

By the Committee on Community Affairs and Senator Meadows

316-2108-98

1 A bill to be entitled
2 An act relating to professional sports
3 franchises; amending s. 288.1162, F.S.;
4 providing for certification of a retained
5 spring training franchise facility by the
6 Office of Tourism, Trade, and Economic
7 Development, upon determination that certain
8 requirements have been met; providing the uses
9 that such facility may make of funds provided
10 pursuant to s. 212.20, F.S.; increasing the
11 number of facilities that may be certified
12 under that section; providing that an applicant
13 certified as a retained spring training
14 franchise facility is required to have a
15 contract with the Department of Labor and
16 Employment Security for the hiring of WAGES
17 participants; providing contract requirements;
18 providing for an annual report on the extent of
19 WAGES hiring by the applicant; amending s.
20 212.20, F.S.; providing for a monthly
21 distribution of a portion of the revenues of
22 the tax on sales, use, and other transactions
23 to a certified retained spring training
24 franchise facility for a specified period;
25 providing an effective date.

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

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29 Section 1. Section 288.1162, Florida Statutes, is
30 amended to read:

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1 288.1162 Professional sports franchises; spring
2 training franchises; duties.--

3 (1) The Office of Tourism, Trade, and Economic
4 Development shall serve as the state agency for screening
5 applicants for state funding pursuant to s. 212.20 and for
6 certifying an applicant as a "facility for a new professional
7 sports franchise," a "facility for a retained professional
8 sports franchise," ~~or~~ a "new spring training franchise
9 facility;" or a "retained spring training franchise
10 facility."

11 (2) The Office of Tourism, Trade, and Economic
12 Development shall develop rules for the receipt and processing
13 of applications for funding pursuant to s. 212.20.

14 (3) As used in this section:

15 (a) "New professional sports franchise" means a
16 professional sports franchise that is not based in this state
17 prior to April 1, 1987.

18 (b) "Retained professional sports franchise" means a
19 professional sports franchise that has had a league-authorized
20 location in this state on or before December 31, 1976, and has
21 continuously remained at that location, and has never been
22 located at a facility that has been previously certified under
23 any provision of this section.

24 (4) Prior to certifying an applicant as a "facility
25 for a new professional sports franchise" or a "facility for a
26 retained professional sports franchise," the Office of
27 Tourism, Trade, and Economic Development must determine that:

28 (a) A "unit of local government" as defined in s.
29 218.369 is responsible for the construction, management, or
30 operation of the professional sports franchise facility or
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1 holds title to the property on which the professional sports
2 franchise facility is located.

3 (b) The applicant has a verified copy of a signed
4 agreement with a new professional sports franchise for the use
5 of the facility for a term of at least 10 years, or in the
6 case of a retained professional sports franchise, an agreement
7 for use of the facility for a term of at least 20 years.

8 (c) The applicant has a verified copy of the approval
9 from the governing authority of the league in which the new
10 professional sports franchise exists authorizing the location
11 of the professional sports franchise in this state after April
12 1, 1987, or in the case of a retained professional sports
13 franchise, verified evidence that it has had a

14 league-authorized location in this state on or before December
15 31, 1976. The term "league" means the National League or the
16 American League of Major League Baseball, the National
17 Basketball Association, the National Football League, or the
18 National Hockey League.

19 (d) The applicant has projections, verified by the
20 Office of Tourism, Trade, and Economic Development, which
21 demonstrate that the new or retained professional sports
22 franchise will attract a paid attendance of more than 300,000
23 annually.

24 (e) The applicant has an independent analysis or
25 study, verified by the Office of Tourism, Trade, and Economic
26 Development, which demonstrates that the amount of the
27 revenues generated by the taxes imposed under chapter 212 with
28 respect to the use and operation of the professional sports
29 franchise facility will equal or exceed \$2 million annually.

30 (f) The municipality in which the facility for a new
31 or retained professional sports franchise is located, or the

1 county if the facility for a new or retained professional
2 sports franchise is located in an unincorporated area, has
3 certified by resolution after a public hearing that the
4 application serves a public purpose.

5 (g) The applicant has demonstrated that it has
6 provided, is capable of providing, or has financial or other
7 commitments to provide more than one-half of the costs
8 incurred or related to the improvement and development of the
9 facility.

10 (h) No applicant previously certified under any
11 provision of this section who has received funding under such
12 certification shall be eligible for an additional
13 certification.

14 (5) As used in this section, the term:

15 (a) "New spring training franchise" means a spring
16 training franchise that is not based in this state prior to
17 July 1, 1990.

18 (b) "Retained spring training franchise" means a
19 spring training franchise that located in this state in 1955,
20 that replaced a spring training franchise that had been
21 located continuously at the same publicly owned stadium for 33
22 years, and that does not play its regular major league
23 baseball games in the same city in which it trains.

24 (6) Prior to certifying an applicant as a "new spring
25 training franchise facility," the Office of Tourism, Trade,
26 and Economic Development must determine that:

27 (a) A "unit of local government" as defined in s.
28 218.369 is responsible for the construction, management, or
29 operation of the new spring training franchise facility or
30 holds title to the property on which the new spring training
31 franchise facility is located.

