

**PART VI**  
**GULF COAST ECONOMIC CORRIDOR**

**288.80** Short title

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**288.8012** Definitions.

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**288.8015** Board of directors; powers.

**288.8016** Triumph Gulf Coast, Inc.; duties.

**288.8017** Awards.

**288.8018** Gulf Coast audits.

**288.80** **Short title**—This section and ss. 288.8011-288.8017 may be cited as the “Gulf Coast Economic Corridor Act.”

**History.**—s. 51, ch. 2013-39.

**288.8011** **Gulf Coast Economic Corridor; legislative intent.**—The Legislature recognizes that fully supporting areas affected by the Deepwater Horizon disaster to ensure goals for economic recovery and diversification are achieved is in the best interest of the citizens of the state. The Legislature intends to provide a long-term source of funding for efforts of economic recovery and enhancement in the Gulf Coast region. The Legislature finds that it is important to help businesses, individuals, and local governments in the Gulf Coast region recover.

**History.**—s. 52, ch. 2013-39.

**288.8012** **Definitions.**—As used in ss. 288.80-288.8017, the term:

(1) “Awardee” means a person, organization, or local government granted an award of funds from the Recovery Fund for a project or program.

(2) “Disproportionately affected county” means Bay County, Escambia County, Franklin County, Gulf County, Okaloosa County, Santa Rosa County, Walton County, or Wakulla County.

(3) “Earnings” means all the income generated by investments and interest.

(4) “Recovery Fund” means a trust account established by Triumph Gulf Coast, Inc., for the benefit of the disproportionately affected counties.

**History.**—s. 53, ch. 2013-39.

**288.8013** **Triumph Gulf Coast, Inc.; Recovery Fund; creation; investment.**—

(1) There is created within the Department of Economic Opportunity a nonprofit corporation, to be known as Triumph Gulf Coast, Inc., which shall be registered, incorporated, organized, and operated in compliance with chapter 617, and which is not a unit or entity of state government. Triumph Gulf Coast, Inc., may receive, hold, invest, and administer the Recovery Fund in support of this act. Triumph Gulf Coast, Inc., is a separate budget entity and is not subject to control, supervision, or direction by the Department of Economic Opportunity in any manner, including, but not limited to, personnel, purchasing, transactions involving real or personal property, and budgetary matters.

(2) Triumph Gulf Coast, Inc., must create and administer the Recovery Fund for the benefit of the disproportionately affected counties. The principal of the fund shall derive from 75 percent of all funds recovered by the Attorney General for economic damage to the state resulting from the Deepwater Horizon disaster, after payment of reasonable and necessary attorney fees, costs, and expenses, including such attorney fees, costs, and

expenses pursuant to s. 16.0155.

(3) The Recovery Fund must be maintained as a long-term and stable source of revenue, which shall decline over a 30-year period in equal amounts each year. Triumph Gulf Coast, Inc., shall establish a trust account at a federally insured financial institution to hold funds and make deposits and payments. Earnings generated by investments and interest of the fund, plus the amount of principal available each year, shall be available to make awards pursuant to this act and pay administrative costs. Earnings shall be accounted for separately from principal funds set forth in subsection (2). Administrative costs are limited to 2.25 percent of the earnings in a calendar year. Administrative costs include payment of investment fees, travel and per diem expenses of board members, audits, salary or other costs for employed or contracted staff, including required staff under s. 288.8014(9), and other allowable costs. Any funds remaining in the Recovery Fund after 30 years shall revert to the State Treasury.

(4) Triumph Gulf Coast, Inc., shall invest and reinvest the principal of the Recovery Fund in accordance with s. 617.2104, in such a manner not to subject the funds to state or federal taxes, and consistent with an investment policy statement adopted by the corporation.

(a) The board of directors shall formulate an investment policy governing the investment of the principal of the Recovery Fund. The policy shall pertain to the types, kinds, or nature of investment of any of the funds, and any limitations, conditions or restrictions upon the methods, practices, or procedures for investment, reinvestments, purchases, sales, or exchange transactions, provided such policies shall not conflict with nor be in derogation of any state constitutional provision or law. The policy shall be formulated with the advice of the financial advisor in consultation with the State Board of Administration.

(b) Triumph Gulf Coast, Inc., must competitively procure one or more money managers, under the advice of the financial advisor in consultation with the State Board of Administration, to invest the principal of the Recovery Fund. The applicant manager or managers may not include representatives from the financial institution housing the trust account for the Recovery Fund. The applicant manager or managers must present a plan to invest the Recovery Fund to maximize earnings while prioritizing the preservation of Recovery Fund principal. Any agreement with a money manager must be reviewed by Triumph Gulf Coast, Inc., for continuance at least every 5 years. Plans should include investment in technology and growth businesses domiciled in, or that will be domiciled in, this state or businesses whose principal address is in this state.

(c) Costs and fees for investment services shall be deducted from the earnings as administrative costs. Fees for investment services shall be no greater than 150 basis points.

(d) Annually, Triumph Gulf Coast, Inc., shall cause an audit to be conducted of the investment of the Recovery Fund by the independent certified public accountant retained in s. 288.8014. The expense of such audit shall be paid from earnings for administrative purposes.

(5) Triumph Gulf Coast, Inc., shall report on June 30 and December 30 each year to the Governor, the President of the Senate, and the Speaker of the House of Representatives on the financial status of the Recovery Fund and its investments, the established priorities, the project and program selection process, including a list of all submitted projects and reasons for approval or denial, and the status of all approved awards.

(6) The Auditor General shall conduct an operational audit of the Recovery Fund and Triumph Gulf Coast, Inc., annually. Triumph Gulf Coast, Inc., shall provide to the Auditor General any detail or supplemental data required.

History.—s. 54, ch. 2013-39; s. 7, ch. 2014-218.

#### **288.8014 Triumph Gulf Coast, Inc.; organization; board of directors.—**

(1) Triumph Gulf Coast, Inc., is subject to the provisions of chapter 119 relating to public records and those provisions of chapter 286 relating to public meetings and records.

(2) Triumph Gulf Coast, Inc., shall be governed by a 5-member board of directors. Each of the Trustees of the State Board of Administration, the President of the Senate, and the Speaker of the House of Representatives shall

each appoint one member from the private sector. The board of directors shall annually elect a chairperson from among the board's members. The chairperson may be removed by a majority vote of the members. His or her successor shall be elected to serve for the balance of the removed chairperson's term. The chairperson is responsible to ensure records are kept of the proceedings of the board of directors and is the custodian of all books, documents, and papers filed with the board; the minutes of meetings of the board; and the official seal of Triumph Gulf Coast, Inc.

(3) Notwithstanding s. 20.052(4)(c), each initial appointment to the board of directors by the Board of Trustees of the State Board of Administration shall serve for a term that ends 4 years after the Legislature appropriates funds to the Recovery Fund. To achieve staggered terms among the members of the board, each initial appointment to the board of directors by the President of the Senate and the Speaker of the House of Representatives shall serve for a term that ends 5 years after the Legislature appropriates funds to the Recovery Fund. Thereafter, each member of the board of directors shall serve for a term of 4 years. A member is not eligible for reappointment to the board, except, however, any member appointed to fill a vacancy for a term of 2 years or less may be reappointed for an additional term of 4 years. The initial appointments to the board must be made by November 15, 2013. Vacancies on the board of directors shall be filled by the officer who originally appointed the member. A vacancy that occurs before the scheduled expiration of the term of the member shall be filled for the remainder of the unexpired term.

(4) The Legislature determines that it is in the public interest for the members of the board of directors to be subject to the requirements of ss. 112.313, 112.3135, and 112.3143, notwithstanding the fact that the board members are not public officers or employees. For purposes of those sections, the board members shall be considered to be public officers or employees. In addition to the postemployment restrictions of s. 112.313(9), a person appointed to the board of directors must agree to refrain from having any direct interest in any contract, franchise, privilege, project, program, or other benefit arising from an award by Triumph Gulf Coast, Inc., during the term of his or her appointment and for 2 years after the termination of such appointment. It is a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083, for a person to accept appointment to the board of directors in violation of this subsection or to accept a direct interest in any contract, franchise, privilege, project, program, or other benefit granted by Triumph Gulf Coast, Inc., to an awardee within 2 years after the termination of his or her service on the board. Further, each member of the board of directors who is not otherwise required to file financial disclosure under s. 8, Art. II of the State Constitution or s. 112.3144 shall file disclosure of financial interests under s. 112.3145.

(5) Each member of the board of directors shall serve without compensation, but shall receive travel and per diem expenses as provided in s. 112.061 while in the performance of his or her duties.

(6) Each member of the board of directors is accountable for the proper performance of the duties of office, and each member owes a fiduciary duty to the people of the state to ensure that awards provided are disbursed and used, and investments are made, as prescribed by law and contract. An appointed member of the board of directors may be removed by the officer that appointed the member for malfeasance, misfeasance, neglect of duty, incompetence, permanent inability to perform official duties, unexcused absence from three consecutive meetings of the board, arrest or indictment for a crime that is a felony or a misdemeanor involving theft or a crime of dishonesty, or pleading nolo contendere to, or being found guilty of, any crime.

(7) The board of directors shall meet at least quarterly, upon the call of the chairperson or at the request of a majority of the membership, to review the Recovery Fund, establish and review priorities for economic recovery in disproportionately affected counties, and determine use of the earnings available. A majority of the members of the board of directors constitutes a quorum. Members may not vote by proxy.

(8) The executive director of the Department of Economic Opportunity, or his or her designee, the secretary of the Department of Environmental Protection, or his or her designee, and the chair of the Committee of 8

Disproportionally Affected Counties, or his or her designee, shall be available to consult with the board of directors and may be requested to attend meetings of the board of directors. These individuals shall not be permitted to vote on any matter before the board.

(9)(a) Triumph Gulf Coast, Inc., is permitted to hire or contract for all staff necessary to the proper execution of its powers and duties to implement this act. The corporation is required to retain:

1. An independent certified public accountant licensed in this state pursuant to chapter 473 to inspect the records of and to annually audit the expenditure of the earnings and available principal disbursed by Triumph Gulf Coast, Inc.

2. An independent financial advisor to assist Triumph Gulf Coast, Inc., in the development and implementation of a strategic plan consistent with the requirements of this act.

3. An economic advisor who will assist in the award process, including the development of priorities, allocation decisions, and the application and process; will assist the board in determining eligibility of award applications and the evaluation and scoring of applications; and will assist in the development of award documentation.

4. A legal advisor with expertise in not-for-profit investing and contracting and who is a member of The Florida Bar to assist with contracting and carrying out the intent of this act.

(b) Triumph Gulf Coast, Inc., shall require all employees of the corporation to comply with the code of ethics for public employees under part III of chapter 112. Retained staff under paragraph (a) must agree to refrain from having any direct interest in any contract, franchise, privilege, project, program, or other benefit arising from an award by Triumph Gulf Coast, Inc., during the term of his or her appointment and for 2 years after the termination of such appointment.

(c) Retained staff under paragraph (a) shall be available to consult with the board of directors and shall attend meetings of the board of directors. These individuals shall not be permitted to vote on any matter before the board.

History.—s. 55, ch. 2013-39; s. 8, ch. 2014-218.

**288.8015 Board of directors; powers.**—In addition to the powers and duties prescribed in chapter 617 and the articles and bylaws adopted in compliance with that chapter, the board of directors may:

(1) Make and enter into contracts and other instruments necessary or convenient for the exercise of its powers and functions.

(2) Make expenditures including any necessary administrative expenditure from earnings consistent with its powers.

(3) Adopt, use, and alter a common corporate seal. Notwithstanding any provision of chapter 617 to the contrary, this seal is not required to contain the words “corporation not for profit.”

(4) Adopt, amend, and repeal bylaws, not inconsistent with the powers granted to it or the articles of incorporation, for the administration of the activities of Triumph Gulf Coast, Inc., and the exercise of its corporate powers.

(5) Use the state seal, notwithstanding the provisions of s. 15.03, when appropriate, for standard corporate identity applications. Use of the state seal is not intended to replace use of a corporate seal as provided in this section.

Under no circumstances may the credit of the State of Florida be pledged on behalf of Triumph Gulf Coast, Inc.

History.—s. 56, ch. 2013-39.

**288.8016 Triumph Gulf Coast, Inc.; duties.**—Triumph Gulf Coast, Inc., shall have the following duties:

(1) Manage responsibly and prudently all funds received, and ensure that the use of such funds is in accordance with all applicable laws, bylaws, or contractual requirements.

- (2) Administer the program created under this act.
- (3) Monitor, review, and annually evaluate awardees and their projects or programs to determine whether an award should be continued, terminated, reduced, or increased.
- (4) Operate in a transparent manner, providing public access to information, notice of meetings, awards, and the status of projects and programs. To this end, Triumph Gulf Coast, Inc., shall maintain a website that provides public access to this information.

History.—s. 57, ch. 2013-39.

#### **288.8017 Awards.—**

- (1) Triumph Gulf Coast, Inc., shall make awards from available earnings and principal derived under s. 288.8013(2) to projects or programs that meet the priorities for economic recovery, diversification, and enhancement of the disproportionately affected counties, notwithstanding s. 377.43. Awards may be provided for:
- (a) Ad valorem tax reduction within disproportionately affected counties;
  - (b) Payment of impact fees adopted pursuant to s. 163.31801 and imposed within disproportionately affected counties;
  - (c) Administrative funding for economic development organizations located within the disproportionately affected counties;
  - (d) Local match requirements of ss. 288.0655, 288.0659, 288.1045, and 288.106 for projects in the disproportionately affected counties;
  - (e) Economic development projects in the disproportionately affected counties;
  - (f) Infrastructure projects that are shown to enhance economic development in the disproportionately affected counties;
  - (g) Grants to local governments in the disproportionately affected counties to establish and maintain equipment and trained personnel for local action plans of response to respond to disasters, such as plans created for the Coastal Impacts Assistance Program;
  - (h) Grants to support programs of excellence that prepare students for future occupations and careers at K-20 institutions that have home campuses in the disproportionately affected counties. Eligible programs include those that increase students' technology skills and knowledge; encourage industry certifications; provide rigorous, alternative pathways for students to meet high school graduation requirements; strengthen career readiness initiatives; fund high-demand programs of emphasis at the bachelor's and master's level designated by the Board of Governors; and, similar to or the same as talent retention programs created by the Chancellor of the State University System and the Commission of Education, encourage students with interest or aptitude for science, technology, engineering, mathematics, and medical disciplines to pursue postsecondary education at a state university within the disproportionately affected counties; and
  - (i) Grants to the tourism entity created under s. 288.1226 for the purpose of advertising and promoting tourism, Fresh From Florida, or related content on behalf of one or all of the disproportionately affected counties.
- (2) Triumph Gulf Coast, Inc., shall establish an application procedure for awards and a scoring process for the selection of projects and programs that have the potential to generate increased economic activity in the disproportionately affected counties, giving priority to projects and programs that:
- (a) Generate maximum estimated economic benefits, based on tools and models not generally employed by economic input-output analyses, including cost-benefit, return-on-investment, or dynamic scoring techniques to determine how the long-term economic growth potential of the disproportionately affected counties may be enhanced by the investment.
  - (b) Increase household income in the disproportionately affected counties above national average household

income.

- (c) Expand high growth industries or establish new high growth industries in the region.
    - 1. Industries that are supported must have strong growth potential in the disproportionately affected counties.
    - 2. An industry's growth potential is defined based on a detailed review of the current industry trends nationally and the necessary supporting asset base for that industry in the disproportionately affected counties region.
  - (d) Leverage or further enhance key regional assets, including educational institutions, research facilities, and military bases.
  - (e) Partner with local governments to provide funds, infrastructure, land, or other assistance for the project.
  - (f) Have investment commitments from private equity or private venture capital funds.
  - (g) Provide or encourage seed stage investments in start-up companies.
  - (h) Provide advice and technical assistance to companies on restructuring existing management, operations, or production to attract advantageous business opportunities.
  - (i) Benefit the environment in addition to the economy.
  - (j) Provide outcome measures for programs of excellence support, including terms of intent and metrics.
  - (k) Partner with K-20 educational institutions or school districts located within the disproportionately affected counties.
  - (l) Partner with convention and visitor bureaus, tourist development councils, or chambers of commerce located within the disproportionately affected counties.
- (3) Triumph Gulf Coast, Inc., may make awards as applications are received or may establish application periods for selection. Awards may not be used to finance 100 percent of any project or program. Triumph Gulf Coast, Inc., may require a one-to-one private-sector match or higher for an award, if applicable and deemed prudent by the board of directors. An awardee may not receive all of the earnings or available principal in any given year.
- (4) A contract executed by Triumph Gulf Coast, Inc., with an awardee must include provisions requiring a performance report on the contracted activities, must account for the proper use of funds provided under the contract, and must include provisions for recovery of awards in the event the award was based upon fraudulent information or the awardee is not meeting the performance requirements of the award. Awardees must regularly report to Triumph Gulf Coast, Inc., the status of the project or program on a schedule determined by the corporation.

History.—s. 58, ch. 2013-39.

### **288.8018 Gulf Coast audits.—**

- (1) The scope of a financial audit conducted pursuant to s. 218.39 shall include funds related to the Deepwater Horizon oil spill for any year in which a local government entity receives or expends funds related to the Deepwater Horizon oil spill, including any funds under s. 288.8017 or under 33 U.S.C. s. 1321(t). The scope of review for these funds shall include, but is not limited to, compliance with state and federal laws related to the receipt and expenditure of these funds.
- (2) Every 2 years, the Auditor General shall conduct an operational audit, as defined in s. 11.45, of a local government entity's funds related to the Deepwater Horizon oil spill to evaluate the local government entity's performance in administering laws, policies, and procedures governing the expenditure of funds related to the Deepwater Horizon oil spill in an efficient and effective manner. The scope of review shall include, but is not limited to, evaluating internal controls, internal audit functions, reporting and performance requirements required for use of the funds, and compliance with state and federal law. The audit shall include any funds the local government entity receives or expends related to the Deepwater Horizon oil spill, including any funds under s. 288.8017 or under 33 U.S.C. s. 1321(t).

(3) In addition to the rules of the Auditor General adopted under s. 11.45(8), the Auditor General shall adopt rules for the form and conduct of all financial audits performed by independent certified public accountants and for audits of local government entities conducted under this section for funds received under 33 U.S.C. s. 1321(t). Such rules shall take into account the rules for such audits set forth by the Secretary of the Treasury pursuant to 33 U.S.C s. 1321(t).

(4) The Auditor General may report findings to the Secretary of the Treasury of the United States in addition to the reporting requirements under state law.

**History.**—s. 59, ch. 2013-39.