

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1201 Space Florida Board of Directors

SPONSOR(S): Altman

TIED BILLS: **IDEN./SIM. BILLS:** SB 1512

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Tourism, Infrastructure & Energy Subcommittee	14 Y, 0 N	Willson	Keating
2) Public Integrity & Elections Committee			
3) Commerce Committee			

SUMMARY ANALYSIS

Established by the Legislature in 2006, Space Florida was created to promote aerospace business development by facilitating business and infrastructure financing, spaceport operations, research and development, workforce development, and innovative education programs. Space Florida is an independent special district which covers the entire state.

Space Florida is governed by a 13 member independent board of directors. The board must be comprised of the 12 private sector members of the Enterprise Florida Board, plus the Governor or Governor's designee. The Governor or Governor's designee is a voting member and serves as the chair of the board.

The bill adds two ex officio, nonvoting members to the board of directors of Space Florida, as follows:

- One member of the Senate, appointed by the President of the Senate, and
- One member of the House of Representatives, appointed by the Speaker of the House of Representatives.

The bill does not impact state or local government revenues or expenditures.

The bill takes effect July 1, 2021.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Space Florida

Space Florida was established by the Legislature in 2006 to consolidate Florida's three existing space entities, namely the Florida Space Authority, the Florida Space Research Institute, and the Florida Aerospace Finance Corporation, into a single organization.¹ Space Florida was created to promote aerospace business development by facilitating business and infrastructure financing, spaceport operations, research and development, workforce development and innovative education programs.² Space Florida acts as the single point of contact for state aerospace-related activities with federal agencies, the military, state agencies, businesses, and the private sector.³ Space Florida may purchase or construct facilities; set rates, fees, and charges for the use of facilities; and undertake joint financing with municipalities or private sector entities for any project.⁴

Space Florida is an independent special district and a subdivision of the state. The boundary and services area for the Space Florida special district covers the entire state. Space Florida is subject to the provisions of the Uniform Special District Accountability Act, to the extent that the provisions of that act do not conflict with the Space Florida Act.⁵

Board of Directors

Space Florida is governed by a 13 member independent board of directors. The board is comprised of the 12 private sector members of the Enterprise Florida, Inc. (EFI) board of directors,⁶ plus the Governor or his or her designee. The Governor, or the Governor's designee, is a voting member and serves as the chair of the board.⁷

The duties of the Space Florida board of directors include:

- Adopting rules and orders to conduct the business of Space Florida, the maintenance of records, and the form of all documents and records of Space Florida.
- Maintaining an executive office and Space Florida offices in close proximity to the John F. Kennedy Space Center.
- Appointing a president of Space Florida, and determining his or her title, functions, duties, powers, and salary.
- Preparing an annual report of operations as a supplement to its annual report, which is also required by law.⁸

The Space Florida board of directors is authorized to exercise the following powers:

- Enter, and authorize any agent or employee of Space Florida to enter, upon any lands, waters, and premises, upon giving reasonable notice and due process to the land owner, for the purposes of making surveys, soundings, drillings, appraisals, and examinations necessary to perform its duties and functions.

¹ Space Florida, *Open Government*, <https://www.spaceflorida.gov/about/open-government/> (last visited Mar. 17, 2021).

² S. 331.302, F.S.

³ S. 331.3011, F.S.

⁴ S. 331.305, F.S.

⁵ S. 331.301–331.371, F.S.

⁶ The 12 private sector members of the EFI board of directors (who by default comprise the Space Florida board of directors) are appointed to four-year terms. Six members are appointed by the Governor, three members are appointed by the President of the Senate, and three members are appointed by the Speaker of the House of Representatives. S. 288.901(5)(a)7., F.S.

⁷ S. 331.3081, F.S.

⁸ S. 331.310(2), F.S.

- Execute all contracts and other documents, adopt all proceedings, and perform all acts determined by the board to be necessary or desirable to carry out the purposes given it in statute.
- Establish and create such departments, committees, or other entities as from time to time the board deems necessary or desirable in the performance of any acts or other things necessary to the exercise of the powers provided in statute.
- Provide financial services to support aerospace-related business development within the state. Financial services may include, but are not limited to:
 - Insuring, reinsuring, or originating for sale direct aerospace-related loans.
 - Direct lending.
 - Guaranteeing and collateralizing loans.
 - Creating accounts.
 - Capitalizing, underwriting, leasing, selling, or securing funding for aerospace-related infrastructure.
 - Investing in permissible securities.
 - Organizing financial institutions and international bank syndicates.
 - Acquiring, accepting, or administering grants, contracts, and fees from other organizations to perform activities that are consistent with the purposes of Space Florida's business plan. If the board deems a financial services entity is necessary, the board may create, form, or contract with one or more such entities.
- Examine, and authorize any officer or agent of Space Florida to examine, the county tax rolls with respect to the assessed valuation of the real and personal property within any spaceport territory.
- Engage in the planning and implementation of space-related economic and educational development within the state.
- Provide the strategic direction for the aerospace-related research priorities of the state and its aerospace-related businesses.
- Execute intergovernmental agreements and development agreements consistent with prevailing statutory provisions, including, but not limited to, special benefits or tax increment financing initiatives.
- Establish reserve funds for future board operations.
- Adopt rules pursuant to chapter 120 to carry out the purposes of ch. 331, which governs Space Florida.⁹

Effect of the Bill

The bill adds two ex officio, nonvoting members to the board of directors of Space Florida, as follows:

- One member of the Senate, appointed by the President of the Senate, and
- One member of the House of Representatives, appointed by the Speaker of the House of Representatives.

The bill takes effect July 1, 2021.

B. SECTION DIRECTORY:

Section 1 Amends s. 331.3081, F.S.; revising the membership of the board of directors of Space Florida to include two ex officio, nonvoting members appointed by the Legislature.

Section 2 Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

⁹ S. 331.310(1), F.S.
STORAGE NAME: h1201a.TIE
DATE: 3/22/2021

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to require counties or municipalities to spend funds or take action requiring the expenditures of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES