CHAPTER 2014-167

Committee Substitute for House Bill No. 7095

An act relating to professional sports facilities; amending s. 212.20, F.S.; revising the distribution of moneys to certified applicants for a facility used by a spring training franchise under s. 288.11631, F.S.; authorizing a distribution for an applicant that has been approved by the Legislature and certified by the Department of Economic Opportunity under s. 288.11625, F.S.; providing a limitation; amending s. 218.64, F.S.; providing for municipalities and counties to expend an increased portion of local government half-cent sales tax revenues to reimburse the state as required by a contract; amending s. 288.0001, F.S.; providing for an evaluation; creating s. 288.11625, F.S.; requiring the Department of Economic Opportunity to screen applicants for state funding for sports development; defining terms; providing a purpose to provide funding for applicants for constructing, reconstructing, renovating, or improving a facility; providing an application and approval process; providing for an annual application period: providing for the department to submit recommendations to the Legislature by a certain date; requiring legislative approval for state funding: providing evaluation criteria for an applicant to receive state funding: providing for evaluation and ranking of applicants under certain criteria; requiring the department to determine the annual distribution amount an applicant may receive; requiring the applicant to provide an analysis by a certified public accountant to the department; requiring the Department of Revenue to distribute funds within a certain timeframe after notification by the department: requiring the department to develop a calculation to estimate certain taxes; limiting annual distributions to a specified amount; providing for a contract between the department and the applicant; limiting use of funds; requiring an applicant to submit information to the department annually; requiring a 5-year review; authorizing the Auditor General to conduct audits; authorizing the Legislative Budget Commission to approve an application; providing for reimbursement of the state funding under certain circumstances; providing for discontinuation of distributions upon an applicant's request; authorizing the department to adopt rules; amending s. 288.11631, F.S.; revising the requirements for an applicant to be certified to receive state funding for a facility for a spring training franchise; authorizing a certified applicant to submit an amendment to its original certification for use of the facility by more than one spring training franchise; amending s. 288.1166, F.S.; providing that certain professional sports facilities are designated as shelter sites for the homeless during declared federal, state, or local emergencies; providing exceptions; authorizing the department to adopt emergency rules; providing an effective date.

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

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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 5.2 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. After the distribution under subparagraph 1., 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 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 3. and distributed accordingly.

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

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

5. After the distributions under subparagraphs 1., 2., and 3., 1.3409 percent of the available proceeds 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 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.

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1999-2000, each municipality shall receive an amount proportionate to the amount it was due in state fiscal year 1999-2000.

6. Of the remaining proceeds:

In each fiscal year, the sum of \$29,915,500 shall be divided into as a. 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 must begin each fiscal year on or before January 5th and 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 must continue until 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 before 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 before July 1, 2000.

b. The department shall distribute \$166,667 monthly pursuant to s. 288.1162 to each applicant certified as a facility for a new or retained professional sports franchise pursuant to s. 288.1162. Up to \$41,667 shall be distributed monthly by the department to each certified applicant as defined in s. 288.11621 for a facility for a spring training franchise. However, not more than \$416,670 may be distributed monthly in the aggregate to all certified applicants for facilities for spring training franchises. Distributions begin 60 days after such certification and continue for not more than 30 years, except as otherwise provided in s. 288.11621. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided for in s. 288.1162(5) or s. 288.11621(3).

c. Beginning 30 days after notice by the Department of Economic Opportunity 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 Department of Economic Opportunity 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.

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e. The department shall distribute up to \$83,333 \$55,555 monthly to each certified applicant as defined in s. 288.11631 for a facility used by a single spring training franchise, or up to \$166,667 \$111,110 monthly to each certified applicant as defined in s. 288.11631 for a facility used by more than one spring training franchise. Monthly distributions begin 60 days after such certification or July 1, 2016, whichever is later, and continue for not more than 20 30 years to each certified applicant as defined in s. 288.11631 for a facility used by a single spring training franchise or not more than 25 years to each certified in s. 288.11631 for a facility used by more than one spring training franchise, except as otherwise provided in s. 288.11631. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in s. 288.11631(3).

f. Beginning 45 days after notice by the Department of Economic Opportunity to the Department of Revenue that an applicant has been approved by the Legislature and certified by the Department of Economic Opportunity under s. 288.11625 or upon a date specified by the Department of Economic Opportunity as provided under s. 288.11625(6)(d), the department shall distribute each month an amount equal to one-twelfth of the annual distribution amount certified by the Department of Economic Opportunity for the applicant. The department may not distribute more than \$7 million in the 2014-2015 fiscal year or more than \$13 million annually thereafter under this sub-subparagraph.

