



CHAMBER ACTION

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The Committee on Commerce recommends the following:

Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

An act relating to commercial development and capital improvements; amending s. 212.20, F.S.; providing for distribution of a portion of revenues from the tax on sales, use, and other transactions to a motorsports entertainment complex; providing a limit on such distribution; creating s. 288.1170, F.S.; providing definitions; providing for certification of such facility by the Office of Tourism, Trade, and Economic Development of the Executive Office of the Governor; providing requirements for certification; requiring specified notice; providing for annual recertification; providing for use of the funds distributed to a motorsports entertainment complex; providing for audits by the Department of Revenue; providing an effective date.



HB 1705

2003
CS

27 WHEREAS, it is the finding of the Legislature that Florida
28 has long been the preeminent site in the nation for motorsports
29 racing, and

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

32 WHEREAS, motorsports entertainment is the fastest growing
33 sports industry in the United States, and

34 WHEREAS, as a result of the increased popularity of
35 motorsports racing, many new motorsports facilities are being
36 constructed in other states, and

37 WHEREAS, to continue to attract spectators to sanctioned
38 championship motorsports events, the owner or operator of a
39 motorsports entertainment complex must build additional
40 spectator seating and renovate existing facilities to improve
41 the amenities available to spectators, and

42 WHEREAS, attracting, retaining, and providing favorable
43 conditions for conducting sanctioned championship motorsports
44 events and the continued development of the motorsports
45 entertainment industry in Florida provides skilled-employment
46 opportunities for citizens of this state, and

47 WHEREAS, continued development and improvement of Florida's
48 motorsports entertainment industry is vital to Florida's tourism
49 industry and to state revenues, and

50 WHEREAS, the motorsports entertainment industry is a major
51 contributor to Florida's economic development because of the
52 technology and service businesses that provide goods and
53 services to the industry, and



HB 1705

2003
CS

54 WHEREAS, the provisions of this act are necessary to
55 protect and strengthen Florida's motorsports entertainment
56 industry, and the purposes to be achieved by this act are
57 predominately public purposes vital to the protection and
58 improvement of Florida's economy, NOW, THEREFORE,

59
60 Be It Enacted by the Legislature of the State of Florida:

61
62 Section 1. Paragraph (d) of subsection (6) of section
63 212.20, Florida Statutes, is amended to read:

64 212.20 Funds collected, disposition; additional powers of
65 department; operational expense; refund of taxes adjudicated
66 unconstitutionally collected.--

67 (6) Distribution of all proceeds under this chapter and s.
68 202.18(1)(b) and (2)(b) shall be as follows:

69 (d) The proceeds of all other taxes and fees imposed
70 pursuant to this chapter or remitted pursuant to s. 202.18(1)(b)
71 and (2)(b) shall be distributed as follows:

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

78 2. Two-tenths of one percent shall be transferred to the
79 Ecosystem Management and Restoration Trust Fund to be used for
80 water quality improvement and water restoration projects.



HB 1705

2003
CS

81 3. After the distribution under subparagraphs 1. and 2.,
82 9.653 percent of the amount remitted by a sales tax dealer
83 located within a participating county pursuant to s. 218.61
84 shall be transferred into the Local Government Half-cent Sales
85 Tax Clearing Trust Fund.

86 4. After the distribution under subparagraphs 1., 2., and
87 3., 0.065 percent shall be transferred to the Local Government
88 Half-cent Sales Tax Clearing Trust Fund and distributed pursuant
89 to s. 218.65.

90 5. For proceeds received after July 1, 2000, and after the
91 distributions under subparagraphs 1., 2., 3., and 4., 2.25
92 percent of the available proceeds pursuant to this paragraph
93 shall be transferred monthly to the Revenue Sharing Trust Fund
94 for Counties pursuant to s. 218.215.

95 6. For proceeds received after July 1, 2000, and after the
96 distributions under subparagraphs 1., 2., 3., and 4., 1.0715
97 percent of the available proceeds pursuant to this paragraph
98 shall be transferred monthly to the Revenue Sharing Trust Fund
99 for Municipalities pursuant to s. 218.215. If the total revenue
100 to be distributed pursuant to this subparagraph is at least as
101 great as the amount due from the Revenue Sharing Trust Fund for
102 Municipalities and the Municipal Financial Assistance Trust Fund
103 in state fiscal year 1999-2000, no municipality shall receive
104 less than the amount due from the Revenue Sharing Trust Fund for
105 Municipalities and the Municipal Financial Assistance Trust Fund
106 in state fiscal year 1999-2000. If the total proceeds to be
107 distributed are less than the amount received in combination
108 from the Revenue Sharing Trust Fund for Municipalities and the



HB 1705

2003
CS

109 Municipal Financial Assistance Trust Fund in state fiscal year
110 1999-2000, each municipality shall receive an amount
111 proportionate to the amount it was due in state fiscal year
112 1999-2000.

