

## House Bill No. 7089

An act relating to facilities for retained spring training franchises; amending s. 212.20, F.S.; revising a limitation on certain distributions to certified facilities for a retained spring training franchise; deleting a provision entitling an applicant to receive certain distributions without additional certification; amending s. 288.1162, F.S.; requiring the Office of Tourism, Trade, and Economic Development to competitively evaluate applications for funding of certain additional facilities; providing application and certification requirements; specifying evaluation criteria; revising the number of certifications of such facilities; providing additional requirements with respect to certification as a facility for a new professional sports franchise or a facility for a retained professional sports franchise; providing for repeal of the requirements by a specified date; amending s. 218.61, F.S.; providing that distributions of the local government half-cent sales tax to the governing body of a county and of each municipality be made after funding is provided pursuant to s. 218.64(3), F.S., if applicable; amending s. 218.64, F.S.; authorizing counties and certain municipalities within such counties to use up to \$2 million annually from local government half-cent sales tax distributions for funding for a certified facility for a new professional sports franchise, a facility for a retained professional sports franchise, a facility for a retained spring training franchise, or a motorsports entertainment complex; creating s. 288.1171, F.S.; providing for the certification of motorsports entertainment complexes by the Office of Tourism, Trade, and Economic Development of the Executive Office of the Governor; providing definitions; providing requirements for certification; requiring specified notice; providing for use of the funds distributed to a motorsports entertainment complex; providing for audits by the Department of Revenue; providing an effective date.

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

Section 1. Paragraph (d) of subsection (6) of section 212.20, Florida Statutes, is amended to read:

212.20 Funds collected, disposition; additional powers of department; operational expense; refund of taxes adjudicated unconstitutionally collected.—

(6) Distribution of all proceeds under this chapter and s. 202.18(1)(b) and (2)(b) shall be as follows:

(d) The proceeds of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be distributed as follows:

1. In any fiscal year, the greater of \$500 million, minus an amount equal to 4.6 percent of the proceeds of the taxes collected pursuant to chapter 201,

or 5 percent of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in monthly installments into the General Revenue Fund.

2. Two-tenths of one percent shall be transferred to the Ecosystem Management and Restoration Trust Fund to be used for water quality improvement and water restoration projects.

3. After the distribution under subparagraphs 1. and 2., 8.814 percent of the amount remitted by a sales tax dealer located within a participating county pursuant to s. 218.61 shall be transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to be transferred pursuant to this subparagraph to the Local Government Half-cent Sales Tax Clearing Trust Fund shall be reduced by 0.1 percent, and the department shall distribute this amount to the Public Employees Relations Commission Trust Fund less \$5,000 each month, which shall be added to the amount calculated in subparagraph 4. and distributed accordingly.

4. After the distribution under subparagraphs 1., 2., and 3., 0.095 percent shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund and distributed pursuant to s. 218.65.

5. After the distributions under subparagraphs 1., 2., 3., and 4., 2.0440 percent of the available proceeds pursuant to this paragraph shall be transferred monthly to the Revenue Sharing Trust Fund for Counties pursuant to s. 218.215.

6. After the distributions under subparagraphs 1., 2., 3., and 4., 1.3409 percent of the available proceeds pursuant to this paragraph shall be transferred monthly to the Revenue Sharing Trust Fund for Municipalities pursuant to s. 218.215. If the total revenue to be distributed pursuant to this subparagraph is at least as great as the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, no municipality shall receive less than the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000. If the total proceeds to be distributed are less than the amount received in combination from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, each municipality shall receive an amount proportionate to the amount it was due in state fiscal year 1999-2000.

7. Of the remaining proceeds:

a. In each fiscal year, the sum of \$29,915,500 shall be divided into as many equal parts as there are counties in the state, and one part shall be distributed to each county. The distribution among the several counties shall begin each fiscal year on or before January 5th and shall continue monthly for a total of 4 months. If a local or special law required that any moneys accruing to a county in fiscal year 1999-2000 under the then-existing provisions of s. 550.135 be paid directly to the district school board,

special district, or a municipal government, such payment shall continue until such time that the local or special law is amended or repealed. The state covenants with holders of bonds or other instruments of indebtedness issued by local governments, special districts, or district school boards prior to July 1, 2000, that it is not the intent of this subparagraph to adversely affect the rights of those holders or relieve local governments, special districts, or district school boards of the duty to meet their obligations as a result of previous pledges or assignments or trusts entered into which obligated funds received from the distribution to county governments under then-existing s. 550.135. This distribution specifically is in lieu of funds distributed under s. 550.135 prior to July 1, 2000.