7. All other proceeds must remain in the General Revenue Fund.

Section 2. Subsections (2) and (3) of section 218.64, Florida Statutes, are amended to read:

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

(2) Municipalities shall expend their portions of the local government half-cent sales tax only for municipality-wide programs, for reimbursing the state as required pursuant to s. 288.11625, or for municipality-wide property tax or municipal utility tax relief. All utility tax rate reductions afforded by participation in the local government half-cent sales tax shall be applied uniformly across all types of taxed utility services.

(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 $\frac{$3$}{2}$ million annually of the local government half-cent sales tax allocated to that county for funding for any of the following purposes applicants:

(a) <u>Funding</u> a certified applicant as a facility for a new or retained professional sports franchise under s. 288.1162 or a certified applicant as defined in s. 288.11621 for a facility for a spring training franchise. It is the Legislature's intent that the provisions of s. 288.1162, including, but not

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limited to, the evaluation process by the Department of Economic Opportunity 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(8), shall apply to an applicant's facility to be funded by local government as provided in this subsection.

(b) <u>Funding</u> 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.

(c) Reimbursing the state as required under s. 288.11625.

Section 3. Paragraph (d) is added to subsection (2) of section 288.0001, Florida Statutes, to read:

288.0001 Economic Development Programs Evaluation.—The Office of Economic and Demographic Research and the Office of Program Policy Analysis and Government Accountability (OPPAGA) shall develop and present to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the chairs of the legislative appropriations committees the Economic Development Programs Evaluation.

(2) The Office of Economic and Demographic Research and OPPAGA shall provide a detailed analysis of economic development programs as provided in the following schedule:

(d) Beginning January 1, 2018, and every 3 years thereafter, an analysis of the Sports Development Program established under s. 288.11625.

Section 4. Section 288.11625, Florida Statutes, is created to read:

288.11625 Sports development.—

(1) ADMINISTRATION.—The department shall serve as the state agency responsible for screening applicants for state funding under s. 212.20(6)(d)6.f.

(2) DEFINITIONS.—As used in this section, the term:

(a) "Agreement" means a signed agreement between a unit of local government and a beneficiary.

(b) "Applicant" means a unit of local government, as defined in s. 218.369, which is responsible for the construction, management, or operation of a facility; or an entity that is responsible for the construction, management, or operation of a facility if a unit of local government holds title to the underlying property on which the facility is located.

(c) "Beneficiary" means a professional sports franchise of the National Football League, the National Hockey League, the National Basketball

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Association, the National League or American League of Major League Baseball, Minor League Baseball, Major League Soccer, the North American Soccer League, the Professional Rodeo Cowboys Association, the promoter or host of a signature event administered by Breeders' Cup Limited, or the promoter of a signature event sanctioned by the National Association for Stock Car Auto Racing. A beneficiary may also be an applicant under this section. However, a professional sports franchise of the National League or the American League of Major League Baseball or Minor League Baseball may not be a beneficiary unless, before filing an application under subsection (3):

1. Major League Baseball verifies to the Attorney General that any Cuban refugee 17 years of age or older who has been present in the United States for less than 1 year and who was not present before the most recent Major League Baseball Rule 4 Draft of amateur players may contract as a free agent under rules no less favorable than the most favorable rules applicable to players who are residents of any country or territory other than the United States, Puerto Rico, or Canada; and

2. The Attorney General verifies that Major League Baseball has agreed to report to the Attorney General the identity of, and a description of the activity giving rise to the identification of, any resident of this state or other person operating in this state who Major League Baseball has reason to believe has engaged in:

a. Human smuggling, human trafficking, or the movement of individuals across national boundaries for purposes of evading Major League Baseball rules applicable to residents of the United States; or

b. Contracting with nondrafted players for an interest in a player's professional baseball compensation or other consideration in exchange for human trafficking, assistance in human smuggling, or avoidance of Major League Baseball rules.

(d) "Commence" or "commenced" means the occurrence of a physical activity on the project site which is related to the construction, reconstruction, renovation, or improvement of the project site.