113 7. Of the remaining proceeds:

114 a. Beginning July 1, 2000, and in each fiscal year
115 thereafter, the sum of \$29,915,500 shall be divided into as many
116 equal parts as there are counties in the state, and one part
117 shall be distributed to each county. The distribution among the
118 several counties shall begin each fiscal year on or before
119 January 5th and shall continue monthly for a total of 4 months.
120 If a local or special law required that any moneys accruing to a
121 county in fiscal year 1999-2000 under the then-existing
122 provisions of s. 550.135 be paid directly to the district school
123 board, special district, or a municipal government, such payment
124 shall continue until such time that the local or special law is
125 amended or repealed. The state covenants with holders of bonds
126 or other instruments of indebtedness issued by local
127 governments, special districts, or district school boards prior
128 to July 1, 2000, that it is not the intent of this subparagraph
129 to adversely affect the rights of those holders or relieve local
130 governments, special districts, or district school boards of the
131 duty to meet their obligations as a result of previous pledges
132 or assignments or trusts entered into which obligated funds
133 received from the distribution to county governments under then-
134 existing s. 550.135. This distribution specifically is in lieu
135 of funds distributed under s. 550.135 prior to July 1, 2000.



HB 1705

2003
CS

136 b. The department shall distribute \$166,667 monthly
137 pursuant to s. 288.1162 to each applicant that has been
138 certified as a "facility for a new professional sports
139 franchise" or a "facility for a retained professional sports
140 franchise" pursuant to s. 288.1162. Up to \$41,667 shall be
141 distributed monthly by the department to each applicant that has
142 been certified as a "facility for a retained spring training
143 franchise" pursuant to s. 288.1162; however, not more than
144 \$208,335 may be distributed monthly in the aggregate to all
145 certified facilities for a retained spring training franchise.
146 Distributions shall begin 60 days following such certification
147 and shall continue for not more than 30 years. Nothing contained
148 in this paragraph shall be construed to allow an applicant
149 certified pursuant to s. 288.1162 to receive more in
150 distributions than actually expended by the applicant for the
151 public purposes provided for in s. 288.1162(6). However, a
152 certified applicant is entitled to receive distributions up to
153 the maximum amount allowable and undistributed under this
154 section for additional renovations and improvements to the
155 facility for the franchise without additional certification.

156 c. Beginning 30 days after notice by the Office of
157 Tourism, Trade, and Economic Development to the Department of
158 Revenue that an applicant has been certified as the professional
159 golf hall of fame pursuant to s. 288.1168 and is open to the
160 public, \$166,667 shall be distributed monthly, for up to 300
161 months, to the applicant.

162 d. Beginning 30 days after notice by the Office of
163 Tourism, Trade, and Economic Development to the Department of



HB 1705

2003
CS

164 Revenue that the applicant has been certified as the
165 International Game Fish Association World Center facility
166 pursuant to s. 288.1169, and the facility is open to the public,
167 \$83,333 shall be distributed monthly, for up to 168 months, to
168 the applicant. This distribution is subject to reduction
169 pursuant to s. 288.1169. A lump sum payment of \$999,996 shall be
170 made, after certification and before July 1, 2000.

171 e. Beginning 30 days after notice by the Office of
172 Tourism, Trade, and Economic Development to the Department of
173 Revenue that the applicant has been certified as a motorsports
174 entertainment complex pursuant to s. 288.1170 and is open to the
175 public, an amount not to exceed \$166,667 shall be distributed
176 monthly to the applicant. However, each fiscal year's total
177 distribution made pursuant to this sub-subparagraph shall not
178 exceed the difference between the state sales taxes collected
179 and remitted pursuant to this chapter by the facility in the
180 previous calendar year and those collected and remitted in
181 calendar year 2000. Distributions shall continue for 30 years.

182 8. All other proceeds shall remain with the General
183 Revenue Fund.

184 Section 2. Section 288.1170, Florida Statutes, is created
185 to read:

186 288.1170 Motorsports entertainment complex; definitions;
187 certification; duties.--

188 (1) As used in this section:

189 (a) "Applicant" means the owner of a motorsports
190 entertainment complex.



HB 1705

2003
CS

191 (b) "Motorsports entertainment complex" means a closed-
192 course racing facility, with ancillary grounds and facilities,
193 which:

194 1. Has not fewer than 70,000 permanent seats for race
195 patrons.

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

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

199 4. Serves food at the facility during sanctioned
200 motorsports races.

201 5. Engages in tourism promotion.

202 (c) "Motorsports event" means a motorsports race and its
203 ancillary activities, which have been sanctioned by a
204 sanctioning body.

