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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.

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

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

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

WHEREAS, in November 1999, the NASCAR Winston Cup race attracted 60,000 spectators, and

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

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29 WHEREAS, to continue to attract spectators to sanctioned
 30 championship motorsports events, the owner or operator of a
 31 motorsports entertainment complex must build additional
 32 spectator seating and renovate existing facilities to improve
 33 the amenities available to spectators, and

34 WHEREAS, attracting, retaining, and providing favorable
 35 conditions for conducting sanctioned championship motorsports
 36 events and the continued development of the motorsports
 37 entertainment industry in Florida provides skilled-employment
 38 opportunities for citizens of this state, and

39 WHEREAS, continued development and improvement of Florida's
 40 motorsports entertainment industry is vital to Florida's tourism
 41 industry and to state revenues, and

42 WHEREAS, the motorsports entertainment industry is a major
 43 contributor to Florida's economic development because of the
 44 technology and service businesses that provide goods and
 45 services to the industry, and

46 WHEREAS, the provisions of this act are necessary to
 47 protect and strengthen Florida's motorsports entertainment
 48 industry, and the purposes to be achieved by this act are
 49 predominately public purposes vital to the protection and
 50 improvement of Florida's economy, NOW, THEREFORE,

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

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54 Section 1. Paragraph (d) of subsection (6) of section
 55 212.20, Florida Statutes, is amended to read:

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56 212.20 Funds collected, disposition; additional powers of
 57 department; operational expense; refund of taxes adjudicated
 58 unconstitutionally collected.--

59 (6) Distribution of all proceeds under this chapter and s.
 60 202.18(1)(b) and (2)(b) shall be as follows:

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

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

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

73 3. After the distribution under subparagraphs 1. and 2.,
 74 8.814 percent of the amount remitted by a sales tax dealer
 75 located within a participating county pursuant to s. 218.61
 76 shall be transferred into the Local Government Half-cent Sales
 77 Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to
 78 be transferred pursuant to this subparagraph to the Local
 79 Government Half-cent Sales Tax Clearing Trust Fund shall be
 80 reduced by 0.1 percent, and the department shall distribute this
 81 amount to the Public Employees Relations Commission Trust Fund
 82 less \$5,000 each month, which shall be added to the amount
 83 calculated in subparagraph 4. and distributed accordingly.

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84 4. After the distribution under subparagraphs 1., 2., and
 85 3., 0.095 percent shall be transferred to the Local Government
 86 Half-cent Sales Tax Clearing Trust Fund and distributed pursuant
 87 to s. 218.65.

88 5. After the distributions under subparagraphs 1., 2., 3.,
 89 and 4., 2.0440 percent of the available proceeds pursuant to
 90 this paragraph shall be transferred monthly to the Revenue
 91 Sharing Trust Fund for Counties pursuant to s. 218.215.

92 6. After the distributions under subparagraphs 1., 2., 3.,
 93 and 4., 1.3409 percent of the available proceeds pursuant to
 94 this paragraph shall be transferred monthly to the Revenue
 95 Sharing Trust Fund for Municipalities pursuant to s. 218.215. If
 96 the total revenue to be distributed pursuant to this
 97 subparagraph is at least as great as the amount due from the
 98 Revenue Sharing Trust Fund for Municipalities and the Municipal
 99 Financial Assistance Trust Fund in state fiscal year 1999-2000,
 100 no municipality shall receive less than the amount due from the
 101 Revenue Sharing Trust Fund for Municipalities and the Municipal
 102 Financial Assistance Trust Fund in state fiscal year 1999-2000.
 103 If the total proceeds to be distributed are less than the amount
 104 received in combination from the Revenue Sharing Trust Fund for
 105 Municipalities and the Municipal Financial Assistance Trust Fund
 106 in state fiscal year 1999-2000, each municipality shall receive
 107 an amount proportionate to the amount it was due in state fiscal
 108 year 1999-2000.

109 7. Of the remaining proceeds:

110 a. In each fiscal year, the sum of \$29,915,500 shall be
 111 divided into as many equal parts as there are counties in the
 112 state, and one part shall be distributed to each county. The

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

132 b. The department shall distribute \$166,667 monthly
 133 pursuant to s. 288.1162 to each applicant that has been
 134 certified as a "facility for a new professional sports
 135 franchise" or a "facility for a retained professional sports
 136 franchise" pursuant to s. 288.1162. Up to \$41,667 shall be
 137 distributed monthly by the department to each applicant that has
 138 been certified as a "facility for a retained spring training
 139 franchise" pursuant to s. 288.1162; however, not more than
 140 \$208,335 may be distributed monthly in the aggregate to all
 141 certified facilities for a retained spring training franchise.

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142 Distributions shall begin 60 days following such certification
 143 and shall continue for not more than 30 years. Nothing contained
 144 in this paragraph shall be construed to allow an applicant
 145 certified pursuant to s. 288.1162 to receive more in
 146 distributions than actually expended by the applicant for the
 147 public purposes provided for in s. 288.1162(6). However, a
 148 certified applicant is entitled to receive distributions up to
 149 the maximum amount allowable and undistributed under this
 150 section for additional renovations and improvements to the
 151 facility for the franchise without additional certification.

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

158 d. Beginning 30 days after notice by the Office of
 159 Tourism, Trade, and Economic Development to the Department of
 160 Revenue that the applicant has been certified as the
 161 International Game Fish Association World Center facility
 162 pursuant to s. 288.1169, and the facility is open to the public,
 163 \$83,333 shall be distributed monthly, for up to 168 months, to
 164 the applicant. This distribution is subject to reduction
 165 pursuant to s. 288.1169. A lump sum payment of \$999,996 shall be
 166 made, after certification and before July 1, 2000.

167 e. Beginning 30 days after notice by the Office of
 168 Tourism, Trade, and Economic Development to the Department of
 169 Revenue that the applicant has been certified as a motorsports
 170 entertainment complex pursuant to s. 288.1170 and is open to the

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171 public, an amount not to exceed \$166,667 shall be distributed
 172 monthly to the applicant. Distributions shall continue for 30
 173 years. However, each fiscal year's total distribution made
 174 pursuant to this subparagraph shall not exceed the difference
 175 between the state sales taxes collected and remitted pursuant to
 176 this chapter by the facility in the previous calendar year and
 177 that collected and remitted in calendar year 2000.

178 8. All other proceeds shall remain with the General
 179 Revenue Fund.

180 Section 2. Section 288.1170, Florida Statutes, is created
 181 to read:

182 288.1170 Motorsports entertainment complex; definitions;
 183 certification; duties.--

184 (1) As used in this section:

185 (a) "Applicant" means the owner of a motorsports
 186 entertainment complex.

187 (b) "Motorsports entertainment complex" means a closed-
 188 course racing facility, with ancillary grounds and facilities,
 189 which:

190 1. Has not fewer than 67,000 permanent seats for race
 191 patrons.

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

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

195 4. Serves food at the facility during sanctioned
 196 motorsports races.

197 5. Engages in tourism promotion.

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198 (c) "Motorsports event" means a motorsports race and its
 199 ancillary activities, which have been sanctioned by a
 200 sanctioning body.

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

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

206 (f) "Sanctioning body" means the American Motorcycle
 207 Association (AMA), Championship Auto Racing Teams (CART), Grand
 208 American Road Racing Association(Grand Am), Indy Racing League
 209 (IRL), National Association for Stock Car Auto Racing (NASCAR),
 210 National Hot Rod Association (NHRA), Professional Sportscar
 211 Racing (PSR), Sports Car Club of America (SCCA), United States
 212 Auto Club (USAC), or any successor organization, or any other
 213 nationally recognized governing body of motorsports that
 214 establishes an annual schedule of motorsports events and grants
 215 rights to conduct such events, has established and administers
 216 rules and regulations governing all participants involved in
 217 such events and all persons conducting such events, and requires
 218 certain liability assurances, including insurance.

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

221 (2) The Office of Tourism, Trade, and Economic Development
 222 shall serve as the state agency for screening applicants for
 223 state funding pursuant to s. 212.20 and for certifying an
 224 applicant as a motorsports entertainment complex. The office
 225 shall develop and adopt rules for the receipt and processing of
 226 applications for funding pursuant to s. 212.20. The office

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227 shall make a determination regarding any application filed by an
 228 applicant not later than 120 days after the application is
 229 filed.

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

232 (a) A unit of local government holds title to the land on
 233 which the motorsports entertainment complex is located or holds
 234 title to the motorsports entertainment complex.

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

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

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

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

260 (f) The motorsports entertainment complex is located in a
 261 county as defined in s. 125.011(1).

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

270 (5) The office must recertify each year that the
 271 motorsports entertainment complex continues to generate
 272 sufficient sales tax revenues annually as required pursuant to
 273 paragraph (3)(d).

274 (6) No motorsports entertainment complex which has been
 275 previously certified under this section and has received funding
 276 under such certification shall be eligible for any additional
 277 certification.

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

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

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

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

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

308 (8) The Department of Revenue may audit, as provided in s.
 309 213.34, to verify that the distributions pursuant to this
 310 section have been expended as required in this section. Such
 311 information is subject to the confidentiality requirements of

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312 chapter 213. If the Department of Revenue determines that the
313 distributions pursuant to this section have not been expended as
314 required by this section, it may pursue recovery of such funds
315 pursuant to the laws and rules governing the assessment of
316 taxes.

317 Section 3. This act shall take effect July 1, 2004.