(e) "Facility" means a structure, and its adjoining parcels of localgovernment-owned land, primarily used to host games or events held by a beneficiary and does not include any portion used to provide transient lodging.

(f) "Project" means a proposed construction, reconstruction, renovation, or improvement of a facility or the proposed acquisition of land to construct a new facility and construction of improvements to state-owned land necessary for the efficient use of the facility.

(g) "Signature event" means a professional sports event with significant export factor potential. For purposes of this paragraph, the term "export

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factor" means the attraction of economic activity or growth into the state which otherwise would not have occurred. Examples of signature events may include, but are not limited to:

- 1. National Football League Super Bowls.
- 2. Professional sports All-Star games.
- 3. International sporting events and tournaments.
- 4. Professional motorsports events.

5. The establishment of a new professional sports franchise in this state.

(h) "State sales taxes generated by sales at the facility" means state sales taxes imposed under chapter 212 and generated by admissions to the facility; parking on property owned or controlled by the beneficiary or the applicant; team operations and necessary leases; sales by the beneficiary; sales by other vendors at the facility; and ancillary uses within 1,000 feet, including, but not limited to, team stores, museums, restaurants, retail, lodging, and commercial uses from economic development generated by the beneficiary or facility as determined by the Department of Economic Opportunity.

(3) PURPOSE.—The purpose of this section is to provide applicants state funding under s. 212.20(6)(d)6.f. for the public purpose of constructing, reconstructing, renovating, or improving a facility.

(4) APPLICATION AND APPROVAL PROCESS.

(a) The department shall establish the procedures and application forms deemed necessary pursuant to the requirements of this section. The department may notify an applicant of any additional required or incomplete information necessary to evaluate an application.

(b) The annual application period is from June 1 through November 1.

(c) Within 60 days after receipt of a completed application, the department shall complete its evaluation of the application as provided under subsection (5) and notify the applicant in writing of the department's decision to recommend approval of the applicant by the Legislature or to deny the application.

(d) By each February 1, the department shall rank the applicants and provide to the Legislature the list of the recommended applicants in ranked order of projects most likely to positively impact the state based on criteria established under this section. The list must include the department's evaluation of the applicant.

(e) A recommended applicant's request for funding must be approved by the Legislature, enacted by a general law or conforming bill approved by the Governor in the manner provided in s. 8, Art. III of the State Constitution.

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After enactment, the department must certify an applicant and its approved request for funding. The approved request for funding must be certified as an annual distribution amount and the department must notify the Department of Revenue of the initial certification and the distribution amount.

1. An application by a unit of local government which is approved by the Legislature and subsequently certified by the department remains certified for the duration of the beneficiary's agreement with the applicant or for 30 years, whichever is less, provided the certified applicant has an agreement with a beneficiary at the time of initial certification by the department.

2. An application by a beneficiary or other applicant which is approved by the Legislature and subsequently certified by the department remains certified for the duration of the beneficiary's agreement with the unit of local government that owns the underlying property or for 30 years, whichever is less, provided the certified applicant has an agreement with the unit of local government at the time of initial certification by the department.

3. An applicant that is previously certified pursuant to this section does not need legislative approval each year to receive state funding.

(f) An applicant that is recommended by the department but not approved by the Legislature may reapply and shall update any information in the original application as required by the department.

(g) The department may recommend no more than one distribution under this section for any applicant, facility, or beneficiary at a time. A facility or beneficiary may not be the subject of more than one distribution under s. 212.20 at any time for any state-administered sports-related program, including s. 288.1162, s. 288.11621, s. 288.11631, or this section. This limitation does not apply if the applicant demonstrates that the beneficiary that is the subject of the distribution under s. 212.20 no longer plays at the facility that is the subject of the application under this section.

(h) An application submitted either by a first-time applicant whose project exceeds \$300 million and commenced on the facility's existing site before January 1, 2014, or by a beneficiary that has completed the terms of a previous agreement for distributions under chapter 212 for an existing facility shall be considered an application for a new facility for purposes that include, but are not limited to, incremental and baseline tax calculations.

(i) An application may be submitted to the department for evaluation and recommendation if the existing beneficiary has completed or will complete the terms of an existing distribution under chapter 212 for an existing facility before a distribution can be made.

