

By the Committees on Comprehensive Planning; Commerce, Economic Opportunities, and Consumer Services; and Senators Siplin, Wilson, Dockery and Campbell

316-2225-03

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; requiring the office to adopt

13          specified rules; providing a definition;

14          providing requirements for certification;

15          providing for use of proceeds distributed to

16          units of local government under the act;

17          providing for audits by the Department of

18          Revenue; providing for revocation of

19          certification; providing an effective date.

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, as amended by section 1 of chapter

25   2002-291, Laws of Florida, 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 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 after  
24 the distributions under subparagraphs 1., 2., 3., and 4., 2.25  
25 percent of the available proceeds pursuant to this paragraph  
26 shall be transferred monthly to the Revenue Sharing Trust Fund  
27 for Counties pursuant to s. 218.215.

28 6. For proceeds received after July 1, 2000, and after  
29 the distributions under subparagraphs 1., 2., 3., and 4.,  
30 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. The department shall distribute monthly to units of  
16 local government that have been certified as owning eligible  
17 convention centers pursuant to s. 288.1171 an amount equal to  
18 one-half of the proceeds, as defined in s. 212.20(5)(a),  
19 received and collected in the previous month by the department  
20 under the provisions of this chapter which are generated by  
21 such eligible convention centers and remitted on the sales and  
22 use tax returns of eligible convention centers. The total  
23 distribution to each unit of local government shall not exceed  
24 \$3 million per state fiscal year. Distributions shall begin 60  
25 days following notification of certification by the Office of  
26 Tourism, Trade, and Economic Development pursuant to s.  
27 288.1171 and shall continue for not more than 30 years.  
28 Distributions shall be used solely to encourage and provide  
29 economic development for the attraction, recruitment, and  
30 retention of corporate headquarters and of high-technology,  
31 manufacturing, research and development, entertainment, and

1 tourism industries as designated by the unit of local  
2 government by resolution of its governing body.

3 8. All other proceeds shall remain with the General  
4 Revenue Fund.

5 Section 2. Section 288.1171, Florida Statutes, is  
6 created to read:

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

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

15 (2) The Office of Tourism, Trade, and Economic  
16 Development shall adopt rules pursuant to ss. 120.536(1) and  
17 120.54 for the receipt and processing of applications for  
18 funding pursuant to s. 212.20(6)(d)7.e.

19 (3) As used in this section, the term "eligible  
20 convention center" means a publicly owned facility having  
21 exhibition space in excess of 60,000 square feet, the primary  
22 function of which is to host meetings, conventions, or trade  
23 shows.

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

27 (a) The unit of local government, as defined in s.  
28 218.369, owns an eligible convention center.

29 (b) The convention center contains more than 60,000  
30 square feet of exhibit space.

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

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

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

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

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

28           (8) The Department of Revenue may audit as provided in  
29 s. 213.34 to verify that the distributions pursuant to this  
30 section have been expended as required in this section. Such  
31 information is subject to the confidentiality requirements of

1 chapter 213. If the Department of Revenue determines that the  
2 distributions have not been expended as required by this  
3 section, it may pursue recovery of such proceeds pursuant to  
4 the laws and rules governing the assessment of taxes.

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

7 Section 3. This act shall take effect October 1, 2003.

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9 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
10 COMMITTEE SUBSTITUTE FOR  
11 CS/SB 2266

12 The CS differs from the bill as filed in that it lowers the  
13 convention center square footage threshold, from 75,000 to  
14 60,000, for local governments to qualify for a rebate of sales  
15 taxes generated by their convention center.  
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