

By Representative Barreiro

1 A bill to be entitled
2 An act relating to commercial development and
3 capital improvements; amending s. 212.20, F.S.;
4 providing for distribution of a portion of
5 revenues from the tax on sales, use, and other
6 transactions to a motorsports entertainment
7 complex; creating s. 288.1170, F.S.; providing
8 definitions; providing for certification of
9 such facility by the Office of Tourism, Trade,
10 and Economic Development of the Executive
11 Office of the Governor; providing requirements
12 for certification; requiring specified notice;
13 providing for annual recertification; providing
14 for use of the funds distributed to a
15 motorsports entertainment complex; providing
16 for audits by the Department of Revenue;
17 providing an effective date.

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19 WHEREAS, it is the finding of the Legislature that
20 Florida has long been the preeminent site in the nation for
21 motorsports racing, and

22 WHEREAS, motorsports racing has been a major tourist
23 attraction in Florida for nearly 100 years, and

24 WHEREAS, motorsports entertainment is the fastest
25 growing sports industry in the United States, and

26 WHEREAS, as a result of the increased popularity of
27 motorsports racing, many new motorsports facilities are being
28 constructed in other states, and

29 WHEREAS, to continue to attract spectators to
30 sanctioned championship motorsports events, the owner or
31 operator of a motorsports entertainment complex must build

1 additional spectator seating and renovate existing facilities
2 to improve the amenities available to spectators, and

3 WHEREAS, attracting, retaining, and providing favorable
4 conditions for conducting sanctioned championship motorsports
5 events and the continued development of the motorsports
6 entertainment industry in Florida provides skilled-employment
7 opportunities for citizens of this state, and

8 WHEREAS, continued development and improvement of
9 Florida's motorsports entertainment industry is vital to
10 Florida's tourism industry and to state revenues, and

11 WHEREAS, the motorsports entertainment industry is a
12 major contributor to Florida's economic development because of
13 the technology and service businesses that provide goods and
14 services to the industry, and

15 WHEREAS, the provisions of this act are necessary to
16 protect and strengthen Florida's motorsports entertainment
17 industry, and the purposes to be achieved by this act are
18 predominately public purposes vital to the protection and
19 improvement of Florida's economy, NOW, THEREFORE,

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

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23 Section 1. Paragraph (d) of subsection (6) of section
24 212.20, Florida Statutes, is amended to read:

25 212.20 Funds collected, disposition; additional powers
26 of department; operational expense; refund of taxes
27 adjudicated unconstitutionally collected.--

28 (6) Distribution of all proceeds under this chapter
29 and s. 202.18(1)(b) and (2)(b) shall be as follows:

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1 (d) The proceeds of all other taxes and fees imposed
2 pursuant to this chapter or remitted pursuant to s.

3 202.18(1)(b) and (2)(b) shall be distributed as follows:

4 1. In any fiscal year, the greater of \$500 million,
5 minus an amount equal to 4.6 percent of the proceeds of the
6 taxes collected pursuant to chapter 201, or 5 percent of all
7 other taxes and fees imposed pursuant to this chapter or
8 remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be
9 deposited in monthly installments into the General Revenue
10 Fund.

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

13 3. After the distribution under subparagraphs 1. and
14 2., 9.653 percent of the amount remitted by a sales tax dealer
15 located within a participating county pursuant to s. 218.61
16 shall be transferred into the Local Government Half-cent Sales
17 Tax Clearing Trust Fund.

18 4. After the distribution under subparagraphs 1., 2.,
19 and 3., 0.065 percent shall be transferred to the Local
20 Government Half-cent Sales Tax Clearing Trust Fund and
21 distributed pursuant to s. 218.65.

22 5. For proceeds received after July 1, 2000, and after
23 the distributions under subparagraphs 1., 2., 3., and 4., 2.25
24 percent of the available proceeds pursuant to this paragraph
25 shall be transferred monthly to the Revenue Sharing Trust Fund
26 for Counties pursuant to s. 218.215.