b. The department shall distribute \$166,667 monthly pursuant to s. 288.1162 to each applicant that has been certified as a “facility for a new professional sports franchise” or a “facility for a retained professional sports franchise” pursuant to s. 288.1162. Up to \$41,667 shall be distributed monthly by the department to each applicant that has been certified as a “facility for a retained spring training franchise” pursuant to s. 288.1162; however, not more than ~~\$416,670~~ \$208,335 may be distributed monthly in the aggregate to all certified facilities for a retained spring training franchise. Distributions shall begin 60 days following such certification and shall continue for not more than 30 years. Nothing contained in this paragraph shall be construed to allow an applicant certified pursuant to s. 288.1162 to receive more in distributions than actually expended by the applicant for the public purposes provided for in s. 288.1162(6). ~~However, a certified applicant is entitled to receive distributions up to the maximum amount allowable and undistributed under this section for additional renovations and improvements to the facility for the franchise without additional certification.~~

c. Beginning 30 days after notice by the Office of Tourism, Trade, and Economic Development to the Department of Revenue that an applicant has been certified as the professional golf hall of fame pursuant to s. 288.1168 and is open to the public, \$166,667 shall be distributed monthly, for up to 300 months, to the applicant.

d. Beginning 30 days after notice by the Office of Tourism, Trade, and Economic Development to the Department of Revenue that the applicant has been certified as the International Game Fish Association World Center facility pursuant to s. 288.1169, and the facility is open to the public, \$83,333 shall be distributed monthly, for up to 168 months, to the applicant. This distribution is subject to reduction pursuant to s. 288.1169. A lump sum payment of \$999,996 shall be made, after certification and before July 1, 2000.

8. All other proceeds shall remain with the General Revenue Fund.

Section 2. Paragraph (c) of subsection (5) and subsection (7) of section 288.1162, Florida Statutes, are amended to read:

288.1162 Professional sports franchises; spring training franchises; duties.—

(5)

(c)1. The Office of Tourism, Trade, and Economic Development shall competitively evaluate applications for funding of a facility for a retained spring training franchise. Applications must be submitted by October 1, 2000, with certifications to be made by January 1, 2001. If the number of applicants exceeds five and the aggregate funding request of all applications exceeds \$208,335 per month, the office shall rank the applications according to a selection criteria, certifying the highest ranked proposals. The evaluation criteria shall include, with priority given in descending order to the following items:

a.1. The intended use of the funds by the applicant, with priority given to the construction of a new facility.

b.2. The length of time that the existing franchise has been located in the state, with priority given to retaining franchises that have been in the same location the longest.

c.3. The length of time that a facility to be used by a retained spring training franchise has been used by one or more spring training franchises, with priority given to a facility that has been in continuous use as a facility for spring training the longest.

d.4. For those teams leasing a spring training facility from a unit of local government, the remaining time on the lease for facilities used by the spring training franchise, with priority given to the shortest time period remaining on the lease.

e.5. The duration of the future-use agreement with the retained spring training franchise, with priority given to the future-use agreement having the longest duration.

f.6. The amount of the local match, with priority given to the largest percentage of local match proposed.

g.7. The net increase of total active recreation space owned by the applying unit of local government following the acquisition of land for the spring training facility, with priority given to the largest percentage increase of total active recreation space.

h.8. The location of the facility in a brownfield, an enterprise zone, a community redevelopment area, or other area of targeted development or revitalization included in an Urban Infill Redevelopment Plan, with priority given to facilities located in these areas.

i.9. The projections on paid attendance attracted by the facility and the proposed effect on the economy of the local community, with priority given to the highest projected paid attendance.

