HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1A Economic Programs
SPONSOR(S): Renner
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Appropriations Committee	27 Y, 0 N	Davis	Leznoff

SUMMARY ANALYSIS

The bill makes the following changes and additions to the Department of Economic Opportunity (DEO), the Florida Tourism Industry Marketing Corporation (Visit Florida or VF) and Enterprise Florida, Inc. (EFI):

- Eliminates the Displaced Homemaker Program
- Terminates the Displaced Homemaker Trust Fund
- Reduces the surcharge on marriage license applications by $7.50 from $59.50 to $52.00
- Redirects a portion of the fees on dissolution of marriage filings from the Displaced Homemaker Trust Fund to the General Revenue Fund
- Institutes comprehensive transparency and accountability measures on Visit Florida and EFI
- Creates the Targeted Marketing Assistance Program
- Creates the Florida Job Growth Grant Fund
- Directs the Florida Department of Revenue to audit the Professional Golf Hall of Fame
- Requires the Professional Golf Hall of Fame to provide the state with certain information
- Redirects $75 million of revenue from the State Economic Enhancement and Development Trust Fund to the General Revenue Fund

The reduction of the surcharge on marriage license applications under s. 741.01, F.S., from $59.50 to $52.00, is anticipated to have a negative recurring impact to state revenue of approximately $1.2 million. The repeal of the Displaced Homemaker Program reflects an elimination of a $2 million recurring appropriation in the General Appropriations Act for FY 2017-18.

In addition, the bill provides the following appropriations:

- $76 million to DEO to enter into a contract with VF;
- $16 million to DEO to enter into a contract with EFI; and
- $85 million ($60 million to DEO and $25 million to the Department of Transportation) for the Florida Job Growth Grant Fund.

The effective date of this bill is July 1, 2017.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Displaced Homemaker Program[1]

The Florida Displaced Homemaker Program is a state program designed to assist displaced homemakers - individuals who are not adequately employed and have been dependent on the income of another family member, but are no longer supported by such income. To qualify for the Displaced Homemaker Program, the individual must be 35 years of age or older, have worked in the home providing unpaid household services for family members or been dependent on federal assistance, and have had difficulty in securing adequate employment.[2] The Displaced Homemaker Program is funded through the Displaced Homemaker Trust Fund within the Department of Economic Opportunity (DEO).

DEO is required to enter into contracts with public and nonprofit private entities that are responsible for establishing multi-purpose programs aimed at enhancing self-sufficiency through employment and training and that allows participants to attain independence, economic security and self-sufficiency. The programs include counseling, career interest and assessment testing, resume and job search assistance, career planning and placement services, interviewing and skills training and case management.

These services are also offered to all Floridians through Florida's 24 local CareerSource Networks which have 106 career centers located throughout the state. These services include: employment and career resources; testing and assessments; employment search skills; career development seminars; resume/interview preparation; job-matching referrals; access to local, state and national salary and labor market information; education and training programs; financial aid information and screening for training programs; scholarship and training information; and computer, fax, telephone and copy services.

During Fiscal Year 2015-16, Florida enrolled 386 participants in the Displaced Homemaker Program.[3] DEO monitors contract performance toward meeting participant enrollment, program completion and job placement numbers. In Fiscal Year 2015-16, the program met 83 percent of its projected enrollments, 77 percent of its projected program completions and 42 percent of its projected job placements.[4]

For Fiscal Year 2014-15, there were only three contracts awarded under the Displaced Homemaker Program: the Centre for Women, Inc., Santa Fe State College and the Women's Resource Center of Sarasota County. To increase the statewide coverage and availability of the program, DEO initiated a new procurement for Fiscal Year 2015-16 to increase the number of program contractors throughout the state. This procurement resulted in awards to two additional contractors, Deaf and Hard of Hearing Services of the Emerald Coast, Inc. and South Brevard Women's Center.[5]

- The Centre for Women, Inc. serves Hillsborough and Pinellas Counties. In its second year of operations, the contractor was awarded $260,467 to enroll 187 participants and place 42 of those

