Florida House of Representatives - 1997

CS/HB 1135

By the Committee on Tourism and Representatives Cosgrove, Barreiro, Garcia, Mackenzie, Logan, Meek, Lippman, Morse, Villalobos, Heyman and Bullard

1	A bill to be entitled
2	An act relating to the International
3	Motorsports Museum facility; amending s.
4	212.20, F.S.; providing for distribution of a
5	portion of revenues from the tax on sales, use,
6	and other transactions to such facility;
7	creating s. 288.11695, F.S.; providing for
8	certification of such facility by the Office of
9	Tourism, Trade, and Economic Development;
10	providing requirements for certification;
11	requiring the International Motorsports Museum
12	facility to contribute certain advertising;
13	terminating or abating funding under certain
14	circumstances; providing for use of the funds
15	distributed to the museum; providing for audits
16	by the Department of Revenue; providing for
17	periodic recertification; requiring applicants
18	for certification to contract with the
19	Department of Labor and Employment Security to
20	hire WAGES program participants; providing
21	contract requirements; requiring a report;
22	amending ss. 218.65 and 288.1169, F.S.;
23	conforming cross references; providing an
24	effective date.
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26	WHEREAS, the Metro-Dade Homestead Motorsports Complex,
27	in less than one year of operation, has already been called
28	the finest motorsports facility in the world, and
29	WHEREAS, Homestead and the South Dade area are
30	continuing to recover from the devastation of Hurricane Andrew
31	and are benefiting significantly both from the direct economic
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1 impact generated by the Metro-Dade Homestead Motorsports 2 Complex and the indirect economic impact generated by the 3 positive publicity resulting from the numerous national and 4 international broadcasts from and press coverage generated by 5 the Metro-Dade Homestead Motorsports Complex, and

6 WHEREAS, attendance at auto races across North America 7 during 1995 increased nearly 4 percent over 1994 to almost 15 8 million, further contributing to motorsport's increasingly 9 growing worldwide population, and

10 WHEREAS, in addition to the United States, over 150 countries aired coverage of the 1996 season of IndyCar, the 11 body which sanctions the annual IndyCar Grand Prix of Miami, 12 13 including national stations in France, Germany, Italy, the 14 Netherlands, Russia, Sweden, the United Kingdom, Brazil, 15 Canada, Chile, the Dominican Republic, Mexico, Peru, South Africa, Australia, China, Japan, New Zealand, and Singapore, 16 17 and

18 WHEREAS, more than 5 million international travelers 19 visited the Greater Miami area in 1995, marking a 7 percent 20 increase over 1994, while the first quarter of 1996 saw a 4.7 21 percent increase in international visitors over the same 22 period of 1995, and

WHEREAS, an estimated 1 million international travelersvisited the Florida Keys in 1995, and

WHEREAS, according to the International Association of Sports Museums and Halls of Fame, an estimated 40 million people annually visit sports and entertainment-related museums world-wide, and

29 WHEREAS, the City of Homestead has announced its 30 support for and participation in an international educational 31 automotive and racing history museum owned and operated by the

Grand Prix Foundation, Inc., a not-for-profit Florida 1 corporation headed by a board of directors made up of local 2 3 community leaders and national and international racing officials, to be located at the state-of-the-art facility, and 4 5 WHEREAS, the International Motorsports Museum, to be 6 located at the Metro-Dade Homestead Motorsports Complex, will 7 benefit from its strategic location midway between Greater 8 Miami and the Florida Keys and its easy access to both the 9 Florida Turnpike and U.S. 1, and 10 WHEREAS, the Grand Prix Foundation, Inc., will create a stand-alone and exciting attraction that will be open 11 12 year-round and plans to work with tour operators to make the international educational automotive and racing history museum 13 14 a family-oriented attraction for the millions of visitors from 15 North America and around the world who tour through South Florida and the Florida Keys, and 16 17 WHEREAS, the international museum will be featured in 18 national and international broadcasts from the Metro-Dade 19 Homestead Motorsports Complex and will be the subject of a variety of press coverages during the many events scheduled 20 21 annually at the facility, and WHEREAS, the additional tourism generated by the 22 23 International Motorsports Museum will have a positive impact on the taxes and economy of the state, and 24 25 WHEREAS, the International Motorsports Museum project 26 will build upon the economic development already being reaped 27 from the creation of the Metro-Dade Homestead Motorsports 28 Complex, and 29 WHEREAS, the International Motorsports Museum will 30 serve as a world centerpiece of exhibits to educate visitors 31 on the advanced technology involved in automobile racing, the 3

