

2014 Legislative Agenda

EDUCATION AND WORKFORCE

Advanced Manufacturing Research Matching Grants

\$25 million for our 5 public research universities (\$5 million each) to match manufacturing investment on a 2:1 basis (manufacturing 2: university 1)

In order for manufacturers to stay competitive in a global economy they must continuously improve their processes, business operations, training programs and efficiencies. At the same time, in order for our universities to stay relevant to today's business environment, they need to have faculty and students solving real world problems through research. This proposal is patterned after the highly successful High Tech Corridor Matching Grants Research Program, but instead it will allow all manufacturers and two additional universities in the state to participate. Individual manufacturers, associations of manufacturers, or consortiums of manufacturers would be eligible to apply for the matching research grants.

Industry Certification Funding

Continue/enhance funding to schools/colleges for industry certifications earned

The continuation or enhancement of incentive funding for public schools and colleges that allow students to earn industry certifications that are valued by Florida businesses will increase the probability of employment of such students. The Florida Legislature wisely funded schools and colleges for industry certifications earned by students in FY 2013-2014. Students with industry certifications can demonstrate immediately that they have a level of proficiency in designated areas. This can be of great value to manufacturers who want to know what the individual can do immediately when hired.

Quick Response Training Funds

\$12 million for Quick Response Training funds

The Legislature funded Quick Response Training (QRT) Funds for businesses at \$12 million for FY 2013-2014. We are seeking a continuation of that funding level. QRT is performance-based training which provides partial reimbursement for training expenses after jobs have been created or retained and training has occurred.

Looking back at the statistics, in 2012-2013, with just \$6 million in QRT funds Florida companies trained 6,522 new and existing employees. Their wages increased nearly 30 percent on average one year after completing training. Since 2000, QRT has helped Florida companies train more than 76,000 new and existing employees. Manufacturing is one of the top five industries receiving QRT Training Grants.

STEM Workforce Training

\$30 million to upgrade Floridians' skills for jobs available now

Governor Scott is proposing \$30 million for STEM training funds to businesses, with a six month set aside of 30% for advanced manufacturing training. With 6,000 manufacturing jobs open today in Florida, we have a critical need to upgrade skills so

that Florida jobseekers can move into those jobs, rather than employers having to import people with the right skills from other states and countries. This training initiative would immediately jump start training programs for science, technology, engineering and math occupations at all levels in high skill/high wage sectors.

ECONOMIC DEVELOPMENT

Export Assistance

\$1.5 million in export assistance to small manufacturers

In the 2013-2014 state budget, \$350,000 was appropriated to the Enterprise Florida International Division for the small business export assistance program called STEP (State Trade and Export Promotion Grant Program). Since the start of the STEP program two years ago, Enterprise Florida has awarded a total of 211 export grants in Florida, primarily to small manufacturers. Of these, 182 were for helping businesses diversify their export markets and 29 were for developing their export marketing plans. Total expected increased sales for these 211 companies as a result of these grants were reported at more than \$300 million. That is a phenomenal return on investment for the State of Florida in increased economic activity. With the investment that Florida has made in ports and transportation infrastructure, it makes sense to encourage exporting to fill those containers leaving Florida.

Tax on Commercial Leases/Rentals

Reduce, by .5%, the sales tax on commercial leases and rent

Florida is the only state that taxes commercial leases and rentals. Many manufacturers rent or lease buildings to operate their businesses; most of those are small businesses. Taking this first step towards eliminating this business tax would send a very positive signal to Florida businesses and assist them in reducing their costs.

Capital Investment Incentive Tax Credit

Improvements so more businesses can qualify

A capital investment tax credit is available to high impact sector new and expanding businesses in Florida that create 1,000 new jobs, such as manufacturers. In order to qualify, businesses must pay those 1,000 new people at least 130% of the average private sector wage in the area and make a \$100 million investment. That has proven to be too high a hurdle.

Enterprise Florida is proposing to make this incentive more competitive and accessible by adjusting the requirements in s. 220.191(1) (g) 2 to 100 jobs at 115% of the local average or the creation of 1,000 jobs at 100% of the local average, while maintaining minimum investment at \$100 million. This would also open eligibility to businesses located in qualified targeted industries and not just high impact sectors. Further, expanding companies located in Florida that invest a minimum of \$25 million would qualify for the credit. A cap would be added to the law so that no more than \$50 million in capital investment tax credits could be awarded in any one fiscal year.