27 6. For proceeds received after July 1, 2000, and after
28 the distributions under subparagraphs 1., 2., 3., and 4.,
29 1.0715 percent of the available proceeds pursuant to this
30 paragraph shall be transferred monthly to the Revenue Sharing
31 Trust Fund for Municipalities pursuant to s. 218.215. If the

1 total revenue to be distributed pursuant to this subparagraph
2 is at least as great as the amount due from the Revenue
3 Sharing Trust Fund for Municipalities and the Municipal
4 Financial Assistance Trust Fund in state fiscal year
5 1999-2000, no municipality shall receive less than the amount
6 due from the Revenue Sharing Trust Fund for Municipalities and
7 the Municipal Financial Assistance Trust Fund in state fiscal
8 year 1999-2000. If the total proceeds to be distributed are
9 less than the amount received in combination from the Revenue
10 Sharing Trust Fund for Municipalities and the Municipal
11 Financial Assistance Trust Fund in state fiscal year
12 1999-2000, each municipality shall receive an amount
13 proportionate to the amount it was due in state fiscal year
14 1999-2000.

15 7. Of the remaining proceeds:

16 a. Beginning July 1, 2000, and in each fiscal year
17 thereafter, the sum of \$29,915,500 shall be divided into as
18 many equal parts as there are counties in the state, and one
19 part shall be distributed to each county. The distribution
20 among the several counties shall begin each fiscal year on or
21 before January 5th and shall continue monthly for a total of 4
22 months. If a local or special law required that any moneys
23 accruing to a county in fiscal year 1999-2000 under the
24 then-existing provisions of s. 550.135 be paid directly to the
25 district school board, special district, or a municipal
26 government, such payment shall continue until such time that
27 the local or special law is amended or repealed. The state
28 covenants with holders of bonds or other instruments of
29 indebtedness issued by local governments, special districts,
30 or district school boards prior to July 1, 2000, that it is
31 not the intent of this subparagraph to adversely affect the

1 rights of those holders or relieve local governments, special
2 districts, or district school boards of the duty to meet their
3 obligations as a result of previous pledges or assignments or
4 trusts entered into which obligated funds received from the
5 distribution to county governments under then-existing s.
6 550.135. This distribution specifically is in lieu of funds
7 distributed under s. 550.135 prior to July 1, 2000.

8 b. The department shall distribute \$166,667 monthly
9 pursuant to s. 288.1162 to each applicant that has been
10 certified as a "facility for a new professional sports
11 franchise" or a "facility for a retained professional sports
12 franchise" pursuant to s. 288.1162. Up to \$41,667 shall be
13 distributed monthly by the department to each applicant that
14 has been certified as a "facility for a retained spring
15 training franchise" pursuant to s. 288.1162; however, not more
16 than \$208,335 may be distributed monthly in the aggregate to
17 all certified facilities for a retained spring training
18 franchise. Distributions shall begin 60 days following such
19 certification and shall continue for not more than 30 years.
20 Nothing contained in this paragraph shall be construed to
21 allow an applicant certified pursuant to s. 288.1162 to
22 receive more in distributions than actually expended by the
23 applicant for the public purposes provided for in s.
24 288.1162(6). However, a certified applicant is entitled to
25 receive distributions up to the maximum amount allowable and
26 undistributed under this section for additional renovations
27 and improvements to the facility for the franchise without
28 additional certification.

29 c. 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 d. Beginning 30 days after notice by the Office of
5 Tourism, Trade, and Economic Development to the Department of
6 Revenue that the applicant has been certified as the
7 International Game Fish Association World Center facility
8 pursuant to s. 288.1169, and the facility is open to the
9 public, \$83,333 shall be distributed monthly, for up to 168
10 months, to the applicant. This distribution is subject to
11 reduction pursuant to s. 288.1169. A lump sum payment of
12 \$999,996 shall be made, after certification and before July 1,
13 2000.

