately affected counties as identified by the United States Census Bureau in its March 2017 estimates of county populations, to ensure that two such counties are represented on the board. The board of directors shall annually elect a chairperson from among the board's members. The chairperson may be removed by a majority vote of the members. His or her successor shall be elected to serve for the balance
of the removed chairperson's term. The chairperson is responsible to ensure records are kept of the proceedings of the board of directors and is the custodian of all books, documents, and papers filed with the board; the minutes of meetings of the board; and the official seal of Triumph Gulf Coast, Inc.

(3) Notwithstanding s. 20.052(4)(c), each initial appointment to the board of directors by the Board of Trustees of the State Board of Administration shall serve for a term that ends 4 years after the Legislature appropriates funds to Triumph Gulf Coast, Inc. the Recovery Fund. To achieve staggered terms among the members of the board, each initial appointment to the board of directors by the President of the Senate and the Speaker of the House of Representatives shall serve for a term that ends 5 years after the Legislature appropriates funds to Triumph Gulf Coast, Inc. the Recovery Fund. Thereafter, each member of the board of directors shall serve for a term of 4 years. A member is not eligible for reappointment to the board, except, however, any member appointed to fill a vacancy for a term of 2 years or less may be reappointed for an additional term of 4 years. The initial appointments to the board must be made by November 15, 2013. Vacancies on the board of directors shall be filled by the officer who originally appointed the member. A vacancy that occurs before the scheduled expiration of the term of the member shall be filled for the remainder of the unexpired term.
(4) The Legislature determines that it is in the public interest for the members of the board of directors to be subject to the requirements of ss. 112.313, 112.3135, and 112.3143, notwithstanding the fact that the board members are not public officers or employees. For purposes of those sections, the board members shall be considered to be public officers or employees. In addition to the postemployment restrictions of s. 112.313(9), a person appointed to the board of directors must agree to refrain from having any direct interest in any contract, franchise, privilege, project, program, or other benefit arising from an award by Triumph Gulf Coast, Inc., during the term of his or her appointment and for 6 years after the termination of such appointment. It is a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083, for a person to accept appointment to the board of directors in violation of this subsection or to accept a direct interest in any contract, franchise, privilege, project, program, or other benefit granted by Triumph Gulf Coast, Inc., to an awardee within 6 years after the termination of his or her service on the board. Further, each member of the board of directors who is not otherwise required to file financial disclosure under s. 8, Art. II of the State Constitution or s. 112.3144 shall file disclosure of financial interests under s. 112.3145.

(7) The board of directors shall meet at least quarterly, upon the call of the chairperson or at the request of a majority
of the membership, to review the Recovery Fund, establish and review priorities for economic recovery, diversification, and enhancement of the in disproportionately affected counties, and determine use of funds the earnings available. A majority of the members of the board of directors constitutes a quorum. Members may not vote by proxy.

(9)(a) Triumph Gulf Coast, Inc., is permitted to hire or contract for all staff necessary to the proper execution of its powers and duties to implement this act. The corporation is required to retain:

1. An independent certified public accountant licensed in this state pursuant to chapter 473 to inspect the records of and to annually audit the expenditure of funds the earnings and available principal disbursed by Triumph Gulf Coast, Inc.

2. An independent financial advisor to assist Triumph Gulf Coast, Inc., in the development and implementation of a strategic plan consistent with the requirements of this act.

3. An economic advisor who will assist in the award process, including the development of priorities, allocation decisions, and the application and process; will assist the board in determining eligibility of award applications and the evaluation and scoring of applications; and will assist in the development of award documentation.

4. A legal advisor with expertise in not-for-profit investing and contracting and who is a member of The Florida Bar.
to assist with contracting and carrying out the intent of this act.

(b) All Triumph Gulf Coast, Inc., shall require all employees of the corporation to comply with the code of ethics for public employees under part III of chapter 112. Retained staff under paragraph (a) must agree to refrain from having any direct interest in any contract, franchise, privilege, project, program, or other benefit arising from an award of funds by Triumph Gulf Coast, Inc., during the term of his or her appointment and for 6 years after the termination of such appointment.

(c) Retained staff under paragraph (a) shall be available to consult with the board of directors and shall attend meetings of the board of directors. These individuals shall not be permitted to vote on any matter before the board.

Section 5. Subsection (2) of section 288.8015, Florida Statutes, is amended to read:

288.8015 Board of directors; powers.—In addition to the powers and duties prescribed in chapter 617 and the articles and bylaws adopted in compliance with that chapter, the board of directors may:

(2) Make expenditures including any necessary administrative expenditure from earnings consistent with its powers.
Under no circumstances may the credit of the State of Florida be pledged on behalf of Triumph Gulf Coast, Inc.

Section 6. Subsection (4) of section 288.8016, Florida Statutes, is amended to read:

288.8016  Triumph Gulf Coast, Inc.; duties.—Triumph Gulf Coast, Inc., shall have the following duties:

(4)  Operate in a transparent manner, providing public access to information, notice of meetings, awards, and the status of projects and programs. To this end, Triumph Gulf Coast, Inc., shall maintain a website that provides public access to this information. No less than 14 calendar days before approving an award pursuant to s. 288.8017, Triumph Gulf Coast, Inc., shall publish on the website a summary of the project or program and indicate its intent to approve the award.

