



**Gulf Consortium, Committee of Eight
Disproportionately Affected Counties Agenda
August 17, 2015, 2:00 p.m. Eastern
Florida Association of Counties
100 South Monroe Street
Tallahassee, Florida 32301
Dial-in Number: 1-888-670-3525
Participant Passcode: 998 449 5298#**

1. Call to Order and Roll Call
2. Public Comment
3. Public Notice
4. Motion to Confirm Chairman's Declaration of an Emergency
5. Discussion of Statutory Responsibilities of the Committee to Triumph Gulf Coast, Inc.
6. Public Comment
7. Adjourn

**Gulf Consortium Committee of Eight Disproportionately Affected Counties
August 17, 2015**

**Agenda Item 4
Confirmation of the Chairman's Declaration of an Emergency**

Executive Summary:

Each of the Committee members were provided written notice of the meeting of the Committee at least four days prior to the meeting. A notice of the Committee meeting was published in the Florida Administrative Register on August 13, 2015, providing notice to the public. This agenda items seeks the Committee's confirmation of the Chairman's declaration that an emergency exists for the purpose of allowing the Committee to meet on less than seven days written notice to each member of the Committee.

Background:

The Interlocal Agreement establishing the Gulf Consortium requires that meetings of the Board must be preceded by seven days written notice to the membership, unless an emergency is declared by the Chairman, in which case 24 hour written notice is required. The ILA does not address notice requirements for committee meetings. However, it has been the practice of the Board's committees, including the Committee of Eight, to follow the notice requirements in the ILA for Board meetings. Florida law requires "reasonable notice" be given of meetings of bodies governed by the Sunshine Law, such as the Committee of Eight. The Attorney General has recommended that special or emergency meetings should ideally be preceded by 72 hours and at least 24 hours notice to the public, if possible under the circumstances. See, *Part I, section G(1), Government-In-The-Sunshine-Manual (2014)*.

The Legislature created Triumph Gulf Coast, Inc. in the 2013 Regular Session. Regarding the Committee of the Eight, that law provides: "the chair of the Committee of 8 Disproportionally Affected Counties, or his or her designee, shall be available to consult with the [Triumph] board of directors and may be requested to attend meetings of the board of directors . . . [but] shall not be permitted to vote on any matter before the board." § 288.8014(8), *Fla. Stat.* The Triumph Board is charged with responsibilities for administering a Trust Fund that may contain a portion of the economic damage amounts received by the State from the BP settlement, which funds are statutorily required to benefit the disproportionately affected counties. *Id.*

Following the release of information about the settlement with B.P., the Triumph Board scheduled a meeting on August 18, 2015. The chair of the Committee of the Eight has been requested to be present at that meeting. To allow the members of the Committee of the Eight to provide advice and suggestions to the Chairman, Chairman Yeager has called this meeting of the Committee.

The Committee members have each been provided at least four days of advanced written notice of the meeting. The public has been advised of the meeting through the publication of a notice in the Florida Administrative Register on August 13, 2015, which is four days prior to the Committee meeting. Additionally, neither the Committee members nor the public will be required to travel to attend the meeting, as it is being conducted via conference call.

Because of the short notice of the Triumph Board Meeting and the timing of the request for his attendance at the meeting, the Chairman of the Committee of Eight did not have adequate advanced notice to schedule the Committee meeting and provide seven days written notice to the Committee members. The Chairman is statutorily required to attend the meeting and would benefit from the advice and counsel of the membership of the Committee in governing his representations to the Triumph Board. Because those considerations are extremely important, the Chairman scheduled a meeting, declared an emergency to address the notice issue and directed staff to provide written notice to the Committee members and the public as soon as possible.

Analysis:

The notice provide to the Committee members and the public meet both the ILA requirements and the Florida law requirements for an emergency meeting to be held on less than seven days notice. The declaration of an emergency by a public official, such as the Committee Chairman, is entitled to great deference in the absence of compelling reasons that it should be overturned. No compelling reasons exist in this instance. The affirmation of an emergency by the full Committee will add weight to the Chairman's emergency declaration.

Options:

- (1) Approve a motion confirming that an emergency existed to allow the Committee to meet on less than seven days written notice to each Committee member.
- (2) Provide other direction.

Fiscal Impact:

No fiscal impact is anticipated with this agenda item.

Recommendation:

Approve a motion confirming that an emergency existed to allow the Committee to meet on less than seven days written notice to each Committee member.

Attachments:

None.

Prepared by:

Sarah M. Bleakley
Nabors, Giblin & Nickerson, P.A.
Interim General Counsel
On: August 12, 2015

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved____; Approved as amended____; Defeated_____.