14 e. Beginning 30 days after notice by the Office of
15 Tourism, Trade, and Economic Development to the Department of
16 Revenue that the applicant has been certified as a motorsports
17 entertainment complex pursuant to s. 288.1170 and is open to
18 the public, an amount not to exceed \$166,667 shall be
19 distributed monthly to the applicant. Distributions shall
20 continue for 30 years.

21 8. All other proceeds shall remain with the General
22 Revenue Fund.

23 Section 2. Section 288.1170, Florida Statutes, is
24 created to read:

25 288.1170 Motorsports entertainment complex;
26 definitions; certification; duties.--

27 (1) As used in this section:

28 (a) "Applicant" means the owner of a motorsports
29 entertainment complex.

1 (b) "Motorsports entertainment complex" means a
2 closed-course racing facility, with ancillary grounds and
3 facilities, which:

4 1. Has not fewer than 70,000 permanent seats for race
5 patrons.

6 2. Has not fewer than 7 scheduled days of motorsports
7 events each calendar year.

8 3. Has paid admissions of more than 200,000 annually.

9 4. Serves food at the facility during sanctioned
10 motorsports races.

11 5. Engages in tourism promotion.

12 (c) "Motorsports event" means a motorsports race and
13 its ancillary activities, which have been sanctioned by a
14 sanctioning body.

15 (d) "Office" means the Office of Tourism, Trade, and
16 Economic Development of the Executive Office of the Governor.

17 (e) "Owner" means a unit of local government that owns
18 a motorsports entertainment complex or owns the land on which
19 the motorsports entertainment complex is located.

20 (f) "Sanctioning body" means the American Motorcycle
21 Association (AMA), Championship Auto Racing Teams (CART),
22 Grand American Road Racing Association (Grand Am), Indy Racing
23 League (IRL), National Association for Stock Car Auto Racing
24 (NASCAR), National Hot Rod Association (NHRA), Professional
25 Sportscar Racing (PSR), Sports Car Club of America (SCCA),
26 United States Auto Club (USAC), or any successor organization,
27 or any other nationally recognized governing body of
28 motorsports that establishes an annual schedule of motorsports
29 events and grants rights to conduct such events, has
30 established and administers rules and regulations governing
31 all participants involved in such events and all persons

1 conducting such events, and requires certain liability
2 assurances, including insurance.

3 (g) "Unit of local government" has the meaning
4 ascribed in s. 218.369.

5 (2) The Office of Tourism, Trade, and Economic
6 Development shall serve as the state agency for screening
7 applicants for state funding pursuant to s. 212.20 and for
8 certifying an applicant as a motorsports entertainment
9 complex. The office shall develop and adopt rules for the
10 receipt and processing of applications for funding pursuant to
11 s. 212.20. The office shall make a determination regarding
12 any application filed by an applicant not later than 120 days
13 after the application is filed.

14 (3) Prior to certifying an applicant as a motorsports
15 entertainment complex, the office must determine that:

16 (a) A unit of local government holds title to the land
17 on which the motorsports entertainment complex is located or
18 holds title to the motorsports entertainment complex.

19 (b) Seven scheduled days of motorsports events were
20 held at the motorsports entertainment complex in the most
21 recently completed calendar year or seven scheduled days of
22 motorsports events are scheduled to be held at the motorsports
23 entertainment complex in the calendar year which begins after
24 the submission of the application. The applicant shall submit
25 certifications from the appropriate officials of the relevant
26 sanctioning bodies that such sanctioned motorsports events
27 were or will be held at the motorsports entertainment complex.

28 (c) The applicant has an independent analysis or
29 study, verified by the office, which demonstrates that the
30 motorsports entertainment complex will attract, or in the most
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1 recently completed calendar year has attracted, paid
2 attendance of more than 200,000 annually.