[1] s. 446.50, F.S.
[2] The Department of Economic Opportunity, *Displaced Homemaker Program*, http://www.floridajobs.org/office-directory/division-of-workforce-services/workforce-programs/displaced-homemaker-program (last visited June 3, 2017).
[3] The Department of Economic Opportunity, *Annual Report 2015-2016*, http://www.floridajobs.org/docs/default-source/reports-and-legislation/2016_deoannualreport.pdf?sfvrsn=4
[4] *Id.*
[5] *Id.*

participants in jobs. As of June 30, 2016, the contractor had enrolled 47 percent of its projected number of participants and placed 65 percent of its planned participants in jobs.[6]

- Santa Fe State College serves Alachua, Bradford, Columbia, Gilchrist, Levy and Putnam Counties. In its second year of operations, the contractor was awarded $165,915 to enroll 90 participants and place 42 of those participants in jobs. As of June 30, 2016, the contractor had enrolled 100 percent of its projected number of participants and placed 83 percent of its planned participants in jobs.[7]
- The Women's Resource Center of Sarasota County serves Manatee and Sarasota Counties. In its second year of operations, the contractor was awarded $87,136 to enroll 95 participants and place 95 of those participants in jobs. As of June 30, 2016, the contractor had enrolled 95 percent of its projected number of participants and placed 11 percent of its planned participants in jobs.[8]
- Deaf and Hard of Hearing Services of the Emerald Coast, Inc. serves Escambia, Okaloosa, Santa Rosa and Walton Counties. In its first year of operations, the contractor was awarded $102,012 to enroll 50 participants and place 26 of those participants in jobs. As of June 30, 2016, the contractor had enrolled 102 percent of its projected number of participants and placed four percent of its planned participants in jobs.[9]
- South Brevard Women's Center serves Brevard County. In its first year of operations, the contractor was awarded $54,000 to enroll 45 participants and place 15 of those participants in jobs. As of June 30, 2016, the contractor had enrolled 149 percent of its projected number of participants and placed 93 percent of its planned participants in jobs.[10]

Recent Displaced Homemaker Program Funding History

Fiscal Year	Appropriation	Funds Expended
2014-15	$2,000,000	$7,766
2015-16	$2,000,000	$452,723
2016-17*	$2,000,000	$379,997

*Fiscal Year is not yet complete and additional expenditures may take place.

DEO has indicated that it continues to face challenges in receiving bids from entities to provide services through this program, and is unable to fully utilize annual appropriations. One observation offered by DEO for this challenge is the population served through the Displaced Homemaker Program is also served through the local career centers of the CareerSource Networks, which highlights the duplication and overlap of services being offered to the targeted population.[11] The CareerSource Networks, through the Regional Workforce Boards, are provided a recurring annual appropriation through the General Appropriations Act of $283,359,445.

The Displaced Homemaker Trust Fund

The trust fund was created for the purpose of funding the administration of the Displaced Homemaker Program and to fund displaced homemaker service programs within DEO. The trust fund is a depository for a portion of fees on both marriage license applications and dissolution of marriage filings; $7.50[12] and $12.50[13] respectively. The Trust Fund can also receive funds from other public or private

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[6] *Id.*
[7] *Id.*
[8] *Id.*
[9] *Id.*
[10] *Id.*
[11] Presentation by DEO Director Proctor to the Florida House Transportation & Tourism Appropriations Subcommittee on January 25, 2017 entitled "FY 2017-18 Priority Listing of Agency Budget Issues for Possible Reduction."
[12] s. 741.01, F.S.
[13] s. 28.101, F.S.

sources.[14] Funds are expended only pursuant to legislative appropriation or an approved amendment to DEO's operating budget pursuant to the provisions of chapter 216, F.S.

Enterprise Florida, Inc.

Enterprise Florida, Inc. (EFI) is a nonprofit corporation established by the Legislature to serve as the state's main economic development organization.[15] EFI is required to enter into a performance-based contract with DEO, which includes annual measurements of the performance of EFI.[16] EFI is governed by a board of directors chaired by the Governor.

