1 A bill to be entitled 2 An act relating to spring training franchises; amending s. 288.1162, F.S.; defining "retained 3 spring training franchise"; providing for 4 5 certification of a retained spring training 6 franchise facility by the Office of Tourism, 7 Trade, and Economic Development, upon 8 determination that certain requirements have 9 been met; providing the uses that such facility 10 may make of funds provided pursuant to s. 212.20, F.S.; amending s. 212.20, F.S.; 11 providing for a monthly distribution of a 12 13 portion of the revenues of the tax on sales, 14 use, and other transactions to a certified 15 facility for a specified period; providing an effective date. 16 17 18 Be It Enacted by the Legislature of the State of Florida: 19 Section 1. Section 288.1162, Florida Statutes, 1996 20 21 Supplement, is amended to read: 22 288.1162 Professional sports franchises; spring 23 training franchises; duties .--(1) The Office of Tourism, Trade, and Economic 24 25 Development shall serve as the state agency for screening 26 applicants for state funding pursuant to s. 212.20 and for 27 certifying an applicant as a "facility for a new professional

sports franchise," a "facility for a retained professional

sports franchise," or a "new spring training franchise

facility, - " or a "retained spring training franchise

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facility."

- (2) The Office of Tourism, Trade, and Economic Development shall develop rules for the receipt and processing of applications for funding pursuant to s. 212.20.
  - (3) As used in this section:
- (a) "New professional sports franchise" means a professional sports franchise that is not based in this state prior to April 1, 1987.
- (b) "Retained professional sports franchise" means a professional sports franchise that has had a league-authorized location in this state on or before December 31, 1976, and has continuously remained at that location, and has never been located at a facility that has been previously certified under any provision of this section.
- (4) Prior to certifying an applicant as a "facility for a new professional sports franchise" or a "facility for a retained professional sports franchise," the Office of Tourism, Trade, and Economic Development must determine that:
- (a) A "unit of local government" as defined in s. 218.369 is responsible for the construction, management, or operation of the professional sports franchise facility or holds title to the property on which the professional sports franchise facility is located.
- (b) The applicant has a verified copy of a signed agreement with a new professional sports franchise for the use of the facility for a term of at least 10 years, or in the case of a retained professional sports franchise, an agreement for use of the facility for a term of at least 20 years.
- (c) The applicant has a verified copy of the approval from the governing authority of the league in which the new professional sports franchise exists authorizing the location of the professional sports franchise in this state after April

- 1, 1987, or in the case of a retained professional sports franchise, verified evidence that it has had a league-authorized location in this state on or before December 31, 1976. The term "league" means the National League or the American League of Major League Baseball, the National Basketball Association, the National Football League, or the National Hockey League.
- (d) The applicant has projections, verified by the Office of Tourism, Trade, and Economic Development, which demonstrate that the new or retained professional sports franchise will attract a paid attendance of more than 300,000 annually.
- (e) The applicant has an independent analysis or study, verified by the Office of Tourism, Trade, and Economic Development, which demonstrates that the amount of the revenues generated by the taxes imposed under part I of chapter 212 with respect to the use and operation of the professional sports franchise facility will equal or exceed \$2 million annually.
- (f) The municipality in which the facility for a new or retained professional sports franchise is located, or the county if the facility for a new or retained professional sports franchise is located in an unincorporated area, has certified by resolution after a public hearing that the application serves a public purpose.
- (g) The applicant has demonstrated that it has provided, is capable of providing, or has financial or other commitments to provide more than one-half of the costs incurred or related to the improvement and development of the facility.

- (h) No applicant previously certified under any provision of this section who has received funding under such certification shall be eligible for an additional certification.
  - (5) As used in this section:
- (a) "New spring training franchise" means a spring training franchise that is not based in this state prior to July 1, 1990.
- (b) "Retained spring training franchise" means a spring training franchise that located in this state in 1955, that replaced a spring training franchise which had been located continuously at the same publicly owned stadium for 33 years, and that does not play its regular major league baseball season games in the same city in which it trains.
- (6) Prior to certifying an applicant as a "new spring training franchise facility," the Office of Tourism, Trade, and Economic Development must determine that:
- (a) A "unit of local government" as defined in s. 218.369 is responsible for the construction, management, or operation of the new spring training franchise facility or holds title to the property on which the new spring training franchise facility is located.
- (b) The applicant has a verified copy of a signed agreement with a new spring training franchise for the use of the facility for a term of at least 15 years.
- (c) The applicant has a financial commitment to provide 50 percent or more of the funds required by an agreement for the use of the facility by the new spring training franchise.

