STORAGE NAME: h1519.tu

DATE: March 10, 1999

# **HOUSE OF REPRESENTATIVES COMMITTEE ON TOURISM ANALYSIS**

BILL #: House Bill 1519

**RELATING TO:** Motorsports Complex Facility

SPONSOR(S): Representative Cosgrove

**COMPANION BILL(S)**: SB 1852(I)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

**TOURISM** 

(1) (2) (3) (4) (5)

I. SUMMARY:

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## II. SUBSTANTIVE ANALYSIS:

#### A. PRESENT SITUATION:

Chapter 88-226, L.O.F., established a funding mechanism for state support of the construction of professional sports facilities within Florida. Under this act, the Department of Commerce was assigned the duties of screening applicants, developing rules for processing applications, and presenting the applications to the Legislature. The Department of Commerce was dissolved by Chapter 96-320, F.S.

The original chapter was amended by the Legislature in 1989, 1991, 1994, and 1996. Current law, s. 288.1162, F.S., requires the Governor's Office of Tourism, Trade, and Economic Development (OTTED) to carry out the applicant screening duties and certify the eligigility of the applicant's professional sports franchise under the category of either "new," "retained," or "new spring training."

In 1993, the Legislature authorized the same type of funding mechanism for the Professional Golf Hall of Fame, and in 1996, for the International Game Fish Association's (IGFA) fishing museum, Hall of Fame, historical display, and educational exhibit facility. Applicants seeking designation as either of these facilities were to be certified by the Department of Commerce. OTTED, as authorized by Chapter 96-320, L.O.F., or ss. 288.1168 and 288.1169, F.S., assumed the former duties of the Department of Commerce related to the annual generic Florida tourism advertising agreements required of the sponsoring organizations of these facilities in order for funding of the facility to continue. Additionally, assumed the role for recertifying these facilities every 10 years.

Section 212.20, F.S., 1998 Supplement, authorizes \$166,667 of general sales tax revenues to be distributed monthly to a "certified" professional golf hall of fame. This distribution is to continue for up to 300 months. The annual distribution equals \$2 million and the total distribution over 25 years will equal \$50 million. This same section authorizes \$83,333 of general sales tax revenues to be distributed monthly to the certified International Game Fish Association World Center facility for 180 months (\$1 million annually over 15 years for a total of \$15 million). Currently, the authorized distribution of general sales tax revenues for professional sports related facilities in Florida equals \$18 million annually, and the total potential pay out equals \$545 million over 30 years.

#### B. EFFECT OF PROPOSED CHANGES:

N/A

#### C. APPLICATION OF PRINCIPLES:

- 1. Less Government:
  - a. Does the bill create, increase or reduce, either directly or indirectly:
    - (1) any authority to make rules or adjudicate disputes?

N/A

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

N/A

(3) any entitlement to a government service or benefit?

N/A

b. If an agency or program is eliminated or reduced:

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(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

### 2. Lower Taxes:

a. Does the bill increase anyone's taxes?

N/A

b. Does the bill require or authorize an increase in any fees?

N/A

c. Does the bill reduce total taxes, both rates and revenues?

N/A

d. Does the bill reduce total fees, both rates and revenues?

N/A

e. Does the bill authorize any fee or tax increase by any local government?

N/A

### 3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

N/A

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

N/A

### 4. <u>Individual Freedom:</u>

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

N/A

b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

N/A

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5. Family Empowerment:

a. If the bill purports to provide services to families or children:

(1) Who evaluates the family's needs?

N/A

(2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

(4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

b. Does the bill directly affect the legal rights and obligations between family members?

N/A

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:
  - (1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

Creates s. 288.1171, F.S.

Amends s. 212.20, F.S., 1998 Supplement

E. SECTION-BY-SECTION ANALYSIS:

This section need be completed only in the discretion of the Committee.

	3. Long Run Effects Other Than Normal Growth:				
			N/A		
		4.	Total Revenues and Expenditures:		
			N/A		
	В.	FIS	FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:		
		1.	Non-recurring Effects:		
			N/A		
		2.	Recurring Effects:		
			N/A		
		3.	Long Run Effects Other Than Normal Growth:		
			N/A		
	C.	RECT ECONOMIC IMPACT ON PRIVATE SECTOR:			
		1.	Direct Private Sector Costs:		
			N/A		
		2.	Direct Private Sector Benefits:		
			N/A		
		3.	Effects on Competition, Private Enterprise and Employment Markets:		
			N/A		
	D. FISCAL COMMENTS:		SCAL COMMENTS:		
		N/A			
IV.	CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:				
	A. APPLICABILITY OF THE MANDATES PROVISION:				
	This bill does not require counties or municipalities to spend funds or to take an action requiring the				

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1. Non-recurring Effects:

2. Recurring Effects:

N/A

N/A

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

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	В.	REDUCTION OF REVENUE RAISING AUTHORITY	<b>/</b> :		
		N/A			
	C.	REDUCTION OF STATE TAX SHARED WITH COL	INTIES AND MUNICIPALITIES:		
		N/A			
V.	<u>CO</u>	COMMENTS:			
	N/A	4			
VI.	. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:				
	N/A	A			
VII.	SIG	SNATURES:			
		MMITTEE ON TOURISM: Prepared by:	Staff Director:		
	•	Judy C. McDonald	Judy C. McDonald		

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