

By Senator Diaz de la Portilla

36-718-03

See HB

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.

18  
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  
26 powers 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 Ecosystem Management and Restoration Trust Fund to be used  
13 for water quality improvement and water restoration projects.  
14                                   3. After the distribution under subparagraphs 1.  
and  
15 2., 9.653 percent of the amount remitted by a sales tax dealer  
16 located within a participating county pursuant to s. 218.61  
17 shall be transferred into the Local Government Half-cent Sales  
18 Tax Clearing Trust Fund.  
19                                   4. After the distribution under subparagraphs 1.,  
2.,  
20 and 3., 0.065 percent shall be transferred to the Local  
21 Government Half-cent Sales Tax Clearing Trust Fund and  
22 distributed pursuant to s. 218.65.  
23                                   5. For proceeds received after July 1, 2000, and  
24 after the distributions under subparagraphs 1., 2., 3., and  
25 4., 2.25 percent of the available proceeds pursuant to this  
26 paragraph shall be transferred monthly to the Revenue Sharing  
27 Trust Fund for Counties pursuant to s. 218.215.  
28                                   6. For proceeds received after July 1, 2000, and  
29 after the distributions under subparagraphs 1., 2., 3., and  
30 4., 1.0715 percent of the available proceeds pursuant to this  
31 paragraph shall be transferred monthly to the Revenue Sharing

1 Trust Fund for Municipalities pursuant to s. 218.215. If the  
2 total revenue to be distributed pursuant to this subparagraph  
3 is at least as great as the amount due from the Revenue  
4 Sharing Trust Fund for Municipalities and the Municipal  
5 Financial Assistance Trust Fund in state fiscal year  
6 1999-2000, no municipality shall receive less than the amount  
7 due from the Revenue Sharing Trust Fund for Municipalities and  
8 the Municipal Financial Assistance Trust Fund in state fiscal  
9 year 1999-2000. If the total proceeds to be distributed are  
10 less than the amount received in combination from the Revenue  
11 Sharing Trust Fund for Municipalities and the Municipal  
12 Financial Assistance Trust Fund in state fiscal year  
13 1999-2000, each municipality shall receive an amount  
14 proportionate to the amount it was due in state fiscal year  
15 1999-2000.

16 7. Of the remaining proceeds:

17 a. Beginning July 1, 2000, and in each fiscal year  
18 thereafter, the sum of \$29,915,500 shall be divided into as  
19 many equal parts as there are counties in the state, and one  
20 part shall be distributed to each county. The distribution  
21 among the several counties shall begin each fiscal year on or  
22 before January 5th and shall continue monthly for a total of 4  
23 months. If a local or special law required that any moneys  
24 accruing to a county in fiscal year 1999-2000 under the  
25 then-existing provisions of s. 550.135 be paid directly to the  
26 district school board, special district, or a municipal  
27 government, such payment shall continue until such time that  
28 the local or special law is amended or repealed. The state  
29 covenants with holders of bonds or other instruments of  
30 indebtedness issued by local governments, special districts,  
31 or district school boards prior to July 1, 2000, that it is

1 not the intent of this subparagraph to adversely affect the  
2 rights of those holders or relieve local governments, special  
3 districts, or district school boards of the duty to meet their  
4 obligations as a result of previous pledges or assignments or  
5 trusts entered into which obligated funds received from the  
6 distribution to county governments under then-existing s.  
7 550.135. This distribution specifically is in lieu of funds  
8 distributed under s. 550.135 prior to July 1, 2000.

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

30           c. Beginning 30 days after notice by the Office of  
31 Tourism, Trade, and Economic Development to the Department of

1 Revenue that an applicant has been certified as the  
2 professional golf hall of fame pursuant to s. 288.1168 and is  
3 open to the public, \$166,667 shall be distributed monthly, for  
4 up to 300 months, to the applicant.

5 d. Beginning 30 days after notice by the Office of  
6 Tourism, Trade, and Economic Development to the Department of  
7 Revenue that the applicant has been certified as the  
8 International Game Fish Association World Center facility  
9 pursuant to s. 288.1169, and the facility is open to the  
10 public, \$83,333 shall be distributed monthly, for up to 168  
11 months, to the applicant. This distribution is subject to  
12 reduction pursuant to s. 288.1169. A lump sum payment of  
13 \$999,996 shall be made, after certification and before July 1,  
14 2000.

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

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

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

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

28 (1) As used in this section:

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

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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  
18 owns a motorsports entertainment complex or owns the land on  
19 which 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  
15 motorsports 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 7 scheduled days of  
22 motorsports events are scheduled to be held at the motorsports  
23 entertainment complex in the calendar year that 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  
31



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 that has been  
29 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  
25 promotion  
26 of or related to the motorsports entertainment complex or the  
27 municipality in which the motorsports entertainment complex is  
28 located, or the county if the motorsports entertainment  
29 complex is located in an unincorporated area, provided such  
30 programs of advertising and promotion are designed to increase  
31 paid attendance at the motorsports entertainment complex or  
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 2. This act shall take effect July 1, 2003.  
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