1 (b) The applicant has a verified copy of a signed
2 agreement with a new spring training franchise for the use of
3 the facility for a term of at least 15 years.

4 (c) The applicant has a financial commitment to
5 provide 50 percent or more of the funds required by an
6 agreement for the use of the facility by the new spring
7 training franchise.

8 (d) The proposed facility for the new spring training
9 franchise is located within 20 miles of an interstate or other
10 limited-access highway system.

11 (e) The applicant has projections, verified by the
12 Office of Tourism, Trade, and Economic Development, which
13 demonstrate that the new spring training franchise facility
14 will attract a paid attendance of at least 50,000 annually.

15 (f) The new spring training franchise facility is
16 located in a county that is levying a tourist development tax
17 pursuant to s. 125.0104(3)(b), (c), (d), and (l), at the rate
18 of 4 percent by March 1, 1992, and, 87.5 percent of the
19 proceeds from such tax are dedicated for the construction of a
20 spring training complex.

21 (7)(a) Before certifying an applicant as a "retained
22 spring training franchise facility," the Office of Tourism,
23 Trade, and Economic Development must determine that:

24 1. A unit of local government, as defined in s.
25 218.369, is responsible for the construction, management, or
26 operation of the retained spring training franchise facility
27 or holds title to the property on which the retained spring
28 training franchise facility is located.

29 2. The retained spring training franchise will conduct
30 additional training activities at a different site within the
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1 county in which the retained spring training franchise
2 facility is located.

3 3. The applicant has projections, verified by the
4 Office of Tourism, Trade, and Economic Development, which
5 demonstrate that the amount of the revenues generated by the
6 taxes imposed under chapter 212 with respect to the use and
7 operation of the retained spring training franchise facility
8 will equal or exceed \$1.2 million annually.

9 4. The retained spring training franchise will sign a
10 lease agreement for a period of no less than 15 years with the
11 applicant at the completion of its existing short-term
12 agreement.

13 (b) The Office of Tourism, Trade, and Economic
14 Development shall consider the value of the land and the
15 existing stadium toward any required contribution by the
16 applicant for costs incurred or related to the improvement and
17 development of the facility.

18 (8)(7) An applicant certified as a facility for a new
19 professional sports franchise or a facility for a retained
20 professional sports franchise or as a new spring training
21 franchise facility or a retained spring training franchise
22 facility may use funds provided pursuant to s. 212.20 only for
23 the public purpose of paying for the construction,
24 reconstruction, or renovation of a facility for a new
25 professional sports franchise, a facility for a retained
26 professional sports franchise, ~~or~~ a new spring training
27 franchise facility, or a retained spring training franchise
28 facility or to pay or pledge for the payment of debt service
29 on, or to fund debt service reserve funds, arbitrage rebate
30 obligations, or other amounts payable with respect to, bonds
31 issued for the construction, reconstruction, or renovation of

1 such facility or for the reimbursement of such costs or the
2 refinancing of bonds issued for such purposes.

3 (9)~~(8)~~ The Office of Tourism, Trade, and Economic
4 Development shall notify the Department of Revenue of any
5 facility certified as a facility for a new professional sports
6 franchise or a facility for a retained professional sports
7 franchise or as a new spring training franchise facility or a
8 retained spring training franchise facility. The Office of
9 Tourism, Trade, and Economic Development may certify no more
10 than nine ~~eight~~ facilities as facilities for a new
11 professional sports franchise, as facilities for a retained
12 professional sports franchise, ~~or~~ as new spring training
13 franchise facilities, or as retained spring training franchise
14 facilities, including in such total any facilities certified
15 by the Department of Commerce before July 1, 1996. The office
16 may make no more than one certification for any facility, and
17 shall make no more than one certification for a retained
18 spring training franchise facility.

19 (10)~~(9)~~ The Department of Revenue may audit as
20 provided in s. 213.34 to verify that the distributions
21 pursuant to this section have been expended as required in
22 this section. Such information is subject to the
23 confidentiality requirements of chapter 213. If the Department
24 of Revenue determines that the distributions pursuant to this
25 section have not been expended as required by this section, it
26 may pursue recovery of such funds pursuant to the laws and
27 rules governing the assessment of taxes.

28 (11)~~(10)~~ An applicant shall not be qualified for
29 certification under this section if the franchise formed the
30 basis for a previous certification, unless the previous
31 certification was withdrawn by the facility or invalidated by

1 the Office of Tourism, Trade, and Economic Development or the
2 Department of Commerce before any funds were distributed
3 pursuant to s. 212.20. This subsection does not disqualify an
4 applicant if the previous certification occurred between May
5 23, 1993, and May 25, 1993; however, any funds to be
6 distributed pursuant to s. 212.20 for the second certification
7 shall be offset by the amount distributed to the previous
8 certified facility. Distribution of funds for the second
9 certification shall not be made until all amounts payable for
10 the first certification have been distributed.