**Gulf Consortium Committee of Eight Disproportionately Affected Counties
August 17, 2015**

**Agenda Item 5
Discussion of Statutory Responsibilities of the Committee
to Triumph Gulf Coast, Inc.**

Executive Summary:

Discussion by the Committee of the statutory responsibilities to Triumph Gulf Coast, Inc. under the Gulf Coast Economic Corridor Act.

Background:

Triumph Gulf Coast, Inc. is a non-profit corporation, organized within the State of Florida Department of Economic Opportunity, and which was established to hold, invest and administer a trust account for the benefit of the Disproportionately Affected Counties derived from 75% of all funds recovered by the Attorney General for economic damages resulting from the Deepwater Horizon Oil Spill.

The Gulf Coast Economic Corridor Act was enacted by the Florida Legislature to help businesses, individuals and local governments in the Disproportionately Affected Counties recover from the 2010 Deepwater Horizon Oil Spill by providing long-term support and funding for efforts in economic recovery in the Gulf Coast Region.

Analysis:

Triumph Gulf Coast, Inc. is holding a meeting of its Board of Directors on August 18, 2015 in Sandestin, Walton County, Florida.

The statutory scheme for Triumph requires the Chair of the Committee of the Eight Disproportionately Affected Counties to provide certain advice and assistance to Triumph.

This Committee needs to discuss that statutory role. Attached are background documents to support this discussion.

Fiscal Impact:

None.

Attachments:

Triumph Gulf Coast, Inc. Board of Directors Meeting Agenda, 8/17/2015.
Gulf Coast Economic Corridor Act Summary.
Gulf Coast Economic Corridor Act Statutory Language.

Prepared by:

Ginger Delegal
Florida Association of Counties
Interim Manager
On: August 13, 2015

Triumph Gulf Coast, Inc.

Board of Directors Meeting Agenda

18 August 2015 - 9 a.m. - Noon

Sandestin Golf and Beach Resort, Room: _____

- | | |
|--|----------------------------|
| 1. Call to Order | Meeting
Facilitator |
| 2. Roll Call, Verification of Quorum | Meeting
Facilitator |
| 3. Introductory Statements | Board Members |
| 4. Triumph Gulf Coast Legislative Intent | Sen. Don Gaetz |
| 5. Structure of Proposed Settlement | Drake Martin
Mike Moore |
| 6. Regional Economic Factors | Dr. Rick Harper |
| 7. Immediate Long-Term Requirements of Triumph
Gulf Coast, Inc., Board of Directors | Meeting
Facilitator |
| 8. Open Discussion | Board Members |
| 9. Public Comment | Public |
| 10. Set Next Meeting Date, Location | Board Members |
| 11. Adjourn | |

Gulf Coast Economic Corridor Act Summary

The **Legislative Intent** of the Gulf Coast Economic Corridor Act (hereinafter, the “Act”) is to help businesses, individuals and local governments in the **Disproportionally Affected Counties**¹ recover from the 2010 Deepwater Horizon Oil Spill (hereinafter, the “Oil Spill”) by providing long term support and funding for efforts in economic recovery, diversification and enhancement in the Gulf Coast Region.

Triumph Gulf Coast

Triumph Gulf Coast, Inc. (hereinafter, “Triumph”) is a nonprofit corporation, organized within the Department of Economic Opportunity (hereinafter, “DEO”), but is not a unit of State Government. It is a separate budget entity from and not subject to the control, supervision, or direction of DEO. Under no circumstances may the credit of the State of Florida be pledged on behalf of Triumph.

Triumph must establish, hold, invest and administer a trust account at a federally insured financial institution for the benefit of the Disproportionally Affected Counties (hereinafter, the “**Recovery Fund**”), derived from 75% of all funds recovered by the attorney General for economic damages to the state resulting from the Oil Spill, after payment of reasonable and necessary costs and expenses.

Triumph must 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 must maintain a website that provides access to this information. Triumph is subject to **Chapter 119, Florida Statutes** regarding public records and **Chapter 286, Florida Statutes** regarding public meetings and records.

Structure

Board of Directors: Triumph shall be governed by a **5 member Board of Directors** (hereinafter, the “Board”)

- **Chairperson:** The Board shall each year elect a chairperson² from among its members. The chairperson may be removed by a majority vote of the members of the Board, in which case his or her successor will be elected to serve out the balance of the removed chairperson’s term.
- **Board Member Appointments, Terms, Removal and Ethics:**
 - **Appointments:** The Board shall include: 1 private sector member appointed by each of the Trustees of the State Board of Administration (3 total), 1 Private sector member appointed by the President of the Florida Senate and 1 private sector member appointed by the Speaker of the House of Representatives.
 - **Initial Board Members Appointed by Trustees of the State Board of Administration:** Terms shall end 4 years after the legislature appropriates funds to the Recovery Fund.
 - **Initial Board Members Appointed by the President of the Senate or the Speaker of the House of Representatives:** Term shall end 5 years after the legislature appropriates funds to the Recovery Fund.
 - **All Board Members thereafter:** Terms shall last for 4 years.