(5) EVALUATION PROCESS.—

(a) Before recommending an applicant to receive a state distribution under s. 212.20(6)(d)6.f., the department must verify that:

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1. The applicant or beneficiary is responsible for the construction, reconstruction, renovation, or improvement of a facility and obtained at least three bids for the project.

2. If the applicant is not a unit of local government, a unit of local government holds title to the property on which the facility and project are, or will be, located.

3. If the applicant is a unit of local government in whose jurisdiction the facility is, or will be, located, the unit of local government has an exclusive intent agreement to negotiate in this state with the beneficiary.

4. A unit of local government in whose jurisdiction the facility is, or will be, located supports the application for state funds. Such support must be verified by the adoption of a resolution, after a public hearing, that the project serves a public purpose.

5. The applicant or beneficiary has not previously defaulted or failed to meet any statutory requirements of a previous state-administered sportsrelated program under s. 288.1162, s. 288.11621, s. 288.11631, or this section. Additionally, the applicant or beneficiary is not currently receiving state distributions under s. 212.20 for the facility that is the subject of the application, unless the applicant demonstrates that the franchise that applied for a distribution under s. 212.20 no longer plays at the facility that is the subject of the application.

<u>6. The applicant or beneficiary has sufficiently demonstrated a commitment to employ residents of this state, contract with Florida-based firms, and</u> purchase locally available building materials to the greatest extent possible.

7. If the applicant is a unit of local government, the applicant has a certified copy of a signed agreement with a beneficiary for the use of the facility. If the applicant is a beneficiary, the beneficiary must enter into an agreement with the department. The applicant's or beneficiary's agreement must also require the following:

a. The beneficiary must reimburse the state for state funds that will be distributed if the beneficiary relocates or no longer occupies or uses the facility as the facility's primary tenant before the agreement expires. Reimbursements must be sent to the Department of Revenue for deposit into the General Revenue Fund.

b. The beneficiary must pay for signage or advertising within the facility. The signage or advertising must be placed in a prominent location as close to the field of play or competition as is practicable, must be displayed consistent with signage or advertising in the same location and of like value, and must feature Florida advertising approved by the Florida Tourism Industry Marketing Corporation.

8. The project will commence within 12 months after receiving state funds or did not commence before January 1, 2013.

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(b) The department shall competitively evaluate and rank applicants that timely submit applications for state funding based on their ability to positively impact the state using the following criteria:

<u>1. The proposed use of state funds.</u>

2. The length of time that a beneficiary has agreed to use the facility.

3. The percentage of total project funds provided by the applicant and the percentage of total project funds provided by the beneficiary, with priority in the evaluation and ranking given to applications with 50 percent or more of total project funds provided by the applicant and beneficiary.

4. The number and type of signature events the facility is likely to attract during the duration of the agreement with the beneficiary.

5. The anticipated increase in average annual ticket sales and attendance at the facility due to the project.

6. The potential to attract out-of-state visitors to the facility.

7. The length of time a beneficiary has been in this state or partnered with the unit of local government. In order to encourage new franchises to locate in this state, an application for a new franchise shall be considered to have a significant positive impact on the state and shall be given priority in the evaluation and ranking by the department.

8. The multiuse capabilities of the facility.

9. The facility's projected employment of residents of this state, contracts with Florida-based firms, and purchases of locally available building materials.

10. The amount of private and local financial or in-kind contributions to the project.

<u>11. The amount of positive advertising or media coverage the facility generates.</u>

12. The expected amount of average annual new incremental state sales taxes generated by sales at the facility above the baseline that will be generated as a result of the project, as required under subparagraph (6)(b)2.

13. The size and scope of the project and number of temporary and permanent jobs that will be created as a direct result of the facility improvement.

(6) DISTRIBUTION.—

(a) The department shall determine the annual distribution amount an applicant may receive based on 75 percent of the average annual new incremental state sales taxes generated by sales at the facility, as provided

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under subparagraph (b)2., and such annual distribution shall be limited by the following:

1. If the total project cost is \$200 million or greater, the annual distribution amount may be up to \$3 million.

2. If the total project cost is at least \$100 million but less than \$200 million, the annual distribution amount may be up to \$2 million.