11 (12) The Office of Tourism, Trade, and Economic
12 Development shall, in addition to any other requirements of
13 this section, determine that an applicant that has been
14 certified under this section as a retained spring training
15 franchise facility has entered into a contract with the
16 Department of Labor and Employment Security in which the
17 applicant agrees to register with the Work and Gain Economic
18 Self-Sufficiency (WAGES) Program Business Registry established
19 by the local WAGES coalition for the area in which the
20 applicant is located. Such contract shall further provide
21 that the applicant shall hire WAGES program participants to
22 the maximum extent possible and shall provide for appropriate
23 monitoring and training of such employees. The applicant
24 shall agree to employ a specified number of WAGES participants
25 in each year that it receives a distribution under s. 212.20.
26 The number of WAGES participants to be employed by the
27 applicant shall be based upon the applicant's good faith
28 efforts, workforce availability, suitable jobs, and in keeping
29 with the facility's minimum standards of employment as
30 provided in the contract with the department. The applicant
31 may renegotiate the contract and employ fewer program

1 participants if the applicant demonstrates to the satisfaction
2 of the department that due to economic conditions or the
3 nature of its business in a given year the requirement to hire
4 the specified number of employees is unattainable. Each
5 applicant subject to the requirements of this subsection shall
6 report to the Governor, the Speaker of the House of
7 Representatives, and the President of the Senate by December
8 31 of each year in which the applicant receives a distribution
9 under s. 212.20 on the extent to which its employees are WAGES
10 participants.

11 Section 2. Paragraph (f) of subsection (6) of section
12 212.20, Florida Statutes, is amended to read:

13 212.20 Funds collected, disposition; additional powers
14 of department; operational expense; refund of taxes
15 adjudicated unconstitutionally collected.--

16 (6) Distribution of all proceeds under this chapter
17 shall be as follows:

18 (f) The proceeds of all other taxes and fees imposed
19 pursuant to this chapter shall be distributed as follows:

20 1. In any fiscal year, the greater of \$500 million,
21 minus an amount equal to 4.6 percent of the proceeds of the
22 taxes collected pursuant to chapter 201, or 5 percent of all
23 other taxes and fees imposed pursuant to this chapter shall be
24 deposited in monthly installments into the General Revenue
25 Fund.

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

28 3. After the distribution under subparagraphs 1. and
29 2., 9.653 percent of the amount remitted by a sales tax dealer
30 located within a participating county pursuant to s. 218.61
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1 shall be transferred into the Local Government Half-cent Sales
2 Tax Clearing Trust Fund.

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

7 5. Of the remaining proceeds:

8 a. One hundred sixty-six thousand six hundred and
9 sixty-seven dollars ~~Beginning July 1, 1992, \$166,667~~ shall be
10 distributed monthly by the department to each applicant that
11 has been certified as a "facility for a new professional
12 sports franchise" or a "facility for a retained professional
13 sports franchise" pursuant to s. 288.1162, \$102,202 shall be
14 distributed monthly by the department to each applicant that
15 has been certified as a "facility for a retained spring
16 training franchise" pursuant to s. 288.1162, and \$41,667 shall
17 be distributed monthly by the department to each applicant
18 that has been certified as a "new spring training franchise
19 facility" pursuant to s. 288.1162. Distributions shall begin
20 60 days following such certification and shall continue for 30
21 years. Nothing contained herein shall be construed to allow an
22 applicant certified pursuant to s. 288.1162 to receive more in
23 distributions than actually expended by the applicant for the
24 public purposes provided for in s. 288.1162(8) ~~s. 288.1162(7)~~.

25 However, a certified applicant shall receive distributions up
26 to the maximum amount allowable and undistributed under this
27 section for additional renovations and improvements to the
28 facility for the franchise without additional certification.

29 b. Beginning 30 days after notice by the Office of
30 Tourism, Trade, and Economic Development to the Department of
31 Revenue that an applicant has been certified as the

1 professional golf hall of fame pursuant to s. 288.1168 and is
2 open to the public, \$166,667 shall be distributed monthly, for
3 up to 300 months, to the applicant.

4 c. Beginning 30 days after notice by the Department of
5 Commerce to the Department of Revenue that the applicant has
6 been certified as the International Game Fish Association
7 World Center facility pursuant to s. 288.1169, and the
8 facility is open to the public, \$83,333 shall be distributed
9 monthly, for up to 180 months, to the applicant. This
10 distribution is subject to reduction pursuant to s. 288.1169.

11 6. All other proceeds shall remain with the General
12 Revenue Fund.

13 Section 3. This act shall take effect July 1, 1998.

14
15 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
16 COMMITTEE SUBSTITUTE FOR
17 Senate Bill 866

18 Lowers the limit on the number of facilities that may be
19 certified as a retained spring training franchise facility
from ten to nine.

20 Strikes the language which requires an applicant certified
21 after July 1, 1998, to fund and maintain fields for amateur
22 sports activities as recommended by the county in which the
applicant's certified facility is located.