use of computers in racing and automobile design, vehicle 1 dynamics, and the rich world history of automobile racing, and 2 3 WHEREAS, a permanent exhibit at the International 4 Motorsports Museum is also envisioned, featuring the 5 devastating impact of Hurricane Andrew on the South Dade 6 community and the community's recovery from the hurricane, and 7 WHEREAS, the International Motorsports Museum will 8 further create economic development for the Homestead and 9 South Dade community, and 10 WHEREAS, IndyCar and the Sports Car Club of America have designated the planned museum as their Official 11 International Museum and have announced its location at the 12 13 Metro-Dade Homestead Motorsports Complex, subject to 14 groundbreaking for the museum taking place before May 1998, 15 NOW, THEREFORE, 16 17 Be It Enacted by the Legislature of the State of Florida: 18 19 Section 1. Paragraph (f) of subsection (6) of section 212.20, Florida Statutes, 1996 Supplement, is amended to read: 20 21 212.20 Funds collected, disposition; additional powers of department; operational expense; refund of taxes 22 23 adjudicated unconstitutionally collected. --24 (6) Distribution of all proceeds under this part shall 25 be as follows: 26 (f) The proceeds of all other taxes and fees imposed 27 pursuant to this part shall be distributed as follows: 28 In any fiscal year, the greater of \$500 million, 1. 29 minus an amount equal to 4.6 percent of the proceeds of the taxes collected pursuant to chapter 201, or 5 percent of all 30 31 other taxes and fees imposed pursuant to this part shall be

deposited in monthly installments into the General Revenue 1 2 Fund.

3 2. Two-tenths of one percent shall be transferred to 4 the Solid Waste Management Trust Fund.

5 3. After the distribution under subparagraphs 1. and 6 2., 9.653 percent of the amount remitted by a sales tax dealer 7 located within a participating county pursuant to s. 218.61 shall be transferred into the Local Government Half-cent Sales 8 9 Tax Clearing Trust Fund.

10 4. After the distribution under subparagraphs 1., 2., and 3., 0.054 percent shall be transferred to the Local 11 Government Half-cent Sales Tax Clearing Trust Fund and 12 13 distributed pursuant to s. 218.65.

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5. Of the remaining proceeds:

15 Beginning July 1, 1992, \$166,667 shall be a. distributed monthly by the department to each applicant that 16 17 has been certified as a "facility for a new professional 18 sports franchise" or a "facility for a retained professional 19 sports franchise" pursuant to s. 288.1162 and \$41,667 shall be 20 distributed monthly by the department to each applicant that has been certified as a "new spring training franchise 21 22 facility" pursuant to s. 288.1162. Distributions shall begin 23 60 days following such certification and shall continue for 30 years. Nothing contained herein shall be construed to allow an 24 applicant certified pursuant to s. 288.1162 to receive more in 25 26 distributions than actually expended by the applicant for the 27 public purposes provided for in s. 288.1162(7). However, a 28 certified applicant shall receive distributions up to the 29 maximum amount allowable and undistributed under this section 30 for additional renovations and improvements to the facility 31 for the franchise without additional certification.

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1 Beginning 30 days after notice by the Office of b. 2 Tourism, Trade, and Economic Development to the Department of 3 Revenue that an applicant has been certified as the professional golf hall of fame pursuant to s. 288.1168 and is 4 5 open to the public, the department shall distribute \$166,667 6 shall be distributed monthly, for up to 300 months, to the 7 applicant. c. Beginning 30 days after notice by the Office of 8 9 Tourism, Trade, and Economic Development Department of 10 Commerce to the Department of Revenue that the applicant has been certified as the International Game Fish Association 11 World Center facility pursuant to s. 288.1169, and the 12 13 facility is open to the public, the department shall distribute \$83,333 shall be distributed monthly, for up to 180 14 15 months, to the applicant. This distribution is subject to reduction pursuant to s. 288.1169. 16 d. Beginning 30 days after notice by the Office of 17 18 Tourism, Trade, and Economic Development to the Department of 19 Revenue that the applicant has been certified as the International Motorsports Museum facility pursuant to s. 20 21 288.11695, and the facility is open to the public, the 22 department shall distribute \$83,333 monthly, for up to 180 23 months, to the applicant. This distribution is subject to 24 reduction pursuant to s. 288.11695. 6. All other proceeds shall remain with the General 25 Revenue Fund. 26 Section 2. Section 288.11695, Florida Statutes, is 27 28 created to read: 29 288.11695 International Motorsports Museum facility; 30 duties of the Office of Tourism, Trade, and Economic 31 Development.--