As a public-private partnership, EFI is expected to obtain private sector support to help pay for its operational costs. According to state law, the agency's legislative appropriations must be matched with private sector support equal to at least 100% of state operational funding.[17] Under state law, private sector support includes:

- Cash given directly to EFI for its operations, including contributions from at-large members of the board of directors;
- Cash donations from organizations assisted by EFI's divisions;
- Cash jointly raised by EFI, private local economic development organizations, a group of such organizations, or a statewide private business organization that supports collaborative projects;
- Cash generated by fees charged for products or services of EFI and its divisions by sponsorship of events, missions, programs, and publications; and
- Copayments, stock, warrants, royalties, or other private resources dedicated to Enterprise Florida or its divisions.

According to a recent report[18] published by the Office of Program Policy Analysis and Government Accountability (OPPAGA), state funding has always far exceeded private sector funding.[19] Specifically, private sector cash contributions during the review period[20] rarely exceeded $2 million, while state appropriations averaged about $20 million per year. Funds from other private sources (e.g., event revenue, other income) averaged approximately $2.7 million per year.

The Legislature provides an annual appropriation to EFI for its operations. EFI is required to have divisions related to:

- International Trade and Business Development
- Business Retention and Recruitment
- Tourism Marketing
- Minority Business Development
- Sports Industry Development

Florida law directs EFI's board of directors to "integrate its efforts in business recruitment and expansion, job creation, marketing the state for tourism and sports, and promoting economic opportunities for minority-owned businesses and promoting economic opportunities for rural and distressed urban communities with those of the department, to create an aggressive, agile, and collaborative effort to reinvigorate the state's economy."[21]

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[14] s. 446.50, F.S.

[15] Section 288.901, F.S. Chapter 92-277, Laws of Florida, created EFI, while Chapter 96-320, Laws of Florida, established EFI as a public-private partnership.

[16] Section 20.60(1), F.S., requires DEO to "establish annual performance standards for Enterprise Florida, Inc., CareerSource Florida, Inc., the Florida Tourism Industry Marketing Corporation, and Space Florida and report annually on how these performance measures are being met."

[17] s. 288.904(2)(a), F.S.

[18] Office of Program Policy Analysis and Government Accountability (OPPAGA), *Agency Review - Enterprise Florida, Inc., and Department of Economic Opportunity*, Report No. 16-09 (December 2016).

[19] OPPAGA Report No. 16-09, p. 19.

[20] Review period was Fiscal Year 2012-2013 through Fiscal Year 2015-2016.

[21] s. 288.9015(1), F.S.

Professional Golf Hall of Fame

The World Golf Hall of Fame is a 501(c)(3) nonprofit institution located in St. Augustine, Florida. The hall of fame's mission is to preserve the history of the game of golf and the legacies of its players. Originally, formed in 1974 in Pinehurst, North Carolina, the hall of fame relocated to Florida in 1998[22] and was certified as a professional golf hall of fame facility pursuant to s. 288.1168, F.S., by the Governor's Office of Tourism, Trade, and Economic Development (OTTED)[23] that same year. It is the only golf hall of fame in the U.S. recognized by the Professional Golfers' Association Tour, Inc. (PGA). In addition to serving as a golf museum, the facility provides educational programs for local K-12 schools and has a collaborative relationship with several universities in northeast Florida. The hall of fame also works closely with St. Johns County on various community events, including golf festivals and farmers markets. The hall of fame facility is located on privately-owned land and the facility is privately owned and managed.[24]

Section 288.1168, F.S., establishes the Professional Golf Hall of Fame Facility funding program which allows DEO to certify one applicant as a professional golf hall of fame facility. To be eligible:

- The applicant facility must be the only professional golf hall of fame in the U.S. recognized by the PGA;
- The applicant must be a unit of local government or private sector group that has contracted to construct or operate the professional golf facility on land owned by a unit of local government;
- The municipality or county (if located in an unincorporated area) in which the facility is located, must pass a resolution that states the application serves a public purpose;
- Projected paid attendance must be more than 300,000 annually;
- Independent analysis must demonstrate that the amount of sales tax generated by sales at the facility will at least equal $2 million annually;
- The applicant must submit an agreement to provide $2 million in national and international media promotion of the hall of fame facility, Florida, and Florida tourism, through the PGA, or its affiliates during the period of time that the facility receives state funds;
- Documentation must exist that demonstrates the applicant has provided, or is capable of providing, more than one-half of the costs associated with the improvement and development of the facility; and
- The application must be signed by an official senior executive of the applicant and is notarized according to state law.