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

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

210 (f) "Sanctioning body" means the American Motorcycle
211 Association (AMA), Championship Auto Racing Teams (CART), Grand
212 American Road Racing Association(Grand Am), Indy Racing League
213 (IRL), National Association for Stock Car Auto Racing (NASCAR),
214 National Hot Rod Association (NHRA), Professional Sportscar
215 Racing (PSR), Sports Car Club of America (SCCA), United States
216 Auto Club (USAC), or any successor organization, or any other
217 nationally recognized governing body of motorsports that
218 establishes an annual schedule of motorsports events and grants



HB 1705

2003
CS

219 rights to conduct such events, has established and administers
220 rules and regulations governing all participants involved in
221 such events and all persons conducting such events, and requires
222 certain liability assurances, including insurance.

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

225 (2) The Office of Tourism, Trade, and Economic Development
226 shall serve as the state agency for screening applicants for
227 state funding pursuant to s. 212.20 and for certifying an
228 applicant as a motorsports entertainment complex. The office
229 shall develop and adopt rules for the receipt and processing of
230 applications for funding pursuant to s. 212.20. The office
231 shall make a determination regarding any application filed by an
232 applicant not later than 120 days after the application is
233 filed.

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

236 (a) A unit of local government holds title to the land on
237 which the motorsports entertainment complex is located or holds
238 title to the motorsports entertainment complex.

239 (b) Seven scheduled days of motorsports events were held
240 at the motorsports entertainment complex in the most recently
241 completed calendar year or seven scheduled days of motorsports
242 events are scheduled to be held at the motorsports entertainment
243 complex in the calendar year which begins after the submission
244 of the application. The applicant shall submit certifications
245 from the appropriate officials of the relevant sanctioning



HB 1705

2003
CS

246 bodies that such sanctioned motorsports events were or will be
247 held at the motorsports entertainment complex.

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

253 (d) The applicant has an independent analysis or study,
254 verified by the office, which demonstrates that the amount of
255 the revenues generated by the taxes imposed under chapter 212
256 with respect to the use and operation of the motorsports
257 entertainment complex is consistent with the provisions of this
258 act.

259 (e) The municipality in which the motorsports
260 entertainment complex is located, or the county if the
261 motorsports entertainment complex is located in an
262 unincorporated area, has certified by resolution after a public
263 hearing that the application serves a public purpose.

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

266 (4) Upon determining that an applicant meets the
267 requirements of subsection (3), the office shall notify the
268 applicant and the executive director of the Department of
269 Revenue of such certification by means of an official letter
270 granting certification. If the applicant fails to meet the
271 certification requirements of subsection (3), the office shall
272 notify the applicant not later than 10 days following such
273 determination.



HB 1705

2003
CS

274 (5) The office must recertify each year that the
275 motorsports entertainment complex continues to generate
276 sufficient sales tax revenues annually as required pursuant to
277 paragraph (3)(d).

278 (6) No motorsports entertainment complex which has been
279 previously certified under this section and has received funding
280 under such certification shall be eligible for any additional
281 certification.

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

285 (a) Paying for the construction, reconstruction,
286 expansion, or renovation of a motorsports entertainment complex.

287 (b) Paying debt service reserve funds, arbitrage rebate
288 obligations, or other amounts payable with respect to bonds
289 issued for the construction, reconstruction, expansion, or
290 renovation of the motorsports entertainment complex or for the
291 reimbursement of such costs or the refinancing of bonds issued
292 for such purposes.

293 (c) Paying for construction, reconstruction, expansion, or
294 renovation of transportation or other infrastructure
295 improvements related to, necessary for, or appurtenant to the
296 motorsports entertainment complex, including, without
297 limitation, paying debt service reserve funds, arbitrage rebate
298 obligations, or other amounts payable with respect to bonds
299 issued for the construction, reconstruction, expansion, or
300 renovation of such transportation or other infrastructure



HB 1705

2003
CS

301 improvements, and for the reimbursement of such costs or the
302 refinancing of bonds issued for such purposes.

303 (d) Paying for programs of advertising and promotion of or
304 related to the motorsports entertainment complex or the
305 municipality in which the motorsports entertainment complex is
306 located, or the county if the motorsports entertainment complex
307 is located in an unincorporated area, provided such programs of
308 advertising and promotion are designed to increase paid
309 attendance at the motorsports entertainment complex or increase
310 tourism in or promote the economic development of the community
311 in which the motorsports entertainment complex is located.

312 (8) The Department of Revenue may audit, as provided in s.
313 213.34, to verify that the distributions pursuant to this
314 section have been expended as required in this section. Such
315 information is subject to the confidentiality requirements of
316 chapter 213. If the Department of Revenue determines that the
317 distributions pursuant to this section have not been expended as
318 required by this section, it may pursue recovery of such funds
319 pursuant to the laws and rules governing the assessment of
320 taxes.

321 Section 3. This act shall take effect July 1, 2003.