2. Beginning July 1, 2006, the Office of Tourism, Trade, and Economic Development shall competitively evaluate applications for funding of facilities for retained spring training franchises in addition to those certified and

funded under subparagraph 1. An applicant that is a unit of government that has an agreement for a retained spring training franchise for 15 or more years which was entered into between July 1, 2003, and July 1, 2004, shall be eligible for funding. Applications must be submitted by October 1, 2006, with certifications to be made by January 1, 2007. The office shall rank the applications according to selection criteria, certifying no more than five proposals. The aggregate funding request of all applicants certified shall not exceed an aggregate funding request of \$208,335 per month. The evaluation criteria shall include the following, with priority given in descending order:

a. The intended use of the funds by the applicant for acquisition or construction of a new facility.

b. The intended use of the funds by the applicant to renovate a facility.

c. The length of time that a facility to be used by a retained spring training franchise has been used by one or more spring training franchises, with priority given to a facility that has been in continuous use as a facility for spring training the longest.

d. For those teams leasing a spring training facility from a unit of local government, the remaining time on the lease for facilities used by the spring training franchise, with priority given to the shortest time period remaining on the lease. For consideration under this subparagraph, the remaining time on the lease shall not exceed 5 years, unless an agreement of 15 years or more was entered into between July 1, 2003, and July 1, 2004.

e. The duration of the future-use agreement with the retained spring training franchise, with priority given to the future-use agreement having the longest duration.

f. The amount of the local match, with priority given to the largest percentage of local match proposed.

g. The net increase of total active recreation space owned by the applying unit of local government following the acquisition of land for the spring training facility, with priority given to the largest percentage increase of total active recreation space.

h. The location of the facility in a brownfield area, an enterprise zone, a community redevelopment area, or another area of targeted development or revitalization included in an urban infill redevelopment plan, with priority given to facilities located in those areas.

i. The projections on paid attendance attracted by the facility and the proposed effect on the economy of the local community, with priority given to the highest projected paid attendance.

(7)(a) The Office of Tourism, Trade, and Economic Development shall notify the Department of Revenue of any facility certified as a facility for a new professional sports franchise or a facility for a retained professional sports franchise or as a facility for a retained spring training franchise. The Office of Tourism, Trade, and Economic Development shall certify no more

than eight facilities as facilities for a new professional sports franchise or as facilities for a retained professional sports franchise ~~and shall certify at least five as facilities for retained spring training franchises~~, including in such total any facilities certified by the Department of Commerce before July 1, 1996. The number of facilities certified as a retained spring training franchise shall be as provided in subsection (5). The office may make no more than one certification for any facility. The office may not certify funding for less than the requested amount to any applicant certified as a facility for a retained spring training franchise.

(b) The eighth certification of an applicant under this section as a facility for a new professional sports franchise or a facility for a retained professional sports franchise shall be for a franchise that is a member of the National Basketball Association, has been located within the state since 1987, and has not been previously certified. This paragraph is repealed July 1, 2010.

Section 3. Subsection (2) of section 218.61, Florida Statutes, is amended to read:

218.61 Local government half-cent sales tax; designated proceeds; trust fund.—

(2) Money remitted by a sales tax dealer located within the county and transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund shall be earmarked for distribution to the governing body of that county and of each municipality within that county. Such distributions shall be made after funding is provided pursuant to s. 218.64(3), if applicable. Such moneys shall be known as the “local government half-cent sales tax.”

Section 4. Present subsection (3) of section 218.64, Florida Statutes, is redesignated as subsection (4), and a new subsection (3) is added to that section, to read:

218.64 Local government half-cent sales tax; uses; limitations.—

(3) Subject to ordinances enacted by the majority of the members of the county governing authority and by the majority of the members of the governing authorities of municipalities representing at least 50 percent of the municipal population of such county, counties may use up to \$2 million annually of the local government half-cent sales tax allocated to that county for funding for any of the following applicants:

(a) A certified applicant as a “facility for a new professional sports franchise,” a “facility for a retained professional sports franchise,” or a “facility for a retained spring training franchise,” as provided for in s. 288.1162. It is the Legislature’s intent that the provisions of s. 288.1162, including, but not limited to, the evaluation process by the Office of Tourism, Trade, and Economic Development except for the limitation on the number of certified applicants or facilities as provided in that section and the restrictions set forth in s. 288.1162(9), shall apply to an applicant’s facility to be funded by local government as provided in this subsection.

(b) A certified applicant as a “motorsport entertainment complex,” as provided for in s. 288.1171. Funding for each franchise or motorsport complex shall begin 60 days after certification and shall continue for not more than 30 years.