One certified applicant is eligible to receive monthly disbursements from the state in an amount equal to $166,667 for up to 300 months (a total of $50,000,100).[25]

Every ten years the hall of fame facility must be recertified by demonstrating that it is open, continues to be the only professional golf hall of fame in the country recognized by the PGA, and is meeting at least one of the minimum projections established at the time of original certification: 300,000 annual visitors or $2 million in annual sales tax revenue.[26]

The facility submitted its first 10-year recertification application in 2009 and reported that annual attendance from 1998 through 2009 had varied between 230,000 and 290,000 visitors, and the facility did not exceed the $2 million sales tax threshold until 2005.

[22] World Golf Hall of Fame, *Our History*, http://www.worldgolfhalloffame.org/about-the-museum/our-history/ (last accessed on June 3, 2017).
[23] DEO assumed the responsibilities of OTTED in 2011 pursuant to Chapter 2011-142, Laws of Florida.
[24] OPPAGA, *Florida Economic Development Program Evaluations – Year 2*, Report No. 15-01, pg. 51 (January 1, 2015).
[25] s. 212.20(6)(d)6.c., F.S.
[26] *supra*, note 24, at 52.

Because the facility did not meet the statutory requirements for recertification in 2009, OTTED required the PGA to increase its required annual advertising contribution from $2 million to $2.5 million in lieu of a reduction in state funds, as required by s. 288.1168(6), F.S. The additional $500,000 in advertising was to be allocated for generic Florida advertising as determined by DEO.[27]

For Fiscal Years 2010-11 through 2012-13, the facility reported an average annual value of over $7.6 million in total marketing and advertising efforts and an average annual value of generic Florida advertising of over $3.1 million. While DEO is provided with copies of the print and television advertisements, it does not verify invoices for the facility's reported spending on advertising and marketing activities. Therefore, the Office of Program Policy Analysis and Government Accountability (OPPAGA) was unable to confirm these expenditures during its last review.[28]

Florida Tourism Industry Marketing Corporation

The Florida Tourism Industry Marketing Corporation dba VISIT Florida (VF) is a nonprofit corporation established by the Florida Legislature to serve as a direct support organization of EFI.[29] Florida law requires that EFI contract with VF "to execute tourism promotion and marketing services, functions, and programs for the state."[30]

EFI, in conjunction with DEO, appoints VF's 31-member board of directors. The board, which meets three times per year, provides guidance, input and insight into the evolution and development of programs, processes, and messages; acts as a steering council for various committees; and works directly with VF executive staff to guide strategy.

VF's primary responsibilities include:

- Administering domestic and international advertising campaigns
- Conducting research on tourism and travel trends
- Conducting domestic and international marketing activities
- Managing the state's welcome centers

VF also administers a number of small grant programs that provide organizations and state agencies funding for certain tourism-related activities, including convention grants for attracting national conferences and conventions to Florida.[31] Grant funds total less than $2 million per year.

VF administers a cooperative advertising matching grants program whereby VF makes expenditures and enters into contracts with certain local governments and nonprofit corporations for the purpose of publicizing the tourism advantages of the state.[32] The total annual allocation of funds for this grant program may not exceed $40,000. Each grant awarded under the program is limited to no more than $2,500 and must be matched by nonstate dollars. Grants are restricted to local governments and nonprofit corporations serving and located in municipalities having a population of 50,000 persons or less or in counties with an unincorporated area having a population of 200,000 persons or less.[33]

In a recent study, OPPAGA found that it is difficult to distinguish VF's influence from that of other entities that engage in similar tourism marketing activities. VF focuses much of its efforts on statewide tourism goals such as increasing total visitors and visitor spending in the state. As a result, these same indicators are often used by VF to promote its success in positioning Florida as the top travel destination in the world. However, numerous other entities also actively promote the state. State

[27] *Id*.
[28] *Id*.
[29] s. 288.1226(2), F.S.
[30] s. 288.923(3), F.S.
[31] s. 288.124, F.S.
[32] s. 288.017, F.S.
[33] s. 288.017(2), F.S.