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1	(1) The Office of Tourism, Trade, and Economic
2	Development shall serve as the state agency approving
3	applicants for funding pursuant to s. 212.20 and for
4	certifying the applicant as the International Motorsports
5	Museum facility. For purposes of this section, "facility"
6	means the International Motorsports Museum, and "project"
7	means the International Motorsports Museum and new colocated
8	improvements by private sector concerns who have made cash or
9	in-kind contributions to the facility of \$1 million or more.
10	(2) Prior to certifying this facility, the Office of
11	Tourism, Trade, and Economic Development must determine that:
12	(a) The International Motorsports Museum, to be
13	headquartered in Homestead, Florida, has been awarded and
14	designated as the official museum of at least one nationally
15	recognized motorsport sanctioning body, including, but not
16	limited to, IndyCar, the Sports Car Club of America (SCCA), or
17	the National Association for Stock Car Auto Racing (NASCAR)
18	and that one or more private sector concerns have committed to
19	donate to the International Motorsports Museum Foundation land
20	upon which the International Motorsports Museum will operate.
21	(b) The Grand Prix Foundation, Inc., is a
22	not-for-profit Florida corporation that has contracted to
23	construct and operate the facility.
24	(c) The municipality in which the facility is located,
25	or the county if the facility is located in an unincorporated
26	area, has certified by resolution after a public hearing that
27	the facility serves a public purpose.
28	(d) There are existing projections that the
29	International Motorsports Museum facility and the colocated
30	facilities of private sector concerns will attract an
31	attendance of more than 1 million annually.
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1	(e) There are existing projections that the project
2	will attract annually more than 100,000 persons who are not
3	residents of this state.
4	(f) The applicant has submitted an agreement to
5	provide \$500,000 annually in national and international media
6	promotion of the facility or the Motorsports Complex, which
7	shall include event promotions and television broadcasts,
8	during the period of time that the facility receives funds
9	pursuant to s. 212.20. Failure on the part of the applicant to
10	annually provide the advertising as provided in this paragraph
11	shall result in the termination of the funding as provided in
12	s. 212.20. The applicant can discharge its obligation under
13	this paragraph by contracting with other persons, including
14	private sector concerns who participate in the project.
15	(g) Documentation exists that demonstrates that the
16	applicant has provided, and is capable of providing, or has
17	financial or other commitments to provide, more than one-half
18	of the cost incurred or related to the improvements and the
19	development of the facility.
20	(h) The application is signed by senior officials of
21	the Grand Prix Foundation, Inc., and is notarized according to
22	Florida law providing for penalties for falsification.
23	(3) The applicant may use funds provided pursuant to
24	s. 212.20 for the purpose of paying for the construction,
25	reconstruction, renovation, promotion, or operation of the
26	facility, or to pay or pledge for payment of debt service on,
27	or to fund debt service reserve funds, arbitrage rebate
28	obligations, or other amounts payable with respect to, bonds
29	issued for the construction, reconstruction, or renovation of
30	the facility or for the reimbursement of such costs or by
31	refinancing of bonds issued for such purposes.