<u>3. If the total project cost is less than \$100 million and more than \$30 million, the annual distribution amount may be up to \$1 million.</u>

4. Notwithstanding paragraph (4)(g) and subparagraph (5)(a)5., an applicant certified under s. 288.1162 which is currently receiving state distributions under s. 212.20 for the facility or beneficiary that is the subject of the application under this section may be eligible for an annual distribution amount of up to \$1 million. The total project cost must be at least \$100 million. This subparagraph does not apply to an applicant that demonstrates that the beneficiary that is the subject of the distribution under s. 212.20 no longer plays at the facility that is the subject of the application under this section.

(b) At the time of initial evaluation and review by the department pursuant to subsection (5), the applicant must provide an analysis by an independent certified public accountant which demonstrates:

1. The average annual amount of state sales taxes generated by sales at the facility during the 36-month period immediately before the beginning of the application period. This amount is the baseline.

2. The expected amount of average annual new incremental state sales taxes generated by sales at the facility above the baseline which will be generated as a result of the project.

3. The expected amount of average annual new incremental state sales taxes generated by sales at the facility must be at least \$500,000 above the baseline for the applicant to be eligible to receive a distribution under this section.

For an application for a new facility, the baseline is zero. Notwithstanding any other provision of this section, for projects with a total cost of more than \$300 million which are at least 90 percent funded by private sources, the baseline is zero for purposes of this section. The baseline for an applicant under subparagraph (a)4. is \$2 million.

(c) The independent analysis provided in paragraph (b) shall be verified by the department.

(d) The department shall notify the Department of Revenue of the applicant's initial certification and the Department of Revenue shall begin distributions within 45 days after such notification or upon a date specified

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by the department as requested by the approved applicant, whichever is later.

(e) The department shall consult with the Department of Revenue and the Office of Economic and Demographic Research to develop a standard calculation for estimating the average annual new incremental state sales taxes generated by sales at the facility.

(f) The department may not certify an applicant if, as a result of the certification, the total amount distributed will exceed \$13 million in any fiscal year. In the 2014-2015 fiscal year, the department may not certify total annual distributions of more than \$7 million for all certified applicants.

(7) CONTRACT.—An applicant approved by the Legislature and certified by the department must enter into a contract with the department which:

(a) Specifies the terms of the state's investment.

(b) States the criteria that the certified applicant must meet in order to remain certified.

(c) Requires the applicant to submit the independent analysis required under subsection (6) and an annual independent analysis.

1. The applicant must agree to submit to the department, beginning 12 months after completion of a project or 12 months after the first four annual distributions, whichever is earlier, an annual analysis by an independent certified public accountant demonstrating the actual amount of new incremental state sales taxes generated by sales at the facility during the previous 12-month period. The applicant shall certify to the department a comparison of the actual amount of state sales taxes generated by sales at the facility during the facility during the previous 12-month period to the baseline under paragraph (6)(b).

2. The applicant must submit the certification within 90 days after the end of the previous 12-month period. The department shall verify the analysis.

(d) Specifies information that the certified applicant must report to the department.

(e) Requires the applicant to reimburse the state by electing to do one of the following:

1. After all distributions have been made, reimburse at the end of the contract term any amount by which the total distributions made under s. 212.20(6)(d)6.f. exceed actual new incremental state sales taxes generated by sales at the facility during the contract, plus a 5 percent penalty on that amount.

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2. After the applicant begins to submit the independent analysis under paragraph (c), reimburse each year any amount by which the previous year's annual distribution exceeds 75 percent of the actual new incremental state sales taxes generated by sales at the facility.

Any reimbursement due to the state must be made within 90 days after the applicable distribution under this paragraph. If the applicant is unable or unwilling to reimburse the state for such amount, the department may place a lien on the applicant's facility. If the applicant is a municipality or county, it may reimburse the state from its half-cent sales tax allocation, as provided in s. 218.64(3). Reimbursements must be sent to the Department of Revenue for deposit into the General Revenue Fund.

(f) Includes any provisions deemed prudent by the department.

(8) USE OF FUNDS.—An applicant certified under this section may use state funds only for the following purposes:

(a) Constructing, reconstructing, renovating, or improving a facility or reimbursing such costs.

(b) Paying or pledging for the payment of debt service on bonds issued for the construction or renovation of such facility.

(c) Funding debt service reserve funds, arbitrage rebate obligations, or other amounts payable with respect thereto on bonds issued for the construction or renovation of such facility.