agencies, county governments, the federal government, and the private sector all engage in tourism promotional activities, including statewide marketing, and marketing local attractions and destinations.[34]

OPPAGA has explained that even though VF uses travel market intelligence to measure its organizational impact to the state and as broad indicators of the success of the organization's efforts, destination marketing best practices strongly caution against using total visitors as a tourism marketing organization's performance indicator because it is extremely unlikely that the organization generated every visitor. Thus, changes in these broad travel and tourism impact measures cannot be solely or directly attributed to VF's activities because many other public and private entities also engage in similar activities.[35]

The State Economic Enhancement and Development Trust Fund[36]

The trust fund was created for the purpose of infrastructure and job creation opportunities and for the following purposes or programs:

- Transportation facilities that meet a strategic and essential state interest with respect to the economic development of the state
- Affordable housing programs and projects in accordance with chapter 420, F.S.
- Economic development incentives for job creation and capital investment
- Workforce training associated with locating a new business or expanding an existing business
- Tourism promotion and marketing services, functions, and programs

The trust fund receives documentary stamp tax proceeds as specified in law, local financial support funds, interest earnings, and cash advances from other trust funds. Funds are expended only pursuant to legislative appropriation or an approved amendment to DEO's operating budget pursuant to the provisions of chapter 216, F.S.

Effect of Proposed Changes

Displaced Homemaker Program

The bill repeals s. 446.50, F.S., containing the Displaced Homemaker Program.

Eligible program participants will still be able to access these services through any of the 106 CareerSource centers located throughout the state that are already utilized by the contracting entities under the Displaced Homemaker Program. The centers will continue to offer the same services: employment and career resources; testing and assessments; employment search skills; career development seminars; resume/interview preparation; job-matching referrals; access to local, state and national salary and labor market information; education and training programs; financial aid information and screening for training programs; scholarship and training information; and computer, fax, telephone and copy services.

The Displaced Homemaker Trust Fund[37]

The bill repeals s. 446.50, F.S., terminating the Displaced Homemaker Trust Fund. The bill further eliminates a portion of fees that provided revenue for the trust fund by reducing the surcharge on marriage license applications by $7.50. The fee for the issuance of a marriage license will be reduced from $59.50[38] to $52.00.

[34] *supra*, note 24, at 25.
[35] *Id*., at 28.
[36] s. 288.1201, F.S.
[37] s. 446.50, F.S.
[38] s. 741.01, F.S.

The bill redirects $12.50 of the fees on dissolution of marriage filings to be deposited in the General Revenue Fund instead of the Displaced Homemaker Trust Fund, which is being terminated.

Enterprise Florida, Inc. and Florida Tourism Industry Marketing Corporation

The bill[39] institutes comprehensive transparency and accountability practices and oversight for VF and EFI by:

- Limiting travel and per diem reimbursement for employees and board members to that which is imposed on state employees pursuant to s. 112.061, F.S.
- Prohibiting lodging expenses for an employee in excess of $150 per day, excluding taxes, unless the employee is participating in a negotiated group rate discount or provides documentation of at least three comparable alternatives demonstrating that such lodging at the required rate is not available. However, an employee may expend his or her own funds for any lodging expenses in excess of $150 per day.
- Limiting public compensation of employees to no more than salary authorized to be paid to the Governor (the Governor's salary in Fiscal Year 2016-17 is $130,273), and prohibiting the use of public funds on bonuses for employees unless specifically authorized by law.
- Providing that funds may not be spent on food, beverages, lodging, entertainment or gifts for employees or board members, or employees of a local tourist or economic development agency that receives revenue from a tax imposed pursuant to ss. 125.0104, 125.0108, or 212.0305, F.S., unless authorized by the bill or under s. 112.061, F.S.
- Prohibiting employees or board members from receiving food, beverages, lodging, entertainment or gifts from a local tourist or economic development agency that receives revenue from a tax imposed pursuant to ss. 125.0104, 125.0108, or 212.0305, F.S., or from an entity doing business with EFI or VF, unless such gift is available to similarly situated members of the general public.
- Requiring that all contracts contain certain information, including performance standards, a project budget, the value of services provided, and projected travel and entertainment expenses for employees and board members when applicable.
- Requiring a partner entity that receives more than 50 percent of their revenue from EFI, VF, or local tourism-related taxes to report additional financial data, including the salaries of employees and board members, the operating budget of the partner entity, funds expended by the partner entity on EFI or VF's behalf, and travel and entertainment expenditures.
- Prohibiting EFI or VF from creating or establishing any other entity, corporation, or direct support organization.
- Requiring all unmatched contributions to revert to the state treasury by June 30 of each fiscal year.
- Requiring EFI and VF to post the following information online:
    - A plain language version of any contract that is estimated to exceed $35,000;
    - Any agreement entered into between EFI or VF and any other entity, including a local government, private entity, or nonprofit entity, that receives public funds or funds from a tax imposed pursuant to ss. 125.0104, 125.0108, or 212.0305, F.S.;
    - Contracts, financial data, and other information;
    - Video recordings of each board meeting;
    - A detailed report of expenditures following each marketing event paid for with EFI or VF's funds, within 10 business days after the event;
    - An annual itemized accounting of the total amount of funds spent by any third party on behalf of EFI or VF, any board member, or employee; and
    - An annual itemized accounting of the total amount of travel and entertainment expenditures.
- Requiring the submittal of proposed contracts worth $750,000 or more on 14-day legislative notice and review under s. 216.177, F.S. Upon objection by the chair and vice chair of the Legislative Budget Commission or Speaker and Senate President, the contract may not be executed.
- Prohibiting EFI and VF from entering into multiple related contracts to avoid the $750,000 threshold requirement.

[39] The bill amends ss. 288.1226, 288.124, 288.901, 288.903, 288.904, 288.905, 288.92, and 288.923, F.S.

- Requiring the submittal of a detailed operating budget each year.

In addition, the bill amends s. 288.1226, F.S., to provide additional transparency and accountability provisions specifically for VF:

- Requiring VF to post all proposed contracts valued at $500,000 or more on the VF website for review 14 days prior to execution
- Requiring VF to take all steps necessary to provide all data that is used to develop tourism estimates and measures, including the source data, to the Office of Economic and Demographic Research to enhance their ability to evaluate the impact of tourism advertising spending by the state
- Prohibiting expending funds, public or private, that directly benefit only one company, corporation or business entity
- Limiting the type of contributions that may be included in the calculation of the one-to-one match relating to cooperative advertising and in-kind contributions
- Prohibiting contributions from a government entity or any entity that receives more than 50% of its revenues from public sources from private match calculations

The bill creates s. 288.12266, F.S., providing for the Targeted Marketing Assistance Program within VF to enhance the tourism business marketing of small, minority, rural, and agritourism businesses in the state by providing marketing plans, marketing assistance, promotional support, media development, technical expertise, marketing advice, technology training, social marketing support, and other assistance.

The Florida Job Growth Grant Fund

The bill creates s. 288.101, F.S., providing for the Florida Job Growth Grant Fund within DEO to promote economic opportunity by improving public infrastructure and enhancing workforce training. The bill prohibits the Florida Job Growth Grant Fund from using any funds for the exclusive benefit of any single company, corporation, or business entity. The bill permits DEO and EFI to identify projects, solicit proposals, and make funding recommendations to the Governor. The Governor is authorized to approve:

- State or local public infrastructure projects to promote economic recovery in specific regions of the state, economic diversification, or economic enhancement in a targeted industry.
- Workforce training grants to support programs at state colleges and state technical centers that provide participants with transferable, sustainable workforce skills applicable to more than a single employer and grants for equipment associated with these programs. However, the DEO must work with CareerSource Florida to ensure programs are offered to the public based on criteria established by the state college or state technical center and do not exclude applicants who are unemployed or underemployed.

The bill defines:

- "Infrastructure" to mean any fixed capital expenditure or fixed capital costs associated with the construction, reconstruction, or improvement of facilities that have a life expectancy of five or more years and any land acquisition, land improvement, design, and engineering costs related thereto. Facilities in this category include technical structures such as roads, bridges, tunnels, water supply, sewers, electrical grids, and telecommunications facilities.
- "Public infrastructure" to mean infrastructure that is owned by the public, and is for public use or predominately benefits the public. If public infrastructure is leased or sold, it must be leased or sold at fair market rates or value.
- "Targeted industry" to mean any industry identified in the most recent list provided to the Governor, the President of the Senate, and the Speaker of the House of Representatives in accordance with s. 288.106(q), F.S.