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1	(4) Upon determining that an applicant is or is not
2	certifiable, the Office of Tourism, Trade, and Economic
3	Development shall notify the applicant of its status by means
4	of an official letter. If certifiable, the Office of Tourism,
5	Trade, and Economic Development shall notify the executive
6	director of the Department of Revenue and the applicant of
7	such certification by means of an official letter granting
8	certification. From the date of such certification, the
9	applicant shall have 5 years to open the facility to the
10	public and notify the Office of Tourism, Trade, and Economic
11	Development of such opening. The Department of Revenue shall
12	not begin distributing funds until 30 days following notice by
13	the Office of Tourism, Trade, and Economic Development that
14	the facility is open to the public.
15	(5) The Department of Revenue may audit as provided in
16	s. 213.34 to verify that the contributions pursuant to this
17	section have been expended as required by this section.
18	(6) The Office of Tourism, Trade, and Economic
19	Development must recertify every 10 years that the facility is
20	open, that the International Motorsports Museum continues to
21	be designated by a sanctioning body. If the facility is not
22	recertified during this 10-year review as meeting the minimum
23	projections, funding shall be abated until certification
24	<u>criteria are met.</u>
25	(7) The Office of Tourism, Trade, and Economic
26	Development shall, in addition to any other requirements of
27	this section, determine that an applicant which has been
28	certified under this section has entered into a contract with
29	the Department of Labor and Employment Security in which the
30	applicant agrees to register with the Work and Gain Economic
31	Self-Sufficiency (WAGES) Program Business Registry established
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by the local WAGES coalition for the area in which the 1 applicant is located. Such contract shall further provide 2 that the applicant shall hire WAGES Program participants to 3 the maximum extent possible and shall provide for appropriate 4 5 monitoring and training of such employees. The applicant 6 shall agree to employ a specified number of WAGES participants 7 in each year that the applicant receives a distribution under s. 212.20. The number of WAGES participants to be employed by 8 9 the applicant shall be based upon the applicant's good faith efforts, workforce availability, suitable jobs, and in keeping 10 with the applicant's minimum standards of employment as 11 provided in the contract with the department. The applicant 12 13 may renegotiate the contract and employ fewer WAGES program participants if the applicant demonstrates to the satisfaction 14 15 of the department that, due to economic condition or the nature of the applicant's business in a given year, the 16 17 requirement to hire the specified number of employees is 18 unattainable. Each applicant subject to the requirements of 19 this subsection shall report to the Governor, the President of 20 the Senate and the Speaker of the House of Representatives by December 31 of each year in which the applicant receives a 21 22 distribution under s. 212.20 on the extent to which the 23 applicant's employees are WAGES participants. Section 3. Subsections (5) and (6) of section 218.65, 24 25 FLorida Statutes, 1996 Supplement, are amended to read: 218.65 Emergency distribution. --26 27 (5) At the beginning of each fiscal year, the 28 Department of Revenue shall calculate a base allocation for 29 each eligible county equal to the difference between the 30 current per capita limitation times the county's population, 31 minus prior year ordinary distributions to the county pursuant 10

to ss. 212.20(6)(f)(g)3., 218.61, and 218.62. If moneys 1 deposited into the Local Government Half-cent Sales Tax 2 Clearing Trust Fund pursuant to s. 212.20(6)(f)(g)4., 3 excluding moneys appropriated for supplemental distributions 4 pursuant to subsection (7), for the current year are less than 5 6 or equal to the sum of the base allocations, each eligible 7 county shall receive a share of the appropriated amount proportional to its base allocation. If the deposited amount 8 9 exceeds the sum of the base allocations, each county shall receive its base allocation, and the excess appropriated 10 amount shall be distributed equally on a per capita basis 11 12 among the eligible counties. 13 (6) There is hereby annually appropriated from the 14 Local Government Half-cent Sales Tax Clearing Trust Fund the 15 distribution provided in s. $212.20(6)(f)\frac{g}{4}$. to be used for emergency and supplemental distributions pursuant to this 16 17 section. 18 Section 4. Subsection (6) of section 288.1169, Florida 19 Statutes, 1996 Supplement, is amended to read: 20 288.1169 International Game Fish Association World 21 Center facility; department duties of the Office of Tourism, 22 Trade, and Economic Development. --23 (6) The Office of Tourism, Trade, and Economic Development Department of Commerce must recertify every 10 24 25 years that the facility is open, that the International Game Fish Association World Center continues to be the only 26 27 international administrative headquarters, fishing museum, and 28 Hall of Fame in the United States recognized by the 29 International Game Fish Association, and that the project is 30 meeting the minimum projections for attendance or sales tax 31 revenues as required at the time of original certification.

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If the facility is not recertified during this 10-year review as meeting the minimum projections, then funding will be abated until certification criteria are met. If the project fails to generate \$1 million of annual revenues pursuant to paragraph (2)(e), the distribution of revenues pursuant to s. 212.20(6)(f)(g)5.c. shall be reduced to an amount equal to \$83,333 multiplied by a fraction, the numerator of which is the actual revenues generated and the denominator of which is \$1 million. Such reduction shall remain in effect until revenues generated by the project in a 12-month period equal or exceed \$1 million. Section 5. This act shall take effect October 1, 1997.