¹ **Disproportionally Affected Counties** are those 8 Florida Counties disproportionately affected by the 2010 Deepwater Horizon Oil Spill. They are: Escambia, Santa Rosa, Okaloosa, Walton, Bay, Gulf, Franklin and Wakulla.

² **Responsibilities of the Chairperson** include ensuring records are kept of the proceedings of the board 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.

- **Reappointments:** A Board member may not be reappointed to the Board unless they were appointed to fill a vacancy for a term of 2 years or less, in which case they may be appointed for an additional 4 years term.
- **Vacancies:** Vacancies on the Board shall be filled by the officer who originally appointed the member who vacated his or her seat on the Board. A vacancy that occurs before the scheduled expiration of the term of the member shall be filled for the remainder of the unexpired term.
- **Removal:** Board members may be removed by a majority of the Board or, for certain reasons³, by the officer that appointed him or her.
- **Ethics:** Though they are not public officers, Board members are subject to the Standards of Conduct for Public Officers, Employees of Agencies and Local Government Attorneys, the Restriction on Employment of Relatives and Voting Conflicts. In addition, Board members are restricted from having a direct interest in any contract, franchise, privilege, project, program or other benefit arising from an award by Triumph to an awardee during or within 2 years following the expiration of his or her term. Each Board member will also file a disclosure of financial interests.
- **Compensation:** Each member of the Board shall serve without compensation, however shall receive travel and per diem expenses while in the performance of his or her duties.
- **Meetings:** The Board shall meet at least quarterly, upon call of the chairperson or at the request of membership, to review the Recovery Fund, establish and review priorities for economic recovery in the Disproportionally Affected Counties and determine the best use of the funds available. A majority of the Board constitutes a quorum. Board Members may not vote by proxy.
- **Powers:** To the extent necessary or convenient for the exercise of its powers and functions, the Board has the power to: make or enter into contracts or other instruments; make expenditures; adopt, use and alter a common corporate seal; adopt, amend and repeal bylaws; use the state seal when appropriate for standard corporate identity applications

Staff: Triumph is permitted to hire or contract for all staff⁴ necessary to the proper execution of its powers and duties pursuant to the Act. It is required to obtain:

1. An **independent certified public accountant** licensed in this state to inspect the records of and to annually audit the expenditures of the Earnings and available principal disbursed by Triumph
2. An **Independent financial advisor** to assist Triumph in the development and implementation of a strategic plan
3. An **economic advisor** who will assist in the award process, including the development of priorities, allocation decisions and the application and process. The economic advisor 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.

³ **Reasons the appointing officer may remove a Board Member include:** malfeasance, misfeasance, neglect of duty, incompetence, permanent inability to perform official duties, unexcused absence from 3 consecutive meetings of the Board, arrest or indictment for a crime that is a felony or misdemeanor involving theft or crime of dishonesty, or pleading nolo contendere to, or being found guilty of, any crime.

⁴ **Retained staff** shall be required to comply with the code of ethics for public employees, 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 during the term of his or her appointment or within 2 years following the term of his or her appointment. They shall also be available to consult with the Board and shall attend Board meetings, though they shall not vote on any matter before the Board.

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.

Duties and Powers

Recovery Fund Purpose, Structure and Management: The Recovery Fund must act as a long-term and stable source of revenue and will decline over a 30 year period in equal amounts each year as the **principal** is used to make awards pursuant to the Act and to pay administrative costs⁵. Any funds remaining in the Recovery Fund after 30 years shall revert to the Florida Treasury.

- **Earnings:** Income derived from interest and investments of the Recovery Fund (hereinafter, “**Earnings**”) shall be made available to make awards pursuant to the Act and to pay administrative costs and shall be accounted for separately from the principal.
 - **Investments:** Triumph shall invest and reinvest the Recovery Fund In accordance with all relevant state and **federal laws, rules and regulations**⁶, shall adopt and adhere to an **investment policy**, and shall competitively hire one or more **money managers**⁷ to manage such investments. All such decision should be made with the advice of the financial advisor in consultation with the State Board of Administration and plans should include investments in technology and growth businesses domiciled, that will be domiciled or whose principal address is in the State of Florida.