3 (d) The applicant has an independent analysis or
4 study, verified by the office, which demonstrates that the
5 amount of the revenues generated by the taxes imposed under
6 chapter 212 with respect to the use and operation of the
7 motorsports entertainment complex is consistent with the
8 provisions of this act.

9 (e) The municipality in which the motorsports
10 entertainment complex is located, or the county if the
11 motorsports entertainment complex is located in an
12 unincorporated area, has certified by resolution after a
13 public hearing that the application serves a public purpose.

14 (f) The motorsports entertainment complex is located
15 in a county defined in s. 125.011(1).

16 (4) Upon determining that an applicant meets the
17 requirements of subsection (3), the office shall notify the
18 applicant and the executive director of the Department of
19 Revenue of such certification by means of an official letter
20 granting certification. If the applicant fails to meet the
21 certification requirements of subsection (3), the office shall
22 notify the applicant not later than 10 days following such
23 determination.

24 (5) The office must recertify each year that the
25 motorsports entertainment complex continues to generate
26 sufficient sales tax revenues annually as required pursuant to
27 paragraph (3)(d).

28 (6) No motorsports entertainment complex which has
29 been previously certified under this section and has received
30 funding under such certification shall be eligible for any
31 additional certification.

1 (7) An applicant certified as a motorsports
2 entertainment complex may use funds provided pursuant to s.
3 212.20 only for the following public purposes:

4 (a) Paying for the construction, reconstruction,
5 expansion, or renovation of a motorsports entertainment
6 complex.

7 (b) Paying debt service reserve funds, arbitrage
8 rebate obligations, or other amounts payable with respect to
9 bonds issued for the construction, reconstruction, expansion,
10 or renovation of the motorsports entertainment complex or for
11 the reimbursement of such costs or the refinancing of bonds
12 issued for such purposes.

13 (c) Paying for construction, reconstruction,
14 expansion, or renovation of transportation or other
15 infrastructure improvements related to, necessary for, or
16 appurtenant to the motorsports entertainment complex,
17 including, without limitation, paying debt service reserve
18 funds, arbitrage rebate obligations, or other amounts payable
19 with respect to bonds issued for the construction,
20 reconstruction, expansion, or renovation of such
21 transportation or other infrastructure improvements, and for
22 the reimbursement of such costs or the refinancing of bonds
23 issued for such purposes.

24 (d) Paying for programs of advertising and promotion
25 of or related to the motorsports entertainment complex or the
26 municipality in which the motorsports entertainment complex is
27 located, or the county if the motorsports entertainment
28 complex is located in an unincorporated area, provided such
29 programs of advertising and promotion are designed to increase
30 paid attendance at the motorsports entertainment complex or
31 increase tourism in or promote the economic development of the

1 community in which the motorsports entertainment complex is
2 located.
3 (8) The Department of Revenue may audit, as provided
4 in s. 213.34, to verify that the distributions pursuant to
5 this section have been expended as required in this section.
6 Such information is subject to the confidentiality
7 requirements of chapter 213. If the Department of Revenue
8 determines that the distributions pursuant to this section
9 have not been expended as required by this section, it may
10 pursue recovery of such funds pursuant to the laws and rules
11 governing the assessment of taxes.

12 Section 3. This act shall take effect July 1, 2002.

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15 HOUSE SUMMARY

16 Provides for distribution of a portion of revenues from
17 the tax on sales, use, and other transactions to finance
18 motorsports entertainment complexes. Defines "motorsports
19 entertainment complex" and other terms for purposes of
20 the act. Provides for certification of a motorsports
21 entertainment complex by the Office of Tourism, Trade,
22 and Economic Development of the Executive Office of the
23 Governor. Provides requirements for certification.
24 Requires specified notice. Provides for the use of funds
25 distributed to a motorsports entertainment complex.
26 Provides for annual recertification. Provides for audits
27 by the Department of Revenue.
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