Section 7. Section 288.8017, Florida Statutes, is amended to read:

288.8017  Awards.—

(1)  Triumph Gulf Coast, Inc., shall make awards from available appropriations earnings and principal derived under s. 288.8013(2) to projects or programs that meet the priorities for economic recovery, diversification, and enhancement of the disproportionately affected counties, notwithstanding s. 377.43. Awards may be provided for:

(a)  Ad valorem tax rate reduction within disproportionately affected counties;
(b) Payment of impact fees adopted pursuant to s. 163.31801 and imposed within disproportionately affected counties;

(c) Administrative funding for economic development organizations located within the disproportionately affected counties;

(b)(c) Local match requirements of ss. 288.0655, 288.0659, 288.1045, and 288.106 for projects in the disproportionately affected counties;

(e) Economic development projects in the disproportionately affected counties;

(c)(f) Public infrastructure projects that are shown to enhance economic recovery, diversification, and enhancement of development in the disproportionately affected counties;

(d)(g) Grants to local governments in the disproportionately affected counties to establish and maintain equipment and trained personnel for local action plans of response to respond to disasters, such as plans created for the Coastal Impacts Assistance Program;

(e) Early childhood development and educational programs and services for children from birth to 5 years of age in the disproportionately affected counties;

(f)(h) Grants to support programs of excellence that prepare students for future occupations and careers at K-20 institutions that have home campuses in the disproportionately affected counties;
affected counties. Eligible programs include those that increase
students' technology skills and knowledge; encourage industry
certifications; provide rigorous, alternative pathways for
students to meet high school graduation requirements; strengthen
career readiness initiatives; fund high-demand programs of
emphasis at the bachelor's and master's level designated by the
Board of Governors; and, similar to or the same as talent
retention programs created by the Chancellor of the State
University System and the Commission of Education, encourage
students with interest or aptitude for science, technology,
engineering, mathematics, and medical disciplines to pursue
postsecondary education at a state university or a Florida
College System institution within the disproportionately
affected counties; and

(g) Grants to support programs that provide participants
in the disproportionately affected counties with transferrable,
sustainable workforce skills that are not confined to a single
employer; and

(h) Grants to the tourism entity created under s.
288.1226 for the purpose of advertising and promoting tourism,
Fresh From Florida, or related content on behalf of one or all
of the disproportionately affected counties.

(2) Triumph Gulf Coast, Inc., shall establish an
application procedure for awards and a scoring process for the
selection of projects and programs that have the potential to
generate increased economic activity in the disproportionately affected counties, giving priority to projects and programs that:

(a) Generate maximum estimated economic benefits, based on tools and models not generally employed by economic input-output analyses, including cost-benefit, return-on-investment, or dynamic scoring techniques to determine how the long-term economic growth potential of the disproportionately affected counties may be enhanced by the investment.

(b) Increase household income in the disproportionately affected counties above national average household income.

(c) Expand high growth industries or establish new high growth industries in the region.

1. Industries that are supported must have strong growth potential in the disproportionately affected counties.

2. An industry's growth potential is defined based on a detailed review of the current industry trends nationally and the necessary supporting asset base for that industry in the disproportionately affected counties region.

(c) Leverage or further enhance key regional assets, including educational institutions, research facilities, and military bases.

(d) Partner with local governments to provide funds, infrastructure, land, or other assistance for the project.

(f) Have investment commitments from private equity or
private venture capital funds.

(g) Provide or encourage seed stage investments in start-up companies.

(h) Provide advice and technical assistance to companies on restructuring existing management, operations, or production to attract advantageous business opportunities.

(e)(i) Benefit the environment in addition to the economy.

(f)(j) Provide outcome measures for programs of excellence support, including terms of intent and metrics.

(g)(k) Partner with K-20 educational institutions or school districts located within the disproportionately affected counties.

(l) Partner with convention and visitor bureaus, tourist development councils, or chambers of commerce located within the disproportionately affected counties.

(3) Triumph Gulf Coast, Inc., may make awards as applications are received or may establish application periods for selection. Awards may not be used to finance 100 percent of any project or program. Triumph Gulf Coast, Inc., may require a one-to-one private-sector match or higher for an award, if applicable and deemed prudent by the board of directors. An awardee may not receive all of the funds earnings or principal in any given year. An award may supplement but may not supplant existing funding sources. Triumph Gulf Coast, Inc., shall ensure that each of the eight disproportionately affected counties.
counties directly benefit from awards and ensure that at least 6
percent of funds appropriated for awards from the Triumph Gulf
Coast Trust Fund are expended in each of those counties over the
lifetime of the settlement agreement.

(4) A contract executed by Triumph Gulf Coast, Inc., with
an awardee must include provisions requiring a performance
report on the contracted activities, must account for the proper
use of funds provided under the contract, and must include
provisions for recovery of awards in the event the award was
based upon fraudulent information or the awardee is not meeting
the performance requirements of the award. Awardees must
regularly report to Triumph Gulf Coast, Inc., the expenditure of
funds and the status of the project or program on a schedule
determined by the corporation.

Section 8. Section 377.43, Florida Statutes, is repealed.

Section 9. Effective July 1, 2017, the sum of $299,000,000
in nonrecurring funds from the Triumph Gulf Coast Trust Fund is
appropriated to Triumph Gulf Coast, Inc., for deposit into the
trust account to fund awards for programs and projects
authorized in s. 288.8017.

Section 10. The sum of $1,000,000 in nonrecurring funds
from the Triumph Gulf Coast Trust Fund is appropriated to
Triumph Gulf Coast, Inc., for deposit into the trust account to
pay administrative costs.

Section 11. Notwithstanding s. 216.301, and pursuant to s.
216.351, funds appropriated pursuant to this act for the 2017-
2018 fiscal year may be expended through the 2018-2019 fiscal
year.

Section 12. The revision to s. 288.8014(4), made by this
act applies only to persons who serve on the board of trustees
of Triumph Gulf Coast, Inc., on or after July 1, 2017.

Section 13. The Division of Law Revision and Information
is directed to replace the phrase "the effective date of this
act" where it occurs in this act with the date this act takes
effect.

Section 14. This act shall take effect upon becoming a
law.