(d) Reimbursing the costs under paragraphs (b) and (c) or the refinancing of bonds issued for the construction or renovation of such facility.

(9) REPORTS.—

(a) On or before November 1 of each year, an applicant certified under this section and approved to receive state funds must submit to the department any information required by the department. The department shall summarize this information for inclusion in its annual report to the Legislature under paragraph (4)(d).

(b) Every 5 years after an applicant receives its first monthly distribution, the department must verify that the applicant is meeting the program requirements. If the applicant fails to meet these requirements, the department shall notify the Governor and the Legislature in its next annual report under paragraph (4)(d) that the requirements are not being met and recommend future action. The department shall take into consideration extenuating circumstances that may have prevented the applicant from meeting the program requirements, such as force majeure events or a significant economic downturn.

(10) AUDITS.—The Auditor General may conduct audits pursuant to s. 11.45 to verify the independent analysis required under paragraphs (6)(b)

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and (7)(c) and to verify that the distributions are expended as required. The Auditor General shall report the findings to the department. If the Auditor General determines that the distribution payments are not expended as required, the Auditor General must notify the Department of Revenue, which may pursue recovery of distributions under the laws and rules that govern the assessment of taxes.

(11) APPLICATION RELATED TO NEW FACILITIES OR PROJECTS COMMENCED BEFORE JULY 1, 2014.—Notwithstanding paragraph (4)(e), the Legislative Budget Commission may approve an application for state funds by an applicant for a new facility or a project commenced between March 1, 2013, and July 1, 2014. Such an application may be submitted after May 1, 2014. The department must review the application and recommend approval to the Legislature or deny the application. The Legislative Budget Commission may approve applications on or after January 1, 2015. The department must certify the applicant within 45 days of approval by the Legislative Budget Commission. State funds may not be distributed until the department notifies the Department of Revenue that the applicant was approved by the Legislative Budget Commission and certified by the department. An applicant certified under this subsection is subject to the provisions and requirements of this section. An applicant that fails to meet the conditions of this subsection may reapply during future application periods.

(12) REPAYMENT OF DISTRIBUTIONS.—An applicant that is certified under this section may be subject to repayment of distributions upon the occurrence of any of the following:

(a) An applicant's beneficiary has broken the terms of its agreement with the applicant and relocated from the facility or no longer occupies or uses the facility as the facility's primary tenant. The beneficiary must reimburse the state for state funds that will be distributed, plus a 5 percent penalty on that amount, if the beneficiary relocates before the agreement expires.

(b) A determination by the department that an applicant has submitted information or made a representation that is determined to be false, misleading, deceptive, or otherwise untrue. The applicant must reimburse the state for state funds that have been and will be distributed, plus a 5 percent penalty on that amount, if such determination is made. If the applicant is a municipality or county, it may reimburse the state from its half-cent sales tax allocation, as provided in s. 218.64(3).

(c) Repayment of distributions must be sent to the Department of Revenue for deposit into the General Revenue Fund.

(13) HALTING OF PAYMENTS.—The applicant may request in writing at least 20 days before the next monthly distribution that the department halt future payments. The department shall immediately notify the Department of Revenue to halt future payments.

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(14) RULEMAKING.—The department may adopt rules to implement this section.

Section 5. Paragraphs (a) and (c) of subsection (2) of section 288.11631, Florida Statutes, are amended, and paragraph (d) is added to that subsection, to read:

288.11631 Retention of Major League Baseball spring training baseball franchises.—

(2) CERTIFICATION PROCESS.—

(a) Before certifying an applicant to receive state funding for a facility for a spring training franchise, the department must verify that:

1. The applicant is responsible for the construction or renovation of the facility for a spring training franchise or holds title to the property on which the facility for a spring training franchise is located.