Section 5. Section 288.1171, Florida Statutes, is created to read:

288.1171 Motorsports entertainment complex; definitions; certification; duties.—

(1) As used in this section, the term:

(a) “Applicant” means the owner of a motorsports entertainment complex.

(b) “Motorsports entertainment complex” means a closed-course racing facility.

(c) “Motorsports event” means a motorsports race that has been sanctioned by a sanctioning body.

(d) “Office” means the Office of Tourism, Trade, and Economic Development of the Executive Office of the Governor.

(e) “Owner” means a unit of local government which owns a motorsports entertainment complex or owns the land on which the motorsports entertainment complex is located.

(f) “Sanctioning body” means the American Motorcycle Association (AMA), Championship Auto Racing Teams (CART), Grand American Road Racing Association (Grand Am), Indy Racing League (IRL), National Association for Stock Car Auto Racing (NASCAR), National Hot Rod Association (NHRA), Professional Sportscar Racing (PSR), Sports Car Club of America (SCCA), United States Auto Club (USAC), or any successor organization, or any other nationally recognized governing body of motorsports which establishes an annual schedule of motorsports events and grants rights to conduct such events, has established and administers rules and regulations governing all participants involved in such events and all persons conducting such events, and requires certain liability assurances, including insurance.

(g) “Unit of local government” has the meaning ascribed in s. 218.369.

(2) The Office of Tourism, Trade, and Economic Development shall serve as the state agency for screening applicants for local-option funding under s. 218.64(3) and for certifying an applicant as a motorsports entertainment complex. The office shall develop and adopt rules for the receipt and processing of applications for funding under s. 218.64(3). The office shall make a determination regarding any application filed by an applicant not later than 120 days after the application is filed.

(3) Before certifying an applicant as a motorsports entertainment complex, the office must determine that:

(a) A unit of local government holds title to the land on which the motor-sports entertainment complex is located or holds title to the motorsports entertainment complex.

(b) The municipality in which the motorsports entertainment complex is located, or the county if the motorsports entertainment complex is located in an unincorporated area, has certified by resolution after a public hearing that the application serves a public purpose.

(4) Upon determining that an applicant meets the requirements of subsection (3), the office shall notify the applicant and the executive director of the Department of Revenue of such certification by means of an official letter granting certification. If the applicant fails to meet the certification requirements of subsection (3), the office shall notify the applicant not later than 10 days following such determination.

(5) A motorsports entertainment complex that has been previously certified under this section and has received funding under such certification is ineligible for any additional certification.

(6) An applicant certified as a motorsports entertainment complex may use funds provided pursuant to s. 218.64(3) only for the following public purposes:

(a) Paying for the construction, reconstruction, expansion, or renovation of a motorsports entertainment complex.

(b) Paying debt service reserve funds, arbitrage rebate obligations, or other amounts payable with respect to bonds issued for the construction, reconstruction, expansion, or renovation of the motorsports entertainment complex or for the reimbursement of such costs or the refinancing of bonds issued for such purposes.

(c) Paying for construction, reconstruction, expansion, or renovation of transportation or other infrastructure improvements related to, necessary for, or appurtenant to the motorsports entertainment complex, including, without limitation, paying debt service reserve funds, arbitrage rebate obligations, or other amounts payable with respect to bonds issued for the construction, reconstruction, expansion, or renovation of such transportation or other infrastructure improvements, and for the reimbursement of such costs or the refinancing of bonds issued for such purposes.

(d) Paying for programs of advertising and promotion of or related to the motorsports entertainment complex or the municipality in which the motor-sports entertainment complex is located, or the county if the motorsports entertainment complex is located in an unincorporated area, if such programs of advertising and promotion are designed to increase paid attendance at the motorsports entertainment complex or increase tourism in or promote the economic development of the community in which the motor-sports entertainment complex is located.

(7) The Department of Revenue may audit, as provided in s. 213.34, to verify that the distributions pursuant to this section have been expended as



required in this section. Such information is subject to the confidentiality requirements of chapter 213. If the Department of Revenue determines that the distributions pursuant to certification under this section have not been expended as required by this section, it may pursue recovery of such funds pursuant to the laws and rules governing the assessment of taxes.

Section 6. This act shall take effect July 1, 2006.

Approved by the Governor June 20, 2006.

Filed in Office Secretary of State June 20, 2006.