

Enterprise Florida: Capitol Connection Newsletter

2011 Legislative Session- Week 4 – April 4, 2011

Reorganization of economic development in Florida commences

Since committees began meeting in January, both the House and Senate have held numerous hearings to assess the best way to streamline Florida's economic development process across all levels. With input from the Governor's office, the current private/public partnerships and economic developers throughout the state, both chambers released an outline of what each considers the most effective economic development structure for maximizing job creation in the "new economy."

On March 28 the Senate released their official legislation, [Senate Bill 2156](#), which was placed on the [Senate Budget](#) committee agenda for April 1. The bill contains over 700 pages of policy revisions including the consolidation of the Department of Community Affairs, the Agency for Workforce Innovations and the Governor's Office of Tourism, Trade and Economic Development into one agency, "Jobs Florida." The legislation passed the committee and is now in position to be heard on the Senate floor.

The changes proposed in this bill are too numerous to comment on in a meaningful way in this publication. This edition of *Capitol Connection* will focus only on the changes relative to Florida's economic development functions.

Relating to Governmental Reorganization - Senate Bill 2156

Merger of the Private/Public Partnerships

The legislation merges [Enterprise Florida, Inc.](#), [Visit Florida](#), [Space Florida](#), [Florida Sports Foundation](#) and the [Black Business Investment Board](#) into a single not-for-profit named **Jobs Florida Partnership, Inc.** It does allow for **Space Florida** to retain its special district status while moving administrative functions in the Jobs Florida Partnership. Within the Partnership there are five mandated divisions (additional may be added).

Divisions within the new Partnership

1. Division of Business Retention & Recruitment
2. Division of Tourism Marketing
3. Division of International Trade & Business Development
4. Division of Minority Business Development

5. Division of Sports Industry Development

Each division has statutorily prescribed duties and responsibilities and will be advised by a 15 member advisory council.

Jobs Florida Partnership Board of Directors

The Partnership will be governed by an 11 member appointed Board and Chaired by the Governor of Florida (4 Gubernatorial appointees, 3 Senate President appointees and 3 House Speaker appointees). Additional at-large board members (up to 10) may be investors in the Partnership. *(The Jobs Florida Partnership Board will also serve as the Board of Directors for Space Florida)*

Jobs Florida State Agency

A new state agency is established as a single point of contact for all economic development opportunities. The newly created **Jobs Florida Agency** will consist of four divisions:

1. Division of Strategic Business Development
2. Division of Community Development
3. Division of Workforce Services
4. Division of Finance & Administration

The head of the Jobs Florida Agency will be known as the Commissioner, and will be subject to Senate confirmation and serve as the Governor's chief negotiator for business recruitment and business expansion, while overseeing contracts with the Jobs Florida Partnership and other direct support organizations.

Incentives and Additional Economic Development Programs

In an effort to streamline Florida's incentive process, the bill reduces the time the Partnership and the agency have to review and award state incentives from 34 days down to 24 and directs the Commissioner to play a more active role in the review of incentive applications.

As requested by numerous local economic development organizations, **SB 2156** makes permanent the economic gardening loan and technical assistance programs.

Community Asset Information

By September 30 of each year, every county or municipality that has a population of at least 25,000 must submit to Jobs Florida a brief overview of its strengths, services and the economic development incentives they offer. They must also identify any industries they are encouraging to locate or relocate to their area.

Florida House restructuring proposal includes dedicated source of funding

The House released their conceptual ideas for reorganizing Florida's economic development system on April 1 during the Select Committee on Government Reorganization meeting. Legislation for the complete reorganization has not yet been filed, however two bills providing a dedicated source of funding for economic development in the state has been. [House Bill 7205](#) and [House Bill 7207](#) create the State

Economic Enhancement and Development (SEED) Trust Fund. These bills move funding from: the Florida International Tourism and Promotional Trust Fund, the Tourism Promotional Trust Fund, the State Transportation Trust Fund, and the State and Local Government Housing Trust Fund; into the SEED Trust Fund and allows the new trust fund to be used for infrastructure and job creation opportunities. Specific appropriations can be made to:

1. Transportation facilities that meet a strategic and essential economic development interest for the state
2. Affordable housing programs and projects in accordance with Chapter 420, Florida Statutes
3. Economic development incentives for job creation and capital investment
4. Workforce training
5. Tourism promotion and marketing services/programs

Both HB 7205 and HB 7207 passed largely along party lines and the committee is expected to release their reorganization legislation on Wednesday, April 6.

Enterprise Florida continues to work closely with the Governor's office and the other private/public partnerships to ensure that any restructuring legislation that passes is set up for a smooth transition and helps pave the way for greater job creation and economic growth in Florida.

We welcome any feedback you may have on the topics addressed in this publication. As always, our legislative affairs team is available to answer any questions you may have.