Awards: Awards, made from the principal and Earnings of the Recovery fund, shall be made to fund projects or programs meeting the **priorities** of economic recovery, diversification and enhancement in the Disproportionally Affected Counties.

- **Permissible Funded Projects or Programs:** Awards may be provided for:
 - An ad valorem tax reduction in the Disproportionally Affected Counties.
 - Payment of impact fees⁸ imposed within the Disproportionally Affected Counties.
 - Administrative funding for economic development organizations in the Disproportionally Affected Counties.
 - Local match requirements for projects in the Disproportionally Affected Counties.
 - Economic development projects in the Disproportionally Affected Counties.
 - Infrastructure projects that are shown to enhance economic development in the Disproportionally Affected Counties.
 - Grants to local governments in the Disproportionally Affected Counties to establish and maintain equipment and trained personnel for local action plans to response to disasters.
 - Grants to support programs of excellence that prepare students for future careers at K-20 institutions with home campuses in the Disproportionally Affected Counties.
 - Grants to the Florida Tourism Marketing Corporation for the purpose of advertising and promoting tourism, Fresh From Florida or related content on behalf of one or all of the Disproportionally Affected Counties.

⁵ **Administrative costs** may not be more than 2.25% of the earnings in a calendar year and may include: payment of investment fees, travel and per diem expenses of board members, audits, salary or other costs for employed or contract staff and other allowable costs.

⁶ Investments of the principal of the Recovery Fund shall be made in accordance with the **Florida Uniform Prudent Management of Institutional Funds Act** and in such a manner as not to subject the funds to **state or federal taxes**.

⁷ Any **agreement with the money manager(s)** must be reviewed for continuance at least every 5 years.

⁸ **Impact Fees** are described and in section 163.31801, Florida Statutes.

- **Application process and Scoring System:** Triumph shall establish an application procedure and scoring system for the selection of the projects and programs that receive awards based on the aforementioned priorities. Priority will be given to projects that:
 - Generate maximum estimated economic benefits⁹ in the Disproportionally Affected Counties.
 - Increase household income in the Disproportionally Affected Counties.
 - Expand high growth¹⁰ industries or establish new high growth industries in the Disproportionally Affected Counties.
 - Leverage or further enhance assets already in the Disproportionally Affected Counties.
 - Partner with local governments.
 - Have investment commitments from private equity or private venture capital funds
 - Provide or encourage seed stage investments to startup companies.
 - Provide advice and technical assistance to companies on restructuring existing management, operations or production.
 - Benefit the environment in addition to the economy.
 - Provide outcomes measures for programs of excellence support, including terms of intent and metrics.
 - Partner with K-20 educational institutions or school districts in the Disproportionally Affected Counties.
 - Partner with convention and visitor bureaus, tourist development councils or chambers of commerce in the Disproportionally Affected Counties.
- **Award Requirements:** Triumph may make awards as applications are received or may establish application periods for selection. Awards may not be used to finance 100% of any project or program. Triumph may require a 1:1 private sector match or higher for an award. An awardee may not receive all of the earnings or available principal in any given year.
- **Required Contract Provisions:** Contracts executed by Triumph with an awardee must include provisions requiring a regular report on the contracted activities, must account for the proper use of funds provided for under the contract and must include provisions for recovery of funds in the event an award was based upon fraudulent information or the awardee is not meeting the performance requirements of the award.

Reports: Triumph shall **report** on June 30 and December 30 of each year to the Governor, the President of the Florida Senate and the Speaker of the Florida House of Representatives on the financial status of the Recovery Fund, the investments of the Recovery Fund, and the project and program selection process,¹¹ and the status of each award.

Audits: Triumph must ensure that investments of the Recovery Fund are subject to an annual audit by the aforementioned independent certified public accountant. Additionally, the Auditor General shall conduct annual an operational audit of the Recovery Fund and Triumph, which shall provide the Auditor General with all required information.

⁹ **Estimated economic benefits** must be calculated based on tools and models not generally employed by economic input-output analysis, including cost-benefit, return on investment or dynamic scoring techniques.

¹⁰ Industries that are supported must have high **growth potential** in the Disproportionally Affected Counties, which is defined based on a detailed review of the current industry trends nationally and the necessary supporting asset base for that industry in the region.

¹¹ The **report on the project and program selection process** shall include a list of all submitted projects and reasons for approval or denial.

Gulf Coast Economic Corridor Act Statutory Language

The 2015 Florida Statutes

Title XIX Public Business

Chapter 288 Commercial and Capital Improvements

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

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.

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.

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.

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. Staff
 - 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.

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.

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.

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.

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.