Professional Golf Hall of Fame

The bill amends s. 288.1168, F.S., providing that the Department of Revenue must audit the professional golf hall of fame facility by October 1, 2017.

The bill requires the applicant to provide proof by January 1, 2018, that the applicant is using state funds to "pay or pledge for payment of debt service on, or to fund debt service reserve funds, arbitrage rebate obligations, or other amounts payable with respect to, bonds issued for the construction, reconstruction, or renovation of the facility or for the reimbursement of such costs or the refinancing of bonds issued for such purpose." The applicant must provide the certified financial report to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

The bill also requires the applicant to identify to whom the bonds were issued, in what amounts, the date of final maturity, the level of funding achieved and whether bond payments are outstanding.

If the applicant fails to certify and provide proof as required, then all payments from the state will end on January 1, 2018. Further, if the applicant fails to meet these requirements, no new or additional applications or certifications shall be approved, no new letters of certification may be issued, no new contracts or agreements may be executed, and no new awards may be made.

The State Economic Enhancement and Development Trust Fund[40]

The bill amends s. 201.15(4)(a), F.S., providing that the $75 million portion of the documentary stamp tax proceeds currently deposited in the State Economic Enhancement and Development Trust Fund are redirected to the General Revenue Fund.

B. SECTION DIRECTORY:

Section 1:	Terminating the Displaced Homemaker Trust Fund within the Department of Economic Opportunity and disposing of the balance.
Section 2:	Repeals s. 446.50, F.S., relating to displaced homemaker programs.
Section 3:	Repeals s. 446.51, F.S., relating to prohibited discrimination.
Section 4:	Repeals s. 446.52, F.S., relating to confidentiality of information related to displaced homemaker programs.
Section 5:	Repeals s. 1010.84, F.S., relating to the Displaced Homemaker Trust Fund.
Section 6:	Amends s. 20.60, F.S., conforming provisions to changes made by the bill.
Section 7:	Amends s. 28.101, F.S., conforming provisions to changes made by the bill.
Section 8:	Amends s. 187.201, F.S., conforming provisions to changes made by the bill.
Section 9:	Amends s. 445.003, F.S., conforming provisions to changes made by the bill.
Section 10:	Amends s. 445.004, F.S., conforming provisions to changes made by the bill.
Section 11:	Amends s. 741.01, F.S., conforming provisions to changes made by the bill.
Section 12:	Amends s. 741.011, F.S., conforming provisions to changes made by the bill.
Section 13:	Amends s. 11.45, F.S., authorizing the Auditor General to audit the Florida Tourism Industry Marketing Corporation.
Section 14:	Amends s. 201.15, F.S., transferring certain funds to the General Revenue Fund.
Section 15:	Creates s. 288.101, F.S., creating the Florida Job Growth Grant Fund.
Section 16:	Amends s. 288.1168, F.S., requiring the Department of Revenue to conduct an audit; and requiring a professional golf hall of fame facility applicant to provide a certified financial report to the Governor and the Legislature.
Section 17:	Amends s. 288.1226, F.S., requiring the Florida Tourism Industry Marketing Corporation to comply with certain transparency and oversight provisions.

[40] s. 288.1201, F.S.