 $\mathbf{2}$. The applicant has a certified copy of a signed agreement with a spring training franchise. The signed agreement with a spring training franchise for the use of a facility must, at a minimum, be equal to the length of the term of the bonds issued for the public purpose of constructing or renovating a facility for a spring training franchise. If no such bonds are issued for the public purpose of constructing or renovating a facility for a spring training franchise, the signed agreement with a spring training franchise for the use of a facility must be for at least 20 years. Any such agreement with a spring training franchise for the use of a facility cannot be signed more than 4 years before the expiration of any existing agreement with a spring training franchise for the use of a facility. However, any such agreement may be signed at any time before the expiration of any existing agreement with a spring training franchise for use of a facility if the applicant has never received state funding for the facility as a spring training facility under this section or s. 288.11621 and the facility was constructed before January 1, 2000. The agreement must also require the franchise to reimburse the state for state funds expended by an applicant under this section if the franchise relocates before the agreement expires; however, if bonds were issued to construct or renovate a facility for a spring training franchise, the required reimbursement must be equal to the total amount of state distributions expected to be paid from the date the franchise breaks its agreement with the applicant through the final maturity of the bonds. The agreement may be contingent on an award of funds under this section and other conditions precedent.

3. The applicant has made a financial commitment to provide 50 percent or more of the funds required by an agreement for the construction or renovation of the facility for a spring training franchise. The commitment may be contingent upon an award of funds under this section and other conditions precedent.

4. The applicant demonstrates that the facility for a spring training franchise will attract a paid attendance of at least 50,000 persons annually to the spring training games.

5. The facility for a spring training franchise is located in a county that levies a tourist development tax under s. 125.0104.

6. The applicant is not currently certified to receive state funding for the facility as a spring training franchise under this section.

(c) Each applicant certified on or after July 1, 2013, shall enter into an agreement with the department which:

1. Specifies the amount of the state incentive funding to be distributed. The amount of state incentive funding per certified applicant may not exceed \$20 million. However, if a certified applicant's facility is used by more than one spring training franchise, the maximum amount may not exceed \$50 million, and the Department of Revenue shall make distributions to the applicant pursuant to s. 212.20(6)(d)6.e. for not more than 37 years and 6 months.

2. States the criteria that the certified applicant must meet in order to remain certified. These criteria must include a provision stating that the spring training franchise must reimburse the state for any funds received if the franchise does not comply with the terms of the contract. If bonds were issued to construct or renovate a facility for a spring training franchise, the required reimbursement must be equal to the total amount of state distributions expected to be paid from the date the franchise violates the agreement with the applicant through the final maturity of the bonds.

3. States that the certified applicant is subject to decertification if the certified applicant fails to comply with this section or the agreement.

4. States that the department may recover state incentive funds if the certified applicant is decertified.

5. Specifies the information that the certified applicant must report to the department.

6. Includes any provision deemed prudent by the department.

(d) If a certified applicant has been certified under this program for use of its facility by one spring training franchise, the certified applicant may apply to amend its certification for use of its facility by more than one spring training franchise. The certified applicant must submit an application to amend its original certification that meets the requirements of this section. The maximum amount of state incentive funding to be distributed may not exceed \$50 million as provided in subparagraph (c)1. for a certified applicant with a facility used by more than one spring training franchise, including any distributions previously received by the certified applicant under its original certification.

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the department shall notify the Department of Revenue as provided in this section.

Section 6. Section 288.1166, Florida Statutes, is amended to read:

288.1166 Professional sports facility; designation as shelter site for the homeless; establishment of local programs.—

(1) <u>A</u> Any professional sports facility constructed with financial assistance from the state of Florida shall be designated as a shelter site for the homeless <u>during the period of a declared federal</u>, <u>state</u>, <u>or local emergency</u> in accordance with the criteria of locally existing homeless shelter programs <u>unless</u>; except when

 (\underline{a}) The facility is otherwise contractually obligated for a specific event or activity;

(b) The facility is designated or used by the county owning the facility as a staging area; or

(c) The county owning the facility also owns or operates homeless assistance centers and the county determines there exists sufficient capacity to meet the sheltering needs of homeless persons within the county.

(2) If Should a local program does not exist be in existence in the facility's area, such program shall be established in accordance with normally accepted criteria as defined by the county or its designee.

Section 7. (1) The executive director of the Department of Economic Opportunity is authorized, and all conditions are deemed met, to adopt emergency rules pursuant to ss. 120.536(1) and 120.54(4), Florida Statutes, for the purpose of implementing this act.

(2) Notwithstanding any provision of law, such emergency rules shall remain in effect for 6 months after the date adopted and may be renewed during the pendency of procedures to adopt permanent rules addressing the subject of the emergency rules.

(3) This section expires July 1, 2015.

Section 8. This act shall take effect upon becoming a law.

Approved by the Governor June 20, 2014.

Filed in Office Secretary of State June 20, 2014.