

House and Senate to Restructure Economic Development

Last week was an eventful week in the legislature's effort to restructure economic development for Florida. Senate bill 2156, the chamber's bill that creates a new agency to house the state's job creation apparatus and streamline critical processes was approved by a majority of all senators when it came up for a floor vote on Thursday, April 8.

The much awaited bill, detailing the plan the House of Representatives would pursue for creating a more competitive economic development structure was voted out of its committee of origin, the House Select Committee on Government Reorganization. PCB SCGR 11-03 now goes to the House floor for deliberation.

Now that both bills are public we can see where they are similar and how wide ranging their differences are, and where they line up with the Governor's objectives.

Attached is a side-by-side comparison of the bills. Below is a brief summary of the two bills that will give you better context for reviewing this document.

Senate

The Senate's version, Senate Bill 2156, merges the Department of Community Affairs, Agency for Workforce Innovation and OTTED (Office of Tourism, Trade and Economic Development) into one agency called Jobs Florida.

Public-private partnerships

Florida's public-private partnerships would be consolidated under a single not-for-profit named Jobs Florida Partnership Inc. The rolled up includes the Black Business Investment Board, Enterprise Florida, Florida Sports Foundation Visit Florida, and Space Florida. Space Florida would keep its special district status but its administrative functions would transition to the Partnership, which would consist of five divisions:

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

Each division would have statutorily prescribed responsibilities and a 15-member advisory council. And, the Partnership itself (including Space Florida) would be governed by an 11-member board, chaired by Florida's governor. The board's make-up would include appointees by the governor (four), Senate president (three) and House Speaker (three). At-large members (up to 10) would be investors into the Partnership.

Jobs Florida

A "commissioner" would serve as the top officer of Jobs Florida. This position would be the state's lead negotiator for business recruitment and expansion while overseeing contracts with the Partnership and other direct support organizations. Jobs Florida would consist of four divisions:

- * Community Development
- * Finance & Administration
- * Strategic Business Development
- * Workforce Services

Incentives

To simplify Florida's incentive award process, the Senate bill reduces the time frame in which Jobs Florida and the Partnership would review and award incentives from 34 days to 24. It also directs the commissioner to be proactive in this process.

House

Legislation for a complete economic development reorganization includes two bills recommending a dedicated source of funding for economic development: HB 7205 and HB 7207. Both create the State Economic Enhancement and Development (SEED) Trust Fund, which would transfer funding from the Florida International Tourism and Promotional, Tourism Promotional, State Transportation and State and Local Government Housing trust funds into the SEED Trust Fund. This move would enable SEED to be used for infrastructure and job creation opportunities. Specific appropriations could be made to:

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

The Enterprise Florida staff is working with the governor's office and the other private-public partnerships to help pave the way for a smooth transition of any changes to our economic development structure.

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