Section 18: Creates s. 288.12266, F.S., creating the Targeted Marketing Assistance Program to enhance the tourism business marketing of small, minority, rural, and agritourism businesses in the state.
Section 19: Amends s. 288.124, F.S., authorizing the Florida Tourism Industry Marketing Corporation to establish a convention grants program.
Section 20: Amends s. 288.901, F.S., requiring Enterprise Florida, Inc., to comply with certain transparency and oversight provisions.
Section 21: Amends s. 288.903, F.S., subjecting EFI to certain notice and review procedures for contracts and prohibiting EFI from creating or establishing certain entities.
Section 22: Amends s. 288.904, F.S., requiring the reversion of unmatched public contributions to the state treasury by a certain date annually; and requiring the DEO to submit a proposed operating budget for EFI.
Section 23: Amends s. 288.905, F.S., limiting the amount of public compensation paid to Enterprise Florida, Inc., employees; and prohibiting certain performance bonuses.
Section 24: Amends s. 288.92, F.S., conforming provisions to changes made by the bill.
Section 25: Amends s. 288.923, F.S., conforming a cross-reference.
Section 26: Providing appropriations for DEO's contract with the Florida Tourism Industry Marketing Corporation.
Section 27: Providing appropriation to DEO to enter into a contract with Enterprise Florida, Inc., for operational purposes and to maintain its offices but excluding expenditures on any incentive tools or programs unless explicitly authorized by the bill.
Section 28: Providing appropriations for the Florida Job Growth Grant Fund.
Section 29: Provides for an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

   The reduction of the fee under s. 741.01, F.S., for the issuance of a marriage license from $59.50 to $52.00, is anticipated to have a negative recurring impact to state revenue of approximately $1.2 million.

   The $75 million recurring redirection of revenue from the State Economic Enhancement and Development Trust Fund to the General Revenue Fund has a net zero impact on state funds.

2. Expenditures:

   The bill amends statutes to conform to the funding decisions included in the General Appropriations Act for Fiscal Year 2017-2018, relating to the Displaced Homemaker Program, which reflects an elimination of a $2 million recurring appropriation.

   The bill provides a $76 million appropriation to DEO to enter into a contract with the Florida Tourism Industry Marketing Corporation (Visit Florida). From these funds, $50 million is recurring and $26 million is nonrecurring, which is the same as the Legislature provided in the 2016-17 fiscal year.

   The bill provides a recurring appropriation of $16 million, $9.4 million from the State Economic Enhancement and Development Trust Fund and $6.6 million from the Florida International Trade and Promotion Trust Fund, to DEO to enter into a contract with Enterprise Florida, Inc. (EFI). The appropriation is specifically for operational purposes and to maintain its offices but excludes expenditures on any incentive tools or programs unless explicitly authorized by the bill. Of the appropriated funds from the Florida International Trade and Promotion Trust Fund, EFI is directed to allocate $3.6 million for international programs, $2.1 million to maintain Florida's international offices, and $1 million to continue the Florida Export Diversification and Expansion Programs.

Additionally, the bill provides an $85 million nonrecurring appropriation for the Florida Job Growth Grant Fund. These funds shall not be used for any single company or business entity, but are authorized for public infrastructure projects and workforce training grants. The bill further authorizes any unspent appropriations for the Florida Job Growth Grant Fund may be carried forward and used for up to five years.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

   None.

2. Expenditures:

   Some local governments may benefit from reduced expenditures for public infrastructure if funds from the Florida Job Growth Grant Fund are used for public infrastructure that would have been paid for by local governments.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Entities currently contracting with DEO to provide services through the Displaced Homemaker Program will no longer receive funding from the state under the program. These same services may be obtained through existing local CareerSource Centers.

The cost for the issuance of a marriage license will be reduced from $59.50 to $52.00.

Although the Florida Job Growth Grant Fund is prohibited from being used for the exclusive benefit of any single company, corporation, or business entity, broad benefits to Florida individuals, communities and businesses related to needed public infrastructure projects and workforce training are likely to be seen to enhance economic recovery in specific regions of the state, enhance economic diversification, and enhance targeted industries.

D. FISCAL COMMENTS:

The bill redirects $75 million of the documentary stamp tax proceeds filings to be deposited in the General Revenue Fund instead of the State Economic Enhancement and Development Trust Fund.

The bill redirects $12.50 of the fees on dissolution of marriage filings to be deposited in the General Revenue Fund instead of the Displaced Homemaker Trust Fund, which is being terminated. According to the Revenue Estimating Conference, which met on February 16, 2017, those redirected fees for Fiscal Year 2017-18 are estimated to be $800,000.

The Executive Office of the Governor is authorized to process budget amendment(s) to provide a $40 million non-operating transfer of funds from the State Transportation Trust Fund to the State Economic Enhancement and Development Trust Fund to support expenditures for the Florida Job Growth Grant Fund.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

   Not Applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES