1983

Session Law 83-271

Florida Senate & House of Representatives

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FIA RESEARCH PROJECT NO. | L88-020
---|---
SESSION LAW/SECTION NO(S). | 87-271, Sections 18-19
AFFECTED STATUTE(S) | 159.26, 159.27
PRIME BILL NO. | HB 1220
PRIME BILL SPONSOR | House Finance and Taxation Committee
IDENTICAL/SIMILAR BILL NOS. | HB 1213, HB 1271, SB 1136, CS/SB 1150

NARRATIVE/COMMENTS:

This law adds a historic preservation element to the legislative intent section. It also expands on definitions of project, research and development parks, public lodging and restaurant facilities, and adds definitions for "motion picture production facility" and "preservation or rehabilitation of a certified historic structure." These sections were not in the original HB 1220, but were added as a Senate floor amendment on 6/1/83. The source of the Senate floor amendment was probably SB 1136 as both that amendment and SB 1136 (where the subject language existed) were sponsored by Senator Bob Crawford. Similar language was also contained in HB 1213, a committee bill of the House Tourism and Economic Development Committee (PCB 10A).

RECOMMENDATIONS FOR FURTHER RESEARCH:

Further information could possibly be obtained from the Senate floor debate of 6/1/83 as it was an amendment aimed directly at the subject statutes. Also a tape review could be made of the Senate Economic, Community and Consumer Affairs Committee and the House Tourism and Economic Development Committee deliberations on HB 1213.
DOCUMENTATION CHECKLIST:

NOTE: All documentation obtained from the Florida State Archives is cited by the series and box number, i.e., "FSA S.19/200." "na" indicates that either that particular documentation does not apply or is non-existent.

* **Laws of Florida:** Chapter 83-271, Sections 18-19.

* **Florida Statutes:** (see statute/law comparison)

* **History of Legislation:** 1983:
  
  HB 1220, HB 1213, SB 1136, SB 1150

* **Prime Bill Version(s):**
  
  Not copied as the subject statutory amendments came after the bill left the House.

* **Identical/Similar Bills:** HB 1136, HB 1213.

* **House Journal:** na

* **Senate Journal:** 6/1/83, pp. 640-642.

* **Committee Staff Analyses and Reports:**
  
  01. House Tourism and Economic Development Committee, Staff Analysis of PCB 10A (HB 1213), 4/8/83.

  02. Senate Economic, Community and Consumer Affairs Committee, Staff Analysis of SB 1136, 6/16/83 (revised). (FSA, S. 19/1342).

* **Committee Meeting Tapes:** na

* **Floor Debate Tapes:** na

* **Other Documentation:** na
HB 1220 - Not in Orig. Bill
in similar HB 1213 / 2 - 3
nothing in HB 1221
in similar SB 1136
nothing in CS/SB 1150

Sm. Flr. Amd. 6/1/83 SJ 690-42
To HB 1220

HETX (cmr. bill)

SB 1136

SECTION (Not heard) - referred 5/23/83
5/18/1342

HB 1213

HTEU (cmr. bill)
Florida House of Representatives - 1983

By Committee on Tourism & Economic Development

A bill to be entitled
An act relating to industrial development financing; amending s. 125.01(1)(s), Florida Statutes, as created by chapter 83-1, Laws of Florida, authorizing the governing body of a county to approve or disapprove the issuance of industrial development bonds; amending s. 159.26, Florida Statutes, 1982 Supplement, providing legislative findings; amending s. 159.27(5), (7), (9), (11), and (12), Florida Statutes, 1982 Supplement, and adding subsections (20) and (21) thereto; redefining the terms "project," "research and development park," "warehousing or distribution facility," "tourism facility," and "public lodging or restaurant facility" for the purposes of the "Florida Industrial Development Financing Act"; defining the terms "motion picture production facility" and "preservation or rehabilitation of a certified historic structure"; creating s. 159.287, Florida Statutes, providing that bonds issued by special act economic development agencies are subject to the approval or disapproval of the county commission or governing body of a municipality; creating s. 159.345, Florida Statutes, requiring certain local agencies issuing revenue bonds to furnish the Division of Bond Finance of the Department of General Services with a copy of the report required in s. 103 of the Internal Revenue Code of 1954, as amended; prescribing uses of said...
Be It Enacted by the Legislature of the State of Florida:

1.20

Section 1. Paragraph (g) of subsection (1) of section 125.01, Florida Statutes, as created by chapter 83-1, Laws of Florida, is amended to read:

1.21

125.01 Powers and duties.--

1.22

1. The legislative and governing body of a county shall have the power to carry on county government. To the extent not inconsistent with general or special law, this power shall include, but shall not be restricted to, the power to:

1.23

1. Approve or disapprove the issuance of industrial development bonds upon the request of an industrial development authority created under part III of chapter 159.

1.24

Section 2. Section 159.26, Florida Statutes, 1982 Supplement, is amended to read:

1.25

159.26 Legislative findings and purposes.--The Legislature finds and declares that the agriculture, tourism, urban development, historic preservation, and health care industries, among others, are vital to the economy of the state and the welfare of the people and need to be enhanced and expanded to improve the competitive position of the state; that there is a need to enhance other economic activity in the state by attracting manufacturing development, business enterprise management, and other activities conducive to economic promotion in order to provide a stronger, more balanced, and stable economy in the state, while providing safety of the people; that in order to improve the prosperity and welfare of the state and its inhabitants, to improve living conditions and health care, to promote the preservation
of historic structures, to promote the rehabilitation of
enterprise zones, to promote effective and efficient pollution
control throughout the state, to promote the advancement of
education and science, research in and the economic
development of the state, and to increase purchasing power and
opportunities for gainful employment, it is necessary and in
the public interest to facilitate the financing of projects
provided for in this part and to facilitate and encourage the
planning and development of these projects without regard to
the boundaries between counties, municipalities, special
districts, and other local governmental bodies or agencies in
order to more effectively and efficiently serve the interests
of the greatest number of people in the widest area
practicable; and that the purposes to be achieved by such
projects and the financing of them in compliance with the
criteria and requirements of this part are predominantly the
public purposes stated in this section and that such purposes
implement the governmental purposes under the State
Constitution of providing for the health, safety, and welfare
of the people, including implementing the purpose of s. 10(c)
of Art. VII of the State Constitution.

Section 3. Subsections (5), (7), (9), (11), and (12)
of section 159.27, Florida Statutes, 1982 Supplement, are
amended, and subsection (20) and (21) are added to said
section, to read:

159.27 Definitions.--The following words and terms,
unless the context clearly indicates a different meaning,
shall have the following meanings:

(5) "Project" means any capital project comprising an
industrial or manufacturing plant, a research and development
park, an agricultural processing or storage facility, a

warehousing or distribution facility, a headquarters facility,
a tourism facility, a convention or trade show facility, an
urban parking facility, a trade center, a health care
facility, a motion picture production facility, a preservation
or rehabilitation of a certified historic structure, an
airport or port facility, a commercial project in an
enterprise zone, a pollution-control facility, or a hazardous
or solid waste facility, including one or more buildings and
other structures, whether or not on the same site or sites;
any rehabilitation, improvement, renovation, or enlargement
of, or any addition to, any buildings or structures for use as
a factory, a mill, a processing plant, an assembly plant, a
fabricating plant, an industrial distribution center, a
repair, overhaul, or service facility, a test facility, an
agricultural processing or storage facility, a warehousing or
distribution facility, a headquarters facility, a tourism
facility, a convention or trade show facility, an urban
parking facility, a trade center, a health care facility, a
motion picture production facility, a preservation or
rehabilitation of a certified historic structure, an airport
or port facility, a commercial project in an enterprise zone,
a pollution-control facility, or a hazardous or solid waste
facility, and other facilities, including research and
development facilities, for manufacturing, processing,
assembling, repairing, overhauling, servicing, testing, or
handling of any products or commodities embraced in any
industrial or manufacturing plant, in connection with the
purposes of a research and development park, or other
facilities for or used in connection with an agricultural
processing or storage facility, a warehousing or distribution
facility, a headquarters facility, a tourism facility, a
convention or trade show facility, an urban parking facility, a trade center, a health care facility, a motion picture production facility, a preservation or rehabilitation of a certified historic structure, an airport or port facility, or a commercial project in an enterprise zone or for controlling air or water pollution or for the disposal, processing, conversion, or reclamation of hazardous or solid waste; and including also the sites thereof and other rights in land therefor whether improved or unimproved, machinery, equipment, site preparation and landscaping, and all appurtenances and facilities incidental thereto, such as warehouses, utilities, access roads, railroad sidings, truck docking and similar facilities, parking facilities, office or storage or training facilities, public lodging and restaurant facilities, dockage, wharfage, solar energy facilities, and other improvements necessary or convenient for any manufacturing or industrial plant, research and development park, agricultural processing or storage facility, warehousing or distribution facility, tourism facility, convention or trade show facility, urban parking facility, trade center, health care facility, a motion picture production facility, a preservation or rehabilitation of a certified historic structure, airport or port facility, a commercial project in an enterprise zone, pollution-control facility, or hazardous or solid waste facility, and any one or more combinations of the foregoing.

(7) "Research and development park" means a center of research and development activity, including scientifically oriented production or educational programs of postsecondary educational institutions, consisting of research and development facilities, scientifically oriented production facilities, research institutes, testing laboratories, related business, government installations, and similar facilities, together with land, including all necessary appurtenances, rights, and franchises relating thereto with related buildings, facilities, and personal properties, but only to the extent that such facilities are incidental or complimentary to the purposes of a research and development park, and uses reasonably incidental to or in support of any facilities or improvements located or constructed at such a center or of activities or operations conducted at such a center for purposes authorized by this section.

(9) "Warehousing or distribution facility" means property used or useful in the storage of tangible personal property or centralized distribution of products of, resulting from, or used in manufacturing, agriculture, fishing, or mining, including, without limitation thereto, warehouses, distribution centers, freight terminals, and elevators, but excluding storage facilities serving a single retail outlet.

(11) "Tourism facility" means property used for or useful in connection with theme parks; zoological gardens; amusement parks; major art, historical, educational, or trade museums; cultural or performing arts centers; or spectator or participatory sports facilities generally available to the public, including, without limitation thereto, marinas, arenas, beaches, bathing facilities, golf courses, theaters, auditoriums, racetracks, and frontons.

(12) "Public lodging or restaurant facility" means property used for any public lodging establishment as defined in s. 509.242 or public food service establishment as defined in s. 509.013(5) if it is part of the complex or if it is necessary to the primary-purpose-to-provide-service-in connection with another facility qualifying under this part.
(20) "Motion picture production facility" means property used for or useful in connection with the preparation of motion picture or television productions produced for showing on screens or television for theatrical, commercial, advertising, or educational purposes utilizing live, animated, or a combination of live and animated actions, including, without limitation thereto, sound stages, editing facilities, facilities for production of background scenes, wardrobe facilities, recording and sound effects studios, and other facilities necessary or incidental thereto. This term shall not include facilities or equipment purchased, leased, or used by television broadcasting or cable companies licensed by the Federal Communications Commission.

(21) "Preservation or rehabilitation of a certified historic structure" means any "certified rehabilitation," as defined in s. 48(g)(2)(C) of the Internal Revenue Code of 1954, as amended, of a "certified historic structure" as defined in s. 48(g)(3) of the Internal Revenue Code of 1954, as amended.

Section 4. Section 159.287, Florida Statutes, is created to read:

159.287 Special act development commissions, councils, boards, or authorities; approval required to issue bonds.--

(1) Notwithstanding any other provision of part II of chapter 159 or any special act, any commission, council, board, or authority created by special act with the authority to issue bonds for the purpose of promoting economic development throughout a county shall hereby be deemed to have been created for the purpose of issuing bonds on behalf of the county in which jurisdiction or under or by whose authority said commission, council, board, or authority is located or is acting, and any bonds issued by such commission, council, board, or authority shall be subject to the approval or disapproval of the county commission of such county pursuant to s. 125.011(1)(z).

(2) Notwithstanding any other provision of part II of chapter 159 or any special act, any commission, council, board, or authority created by special act with the authority to issue bonds for the purpose of promoting economic development within a municipality shall be deemed to have been created for the purpose of issuing bonds on behalf of the municipality in which jurisdiction or under or by whose authority said commission, council, board, or authority is located or is acting, and any bonds issued by such commission, council, board, or authority shall be subject to the approval or disapproval of the governing authority of such municipality.

Section 5. Section 159.345, Florida Statutes, is created to read:

159.345 Local agency reporting requirement.--

(1) Any local agency which issues any revenue bonds pursuant to this part shall supply the Division of Bond Finance of the Department of General Services with a copy of the report required in s. 103 of the Internal Revenue Code of 1954, as amended, at the times required pursuant to said section.

(2) The Division of Bond Finance of the Department of General Services shall:

(a) Upon receipt, provide a copy of the information supplied pursuant to subsection (1) to the Division of Economic Development of the Department of Commerce.
HOUSE SUMMARY

Authorizes the governing body of a county to approve or disapprove the issuance of industrial development bonds.

Provides certain county and municipal authorities created by special act promoting economic development to get bond approval from the county or municipality, as appropriate.

Requires local agency reporting under the "Florida Industrial Development Financing Act," under the law governing industrial development authorities, and under the law governing research and development authorities to include a copy of certain federally required information.

Provides for the composite issue of bonds. Provides that research and development authorities may be granted leases by the Board of Trustees of the Internal Improvement Trust Fund for as long as 99 years and authorizes the authorities to grant subleases under described circumstances. See bill for details.
GENERAL ACTS
RESOLUTIONS AND MEMORIALS
ADOPTED BY THE
EIGHTH LEGISLATURE OF FLORIDA
UNDER THE CONSTITUTION
AS REVISED IN 1968
During the First Regular Session
April 5, 1983 through June 13, 1983
and the Special Sessions
March 1, 1983 through March 3, 1983
June 15, 1983 through June 24, 1983
July 12, 1983 through July 13, 1983

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1983
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filled for the remainder of the unexpired term. No member shall serve for more than one 3-year term.

(6) On March 1 of each year, the board shall provide to the Legislature a report which includes an analysis of fund performance, annual beginning and ending portfolio distribution, changes in investment policy, compliance with investment strategy, and an analysis of the cost, return, and risk of each portfolio under internal or external fund management.

(7) The Auditor General shall audit annually the board's entire operations. In addition to his regular financial and compliance audit, the Auditor General shall also perform or cause to be performed a performance audit of the board's management of investments, including among other things his independent verification of the data included by the board in its reports to the Legislature required by subsection (6). The Auditor General may elect to contract with a private professional firm qualified in investment portfolio management to conduct the performance audit of investment management required by this subsection.

Section 2. Subsection (3) of section 215.47, Florida Statutes, 1982 Supplement, is amended, and subsection (8) is added to said section to read:

215.47 Investments; authorized securities.—Subject to the limitations and conditions of the State Constitution or of the trust agreement relating to a trust fund, moneys available for investments under ss. 215.44-215.53 may be invested as follows:

(3) Not more than 60 49 percent of any fund in common stock, preferred stock, and interest-bearing obligations of a corporation having an option to convert into common stock, provided:

(a) The corporation is listed on any one or more of the recognized national stock exchanges in the United States and is organized under the laws of the United States, any state or organized territory of the United States, or the District of Columbia; or

(b) The corporation is listed on any one or more of the recognized national stock exchanges in the United States and conforms with the periodic reporting requirements under the Securities Exchange Act of 1934.

(c) Not more than 40 percent of the fund may be in internally managed common stock.

The board shall not invest more than 10 percent of the equity assets of any fund in the common stock, preferred stock, and interest-bearing obligations having an option to convert into common stock, of any one issuing corporation; and the board shall not invest more than 3 percent of the equity assets of any fund in such securities of any one issuing corporation except to the extent a higher percentage of the same issue is included in a nationally recognized market index, based on market values, at least as broad as the Standard and Poor's Composite Index of 500 Companies, or except upon a specific finding by the board that such higher percentage is in the best interest of the fund. The aggregate investment of any fund in any one issuing corporation shall not exceed 5 percent of the outstanding capital stock of that corporation. The board may only sell listed options to reduce investment risk, to improve cash flow, or to provide alternative means for the purchase and sale of underlying investment securities. Reversing transactions may be made to close out existing option positions.

(8) In exercising investment authority pursuant to this section, the board may retain investment advisors or managers, or both, external to inhouse staff, to assist the board in carrying out the power specified in s. 215.44(2).

Section 3. This act shall take effect upon becoming a law.

Approved by the Governor June 24, 1983.

Filed in Office Secretary of State June 27, 1983.

CHAPTER 83-271
House Bill No. 1220

An act relating to bonds; creating the "Registered Public Obligations Act of Florida"; providing definitions; providing legislative intent; providing for systems of registration with respect to obligations; providing for the execution of certificated registered public obligations; providing criteria for valid and binding execution; providing for a seal; authorizing issuers of public obligations to appoint agents, providing for the payment of costs of the system of registration as a condition precedent to transfer under certain circumstances; providing for payment of liabilities; providing for the validity of certain obligations issued by public entities; excluding certain records from the public records law; providing for applicability; providing for construction; providing for a covenant of the state; superseding laws in conflict; amending s. 125.01(1)(5), Florida Statutes, 1982 Supplement, providing legislative findings; amending s 159.27(5), (7), (9), (11), and (12), Florida Statutes, 1982 Supplement, and adding subsections (20) and (21) thereto; redefining the terms "project," "research and development park," "warehousing or distribution facility," "tourism facility," and "public lodging or restaurant facility" for the purposes of the "Florida Industrial Development Financing Act"; defining the terms "motion picture production facility" and "preservation or rehabilitation of a certified historic structure"; creating s. 159.287, Florida Statutes, providing that bonds issued by special act economic development agencies are subject to the approval or disapproval of the county commission or governing body of a municipality; creating s. 159.345, Florida Statutes, requiring certain local agencies issuing revenue bonds to furnish the Division of Bond Finance of the Department of General Services with a copy of the report required in s. 103 of the Internal Revenue Code of 1954, as amended;
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prescribing uses of said reports; creating s. 159.415, Florida Statutes, providing for the composite issuance of bonds, provided that the debt service payments on projects financed are sufficient to pay debt service on projects financed, that each business maintains its obligations under the financing agreements for the projects; amending s. 159.67(1)(f) and (1); Florida Statutes, providing that issuance of bonds by industrial development authorities shall be subject to the approval or disapproval of the county commission; creating s. 159.475, Florida Statutes, providing required industrial development authority reports; amending s. 159.705(6), Florida Statutes, and adding subsection (11) thereto, providing that research and development authorities may be granted leases by the Board of Trustees of the Internal Improvement Trust Fund for up to 99 years; providing that research and development authorities may grant subleases for land owned by the Board of Trustees of the Internal Improvement Trust Fund if the board has approved the master lease agreement, concept of operation of the research and development park, and master sublease provisions in such master leases; creating s 159.7055, Florida Statutes, providing required research and development authority reports, providing an effective date.

Be It Enacted by the Legislature of the State of Florida

Section 1. Short title.--This act shall be known and may be cited as the "Registered Public Obligations Act of Florida."

Section 2. Definitions.--As used in this act, the following terms shall have the following meanings, unless the context otherwise requires:

1. "Authorized officer" means any individual required or permitted, alone or with others, by any provision of law or by the issuing public entity to execute on behalf of the public entity its obligations, or to execute on behalf of the public entity a certificated registered public obligation or a writing relating to an uncertificated registered public obligation.

2. "Certificated registered public obligation" means a registered public obligation which is represented by an instrument.


4. "Facsimile seal" means the reproduction by engraving, imprinting, stamping, or other means of the seal of the issuer, official or official body.

5. "Facsimile signature" means the reproduction by engraving, imprinting, stamping, or other means of a manual signature.

6. "Financial intermediary" means a bank, broker, clearing corporation, or other person or the nominee of any of them, which in the ordinary course of its business maintains registered public obligation accounts for its customers, when so acting.

7. "Issuer" means a public entity which issues an obligation.

8. "Obligation" means bonds, certificates, notes, or other evidence of indebtedness including, but not limited to, an agreement of a public entity to pay principal and any interest thereon, whether in the form of a contract to repay borrowed money, a lease, an instrument purchase agreement, or otherwise, and includes a share, participation, or other interest in any such agreement.

9. "Official actions" means the actions by statute, order, ordinance, resolution, contract, or other authorized means by which the issuer provides for issuance of a registered public obligation.

10. "Official or official body" means the officer or board of an issuer empowered under the laws of one or more states, territories, possessions of the United States, or the District of Columbia, including the State of Florida, to authorize and provide for original issuance of an obligation of the issuer by defining the obligation and its terms, conditions, and other incidents, the successor or successors of any such official or official body, and such other person or group of persons as shall be assigned duties of such official or official body with respect to a registered public obligation under applicable law from time to time.

11. "Public entity" means any entity, department, or agency which is empowered under the laws of one or more states, territories, possessions of the United States, or the District of Columbia, including the State of Florida, to issue obligations, any interest with respect to which may, under any provision of law, be provided an exemption from the income tax referred to in the code. The term "public entity" may thus include, without limitation, the State of Florida, an entity deriving powers from and acting pursuant to the State Constitution or a general or special legislative act, a political subdivision, a municipal corporation, a state university or college, a school or other special district, a joint agreement entity, a public authority, a public trust, a nonprofit corporation, or other organizations.

12. "Registered public obligation" means an obligation issued by public entity pursuant to a system of registration.

13. "System of registration" and its variants means a plan that provides:

(a) With respect to a certificated registered public obligation, that:

1. The certificated registered public obligation specify a person entitled to the registered public obligation and the rights it represents; and
2. Transfer of the certificated registered public obligation and the rights it represents may be registered upon books maintained for that purpose by or on behalf of the issuer.

(b) With respect to an uncertificated registered public obligation, that:

1. Books maintained by or on behalf of the issuer for the purpose of registration of the transfer of a registered public obligation specify a person entitled to the registered public obligation and the rights evidenced thereby; and

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(3) Unless determined otherwise pursuant to subsection (1), the provisions of this act shall be applicable with respect to obligations which have heretofore been approved by vote, referendum or hearing, authorizing or permitting the authorization of registered bonds in bearer and registered form, or in bearer form only, and such obligations need not be resubmitted for a further vote, referendum or hearing, for the purpose of authorizing or permitting the authorization of registered public obligations pursuant to this act.

Section 13. Construction.--This act shall be construed in conjunction with chapters 671 through 680, Florida Statutes, and the principles of contract law relative to the registration and transfer of obligations.

Section 14. Covenant of State.--The State of Florida hereby covenants with the owners of any registered public obligations that it will not amend or repeal this act if the effect may be to impair the exemption from income taxation of interest on registered public obligations.

Section 15. Severability.--If any provision of this act or the application thereof to any person or circumstance is held invalid, it is the legislative intent that the invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared severable.

Section 16. Any special or general law in conflict with the provisions of this act authorizing the issuance of bonds in registered form is hereby superseded to the extent of such conflict.

Section 17. Paragraph (z) of subsection (1) of section 125.01, Florida Statutes, as created by chapter 83-1, Laws of Florida, is amended to read:

125.01 Powers and duties.--

(1) The legislative and governing body of a county shall have the power to carry on county government. To the extent not inconsistent with general or special law, this power shall include, but shall not be restricted to, the power to:

(2) Approve or disapprove the issuance of industrial development bonds authorized by law for entities within its geographic jurisdiction upon the request of an industrial development authority created under part III of chapter 159.

Section 18. Section 159.26, Florida Statutes, 1982 Supplement, is amended to read:

159.26 Legislative findings and purposes.--The Legislature finds and declares that the agriculture, tourism, urban development, historic preservation, and health care industries, among others, are vital to the economy of the state and the welfare of the people and need to be enhanced and expanded to improve the competitive position of the state; that there is a need to enhance other economic activity in the state by attracting manufacturing development, business enterprise management, and other activities conducing to economic promotion in order to provide a stronger, more balanced, and stable economy in the state, while providing through pollution control and otherwise for the health and safety of the people; that in order to improve the prosperity and welfare of the state and its inhabitants, to improve living conditions and health care, to promote the preservation of historic structures, to promote the rehabilitation of enterprise zones, to promote effective and efficient pollution control, to promote the advancement of education and science, research in and the economic development of the state, and to increase purchasing power and opportunities for gainful employment, it is necessary and in the public interest to facilitate the development of the state by the provision for in this part and to more effectively and efficiently serve the interests of the greatest number of people in the widest area practicable; and that the purposes to be achieved by such projects and the financing of them in compliance with the criteria and requirements of this part are predominantly the public purposes stated in this section and that such purposes implement the governmental purposes under the State Constitution of providing for the health, safety, and welfare of the people, including implementing the purpose of s. 10(c) of Art. VII of the State Constitution.

Section 19. Subsections (5), (7), (9), (11), and (12) of section 159.27, Florida Statutes, 1982 Supplement, are amended, and subsection (20) and (21) are added to said section, to read:

159.27 Definitions.--The following words and terms, unless the context clearly indicates a different meaning, shall have the following meanings:

(5) "Project" means any capital project comprising an industrial or manufacturing plant, a research and development park, an agricultural processing or storage facility, a warehousing or distribution facility, a headquarters facility, a tourism facility, a convention or trade show facility, an urban parking facility, a trade center, a health care facility, a motion picture production facility, a preservation or rehabilitation of a certified historic structure, an airport or port facility, a commercial project in an enterprise zone, a pollution-control facility, or a hazardous or solid waste facility, including one or more buildings and other structures, whether or not on the same site or sites; any rehabilitation, improvement, renovation, or enlargement of, or any addition to, any buildings or structures for use as a factory, a mill, a processing plant, an assembly plant, a fabricating plant, an industrial distribution center, a repair, overhaul, or service facility, a test facility, an agricultural processing or storage facility, a warehousing or distribution facility, a headquarters facility, a tourism facility, a convention or trade show facility, an urban parking facility, a trade center, a health care facility, a motion picture production facility, a preservation or rehabilitation of a certified historic structure, an airport or port facility, a commercial project in an enterprise zone, a pollution-control facility, or a hazardous or solid waste facility, and other facilities, including research and development facilities, for manufacturing, processing, assembling, repairing, overhealing, servicing, testing, or handling of any products or commodities embraced in any industrial or manufacturing plant, in connection with the purposes of a research and development park, or other facilities for or used in connection with an agricultural processing or storage facility, a warehousing or distribution facility, a headquarters facility,
facility, a tourism facility, a convention or trade show facility, an urban parking facility, a trade center, a health care facility, a motion picture production facility, a preservation or rehabilitation of a certified historic structure, an airport or port facility, or a combination of any manufacturing or industrial plant, research and development park, agricultural processing or storage facility, warehousing or distribution facility, tourism facility, convention or trade show facility, urban parking facility, trade center, health care facility, a motion picture production facility, a preservation or rehabilitation of a certified historic structure, airport or port facility, commercial project in an enterprise zone, pollution-control facility, or hazardous or solid waste facility, and any one or more combinations of the foregoing.

(7) "Research and development park" means a center of research and development activity, including scientifically oriented production or educational programs of postsecondary educational institutions, consisting of research and development facilities, scientifically oriented production facilities, research institutes, testing laboratories, related business, government installations, and similar facilities, together with land, including all necessary appurtenances, rights, and franchises relating thereto, but only to the extent that such facilities are incidental or complimentary to the purposes of a research and development park, and uses reasonably incident to or incidental to the purposes of any facility or appurtenances of any facility located at such a center or of activities or operations conducted at such a center for purposes authorized by this section.

(9) "Warehousing or distribution facility" means property used or useful in the storage or centralized distribution of products of, resulting from, or used in manufacturing, agriculture, fishing, or mining, including, without limitation thereto, warehouses, distribution centers, freight terminals, and elevators, but excluding storage facilities serving a single retail outlet.

(11) "Tourism facility" means property used for or useful in connection with tourist parks, zoological gardens, amusement parks, major art, historical, educational, or trade museums, cultural or performing arts centers; or spectator or participatory sports facilities generally available to the public, including, without limitation thereto, marinas, arenas, beaches, bathing facilities, golf courses, theaters, auditoriums, racetracks, and frontons.

(12) "Public lodging or restaurant facility" means property used for any public lodging establishment as defined in s. 509.242 or public restaurant as defined in s. 509.013(5) if it is part of the complex of, or necessary to, the primary purpose to provide service in connection with another facility qualifying under this part.
COMMITTEE ON TOURISM AND ECONOMIC DEVELOPMENT
HOUSE OF REPRESENTATIVES
April 8, 1983

PCBI 15 A
RELATING TO: Industrial Revenue Bonds

1. SUMMARY

1A. Present Situation

The Florida Industrial Development Financing Act permits cities, counties, special districts, industrial development authorities and research and development authorities to issue industrial revenue bonds to finance industrial or manufacturing facilities, agricultural processing and storage facilities, warehouse and distribution facilities, corporate administrative headquarters, tourism facilities, convention or trade show centers, health care facilities, airport or port related facilities, research and development parks, public lodging or restaurant facilities whose primary purpose is to serve other eligible facilities and commercial projects in enterprise zones. Parts III and V of chapter 159, Florida Statutes, respectively, provide for the creation and operation of industrial development authorities and research and development authorities.

B. Effect of Proposed Changes

This bill makes the following changes:

Section 1. Amends s. 125.01(1) to permit county commissions to approve or disapprove the issuance of all industrial revenue bonds (IRBs) rather than just bonds issued by industrial development authorities.

Section 2. Makes legislative findings that preservation or rehabilitation of historic structures is a public purpose.

Section 3. Modifies the definition of "cost" to include insurance premiums, application fees, and commitment fees charged by the Economic Development Financing Insurance Program. Expands the definition of "research and development park" to include scientifically oriented production and education programs of universities, scientifically oriented production facilities and other uses reasonably incidental to the activities and operations of a research and development park. Modifies the definition of "warehousing and distribution facility" to include facilities for storage of tangible personal property. Modifies the definition of a tourism facility to include art museums and performing arts centers. Permits use of IRBs to finance "motion picture production facilities" and "preservations or rehabilitations of certified historic structures.

Section 4. Provides that the issuance of IRBs by industrial development authorities, commissions, councils or boards is subject to the approval or disapproval of the county commission of the county for which said authority, commission, council or board was created.

Section 5. Requires local agencies issuing IRBs to furnish the Division of Bond Finance of the Department of General Services with a copy of the report required to be furnished to the IRS. Requires a copy be sent to the Division of Economic Development of the Department of Commerce. Requires a report on IRB use to the Governor and Legislature.

Section 6. Permits local agencies to issue composite bonds. Such bonds could be used to finance, with a single bond issue, separate projects secured with separate financing agreements provided: (a) the debt service under such agreements is in amounts sufficient to maintain debt service on such bonds; b) the businesses financed are financially capable of performing their obligations under the financing agreements; c) the businesses financed are capable of operating and maintaining the projects; and d) the bonds are insured under the Florida Economic Development Financing Insurance Program in part VI of chapter 159 (section 11).

Section 7. Provides that industrial development authorities may issue IRBs subject to the approval or disapproval of the county commission pursuant to s. 125.01(s).

Section 8. Same as section 5, except this section applies to industrial development authorities.

Section 9. Authorizes research and development authorities to be granted leases of land owned by the Board of Trustees of the Internal Improvement Trust Fund for up to 99 years. Authorities would be further authorized to sub-lease such lands in certain situations.

Section 10. Same as section 5, except this section applies to research and development authorities.

Section 11. Creates the Florida Economic Development Financing Insurance Program. Creates a voluntary insurance fund program for the debt service on IRBs. The trust fund would be made up of: a) payments, premiums and fees associated with insuring an IRB; b) legislative appropriations; c) grants to the fund; and d) proceeds received from the enforcement of the rights of the fund. An economic development financing insurance board is created within the Department of Community Affairs to evaluate applications for insurance from local governments issuing IRBs. The board would consist of the Secretary of the Department of Community Affairs, the Secretary of the Department of Commerce, the Director of the Division of Bond Finance of the Department of General Services, the Executive Director of the Florida Housing Agency and one local economic development official to be appointed by the Governor.
Payments could be made from the fund, if needed, to pay the debt service on a project only after the debt service payment was past due for 30 days and the debt service reserve fund for a particular project had been exhausted. The board in charge of the fund would be authorized to require that up to one full year of debt service payments be placed in a debt service reserve fund as a condition of the insurance.

Any monies paid out of the insurance fund are required to be repaid from the revenues of the project as soon as possible. In the even of a default, the board would have the option of maintaining the debt service on the project until it could be sold or leased to another company or paying off the bonds and acquiring the project. The local agency that issued the IRBs would be required to assist in efforts to liquidate any defaulted project.

Premiums and the method of calculation of premiums would be set by the board. Premiums would be limited to either one-half of one percent of the outstanding balance of the bonds each year of the term of the bond or a one time charge of two percent of the principle amount of the bonds. Premiums charged would be uniform among all bonds insured. No premiums would be charged for projects located in a) an enterprise zone, b) a research and development park, or c) a county with an unemployment rate 5 or more percent above the unemployment rate for the state.

Section 12. The amendments contained in this act do not apply to bonds issued prior to July 1, 1983.

Section 13. Effective date: July 1, 1983.

II. FISCAL IMPACT:

A. State Fiscal Impact: None.

B. Local Government Impact: None.

C. Private Sector Impact: The provisions of sections 9 and 15 of this bill should make industrial revenue bond financing available to smaller concerns presently unable to utilize IRBs due to the costs of issuance or due to the short financial history of such businesses.

III. COMMENTS:

The Connecticut Development Authority has operated a program similar to the proposal contained in section 11 of this bill since 1973. In the past ten years, Connecticut has insured over $100,000,000 in industrial revenue bonds involving over 200 projects. The Authority's mortgage insurance program has become involved in five instances where a project has had problems with making its debt service payments. In only two instances has the Authority actually experienced losses associated with a project. The total amount of the loss in those instances total $200,000 - 500,000.

The Maryland Industrial Development Financing Authority also operates an industrial revenue bond insurance program. The Maryland program is voluntary and has operated since 1965. Premiums are presently 1/2 of one percent of the annual outstanding balance of the bonds.

Approximately 50 percent of all IRBs issued in Maryland are insured under this program. The Maryland program reports that its experiences with this program are similar to those of the Connecticut program.

Composite or umbrella bonds are issued to finance a multiple of facilities with one bond issue, thus reducing the costs of issuing IRBs and permitting smaller projects to be financed. A number of states, including Connecticut, Minnesota, Maryland, Ohio and West Virginia, currently authorize use of this type of bonds. It should be noted that these states have statewide bonding authorities. Florida is constitutionally prohibited from issuing state industrial revenue bonds.

All or part of the provisions of sections 1, 4, 7, and 9 of this bill are made necessary to some extent by the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA). The portions of TEFRA dealing with IRBs were enacted to reduce the level of IRB use nationally.

The following counties have created industrial development authorities under part III of chapter 159: Citrus, Columbia, Dade, Gadsden, Glades, Hillsborough, Lee, Marion, Okaloosa, Orange, Okeechobee, Seminole, St. Johns, Santa Rosa, Suwannee, Volusia and Washington. The Legislature between 1947 and 1969 created 32 special act economic development agencies. The following counties have created research and development authorities: Alachua, Hillsborough, Leon and Orange.

Prepared by: Thomas R. McSwain
Staff Director: Craig A. Meyer
A bill to be entitled
An act relating to industrial development financing; amending s. 125.01, Florida Statutes, 1982 Supplement; providing that counties may approve or disapprove the issuance of all industrial development bonds rather than just bonds issued by industrial development authorities; amending s. 159.26, Florida Statutes, 1982 Supplement, providing legislative findings; amending subsections (2), (5), (7), (9), (11), and (12) of s. 159.27, Florida Statutes, 1982 Supplement, and creating subsections (20) and (21) thereto; providing definitions; creating s. 159.287, Florida Statutes, 1982 Supplement; providing that bonds issued by special act economic development agencies are subject to the approval or disapproval of the county commission; creating s. 159.345, Florida Statutes, 1982 Supplement, requiring local agencies to furnish the Division of Bond Finance of the Department of General Services with a copy of the report required in section 103 of the Internal Revenue Code of 1954, as amended; prescribing uses of said reports; creating s. 159.415, Florida Statutes, 1982 Supplement, providing that local agencies may issue composite bond issues provided the debt service payments on projects financed are sufficient to pay debt service on such bonds, that each business financed is financially responsible, that each financed business can maintain its obligations under the financing agreements for the projects, and that such bonds are insured under the Florida Economic Development Financing Insurance Program; amending subsection (2) of s. 159.44, Florida Statutes, 1982 Supplement, providing definitions; amending subsection (1) of s. 159.47, Florida Statutes, 1982 Supplement, making issuance of bonds by industrial development authorities subject to the approval or disapproval of the county commission; creating s. 159.475, Florida Statutes, 1982 Supplement, requiring the authority to send the Division of Bond Finance of the Department of General Services a copy of the report required under section 103 of the Internal Revenue Code of 1954; providing for the use of the reports; adding subsection (11) to s. 159.705, Florida Statutes, 1982 Supplement, providing that research and development authorities may be granted leases by the Board of Trustees of the Internal Improvement Trust Fund for up to 99 years; providing the research and development authorities may grant subleases for land owned by the Board of Trustees of the Internal Improvement Trust Fund if the Board of Trustees have approved the master lease agreement, concept of operation of the research and development park and master sublease provisions in such master leases; creating part VI to chapter 159, Florida Statutes, 1982 Supplement;
creating the Florida Economic Development  
Financing Insurance Program; providing  
legislative intent, findings and purpose;  
providing definitions; creating the Florida  
Economic Development Financing Insurance Board;  
providing for membership on the board;  
providing powers and duties of the board;  
creating the Florida Economic Development  
Financing Insurance Trust Fund; providing  
sources of said trust funds; providing for  
investment of the trust fund and uses of the  
income from such investment; providing for  
applications for insurance; providing for  
insurance premiums; providing that the credit  
of the state and its political subdivisions are  
not pledged; providing an expiration date;  
providing that amendments contained in this act  
do not apply to bonds for which a resolution  
was issued prior to a date certain; providing an effective date.

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

Section 1. Subsection (1) of s. 125.01, Florida  
Statutes, 1982 Supplement, as amended by chapter 83-1, is  
amended to read:

125.01 Powers and duties.—
(1) The legislative and governing body of a county  
shall have the power to carry on county government. To the  
extent not inconsistent with general or special law, this  
power shall include, but shall not be restricted to, the power  
to:

(2) Approve or disapprove the issuance of industrial  
development bonds upon the request of an industrial  
development authority created under part III of chapter 159.

Section 2. Section 159.26, Florida Statutes, 1982  
Supplement, is amended to read:

159.26 Legislative findings and purposes.—The  
Legislature finds and declares that the agriculture, tourism,  
urban development, historic preservation and health care  
industries, among others, are vital to the economy of the  
state and the welfare of the people and need to be enhanced  
and expanded to improve the competitive position of the state;  
that there is a need to enhance other economic activity in the  
state by attracting manufacturing development, business  
enterprise management, and other activities conducive to  
economic promotion in order to provide a stronger, more  
balanced, and stable economy in the state, while providing  
through pollution control and otherwise for the health and  
safety of the people; that in order to improve the prosperity  
and welfare of the state and its inhabitants, to improve  
living conditions and health care, to promote the preservation  
of historic structures, to promote the rehabilitation of  
enterprise zones, to promote effective and efficient pollution  
control throughout the state, to promote the advancement of  
education and science, research in and the economic  
development of the state, and to increase purchasing power and  
opportunities for gainful employment, it is necessary and in  
the public interest to facilitate the financing of projects  
provided for in this part and to facilitate and encourage the  
planning and development of these projects without regard to
the boundaries between counties, municipalities, special districts, and other local governmental bodies or agencies in order to more effectively and efficiently serve the interests of the greatest number of people in the widest area practicable; and that the purposes to be achieved by such projects and the financing of them in compliance with the criteria and requirements of this part are predominantly the public purposes stated in this section and that such purposes implement the governmental purposes under the State Constitution of providing for the health, safety, and welfare of the people, including implementing the purpose of s. 10(c) of Art. VII of the State Constitution.

Section 3. Subsections (1), (2), (5), (7), (9), (11) and (12) of s. 159.27, Florida Statutes, 1982 Supplement, are amended and subsections (20) and (21) are added thereto to read:

159.27 Definitions.—The following words and terms, unless the context clearly indicates a different meaning, shall have the following meanings:

(a) "Cost," as applied to any project, shall embrace:

(f) The cost of insurance premiums, application fees, commitment fees and other similar fees charged by the Economic Development Financing Insurance Program.

(5) "Project" means any capital project comprising an industrial or manufacturing plant, a research and development park, an agricultural processing or storage facility, a warehousing or distribution facility, a headquarters facility, a tourism facility, a convention or trade show facility, an urban parking facility, a trade center, a health care facility, a motion picture production facility, a preservation or rehabilitation of a certified historic structure, an airport or port facility, a commercial project in an enterprise zone, a pollution-control facility, or a hazardous or solid waste facility, including one or more buildings and other structures, whether or not on the same site or sites, any rehabilitation, improvement, renovation, or enlargement of, or any addition to, any buildings or structures for use as a factory, a mill, a processing plant, an assembly plant, a fabricating plant, an industrial distribution center, a repair, overhaul, or service facility, a test facility, an agricultural processing or storage facility, a warehousing or distribution facility, a headquarters facility, a tourism facility, a convention or trade show facility, an urban parking facility, a trade center, a health care facility, a motion picture production facility, a preservation or rehabilitation of a certified historic structure, an airport or port facility, a commercial project in an enterprise zone, a pollution-control facility, or a hazardous or solid waste facility, and other facilities, including research and development facilities, for manufacturing, processing, assembling, repairing, overhauling, servicing, testing, or handling of any products or commodities embraced in any industrial or manufacturing plant, in connection with the purposes of a research and development park, or other facilities for or used in connection with an agricultural processing or storage facility, a warehousing or distribution facility, a headquarters facility, a tourism facility, a convention or trade show facility, an urban parking facility, a trade center, a health care facility, a motion picture production facility, a preservation or rehabilitation of a certified historic structure, an airport or port facility, or a commercial project in an enterprise zone or for controlling
air or water pollution or for the disposal, processing, conversion, or reclamation of hazardous or solid waste; and including also the sites thereof and other rights in land therefor whether improved or unimproved, machinery, equipment, site preparation and landscaping, and all appurtenances and facilities incidental thereto, such as warehouses, utilities, access roads, railroad sidings, truck docking and similar facilities, parking facilities, office or storage or training facilities, public lodging and restaurant facilities, dockage, wharfage, solar energy facilities, and other improvements necessary or convenient for any manufacturing or industrial plant, research and development park, agricultural processing or storage facility, warehousing or distribution facility, tourism facility, convention or trade show facility, urban parking facility, trade center, health care facility, a motion picture production facility, a preservation or rehabilitation of a certified historic structure, airport or port facility, commercial project in an enterprise zone, pollution-control facility, or hazardous or solid waste facility, and any one or more combinations of the foregoing.

(7) "Research and development park" means a center of research and development activity including scientifically oriented production or educational programs of post-secondary educational institutions, consisting of research and development facilities, scientifically-oriented production facilities, research institutes, testing laboratories, related business, government installations, and similar facilities, together with land, including all necessary appurtenances, rights, and franchises relating thereto with related buildings, facilities, and personal properties, but only to the extent that such facilities are incidental or complimentary to the purposes of a research and development park, and uses reasonably incidental to or in support of any facilities or improvements located or constructed at such a center or of activities or operations conducted at such a center for purposes authorized by this section.

(9) "Warehousing or distribution facility" means property used or useful in the storage of tangible personal property or centralized distribution of products or, resulting from, or used in manufacturing, agriculture, fishing, or mining, including, without limitation thereto, warehouses, distribution centers, freight terminals, and elevators, but excluding storage facilities serving a single retail outlet.

(11) "Tourism facility" means property used for or useful in connection with theme parks; zoological gardens; amusement parks; major art, historical, educational, or trade museums; cultural or performing arts centers; or spectator or participatory sports facilities generally available to the public, including, without limitation thereto, marinas, arenas, beaches, bathing facilities, golf courses, theaters, auditoriums, racetracks, and frontons.

(20) "Motion picture production facility" means property used for or useful in connection with the preparation of motion picture or television productions produced for showing on screens or television for theatrical, commercial, advertising or educational purposes utilizing live, animated or a combination of live and animated actions including, without limitation thereto, sound stages, editing facilities, facilities for production of background scenes, wardrobe facilities, recording and sound effects studios and other facilities necessary or incidental thereto. This term shall not include facilities or equipment purchased, leased or used.
by television broadcasting or cable companies licensed by the Federal Communications Commission.

(21) "Preservation or rehabilitation of a certified historic structure" means any "certified rehabilitation," as defined in section 48(g)(2)(C) of the Internal Revenue Code of 1954, as amended, of a "certified historic structure," as defined in section 48(g)(3) of the Internal Revenue Code of 1954, as amended.

Section 4. Section 159.287, Florida Statutes, 1982 Supplement is created to read:

159.287 Special act development commissions, councils, boards or authority: approval of county commission required to issue bonds.--

Notwithstanding any other provision of part II of chapter 159 or any special act, the issuance of revenue bonds by any commission, council, board or authority created by special act for the purpose of promoting economic development shall be subject to the approval or disapproval, pursuant to s. 125.01(2), of the county commission of the county for which said commission, council, board or authority was created, on whose behalf such revenue bonds are to be issued by such commission, council board, or authority and under or by whose authority said commission, council, board or authority is acting.

Section 5. Section 159.345, Florida Statutes, 1982 Supplement, is created to read:

159.345 Local agency reporting requirement.--

(1) Any local agency which issues any revenue bonds pursuant to this part shall supply the Division of Bond Finance of the Department of General Services with a copy of the report required in section 103 of the Internal Revenue Code of 1954, as amended, at the times required pursuant to said section.

(2) The Division of Bond Finance of the Department of General Services shall:

(a) Upon receipt, provide a copy of the information supplied pursuant to subsection (1) to the Division of Economic Development of the Department of Commerce.

(b) Prepare and submit an annual report to the Governor and the Legislature by February 15, detailing the information provided pursuant to subsection (1) on each bond issued in the preceding year.

Section 6. Section 159.415, Florida Statutes, 1982 Supplement, is created to read:

159.415 Composite issues of bonds.-- Any local agency shall have the authority to issue, at one time or from time to time, a single issue of bonds to finance separate projects to be used by separate businesses and secured rateably by payments due under separate financing agreements between the local agency and each separate business, provided:

(1) The debt service payments due under all such separate financing agreements, in aggregate, are to be made in amounts and at the times required to pay in full the principle of, premium, if any, and interest on the bonds as the same become due and payable;

(2) Each separate business is financially responsible, fully capable and willing to make the debt service payments it is required to make under the financing agreement between it and the local agency or one or more other financially responsible persons, partnerships, corporations, banks, or insurance companies, assumes, guarantees, or secures by way of a guaranty, letter of credit, insurance policy or otherwise.
the obligations of such business to make such debt service payments to the local agency or has guaranteed or insured the payment by the local agency of debt service on the bonds in an amount equal to the debt service payable by such business to the local agency under the financing agreement.

(3) Each business or other user of each project financed under each such financing agreement is financially responsible, fully capable and willing to operate, maintain, and repair such project at its own expense or the obligation to operate, repair and maintain user project is assumed, guaranteed or secured by one or more other financially responsible persons, partnerships, corporations, banks or insurance companies.

(4) Any bonds issued under the provisions of this section shall be insured under the Florida Economic Development Financing Insurance Program created pursuant to part VI of chapter 159.

Section 7. Subsection (1) of s. 159.47, Florida Statutes, 1982 Supplement, is amended to read:

159.47 Powers of the authority.--

(1) The authority is authorized and empowered;

(f) To issue revenue bonds or other debt obligations repayable solely from revenues derived from the sale, operation, or leasing of projects or other payments received under financing agreements with respect thereto subject to the approval or disapproval of the commission pursuant to s. 125.01(2). The lease, mortgage, or other security instrument may include a security interest in both the land and personal property or may include a lease, mortgage, or other security instrument sufficient for the purpose encumbering only the personal property, including machinery and equipment, which is being financed. In financing projects, authorities may enter into financing agreements of such types as they may approve with such security instruments or trust agreements as the authority shall deem adequate.

Section 8. Section 159.475, Florida Statutes, 1982 Supplement, is created to read:

159.475 Authority reporting requirement.--

(1) Any authority which issue any revenue bonds pursuant to this part shall supply the Division of Bond Finance of the Department of General Services with a copy of the report required pursuant to section 103 of the Internal Revenue Code of 1954, as amended, at the times required pursuant to said section.

(2) The Division of Bond Finance of the Department of General Services shall:

(a) Upon receipt, provide a copy of the information supplied pursuant to subsection (1) to the Division of Economic Development of the Department of Commerce.

(b) Prepare and submit an annual report to the Governor and the Legislature by February 15, detailing the information provided pursuant to subsection (1) on each bond issued in the preceding year.
Section 9. Subsection (6) of s. 159.705, Florida Statutes, 1982 Supplement, is amended and a new subsection (11) is added thereto, to read:

159.705 Powers of the authority.--The authority is authorized and empowered:

(6) To issue revenue bonds or other debt obligations repayable solely from revenues derived from the sale, operation, or leasing of such capital projects subject to the approval of the board pursuant to s. 125.01(z).

(11) Notwithstanding the provisions of s. 253.034, to be granted leases for lands owned by the Board of Trustees of the Internal Improvement Trust Fund for a period not to exceed 99 years, and to grant subleases for land which is owned by the Board of Trustees of the Internal Improvement Trust Fund if the Board of Trustees of the Internal Improvement Trust Fund has approved the master lease agreement, concept of operation of the park, and master sublease provisions for use in such subleases. The term of such subleases may run concurrently with the term of the lease granted by the Board of Trustees of the Internal Improvement Trust Fund. Copies of subleases shall be filed with the Division of State Lands of the Department of Natural Resources subsequent to execution.

Section 10. Section 159.7055, Florida Statutes, 1982 Supplement, is created to read,

159.7055 Authority reporting requirement.--

(1) Any authority which issues any revenue bonds pursuant to this part shall supply the Division of Bond Finance of the Department of General Services with a copy of the report required pursuant to section 103 of the Internal Revenue Code of 1954, as amended, at the times required pursuant to said section.
facilities due to the costs associated with such financings; that such small business concerns are responsible for creation of substantial numbers of jobs in the state and payment of significant tax revenues to the state and to local agencies; and that it is necessary and in the public interest for the state to provide assistance to business concerns, particularly small businesses, by establishing a program to insure the repayment of the financing of capital facilities for such business concerns in compliance with the requirements of this part and to thereby promote economic development and revitalization by facilitating the location and expansion of business concerns, the attracting of and granting of assistance to such businesses, the financing of projects therefore and the assistance to be provided by this part are found and declared to serve a predominant public purpose.

159.803 Definitions.—The following words and terms, unless the context clearly indicates a different meaning, shall have the following meanings:

1. "Board" means the Florida Economic Development Financing Insurance Board created by this act.
2. "Bonds" means bonds issued by a local agency pursuant to the provisions of part II, part III or part V of chapter 159.
3. "Debt service" means, with respect to a qualified financing, payments of principal of and interest on any bond or bonds issued to finance a project.
4. "Enterprise zone" means an area designated pursuant to s. 290.005 and approved by the Secretary of the Department of Community Affairs pursuant to s. 290.006.

(6) "Local agency" means any local agency as defined in part II of chapter 159, an authority created pursuant to part III or part V of chapter 159 or agency created by special act for the purpose of attracting or promoting economic development.

(7) "Program" means the Economic Development Financing Insurance Program.

(8) "Project" shall have the same meaning as in s. 159.27(5).

(9) "Project cost" shall have the same meaning as in s. 159.27(2).

(10) "Qualified financing" means a financing for a project or combination of projects meeting the requirements of section 7 and approved by the board for insurance of debt service payable with respect thereto.

(11) "Research and development park" means a research and development park operated by a research and development authority created pursuant to part V of chapter 159.

159.804 Economic Development Financing Insurance Program created; board created; membership.—

(1) There is hereby created within the Department of Community Affairs for the purpose of the performance of an essential public function the Florida Economic Development Financing Insurance Program. In addition, there is hereby created an Economic Development Financing Insurance Board which shall be charged with the management of the program.

(2) The board shall consist of the Secretary of the Department of Community Affairs, the Secretary of the Department of Commerce, the Director of the division of Bond Finance of the Department of General Services, the Executive Director of the Florida Housing Finance Agency and a local...
government economic development official to be appointed by the Governor with the advice and consent of the Senate. The Secretary of the Department of Community Affairs shall be the chairman of the board and the Secretary of the Department of Commerce shall be the vice-chairman. The powers of the board shall be exercised by not less than three members and the affirmative vote of three members shall be necessary for any action taken by the board.

(3) The members of the board shall possess the qualifications herein provided. The local economic development member shall serve a four year term beginning July 1, however, said member shall serve until his respective successor is appointed and qualified. The qualifications of each member of the board shall continue throughout the respective term of his office, and, in the event a member should fail to meet the qualifications or classification which he possessed at the time of becoming a member, said member shall be replaced with a new member possessing the proper qualifications and classification.

159.805 Powers and duties of the board.--The board shall have all of the powers necessary or convenient to carry out and effectuate the purposes and provisions of this part, including but without limiting the generality of the foregoing, the power with respect to any project or projects, or portion thereof:

(1) To adopt, promulgate, amend or rescind, in accordance with chapter 120, such rules as it deems necessary in connection with the performance of its functions and duties under this part;

(2) To receive, administer and comply with conditions and requirements respecting any gift, grant, or donation of any property or money from any source, whether federal, state or private;

(3) To acquire by purchase, gift or otherwise any property, real or personal, improved or unimproved, related to any project or projects;

(4) To operate its program of insuring qualified financings on a revolving and self sustaining basis to the maximum extent practicable.

(5) To charge application fees, commitment fees and premiums sufficient to accomplish the purposes of this part pursuant to s. 159.809;

(6) To sue and be sued in its own name and to plead and be impleaded;

(7) To enter into contracts for any of the purposes enumerated in this part.

159.806 Economic Development Financing Insurance Trust Fund, created, sources, uses; investment.--

(1) There is hereby created the Florida Economic Development Financing Insurance Trust Fund.

(2) There shall be deposited into the insurance fund, from time to time:

(a) Any monies appropriated by the state to the insurance funds.

(b) Any gifts, grants or other monies given or paid to the insurance fund.

(c) All payments, application fees, commitment fees and premiums paid or to be paid to the board with the insuring of any qualified financing.

(d) All proceeds received from the endorsement of any rights of the board in connection with any qualified financing.
(3) Amounts in the insurance fund shall be applied by the board to make debt service payments with respect to any qualified financing as provided in s. 159.811. The board is authorized to pay from the insurance fund into an operating expense trust fund up to $250,000 to pay all direct expenses in connection with the operation and maintenance of the insurance fund. The board shall invest moneys on deposit in the insurance fund pursuant to law. The income from such investment shall annually be transferred to the Community Development Corporation Trust Fund for use solely in the Community Development Deferred Loan Program established in s. 290.037.

159.807 Application for insurance.—All applications for financing insurance shall be made by the local agency providing the financing for a project or projects. The local agency shall forward such application to the board together with an application fee prescribed by the board. Each application shall include such information as the board may require and, upon receipt, shall be forwarded to the Department of Community Affairs. The Department of Community Affairs, with such assistance from the Division of Bond Finance of the Department of General Services and the Department of Commerce as the Secretary of Community Affairs may reasonably require, shall prepare a report with respect to the application under consideration which shall include information about the borrowing entity and the project or projects to be financed, including information concerning past financial history, wage standards, job opportunities, pro formas, income statements and qualifications of management. In considering any application the board shall take into account the ability of the borrowing entity to repay amounts due under the proposed financing. After receipt and consideration of such report and after such other action as is deemed appropriate, the board shall approve or deny the application. The local agency shall be promptly notified of such action of the board. If the application is approved, such approval shall be conditioned upon payment to the board, within a reasonable time as may be specified by the board, of a commitment fee prescribed by the board. The board may, in its sole discretion, reconsider any application which is not approved.

159.808 Approval of application for insurance.—The board shall not approve any application for insurance unless:

(1) The project or projects is in compliance with s. 159.29.

(2) The financing for the project or projects is secured by a first mortgage lien on any real property comprising the project.

(3) The financing has an amortization of principle due on the basis of substantially level debt service.

(4) The financing provides for the establishment of a debt service reserve in an amount as determined by the board to be necessary up to a maximum of the debt service for one year.

159.809 Insurance premiums.—

(1) The board shall set the premiums to be paid to it for the insurance provided under this part pursuant to rules adopted by the board.

(2) In calculating the premiums to be charged for insurance, the board shall utilize either of the following methods:
(a) As a percentage of the entire principal obligation outstanding at the beginning of each year during the term of the bonds insured as outstanding, however, no premium charged under this paragraph shall exceed one-half of one percent of the entire principal obligation outstanding at the beginning of year; or

(b) As a percentage of the entire principal obligation outstanding at the time the bonds are issued, however, no premium charged under this paragraph shall exceed a one time charge of two percent.

(3) Premiums charged by the board shall be uniform among all bonds insured. The method chosen for calculation of premiums, pursuant to subsection (2), and the premium rate shall not be changed more than once in any twelve month period.

(4) No premium shall be charged for any project or portion of a project located in:
   (a) an enterprise zone;
   (b) a research and development park; or
   (c) a county in which the unemployment rate, according to the Department of Labor and Employment Security for the month the bonds are issued, is 5 percent or more greater than the unemployment rate for the state.

159.811 Uses of insurance fund.--

(1) In the event the payment of debt service on any qualified financing shall be past due for 30 days after any reserve required to be established in s. 159.808 has been exhausted, the board shall apply moneys to the extent available in the insurance fund to make such debt service payment to the local agency or its assigns. To the extent moneys are applied by the board to make debt service payments for a qualified financing, the board shall be subrogated to the rights of the local agency or its assigns for the collection of such amounts and shall be entitled to collect such amounts from any security or source of payment for such qualified financing to the same extent as the local agency or its assigns were entitled to collect the same. It is the intent of the Legislature that any debt service payments made from the insurance fund with respect to a qualified financing be repaid to the insurance fund at the earliest date possible from the revenues of the qualified financing.

(2) In the event of a default with respect to a qualified financing, the board may, in its sole discretion, apply moneys in the insurance fund to acquire any bond or bonds issued with respect to such qualified financing and all right, title and interest in and to the security for such qualified financing and may exercise any remedies available to the board to collect amount due under such qualified financing resulting from the acquisition of such bond or bonds and such right, title and interest in the security therefor as the board shall deem appropriate.

(3) In the event of a default with respect to a qualified financing, the local agency shall negotiate, subject to the approval of the board, for the lease or sale of the project pursuant to s. 159.30, Florida Statutes, and in accordance with the documents securing such qualified financing. It is the intent of the Legislature that the proceeds of a lease or sale of such a project be sufficient, to the extent possible, to make remaining debt service payments and to cover any payments made from the insurance fund.
(4) It is the intent of the Legislature that this section be construed liberally so as to maximize the flexibility of the board in the prudent management of the insurance fund.

159.812 Credit of state or political subdivision not pledged.--Nothing in this part shall be construed to create or shall create any legal or moral obligation on the part of the state or any local agency to make any payments into the insurance fund. Any agreement or obligation of the board to make any debt service payment with respect to any qualified financing shall be made solely from the insurance fund and only to the extent moneys are available in the insurance fund therefor.

159.813 Expiration date.--This part shall expire and be void on December 31, 1990; however, the repeal of this part shall not affect the insurance of any qualified financing approved by the board prior to said date.

Section 12. The amendments contained in this act to parts II, III and V of chapter 159 shall not apply to any bonds for which a resolution was issued prior to July 1, 1983.

Section 13. This act shall take effect on July 1, 1983.
Many of the provisions in this bill, or similar provisions, are contained in HB 1220. HB 1220 was passed by the Legislature and ordered enrolled on June 2, 1983.

IV. AMENDMENTS:

None.
control throughout the state, to promote the advancement of education and science, research in and the economic development of the state, and to increase purchasing power and opportunities for gainful employment, it is necessary and in the public interest to facilitate the financing of projects provided for in this part and to facilitate and encourage the planning and development of these projects without regard to the boundaries between counties, municipalities, special districts, and other local governmental bodies or agencies in order to more effectively and efficiently serve the interests of the greatest number of people in the widest area practicable, and that the purposes to be achieved by such projects and the financing of them in compliance with the criteria and requirements of this part are predominantly the public purposes stated in this section and that such purposes implement the governmental purposes under the State Constitution of providing for the health, safety, and welfare of the people, including implementing the purpose of s. 10(c) of Art VII of the State Constitution.

Section 19 Subsections (5), (7), (9), (11), and (12) of section 159.27, Florida Statutes, 1982 Supplement, are amended, and subsection (20) and (21) are added to said section, to read

159.27 Definitions.—The following words and terms, unless the context clearly indicates a different meaning, shall have the following meanings: (5) “Project” means any capital project comprising an industrial or manufacturing plant, a research and development park, an agricultural processing or storage facility, a warehousing or distribution facility, a headquarters facility, a tourism facility, a convention or trade show facility, an urban parking facility, a trade center, a health care facility, a motion picture production facility, a preservation or rehabilitation of a certified historic structure, an airport or port facility, a commercial project in an enterprise zone, a pollution-control facility, or a hazardous or solid waste facility, including one or more buildings and other structures, whether or not on the same site or sites, any rehabilitation, improvement, renovation, or enlargement of, or any addition to, any buildings or structures for use as a factory, a mill, a processing plant, an assembly plant, a manufacturing plant, a research and development park, an airport or port facility, or a commercial project in an enterprise zone, an airport or port facility, a commercial project in an enterprise zone, a pollution-control facility, or a hazardous or solid waste facility, including one or more buildings and other structures, whether or not on the same site or sites, any rehabilitation, improvement, renovation, or enlargement of, or any addition to, any buildings or structures for use as a factory, a mill, a processing plant, an assembly plant, a manufacturing plant, a research and development park, an airport or port facility, or a commercial project in an enterprise zone, a pollution-control facility, or a hazardous or solid waste facility, and any one or more combinations of the foregoing.

“Research and development park” means a center of research and development activity, including scientific or faculty-oriented production or educational programs of postsecondary educational institutions, continuation education facilities, research institutes, testing laboratories, related

on motion by Senator Neal, the rules were waived and by two-thirds vote HB 1220 was withdrawn from the Committee on Finance, Taxation and Claims.

On motion by Senator Neal—HB 1220—A bill to be entitled An act relating to bonds, creating the "Registered Public Obligations Act of Florida", providing definitions, providing legislative intent, providing for systems of registration with respect to obligations, providing for the execution of certificated registered public obligations; providing criteria for valid and binding execution, providing for a seal, authorizing issuers of public obligations to appoint agents, providing for the payment of costs of the system of registration as a condition precedent to transfer under certain circumstances, providing for payment of liabilities, providing for the validity of certain obligations issued by public entities, excluding certain records from the public records law, providing for applicability, providing for construction, providing for a covenant of the state, superseding laws in conflict, providing an effective date

—A companion measure, was substituted for CS for SB 1150 and read the second time by title.

Senator Crawford moved the following amendments which were adopted.

Amendment 1—On page 13, before line 1, insert

Section 17 Paragraph (z) of subsection (1) of section 125.01, Florida Statutes, as created by chapter 83-1, Laws of Florida, is amended to read

125.01 Powers and duties—(1) The legislative and governing body of a county shall have the power to carry on county government. To the extent not inconsistent with general or special law, this power shall include, but shall not be restricted to, the power to:

(a) Approve or disapprove the issuance of industrial development bonds authorized by law for entities within its geographic jurisdiction upon the request of an industrial development authority created under part HI of chapter 668.

(b) Amended 1982, section 159.26, Florida Statutes, as amended.

Section 18. Section 159.26, Florida Statutes, 1982 Supplement, is amended to read.

159.26 Legislative findings and purposes—The Legislature finds and declares that the agriculture, tourism, urban development, historic preservation, and health care industries, among others, are vital to the economy of the state and the welfare of the people and need to be enhanced and expanded to improve the competitive position of the state, that there is a need to enhance other economic activity in the state by attracting manufacturing development, business enterprise management, and other activities conducive to economic promotion in order to provide a stronger, more balanced, and stable economy in the state, while providing through pollution control and otherwise for the health and safety of the people, that in order to improve the prosperity and welfare of the state and its inhabitants, to improve living conditions and health care, to promote the preservation of historic structures, to promote the rehabilitation of enterprise zones, to promote effective and efficient pollution

on motion by Senator Neal, the rules were waived and by two-thirds vote HB 1220 was withdrawn from the Committee on Finance, Taxation and Claims.

On motion by Senator Neal—HB 1220—A bill to be entitled An act relating to bonds, creating the "Registered Public Obligations Act of Florida", providing definitions, providing legislative intent, providing for systems of registration with respect to obligations, providing for the execution of certificated registered public obligations; providing criteria for valid and binding execution, providing for a seal, authorizing issuers of public obligations to appoint agents, providing for the payment of costs of the system of registration as a condition precedent to transfer under certain circumstances, providing for payment of liabilities, providing for the validity of certain obligations issued by public entities, excluding certain records from the public records law, providing for applicability, providing for construction, providing for a covenant of the state, superseding laws in conflict, providing an effective date

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ness, government installations, and similar facilities, together with land, including all necessary appurtenances, rights, and franchises relating thereto with related buildings, facilities, and personal properties, but only to the extent that such facilities are incidental or complimentary to the purposes of a research and development park, and uses reasonably incidental to or in support of any facilities both the improvements located or constructed at such a center or of activities or operations conducted at such a center for purposes authorized by this section.

(9) "Warehousing or distribution facility" means property used or useful in the storage or centralized distribution of products of, resulting from, or used in manufacturing, agriculture, fishing, or mining, including, without limitation thereto, warehouses, distribution centers, freight terminals, and elevators, but excluding storage facilities serving a single retail outlet.

(11) "Tourism facility" means property used for or useful in connection with theme parks, zoological gardens; amusement parks; movie art, historical, educational, or trade museums; cultural or performing arts centers; or spectator or participatory sports facilities generally available to the public, including, without limitation thereto, marinas, arenas, beaches, bathing facilities, golf courses, theaters, auditoriums, racetracks, and frontons.

(12) "Public lodging or restaurant facility" means property used for any public lodging establishment as defined in s. 509.242 or public food service establishment as defined in s. 509.013(1) if it is part of the complex of, or necessary to, the primary purpose to provide service in connection with another facility qualifying under this part.

(20) "Motion picture production facility" means property used for or useful in connection with the preparation of motion picture or television productions produced for showing on screens or television for theatrical, commercial, advertising, or educational purposes utilizing live, animated, or a combination of live and animated actions, including, without limitation thereto, sound stages, editing facilities, facilities for production of background scenes, wardrobe facilities, recording and sound effects studios, and other facilities necessary or incidental thereto. This term shall not include facilities or equipment purchased, leased, or used by television broadcasting or cable companies licensed by the Federal Communications Commission.

(21) "Preservation or rehabilitation of a certified historic structure" means any "certified rehabilitation," as defined in s. 48(g)(2)(C) of the Internal Revenue Code of 1984, as amended, of a "certified historic structure," as defined in s. 48(g)(3) of the Internal Revenue Code of 1984, as amended.

Section 20.

Section 159.287, Florida Statutes, is created to read.

159.287 Special act development commissions, councils, boards, or authorities, approval required to issue bonds —

(1) Notwithstanding any provision of part II of chapter 159 or any special act, any commission, council, board, or authority created by special act with the authority to issue bonds for the purpose of promoting economic development throughout a county shall hereby be deemed to have been created for the purpose of issuing bonds on behalf of the county in which jurisdiction or under or by whose authority said commission, council, board, or authority is located or is acting, and any bonds issued by such commission, council, board, or authority shall be subject to the approval or disapproval of the county commission of such county pursuant to s. 125.0111(1)(c).

(2) Notwithstanding any provision of part II of chapter 159 or any special act, any commission, council, board, or authority created by special act with the authority to issue bonds for the purpose of promoting economic development within a municipality shall be deemed to have been created for the purpose of issuing bonds on behalf of the municipality in which jurisdiction or under or by whose authority said commission, council, board, or authority is located or is acting, and any bonds issued by such commission, council, board, or authority shall be subject to the approval or disapproval of the governing authority of such municipality.

Section 21.

Section 159.445, Florida Statutes, is created to read.

159.445 Local agency reporting requirement —

(1) Any local agency which issues any revenue bonds pursuant to this part shall supply the Division of Bond Finance of the Department of General Services with a copy of the report required in s. 103 of the Internal Revenue Code of 1984, as amended, at the times required pursuant to said section.

(2) The Division of Bond Finance of the Department of General Services shall —

(a) Upon receipt, provide a copy of the information supplied pursuant to subsection (1) to the Division of Economic Development of the Department of Commerce.

(b) Prepare and submit an annual report to the Governor and the Legislature by February 15, detailing the information provided pursuant to subsection (1) on each bond issued in the preceding year.

Section 22.

Section 159.415, Florida Statutes, is created to read:

159.415 Composite issues of bonds — Any local agency shall have the authority to issue, at one time or from time to time, a single issue of bonds to finance separate projects to be used by separate businesses and secured rateably by payments due under separate financing agreements between the local agency and each separate business, provided:

(1) The debt service payments due under all such separate financing agreements, in aggregate, are to be made in amounts and at the times required to pay in full the principal of, premium, if any, and interest on the bonds as the same become due and payable.

(2) Each separate business is financially responsible, fully capable, and willing to make the debt service payments it is required to make under the financing agreement between it and the local agency, or one or more other financially responsible persons, partnerships, corporations, banks, or insurance companies assumes, guarantees, or secures, by way of a guaranty, letter of credit, insurance policy, or otherwise, the obligations of such business to make such debt service payments to the local agency or has guaranteed or insured the payment by the local agency of debt service on the bonds in an amount equal to the debt service payable by such business to the local agency under the financing agreement.

(3) Each business or other user of each project financed under each such financing agreement is financially responsible, fully capable, and willing to operate, maintain, and repair such project at its own expense, or the obligation to operate, repair, and maintain user project is assumed, guaranteed, or secured by one or more other financially responsible persons, partnerships, corporations, banks, or insurance companies.

Section 23.

Paragraphs (1) and (d) of subsection (1) of section 159.47, Florida Statutes, are amended to read.

159.47 Powers of the authority —

(1) The authority is authorized and empowered:

(4) To issue revenue bonds or other debt obligations repayable solely from revenues derived from the sale, operation, or leasing of projects or other payments received under financing agreements with respect thereto, subject to the approval or disapproval of the commission pursuant to s. 125.0111(1)(c).

(5) To secure the issuance and repayment of industrial development bonds by a lease, mortgage, or other security instrument encumbering only the capital improvements which are financed by the authority in any case in which an addition to a project is financed or in which less than the entire project is financed or refinanced by industrial development bonds, subject to the approval or disapproval of the commission pursuant to s. 125.0111(1)(c). The lease, mortgage, or other security instrument may include a security interest in both the land and personal property or may include a lease, mortgage, or other security instrument sufficient for the purpose encumbering only the personal property, including machinery and equipment, which is being financed. In financing projects, authorities may enter into financing agreements of such types as they may approve with such security instruments or trust agreements as the authority shall deem adequate.

Section 24.

Section 159.475, Florida Statutes, is created to read.

159.475 Authority reporting requirement —

(1) Any authority which issues any revenue bonds pursuant to this part shall supply the Division of Bond Finance of the Department of
General Services with a copy of the report required pursuant to s. 103 of the Internal Revenue Code of 1954, as amended, at the times required pursuant to said section.

(2) The Division of Bond Finance of the Department of General Services shall

(a) Upon receipt, provide a copy of the information supplied pursuant to subsection (1) to the Division of Economic Development of the Department of Commerce.

(b) Prepare and submit an annual report to the Governor and the Legislature by February 15, detailing the information provided pursuant to subsection (1) on each bond issued in the preceding year.

Section 25. Subsection (6) of section 159.705, Florida Statutes, is amended, and subsection (11) is added to said section, to read:

159.705. Powers of the authority.—The authority is authorized and empowered

(6) To issue revenue bonds or other debt obligations repayable solely from revenues derived from the sale, operation, or leasing of such capital projects, subject to the approval of the board pursuant to s. 125.011(2).

(11) Notwithstanding the provisions of s. 253.034, to be granted leases for lands owned by the Board of Trustees of the Internal Improvement Trust Fund for a period not to exceed 99 years, and to grant subleases for lands which is owned by the Board of Trustees of the Internal Improvement Trust Fund if the Board of Trustees of the Internal Improvement Trust Fund has approved the master lease agreement, concept of operation of the park, and master sublease provisions for use in such subleases. The term of such subleases may run concurrently, with the term of the lease granted by the Board of Trustees of the Internal Improvement Trust Fund. Copies of subleases shall be filed with the Division of State Lands of the Department of Natural Resources subsequent to execution.

Section 26. Section 159.7055, Florida Statutes, is created to read:

159.7055 Authority reporting requirement—

(1) Any authority which issues any revenue bonds pursuant to this part shall supply, the Division of Bond Finance of the Department of General Services with a copy of the report required pursuant to s. 103 of the Internal Revenue Code of 1954, as amended, at the times required pursuant to said section.

(2) The Division of Bond Finance of the Department of General Services shall

(a) Upon receipt, provide a copy of the information supplied pursuant to subsection (1) to the Division of Economic Development of the Department of Commerce.

(b) Prepare and submit an annual report to the Governor and the Legislature by February 15, detailing the information provided pursuant to subsection (1) on each bond issued in the preceding year.

(Renumber subsection subsequent)

Amendment 2.—In title, on page 1, line 21, after the semicolon (,) insert: amending s. 125.011(2), Florida Statutes, as created by chapter 81-1, Laws of Florida, authorizing the governing body of a county to approve or disapprove the issuance of industrial development bonds, amending s. 159.26, Florida Statutes, 1982 Supplement, providing legislative findings, amending s. 159.27(5), (7), (9), (11), and (12), Florida Statutes, 1982 Supplement, and adding subsections (20) and (21) thereto, redefining the terms "project," "research and development park," "warehousing or distribution facility," "tourism facility," and "public lodging or restaurant facility" for the purposes of the "Florida Industrial Development Financing Act," defining the terms "motion picture production facility" and "preservation or rehabilitation of a historic site or structure," creating s. 159.267, Florida Statutes, providing that bonds issued by special act economic development agencies are subject to the approval or disapproval of the county commission or governing body of a municipality, creating s. 159.345, Florida Statutes, requiring certain local agencies issuing revenue bonds to furnish the Division of Bond Finance of the Department of General Services with a copy of the report required in s. 103 of the Internal Revenue Code of 1954, as amended, prescribing uses of said reports, creating s. 159.415, Florida Statutes, providing for the composite issuance of bonds, provided that the debt service payments on projects financed are sufficient to pay debt service on such bonds, that each business financed is financially responsible, and that each financed business can maintain its obligations under the financing agreements for the projects, amending s. 159.471(1) and (2), Florida Statutes, providing that issuance of bonds by industrial development authorities shall be subject to the approval or disapproval of the county commission, creating s. 159.475, Florida Statutes, providing required industrial development authority reports, amending s. 159.705(6), Florida Statutes, and adding subsection (11) thereto, providing that research and development authorities may be granted leases by the Board of Trustees of the Internal Improvement Trust Fund for up to 99 years, providing that research and development authorities may grant subleases for land owned by the Board of Trustees of the Internal Improvement Trust Fund if the board has approved the master lease agreement, concept of operation of the research and development park, and master sublease provisions in such master leases, creating s. 159.7055, Florida Statutes, providing required research and development authority reports, providing an effective date.

On motion by Senator Neal, by two-thirds vote HB 1220 as amended was read the third time by title, passed and certified to the House. The vote on passage was:

Yea—29

Beard Girardeau Malchon Stuart
Carlucci Grant Mann Thomas
Castor Grazle Margols Thurman
Children, D Hair Maxwell Vogt
Children, W D Jennings Myers Weinstein
Crawford Johnston Neal
Fox kirkpatrick Plummer
Frank Langley Rehm

Nays—None

Vote after roll call

Yea—Gersten, Scott

CS for SB 1150 was laid on the table.

On motions by Senator Margolis, the rules were waived and by two-thirds vote HB 694 was withdrawn from the Committees on Commerce, Personnel, Retirement and Collective Bargaining, and Appropriations.

On motion by Senator Margolis—

HB 694—A bill to be entitled An act relating to state employees, creating s 110.1265, Florida Statutes, authorizing security background investigations, including fingerprinting, as a condition of employment for certain state employees, requiring such checks for all employees of the Division of Treasury of the Department of Insurance, providing an effective date.

—a companion measure, was substituted for SB 290 and read the second time by title. On motion by Senator Margolis, by two-thirds vote HB 694 was read the third time by title, passed and certified to the House. The vote on passage was:

Yea—28

Barron Frank Jennings Myers
Beard Gersten Johnston Neal
Castor Girardeau Langley Plummer
Children, D Grant Malchon Rehm
Children, W D Hair Mann Thurman
Crawford Henderson Margols Vogt
Fox Jenne Meek Weinsten

Nays—None

Vote after roll call

Yea—Scott, Stuart

SB 290 was laid on the table.

On motion by Senator Margolis, the rules were waived and by two-thirds vote CS for HB 1056 was withdrawn from the Committee on Finance, Taxation and Claims.

On motion by Senator Margolis—
A bill to be entitled
An act relating to industrial development financing; amending s 125 01(1)(c), Florida Statutes, as amended, providing that counties may approve or disapprove the issuance of all industrial development bonds, amending s 159 26, Florida Statutes, 1982 Supplement, providing legislative findings; amending s 159.27(2)(f), (5), (7), (9), (11), Florida Statutes, 1982 Supplement, and adding subsections (20) and (21) to said section, providing definitions; creating s 159 287, Florida Statutes; providing that bonds issued by special act economic development agencies are subject to approval, creating s 159 345, Florida Statutes, requiring local agencies to furnish the Division of Bond Finance of the Department of General Services with certain reports, requiring reports by the divisions, creating s 159 415, Florida Statutes, allowing local agencies to issue composite bond issues under certain circumstances, amending s 159 47(1)(f), (1), Florida Statutes, requiring approval of the issuance of bonds by industrial development authorities by the county commission, creating s 159 475, Florida Statutes, requiring an authority to file certain reports with the Division of Bond Finance of the Department of General Services, requiring reports by the division, amending s 159 705(6), Florida Statutes, and adding
A bill to be entitled
An act relating to industrial development financing, amending s. 125.01(1)(z), Florida Statutes, as amended, providing that counties may approve or disapprove the issuance of all industrial development bonds; amending s. 159 26, Florida Statutes, 1982 Supplement, providing legislative findings, amending s 159 27(2)(f), (5), (7), (9), (11), Florida Statutes, 1982 Supplement, and adding subsections (20) and (21) to said section, providing definitions; creating s. 159 287, Florida Statutes, providing that bonds issued by special act economic development agencies are subject to approval, creating s. 159 345, Florida Statutes; requiring local agencies to furnish the Division of Bond Finance of the Department of General Services with certain reports, requiring reports by the divisions, creating s. 159 415, Florida Statutes, allowing local agencies to issue composite bond issues under certain circumstances, amending s. 159 47(1)(f), (1), Florida Statutes, requiring approval of the issuance of bonds by industrial development authorities by the county commission, creating s. 159 475, Florida Statutes, requiring an authority to file certain reports with the Division of Bond Finance of the Department of General Services, requiring reports by the division, amending s. 159 705(6), Florida Statutes, and adding
subsection (11) to said section, providing for the granting of certain leases and subleases by research and development authorities, creating s. 159.7055, Florida Statutes; requiring reporting; creating part VI of chapter 159, Florida Statutes, consisting of ss. 159.801-159.813, Florida Statutes; providing legislative intent, findings, and purpose, providing definitions; creating the Florida Economic Development Financing Insurance Board; providing for board membership, powers, and duties; creating the Florida Economic Development Financing Insurance Trust Fund; providing for the operation of the fund, providing for applications for insurance and establishing premium requirements, providing for uses of the fund; providing that the credit of the state and its political subdivisions are not pledged, providing an expiration date; providing that certain provisions do not apply to certain bonds; providing an effective date.

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

Section 1. Paragraph (z) of subsection (1) of section 125.01, Florida Statutes, as amended by section 1 of chapter 83-1, Laws of Florida, is amended to read:

(1) The legislative and governing body of a county shall have the power to carry on county government to the extent not inconsistent with general or special law, this power shall include, but shall not be restricted to, the power to:

(z) Approve or disapprove the issuance of industrial development bonds upon the request of an industrial development authority created under part III, chapter 159.

Section 2  Section 159.26, Florida Statutes, 1982 Supplement, is amended to read:

159 26 Legislative findings and purposes -- The Legislature finds and declares that the agriculture, tourism, urban development, historic preservation, and health care industries, among others, are vital to the economy of the state and the welfare of the people and need to be enhanced and expanded to improve the competitive position of the state; that there is a need to enhance other economic activity in the state by attracting manufacturing development, business enterprise management, and other activities conducive to economic promotion in order to provide a stronger, more balanced, and stable economy in the state, while providing through pollution control and otherwise for the health and safety of the people, that in order to improve the prosperity and welfare of the state and its inhabitants, to improve living conditions and health care, to promote the preservation of historic structures, to promote the rehabilitation of enterprise zones, to promote effective and efficient pollution control throughout the state, to promote the advancement of education and science, research in and the economic development of the state, and to increase purchasing power and opportunities for gainful employment, it is necessary and in the public interest to facilitate the financing of projects provided for in this part and to facilitate and encourage the planning and development of these projects without regard to
the boundaries between counties, municipalities, special
districts, and other local governmental bodies or agencies in
order to more effectively and efficiently serve the interests
of the greatest number of people in the widest area
practicable; and that the purposes to be achieved by such
projects and the financing of them in compliance with the
criteria and requirements of this part are predominantly the
public purposes stated in this section and that such purposes
implement the governmental purposes under the State
Constitution of providing for the health, safety, and welfare
of the people, including implementing the purpose of a 10(c)
of Art VII of the State Constitution.

Section 3. Paragraph (f) is added to subsection (2) of
section 159 27, Florida Statutes, 1982 Supplement, subsections
(5), (7), (9), and (11) of said section, are amended, and
subsections (20) and (21) are added to said section to read
159 27 Definitions --The following words and terms,
unless the context clearly indicates a different meaning,
shall have the following meanings

(2) "Cost," as applied to any project, shall embrace:
(f) The cost of insurance premiums, application fees,
commitment fees, and other similar fees charged by the
Economic Development Financing Insurance Program.

(5) "Project" means any capital project comprising an
industrial or manufacturing plant, a research and development
park, an agricultural processing or storage facility, a
warehousing or distribution facility, a headquarters facility,
a tourism facility, a convention or trade show facility, an
urban parking facility, a trade center, a health care
facility, a motion picture production facility, a preservation
or rehabilitation of a certified historic structure, an
airport or port facility, a commercial project in an
enterprise zone, a pollution-control facility, or a hazardous
or solid waste facility, including one or more buildings and
other structures, whether or not on the same site or sites,
any rehabilitation, improvement, renovation, or enlargement
of, or any addition to, any buildings or structures for use as
a factory, a mill, a processing plant, an assembly plant, a
fabricating plant, an industrial distribution center, a
repair, overhaul, or service facility, a test facility, an
agricultural processing or storage facility, a warehousing or
distribution facility, a headquarters facility, a tourism
facility, a convention or trade show facility, an urban
parking facility, a trade center, a health care facility, a
motion picture production facility, a preservation or
rehabilitation of a certified historic structure, an airport
or port facility, a commercial project in an enterprise zone,
a pollution-control facility, or a hazardous or solid waste
facility, and other facilities, including research and
development facilities, for manufacturing, processing,
assisting, repairing, overhauling, servicing, testing, or
handling of any products or commodities embraced in any
industrial or manufacturing plant, in connection with the
purposes of a research and development park, or other
facilities for or used in connection with an agricultural
processing or storage facility, a warehousing or distribution
facility, a headquarters facility, a tourism facility, a
convention or trade show facility, an urban parking facility,
a trade center, a health care facility, a motion picture
production facility, a preservation or rehabilitation of a
certified historic structure, an airport or port facility, or
a commercial project in an enterprise zone or for controlling
air or water pollution or for the disposal, processing,
conversion, or reclamation of hazardous or solid waste; and
including also the sites thereof and other rights in land
therefor whether improved or unimproved, machinery, equipment,
site preparation and landscaping, and all appurtenances and
facilities incidental thereto, such as warehouses, utilities,
access roads, railroad sidings, truck docking and similar
facilities, parking facilities, office or storage or training
facilities, public lodging and restaurant facilities, dockage,
wharfage, solar energy facilities, and other improvements
necessary or convenient for any manufacturing or industrial
plant, research and development park, agricultural processing
or storage facility, warehousing or distribution facility,
tourism facility, convention or trade show facility, urban
parking facility, trade center, health care facility, a motion
picture production facility, a preservation or rehabilitation
of a certified historic structure, airport or port facility,
commercial project in an enterprise zone, pollution-control
facility, or hazardous or solid waste facility, and any one or
more combinations of the foregoing

(7) "Research and development park" means a center of
research and development activity including scientifically
oriented production or educational programs of post-secondary
educational institutions, consisting of research and
development facilities, scientifically oriented production
facilities, research institutes, testing laboratories, related
business, government installations, and similar facilities,
together with land, including all necessary appurtenances,
rights, and franchises relating thereto with related
buildings, facilities, and personal properties, but only to
the extent that such facilities are incidental or


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by television broadcasting or cable companies licensed by the Federal Communications Commission.

(21) "Preservation or rehabilitation of a certified historic structure" means any "certified rehabilitation," as defined in section 48(g)(2)(C) of the Internal Revenue Code of 1954, as amended, of a "certified historic structure," as defined in section 48(g)(3) of the Internal Revenue Code of 1954, as amended.

Section 4. Section 159.287, Florida Statutes, is created to read:

159.287 Special act development commissions, councils, boards or authority; approval of county commission required to issue bonds.—Notwithstanding any other provision of part II of chapter 159 or any special act, the issuance of revenue bonds by any commission, council, board, or authority created by special act for the purpose of promoting economic development shall be subject to the approval or disapproval, pursuant to s. 125(1)(1)(s), of the county commission of the county for which said commission, council, board, or authority was created, on whose behalf such revenue bonds are to be issued by such commission, council, board, or authority and under or by whose authority said commission, council, board, or authority is acting.

Section 5. Section 159.345, Florida Statutes, is created to read:

159.345 Local agency reporting requirement --

(1) Any local agency which issues any revenue bonds pursuant to this part shall supply the Division of Bond Finance of the Department of General Services with a copy of the report required in section 103 of the Internal Revenue Code of 1954, as amended, at the times required pursuant to said code.

(2) The Division of Bond Finance of the Department of General Services shall:

(a) Upon receipt, provide a copy of the information supplied pursuant to subsection (1) to the Division of Economic Development of the Department of Commerce.

(b) Prepare and submit an annual report to the Governor and the Legislature by February 15, detailing the information provided pursuant to subsection (1) on each bond issued in the preceding year.

Section 6. Section 159.415, Florida Statutes, is created to read:

159.415 Composite issues of bonds.—Any local agency shall have the authority to issue, at one time or from time to time, a single issue of bonds to finance separate projects to be used by separate businesses and secured rateably by payments due under separate financing agreements between the local agency and each separate business, provided:

(1) The debt service payments due under all such separate financing agreements, in aggregate, are to be made in amounts and at the times required to pay in full the principal of, premium, if any, and interest on the bonds as the same become due and payable.

(2) Each separate business is financially responsible, fully capable, and willing to make the debt service payments it is required to make under the financing agreement between it and the local agency or one or more other financially responsible persons, partnerships, corporations, banks or insurance companies, assumes, guarantees, or secures by way of a guaranty, letter of credit, insurance policy, or otherwise.
Section 12. The provisions of this act amending parts II, III and V of chapter 159, Florida Statutes, shall not apply to any bonds for which a resolution was issued prior to the effective date of this act.

Section 13. This act shall take effect July 1, 1983 or upon becoming a law, whichever occurs later.

SENATE SUMMARY

Permits counties to approve the issuance of all industrial development bonds. Provides for approval by the county commissions of bonds issued by special act economic development agencies. Requires reporting to the Division of Bond Finance. Permits the issuance of composite bond issues by local agencies. Requires approval of certain bond issues by industrial development authorities. Creates the Florida Economic Development Financing Insurance Board and the Florida Economic Development Financing Insurance Trust Fund. Provides for certain insurance. See bill for details.
A bill to be entitled

An act relating to industrial development financing, amending s. 125.01(1)(z), Florida Statutes, as amended; providing that counties may approve or disapprove the issuance of all industrial development bonds, amending s. 159.26, Florida Statutes, 1982 Supplement, providing legislative findings, amending s. 159.27(2)(f), (5), (7), (9), (11), Florida Statutes, 1982 Supplement, and adding subsections (20) and (21) to said section, providing definitions; creating s. 159.287, Florida Statutes, providing that bonds issued by special act economic development agencies are subject to approval, creating s. 159.345, Florida Statutes, requiring local agencies to furnish the Division of Bond Finance of the Department of General Services with certain reports, requiring reports by the divisions, creating s. 159.415, Florida Statutes, allowing local agencies to issue composite bond issues under certain circumstances, amending s. 159.47(1)(f), (1), Florida Statutes, requiring approval of the issuance of bonds by industrial development authorities by the county commission; creating s. 159.475, Florida Statutes, requiring an authority to file certain reports with the Division of Bond Finance of the Department of General Services, requiring reports by the division, amending s. 159.705(6), Florida Statutes, and adding
subsection (11) to said section, providing for
the granting of certain leases and subleases by
research and development authorities; creating
s 159 7055, Florida Statutes; requiring
reporting; creating part VI of chapter 159,
Florida Statutes, consisting of ss 159 801-
159 813, Florida Statutes; providing
legislative intent, findings, and purpose;
providing definitions; creating the Florida
Economic Development Financing Insurance Board;
providing for board membership, powers, and
duties; creating the Florida Economic
Development Financing Insurance Trust Fund;
providing for the operation of the fund,
providing for applications for insurance and
establishing premium requirements; providing
for uses of the fund, providing that the credit
of the state and its political subdivisions are
not pledged; providing an expiration date;
providing that certain provisions do not apply
to certain bonds, providing an effective date

Be It Enacted by the Legislature of the State of Florida

Section 1 Paragraph (z) of subsection (1) of section
125 01, Florida Statutes, as amended by section 1 of chapter
83-1, Laws of Florida, is amended to read.
125 01 Powers and duties.--
(1) The legislative and governing body of a county
shall have the power to carry on county government To the
extent not inconsistent with general or special law, this

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power shall include, but shall not be restricted to, the power

to.

(z) Approve or disapprove the issuance of industrial
development bonds upon the request of an industrial
development authority created under part fifi, chapter 159

Section 2   Section 159.26, Florida Statutes, 1982
Supplement, is amended to read

159.26 Legislative findings and purposes -- The
Legislature finds and declares that the agriculture, tourism,
urban development, historic preservation, and health care
industries, among others, are vital to the economy of the
state and the welfare of the people and need to be enhanced
and expanded to improve the competitive position of the state;
that there is a need to enhance other economic activity in the
state by attracting manufacturing development, business
enterprise management, and other activities conducive to
economic promotion in order to provide a stronger, more
balanced, and stable economy in the state, while providing
through pollution control and otherwise for the health and
safety of the people, that in order to improve the prosperity
and welfare of the state and its inhabitants, to improve
living conditions and health care, to promote the preservation
of historic structures, to promote the rehabilitation of
enterprise zones, to promote effective and efficient pollution
control throughout the state, to promote the advancement of
education and science, research in and the economic
development of the state, and to increase purchasing power and
opportunities for gainful employment, it is necessary and in
the public interest to facilitate the financing of projects
provided for in this part and to facilitate and encourage the
planning and development of these projects without regard to
the boundaries between counties, municipalities, special
districts, and other local governmental bodies or agencies in
order to more effectively and efficiently serve the interests
of the greatest number of people in the widest area
practicable; and that the purposes to be achieved by such
projects and the financing of them in compliance with the
criteria and requirements of this part are predominantly the
public purposes stated in this section and that such purposes
implement the governmental purposes under the State
Constitution of providing for the health, safety, and welfare
of the people, including implementing the purpose of s. 10(c)
of Art. VII of the State Constitution.

Section 3 Paragraph (f) is added to subsection (2) of
section 159 27, Florida Statutes, 1982 Supplement, subsections
(5), (7), (9), and (11) of said section, are amended, and
 subsections (20) and (21) are added to said section to read:

159 27 Definitions.--The following words and terms,
unless the context clearly indicates a different meaning,
shall have the following meanings

(2) "Cost," as applied to any project, shall embrace:

(f) The cost of insurance premiums, application fees,
commitment fees, and other similar fees charged by the
Economic Development Financing Insurance Program

(5) "Project" means any capital project comprising an
industrial or manufacturing plant, a research and development
park, an agricultural processing or storage facility, a
warehousing or distribution facility, a headquarters facility,
a tourism facility, a convention or trade show facility, an
urban parking facility, a trade center, a health care
facility, a motion picture production facility, a preservation
or rehabilitation of a certified historic structure, an
airport or port facility, a commercial project in an enterprise zone, a pollution-control facility, or a hazardous or solid waste facility, including one or more buildings and other structures, whether or not on the same site or sites, any rehabilitation, improvement, renovation, or enlargement of, or any addition to, any buildings or structures for use as a factory, a mill, a processing plant, an assembly plant, a fabricating plant, an industrial distribution center, a repair, overhaul, or service facility, a test facility, an agricultural processing or storage facility, a warehousing or distribution facility, a headquarters facility, a tourism facility, a convention or trade show facility, an urban parking facility, a trade center, a health care facility, a motion picture production facility, a preservation or rehabilitation of a certified historic structure, an airport or port facility, a commercial project in an enterprise zone, a pollution-control facility, or a hazardous or solid waste facility, and other facilities, including research and development facilities, for manufacturing, processing, assembling, repairing, overhauling, servicing, testing, or handling of any products or commodities embraced in any industrial or manufacturing plant, in connection with the purposes of a research and development park, or other facilities for or used in connection with an agricultural processing or storage facility, a warehousing or distribution facility, a headquarters facility, a tourism facility, a convention or trade show facility, an urban parking facility, a trade center, a health care facility, a motion picture production facility, a preservation or rehabilitation of a certified historic structure, an airport or port facility, or a commercial project in an enterprise zone or for controlling
air or water pollution or for the disposal, processing, conversion, or reclamation of hazardous or solid waste, and including also the sites thereof and other rights in land therefor whether improved or unimproved, machinery, equipment, site preparation and landscaping, and all appurtenances and facilities incidental thereto, such as warehouses, utilities, access roads, railroad sidings, truck docking and similar facilities, parking facilities, office or storage or training facilities, public lodging and restaurant facilities, dockage, wharfage, solar energy facilities, and other improvements necessary or convenient for any manufacturing or industrial plant, research and development park, agricultural processing or storage facility, warehousing or distribution facility, tourism facility, convention or trade show facility, urban parking facility, trade center, health care facility, a motion picture production facility, a preservation or rehabilitation of a certified historic structure, airport or port facility, commercial project in an enterprise zone, pollution-control facility, or hazardous or solid waste facility, and any one or more combinations of the foregoing.

(7) "Research and development park" means a center of research and development activity including scientifically oriented production or educational programs of post-secondary educational institutions, consisting of research and development facilities, scientifically oriented production facilities, research institutes, testing laboratories, related business, government installations, and similar facilities, together with land, including all necessary appurtenances, rights, and franchises relating thereto with related buildings, facilities, and personal properties, but only to the extent that such facilities are incidental or
complimentary to the purposes of a research and development park, and uses reasonably incidental to or in support of any facilities or improvements located or constructed at such a center or of activities or operations conducted at such a center for purposes authorized by this section.

(9) "Warehousing or distribution facility" means property used or useful in the storage of tangible personal property or centralized distribution of products of, resulting from, or used in manufacturing, agriculture, fishing, or mining, including, without limitation thereto, warehouses, distribution centers, freight terminals, and elevators, but excluding storage facilities serving a single retail outlet.

(11) "Tourism facility" means property used for or useful in connection with theme parks, zoological gardens, amusement parks; major art, historical, educational, or trade museums, cultural or performing arts centers, or spectator or participatory sports facilities generally available to the public, including, without limitation thereto, marinas, arenas, beaches, bathing facilities, golf courses, theaters, auditoriums, racetracks, and frontons.

(20) "Motion picture or television reproduction facility" means property used for or useful in connection with the preparation of motion picture or television productions produced for showing on screens or television for theatrical, commercial, advertising, or educational purposes utilizing live, animated, or a combination of live and animated actions including, without limitation thereto, sound stages, editing facilities, facilities for production of background scenes, wardrobe facilities, recording and sound effects studios, and other facilities necessary or incidental thereto. This term does not include facilities or equipment purchased, leased, or used
by television broadcasting or cable companies licensed by the Federal Communications Commission.

(21) "Preservation or rehabilitation of a certified historic structure" means any "certified rehabilitation," as defined in section 48(g)(2)(C) of the Internal Revenue Code of 1954, as amended, of a "certified historic structure," as defined in section 48(g)(3) of the Internal Revenue Code of 1954, as amended.

Section 4. Section 159.287, Florida Statutes, is created to read:

159.287 Special act development commissions, councils, boards or authority; approval of county commission required to issue bonds.--Notwithstanding any other provision of part II of chapter 159 or any special act, the issuance of revenue bonds by any commission, council, board, or authority created by special act for the purpose of promoting economic development shall be subject to the approval or disapproval, pursuant to s. 125 01(1)(z), of the county commission of the county for which said commission, council, board, or authority was created, on whose behalf such revenue bonds are to be issued by such commission, council, board, or authority and under or by whose authority said commission, council, board, or authority is acting.

Section 5 Section 159.345, Florida Statutes, is created to read:

159.345 Local agency reporting requirement --

(1) Any local agency which issues any revenue bonds pursuant to this part shall supply the Division of Bond Finance of the Department of General Services with a copy of the report required in section 103 of the Internal Revenue

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Code of 1954, as amended, at the times required pursuant to said code.

(2) The Division of Bond Finance of the Department of General Services shall:

(a) Upon receipt, provide a copy of the information supplied pursuant to subsection (1) to the Division of Economic Development of the Department of Commerce.

(b) Prepare and submit an annual report to the Governor and the Legislature by February 15, detailing the information provided pursuant to subsection (1) on each bond issued in the preceding year.

Section 6 Section 159.415, Florida Statutes, is created to read

159.415 Composite issues of bonds —Any local agency shall have the authority to issue, at one time or from time to time, a single issue of bonds to finance separate projects to be used by separate businesses and secured rateably by payments due under separate financing agreements between the local agency and each separate business, provided:

(1) The debt service payments due under all such separate financing agreements, in aggregate, are to be made in amounts and at the times required to pay in full the principal of, premium, if any, and interest on the bonds as the same become due and payable;

(2) Each separate business is financially responsible, fully capable, and willing to make the debt service payments it is required to make under the financing agreement between it and the local agency or one or more other financially responsible persons, partnerships, corporations, banks, or insurance companies, assumes, guarantees, or secures by way of a guaranty, letter of credit, insurance policy, or otherwise,
the obligations of such business to make such debt service payments to the local agency or has guaranteed or insured the payment by the local agency of debt service on the bonds in an amount equal to the debt service payable by such business to the local agency under the financing agreement.

(3) Each business or other user of each project financed under each such financing agreement is financially responsible, fully capable, and willing to operate, maintain, and repair such project at its own expense or the obligation to operate, repair, and maintain user project is assumed, guaranteed, or secured by one or more other financially responsible persons, partnerships, corporations, banks, or insurance companies.

(4) Any bonds issued under the provisions of this section shall be insured under the Florida Economic Development Financing Insurance Program created pursuant to part VI of chapter 159.

Section 7 Paragraphs (f) and (1) of subsection (1) of section 159.47, Florida Statutes, are amended to read:

159.47 Powers of the authority.--

(1) The authority is authorized and empowered:

(f) To issue revenue bonds or other debt obligations repayable solely from revenues derived from the sale, operation, or leasing of projects or other payments received under financing agreements with respect thereto, subject to the approval or disapproval of the commission pursuant to s

125.01(1)(z)

(1) To secure the issuance and repayment of industrial development bonds by a lease, mortgage, or other security instrument encumbering only the capital improvements which are financed by the authority in any case in which an addition to
a project is financed or in which less than the entire project
is financed or refinanced by industrial development bonds,
subject to the approval or disapproval of the commission
pursuant to s 125.01(1)(z). The lease, mortgage, or other
security instrument may include a security interest in both
the land and personal property or may include a lease,
mortgage, or other security instrument sufficient for the
purpose encumbering only the personal property, including
machinery and equipment, which is being financed. In
financing projects, authorities may enter into financing
agreements of such types as they may approve with such
security instruments or trust agreements as the authority
shall deem adequate.

Section 8  Section 159.475, Florida Statutes, is
created to read

159.475 Authority reporting requirement --
(1) Any authority which issues any revenue bonds
pursuant to this part shall supply the Division of Bond
Finance of the Department of General Services with a copy of
the report required pursuant to section 103 of the Internal
Revenue Code of 1954, as amended, at the times required
pursuant to said code
(2) The Division of Bond Finance of the Department of
General Services shall
(a) Upon receipt, provide a copy of the information
supplied pursuant to subsection (1) to the Division of
Economic Development of the Department of Commerce
(b) Prepare and submit an annual report to the
Governor and the Legislature by February 15, detailing the
information provided pursuant to subsection (1) on each bond
issued in the preceding year

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Section 9. Subsection (6) of section 159 705, Florida Statutes, is amended and subsection (11) is added to said section to read:

159 705 Powers of the authority --The authority is authorized and empowered:

(6) To issue revenue bonds or other debt obligations repayable solely from revenues derived from the sale, operation, or leasing of such capital projects, subject to the approval of the board pursuant to s. 125.01(1)(z).

(11) Notwithstanding the provisions of s. 253.034, to be granted leases for lands owned by the Board of Trustees of the Internal Improvement Trust Fund for a period not to exceed 99 years, and to grant subleases for land which is owned by the Board of Trustees of the Internal Improvement Trust Fund, if the Board of Trustees of the Internal Improvement Trust Fund has approved the master lease agreement, concept of operation of the park, and master sublease provisions for use in such subleases. The term of such subleases may run concurrently with the term of the lease granted by the Board of Trustees of the Internal Improvement Trust Fund. Copies of subleases shall be filed with the Division of State Lands of the Department of Natural Resources subsequent to execution.

Section 10. Section 159 7055, Florida Statutes, is created to read:

159 7055 Authority reporting requirement.--

(1) Any authority which issues any revenue bonds pursuant to this part shall supply the Division of Bond Finance of the Department of General Services with a copy of the report required pursuant to section 103 of the Internal Revenue Code of 1954, as amended, at the times required pursuant to said code.
The Division of Bond Finance of the Department of General Services shall

(a) Upon receipt, provide a copy of the information supplied pursuant to subsection (1) to the Division of Economic Development of the Department of Commerce

(b) Prepare and submit an annual report to the Governor and the Legislature by February 15, detailing the information provided pursuant to subsection (1), on each bond issued in the preceding year

Section 11 Part VI of chapter 159, Florida Statutes, consisting of sections 159 801, 159 802, 159 803, 159 804, 159 805, 159 806, 159 807, 159 808, 159 809, 159 811, 159 812, and 159 813, Florida Statutes, is created to read

PART VI
FLORIDA ECONOMIC DEVELOPMENT FINANCING INSURANCE PROGRAM

159 801 Short Title --This part may be cited as the "Florida Economic Development Financing Insurance Program."

159 802 Legislative intent, findings and purpose --The Legislature finds and declares that manufacturing, agriculture, tourism, urban development historic preservation, and health care industries, among others, are vital to the economy of the state and the welfare of the people and need to be enhanced and expanded to improve the competitive position of the state, that there is a need to enhance other economic activity in the state by attracting manufacturing development, business enterprise management, and other activities conducive to economic promotion in order to provide a stronger, more balanced, and stable economy in the state, that it is necessary to encourage the location or expansion of business concerns, most particularly smaller businesses, which are frequently unable to obtain bond financing for capital
facilities due to the costs associated with such financing; that such small business concerns are responsible for the creation of substantial numbers of jobs in the state and payment of significant tax revenues to the state and to local agencies, and that it is necessary and in the public interest for the state to provide assistance to business concerns, particularly small businesses, by establishing a program to insure the repayment of the financing of capital facilities for such business concerns in compliance with the requirements of this part and to thereby promote economic development and revitalization by facilitating the location and expansion of business concerns, the attracting of and granting of assistance to such businesses, the financing of projects therefor, and the assistance to be provided by this part are found and declared to serve a public purpose.

159 803 Definitions.--As used in this act:
(1) "Board" means the Florida Economic Development Financing Insurance Board
(2) "Bonds" means bonds issued by a local agency pursuant to the provisions of part II, part III, or part V of this chapter.
(3) "Debt service" means, with respect to a qualified financing, payments of principal of and interest on any bond or bonds issued to finance a project
(4) "Enterprise zone" means an area designated pursuant to s. 290 005 and approved by the Secretary of the Department of Community Affairs pursuant to s. 290 006
(5) "Insurance fund" means the Florida Economic Development Financing Insurance Trust Fund
(6) "Local agency" means any local agency as defined in part II of this chapter, an authority created pursuant to
part III or part V of this chapter, or agency created by special act for the purpose of attracting or promoting economic development

(7) "Program" means the Economic Development Financing Insurance Program

(8) "Project" has the same meaning as in s. 159 27(5)

(9) "Project cost" has the same meaning as in s. 159 27(2)

(10) "Qualified financing" means a financing for a project meeting the requirements of s. 159 808 and approved by the board for insurance of debt service payable with respect thereto

(11) "Research and development park" means a research and development park operated by a research and development authority created pursuant to part V of this chapter

(1) There is created within the Department of Community Affairs, for the purpose of performing an essential public function, the Florida Economic Development Financing Insurance Program. In addition, there is created an Economic Development Financing Insurance Board which is charged with the management of the program.

(2) The board shall consist of the Secretary of the Department of Community Affairs, the Secretary of the Department of Commerce, the Director of the Division of Bond Finance of the Department of General Services, the Executive Director of the Florida Housing Finance Agency, and a local government economic development official to be appointed by the Governor and subject to confirmation by the Senate. The Secretary of the Department of Community Affairs shall be the
chairman of the board, and the Secretary of the Department of Commerce shall be the vice-chairman. The powers of the board shall be exercised by not less than three members, and the affirmative vote of three members shall be necessary for any action taken by the board.

(3) The local economic development member shall serve a 4-year term beginning July 1, but shall serve until his successor is appointed and qualified.

159 805 Powers and duties of the board.--The board shall have all of the powers necessary or convenient to carry out and effectuate the purposes and provisions of this part, including but not limited to, the power with respect to any project, or portion thereof.

(1) To adopt, amend, or rescind, such rules as it deems necessary in connection with the performance of its functions and duties under this part;

(2) To receive, administer, and comply with conditions and requirements respecting any gift, grant, or donation of any property or money from any source, whether federal, state, or private;

(3) To acquire by purchase, gift, or otherwise any property, real or personal, improved or unimproved, related to any project,

(4) To operate its program of insuring qualified financing on a revolving and self-sustaining basis to the maximum extent practicable.

(5) To charge application fees, commitment fees, and premiums sufficient to accomplish the purposes of this part pursuant to s. 159 809,

(6) To sue and be sued in its own name and to plead and be impleaded,
To enter into contracts for any of the purposes enumerated in this part.

159.806 Economic Development Financing Insurance Trust Fund created, sources; uses; investment --

(1) There is created the Florida Economic Development Financing Insurance Trust Fund.

(2) There shall be deposited into the fund, from time to time:

(a) Any moneys appropriated by the state to the fund

(b) Any gifts, grants, or other moneys given or paid to the fund

(c) All payments, application fees, commitment fees, and premiums paid or to be paid to the board with the insuring of any qualified financing

(d) All proceeds received from the endorsement of any rights of the board in connection with any qualified financing.

(3) Amounts in the fund shall be applied by the board to make debt service payments with respect to any qualified financing as provided in s 159.811. The board is authorized to pay from the fund into an operating expense trust fund up to $250,000 per year for payment of all direct expenses in connection with the operation and maintenance of the Economic Development Financing Insurance Trust Fund. The board shall invest moneys on deposit in the Economic Development Financing Insurance Trust Fund pursuant to law. The income from such investment shall annually be transferred to the Community Development Corporation Trust Fund for use solely in the Community Development Deferred Loan Program established in s 290.037

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159.807 Application for insurance.--All applications for financing insurance shall be made by the local agency providing the financing for a project. The local agency shall forward such application to the board, together with an application fee prescribed by the board. Each application shall include such information as the board may require and, upon receipt, shall be forwarded to the Department of Community Affairs. The Department of Community Affairs, with such assistance from the Division of Bond Finance of the Department of General Services and the Department of Commerce as the Secretary of Community Affairs may reasonably require, shall prepare a report with respect to the application under consideration, which report shall include information about the borrowing entity and the project to be financed, including information concerning past financial history, wage standards, job opportunities, pro forma income statements, and qualifications of management. In considering any application, the board shall take into account the ability of the borrowing entity to repay amounts due under the proposed financing. After receipt and consideration of such report and after such other action as is deemed appropriate, the board shall approve or deny the application. The local agency shall be promptly notified of such approval or denial. If the application is approved, the approval shall be conditioned upon payment to the board, within a reasonable time as may be specified by the board, of a commitment fee prescribed by the board. The board may, in its discretion, reconsider any application which is not approved.

159.808 Approval of application for insurance.--The board shall not approve any application for insurance unless

(1) The project complies with s 159.29
(2) The financing for the project is secured by a first mortgage on any real property comprising the project.

(3) The financing has an amortization of principal due on the basis of substantially level debt service.

(4) The financing provides for the establishment of a debt service reserve in an amount determined by the board to be necessary, up to a maximum of the debt service, for 1 year.

159,809 Insurance premiums --

(1) The board shall set the premiums to be paid to it for the insurance provided under this part pursuant to rules adopted by the board.

(2) In calculating the premiums to be charged for insurance, the board shall use either of the following methods:

(a) As a percentage of the entire principal obligation outstanding at the beginning of each year during the term of the bonds insured as outstanding. No premium charged under this paragraph shall exceed one-half of 1 percent of the entire principal obligation outstanding at the beginning of year, or

(b) As a percentage of the entire principal obligation outstanding at the time the bonds are issued. No premium charged under this paragraph shall exceed a one time charge of 2 percent.

(3) Premiums charged by the board shall be uniform among all bonds insured. The method chosen for calculation of premiums pursuant to subsection (2), and the premium rate, shall not be changed more than once in any 12-month period.

(4) No premium shall be charged for any project or portion of a project located in

(a) An enterprise zone;

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(b) A research and development park; or
(c) A county in which the unemployment rate, according
to the Department of Labor and Employment Security for the
month the bonds are issued, exceeds the unemployment rate for
the state by 5 percent or more

159.811 Uses of Economic Development Financing
Insurance Trust Fund.--

(1) If the payment of debt service on any qualified
financing is past due for 30 days after any reserve required
to be established in s. 159.808 has been exhausted, the board
shall apply moneys in the insurance fund, to the extent
available, to make such debt service payment to the local
agency or its assigns. To the extent moneys are applied by
the board to make debt service payments for a qualified
financing, the board shall be subrogated to the rights of the
local agency or its assigns for the collection of such amounts
and shall be entitled to collect such amounts from any
security or source of payment for such qualified financing to
the same extent as the local agency or its assigns were
entitled to collect the same. It is the intent of the
Legislature that any debt service payments made from the
Economic Development Financing Insurance Trust Fund with
respect to a qualified financing be repaid to the fund at the
earliest date possible from the revenues of the qualified
financing

(2) In the event of a default with respect to a
qualified financing, the board may, in its sole discretion,
apply moneys in the fund to acquire any bonds issued with
respect to such qualified financing and all right, title, and
interest in and to the security for such qualified financing
and may exercise any remedies available to the board to
collect the amount due under such qualified financing resulting from the acquisition of such bonds and such right, title, and interest in the security therefor as the board shall deem appropriate

(3) In the event of a default with respect to a qualified financing, the local agency shall negotiate, subject to the approval of the board, for the lease or sale of the project pursuant to s. 159 30 and in accordance with the documents securing such qualified financing. It is the intent of the Legislature that the proceeds of a lease or sale of such a project be sufficient, to the extent possible, to make remaining debt service payments and to cover any payments made from the fund.

(4) It is the intent of the Legislature that this section be construed liberally so as to maximize the flexibility of the board in the prudent management of the fund.

159 812 Credit of state or political subdivision not pledged --Nothing in this part shall be construed to create any legal or moral obligation on the part of the state or any local agency to make any payments into the Economic Development Financing Insurance Trust Fund. Any agreement or obligation of the board to make any debt service payment with respect to any qualified financing shall be made solely from the fund and only to the extent moneys are available in the fund therefor.

159 813 Expiration date --This part shall expire and be void on December 31, 1990, however, the expiration of this part shall not affect the insurance of any qualified financing approved by the board prior to such date.
Section 12. The provisions of this act amending parts II, III and V of chapter 159, Florida Statutes, shall not apply to any bonds for which a resolution was issued prior to the effective date of this act.

Section 13. This act shall take effect July 1, 1983 or upon becoming a law, whichever occurs later.

SENATE SUMMARY

Permits counties to approve the issuance of all industrial development bonds. Provides for approval by the county commissions of bonds issued by special act economic development agencies. Requires reporting to the Division of Bond Finance. Permits the issuance of composite bond issues by local agencies. Requires approval of certain bond issues by industrial development authorities. Creates the Florida Economic Development Financing Insurance Board and the Florida Economic Development Financing Insurance Trust Fund. Provides for certain insurance. See bill for details.

CODING Words in struck through type are deletions from existing law, words underlined are additions.