- (d) The proposed facility for the new spring training franchise is located within 20 miles of an interstate or other limited-access highway system.
- (e) The applicant has projections, verified by the Office of Tourism, Trade, and Economic Development, which demonstrate that the new spring training franchise facility will attract a paid attendance of at least 50,000 annually.
- (f) The new spring training franchise facility is located in a county that is levying a tourist development tax pursuant to s. 125.0104(3)(b), (c), (d), and (l), at the rate of 4 percent by March 1, 1992, and, 87.5 percent of the proceeds from such tax are dedicated for the construction of a spring training complex.
- (7)(a) Prior to certifying an applicant as a "retained spring training franchise facility," the Office of Tourism,

  Trade, and Economic Development must determine that:
- 1. A unit of local government, as defined in s.

  218.369, is responsible for the construction, management, or operation of the retained spring training franchise facility or holds title to the property on which the retained spring training franchise facility is located.
- 2. The retained spring training franchise will conduct additional training activities at a different site within the county in which the retained spring training franchise facility is located.
- 3. The applicant has projections, verified by the Office of Tourism, Trade, and Economic Development, which demonstrate that the amount of the revenues generated by the taxes imposed under chapter 212 with respect to the use and operation of the retained spring training franchise facility will equal or exceed \$1.4 million annually.

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- 4. The retained spring training franchise will sign a lease agreement for a period of no less than 15 years with the applicant at the completion of its existing short-term agreement.
- (b) The Office of Tourism, Trade, and Economic

  Development shall consider the value of the land and the

  existing stadium towards any required contribution by the

  applicant for costs incurred or related to the improvement and development of the facility.
- (8) (8) (7) An applicant certified as a facility for a new professional sports franchise or a facility for a retained professional sports franchise or as a new spring training franchise facility or a retained spring training franchise facility may use funds provided pursuant to s. 212.20 only for the public purpose of paying for the construction, reconstruction, or renovation of a facility for a new professional sports franchise, a facility for a retained professional sports franchise, or a new spring training franchise facility, or a retained spring training franchise facility or to pay or pledge for the payment of debt service on, or to fund debt service reserve funds, arbitrage rebate obligations, or other amounts payable with respect to, bonds issued for the construction, reconstruction, or renovation of such facility or for the reimbursement of such costs or the refinancing of bonds issued for such purposes.
- (9)(8) 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 new spring training franchise facility or a retained spring training franchise facility. The Office of

Tourism, Trade, and Economic Development may certify no more than <a href="mailto:nine">nine</a> eight facilities as facilities for a new professional sports franchise, as facilities for a retained professional sports franchise, or as new spring training franchise facilities, or as retained spring training franchise <a href="mailto:facilities">facilities</a>, including in such total any facilities certified by the Department of Commerce before July 1, 1996. The office may make no more than one certification for any facility, and <a href="mailto:shall make">shall make no more than one certification for a retained</a> spring training franchise facility.

(10)(9) 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 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.

(11)(10) An applicant shall not be qualified for certification under this section if the franchise formed the basis for a previous certification, unless the previous certification was withdrawn by the facility or invalidated by the Office of Tourism, Trade, and Economic Development or the Department of Commerce before any funds were distributed pursuant to s. 212.20. This subsection does not disqualify an applicant if the previous certification occurred between May 23, 1993, and May 25, 1993; however, any funds to be distributed pursuant to s. 212.20 for the second certification shall be offset by the amount distributed to the previous certified facility. Distribution of funds for the second

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certification shall not be made until all amounts payable for the first certification have been distributed.

Section 2. Paragraph (f) of subsection (6) of section 212.20, Florida Statutes, 1996 Supplement, 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 part shall be as follows:
- (f) The proceeds of all other taxes and fees imposed pursuant to this part 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 part shall be deposited in monthly installments into the General Revenue Fund.
- 2. Two-tenths of one percent shall be transferred to the Solid Waste Management Trust Fund.
- 3. After the distribution under subparagraphs 1. and 2., 9.653 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.
- 4. After the distribution under subparagraphs 1., 2., and 3., 0.054 percent shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund and distributed pursuant to s. 218.65.
  - 5. Of the remaining proceeds:
- a. Beginning July 1, 1992,\$166,667 shall be distributed monthly by the department to each applicant that

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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, \$116,667 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, and \$41,667 shall be distributed monthly by the department to each applicant that has been certified as a "new spring training franchise facility" pursuant to s. 288.1162. Distributions shall begin 60 days following such certification and shall continue for 30 years. Nothing contained herein 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.  $288.1162(8)\frac{(7)}{}$ . However, a certified applicant shall 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.

- b. 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.
- c. Beginning 30 days after notice by the Department of Commerce 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 180 months, to the applicant. This distribution is subject to reduction pursuant to s. 288.1169.

All other proceeds shall remain with the General Revenue Fund. Section 3. This act shall take effect July 1, 1997. \*\*\*\*\*\*\*\*\*\* HOUSE SUMMARY Defines "retained spring training franchise" and provides for certification of a retained spring training franchise facility by the Office of Tourism, Trade, and Economic Development, upon determination that certain requirements have been met. Provides for a monthly distribution of a portion of the revenues of the tax on sales, use, and other transactions to a certified facility for 30 years and specifies the uses that such facility may make of those funds. those funds.