

By the Committee on Comprehensive Planning, Local and Military Affairs; and Senator Constantine

316-2002-02

1                                   A bill to be entitled

2           An act relating to the tax on sales, use, and

3           other transactions; 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 specified units of local

7           government owning eligible convention centers;

8           creating s. 288.1171, F.S.; providing for

9           certification of units of local government

10          owning eligible convention centers by the

11          Office of Tourism, Trade, and Economic

12          Development of the Executive Office of the

13          Governor; providing a definition; providing

14          requirements for certification; requiring the

15          office to adopt specified rules; providing for

16          use of proceeds distributed to units of local

17          government under the act; providing for audits

18          by the Department of Revenue; providing for

19          revocation of certification; providing an

20          effective date.

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

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24           Section 1. Paragraph (d) of subsection (6) of section

25   212.20, Florida Statutes, is amended to read:

26           212.20 Funds collected, disposition; additional powers

27   of department; operational expense; refund of taxes

28   adjudicated unconstitutionally collected.--

29           (6) Distribution of all proceeds under this chapter

30   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. The department shall distribute monthly to units of  
15 local government that have been certified as owning eligible  
16 convention centers pursuant to s. 288.1171 an amount equal to  
17 one-half of the proceeds, as defined in s. 212.20(5)(a),  
18 received and collected in the previous month by the department  
19 under the provisions of this chapter which are generated by  
20 such eligible convention centers and remitted on the sales and  
21 use tax returns of the eligible convention centers. The total  
22 distribution to each unit of local government shall not exceed  
23 \$3 million per state fiscal year. Distributions shall begin  
24 60 days following notification of certification by the Office  
25 of Tourism, Trade, and Economic Development pursuant to s.  
26 288.1171 and shall continue for not more than 30 years.  
27 Distributions shall be used solely to encourage and provide  
28 economic development for the attraction, recruitment, and  
29 retention of high-technology, manufacturing, research and  
30 development, and tourism industries as designated by the unit  
31 of local government by resolution of its governing body.

1           8. All other proceeds shall remain with the General  
2 Revenue Fund.

3           Section 2. Section 288.1171, Florida Statutes, is  
4 created to read:

5           288.1171 Convention centers owned by units of local  
6 government; certification as owning eligible convention  
7 centers; duties.--

8           (1) The Office of Tourism, Trade, and Economic  
9 Development shall serve as the state agency for screening  
10 applicants for state funding pursuant to s. 212.20(6)(d)7.e.  
11 and for certifying an applicant as owning an eligible  
12 convention center.

13           (2) The Office of Tourism, Trade, and Economic  
14 Development shall adopt rules pursuant to ss. 120.536(1) and  
15 120.54 for the receipt and processing of applications for  
16 funding pursuant to s. 212.20(6)(d)7.e.

17           (3) As used in this section, the term "eligible  
18 convention center" means a publicly owned facility having  
19 exhibition space in excess of 75,000 square feet, the primary  
20 function of which is to host meetings, conventions, or trade  
21 shows.

22           (4) Prior to certifying an applicant as owning an  
23 eligible convention center, the Office of Tourism, Trade, and  
24 Economic Development must determine that:

25           (a) The unit of local government, as defined in s.  
26 218.369, owns an eligible convention center.

27           (b) The convention center contains more than 75,000  
28 square feet of exhibit space.

29           (c) The unit of local government in which the  
30 convention center is located has certified by resolution after  
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1 a public hearing that the application serves a public purpose  
2 pursuant to subsection (7).

3 (d) The convention center is located in a county that  
4 is levying a tourist development tax pursuant to s. 125.0104.

5 (5) Upon certification of an applicant, the Office of  
6 Tourism, Trade, and Economic Development shall notify the  
7 executive director of the Department of Revenue of such  
8 certification by means of an official letter granting  
9 certification. The Department of Revenue shall not begin  
10 distributing proceeds until 60 days following notice by the  
11 Office of Tourism, Trade, and Economic Development that a unit  
12 of local government has been certified as owning an eligible  
13 convention center.

14 (6) No applicant previously certified under any  
15 provision of this section who has received proceeds under such  
16 certification shall be eligible for an additional  
17 certification.

18 (7) A unit of local government certified as owning an  
19 eligible convention center may use proceeds provided pursuant  
20 to s. 212.20(6)(d)7.e. solely to encourage and provide  
21 economic development for the attraction, recruitment, and  
22 retention of high-technology, manufacturing, research and  
23 development, and tourism industries as designated by the unit  
24 of local government by resolution of its governing body.

25 (8) The Department of Revenue may audit as provided in  
26 s. 213.34 to verify that the distributions, pursuant to this  
27 section, have been expended as required in this section. Such  
28 information is subject to the confidentiality requirements of  
29 chapter 213. If the Department of Revenue determines that the  
30 distributions have not been expended as required by this

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1 section, it may pursue recovery of such proceeds pursuant to  
2 the laws and rules governing the assessment of taxes.

3 (9) Failure to use the proceeds as provided in this  
4 section shall be grounds for revoking certification.

5 Section 3. This act shall take effect October 1, 2002.

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7 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
8 COMMITTEE SUBSTITUTE FOR  
9 SB 1956

10 This CS differs from the bill as filed in the following ways:

11 In order to be qualified for certification for a sales  
12 tax remittance, the convention center must only be  
13 "owned" rather than "owned, operated and managed" by a  
14 unit of local government. Clarifies that certification  
is of the unit of local government; and not the eligible  
convention center;

15 Replaces the term "funds" with the term "proceeds" to  
16 clarify that the local discretionary sales surtax is not  
included;

17 Defines "convention center";

18 Clarifies that the proceeds to be considered in  
19 determining the amount of the disbursement to the local  
20 government are only those generated by the eligible  
21 convention center and remitted on the center's sales and  
22 use tax return;

23 Clarifies that the monthly disbursement is based on the  
24 taxes received and collected the previous month;

25 Requires that the initial disbursement of funds begin 60  
26 days after DOR receives "notification" by OTTED of the  
27 local government certification;

28 Limits the maximum amount that a unit of local  
29 government can receive to up to \$3 million per state  
30 fiscal year for a maximum of 30 years;

31 Clarifies the "use of proceeds language" in s. 288.1170,  
F.S., to conform to that in s. 212.20(6)(d)7.e., F.S.;

Requires OTTED to notify DOR of certifications;

Provides that DOR may audit to verify that the use of  
distributions are in compliance with requirement of the  
ss. 212.20(6)(d)7.e and 288.1170, F.S.; Provides for  
recovery;

States that failure to use proceeds as required by s.  
288.1170, F.S., is grounds for revoking certifications;



1           and  
2           Changes the effective date from upon becoming law to  
3           October 1, 2002.  
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