

CHAMBER ACTION

1 The Committee on Commerce recommends the following:

2
3 **Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to economic development incentives;
7 amending s. 212.20, F.S.; revising a limitation on certain
8 distributions to certified facilities for a retained
9 spring training franchise; providing for distribution of a
10 portion of revenues from the tax on sales, use, and other
11 transactions to specified units of local government owning
12 eligible convention centers; providing limitations;
13 requiring the Department of Revenue to prescribe certain
14 forms; amending s. 288.1162, F.S.; providing procedure for
15 certification of additional facilities for a retained
16 spring training franchise; providing for application and
17 selection; establishing maximum number of certifications
18 and funding per application cycle; clarifying the number
19 of certifications of facilities for retained spring
20 training franchises; creating s. 288.1171, F.S.; providing
21 for certification of units of local government owning
22 eligible convention centers by the Office of Tourism,
23 Trade, and Economic Development; requiring the office to

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24 | adopt specified rules; providing a definition; providing
25 | requirements for certification; providing for use of
26 | proceeds distributed to units of local government under
27 | the act; providing for audits by the Department of
28 | Revenue; providing for revocation of certification;
29 | providing an effective date.

30

31 | Be It Enacted by the Legislature of the State of Florida:

32

33 | Section 1. Paragraph (d) of subsection (6) of section
34 | 212.20, Florida Statutes, as amended by section 92 of chapter
35 | 2003-402, Laws of Florida, is amended to read:

36 | 212.20 Funds collected, disposition; additional powers of
37 | department; operational expense; refund of taxes adjudicated
38 | unconstitutionally collected.--

39 | (6) Distribution of all proceeds under this chapter and s.
40 | 202.18(1)(b) and (2)(b) shall be as follows:

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

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

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

53 3. After the distribution under subparagraphs 1. and 2.,
54 8.814 percent of the amount remitted by a sales tax dealer
55 located within a participating county pursuant to s. 218.61
56 shall be transferred into the Local Government Half-cent Sales
57 Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to
58 be transferred pursuant to this subparagraph to the Local
59 Government Half-cent Sales Tax Clearing Trust Fund shall be
60 reduced by 0.1 percent, and the department shall distribute this
61 amount to the Public Employees Relations Commission Trust Fund
62 less \$5,000 each month, which shall be added to the amount
63 calculated in subparagraph 4. and distributed accordingly.

64 4. After the distribution under subparagraphs 1., 2., and
65 3., 0.095 percent shall be transferred to the Local Government
66 Half-cent Sales Tax Clearing Trust Fund and distributed pursuant
67 to s. 218.65.

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

72 6. After the distributions under subparagraphs 1., 2., 3.,
73 and 4., 1.3409 percent of the available proceeds pursuant to
74 this paragraph shall be transferred monthly to the Revenue
75 Sharing Trust Fund for Municipalities pursuant to s. 218.215. If
76 the total revenue to be distributed pursuant to this
77 subparagraph is at least as great as the amount due from the

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78 Revenue Sharing Trust Fund for Municipalities and the Municipal
 79 Financial Assistance Trust Fund in state fiscal year 1999-2000,
 80 no municipality shall receive less than the amount due from the
 81 Revenue Sharing Trust Fund for Municipalities and the Municipal
 82 Financial Assistance Trust Fund in state fiscal year 1999-2000.
 83 If the total proceeds to be distributed are less than the amount
 84 received in combination from the Revenue Sharing Trust Fund for
 85 Municipalities and the Municipal Financial Assistance Trust Fund
 86 in state fiscal year 1999-2000, each municipality shall receive
 87 an amount proportionate to the amount it was due in state fiscal
 88 year 1999-2000.

89 7. Of the remaining proceeds:

90 a. In each fiscal year, the sum of \$29,915,500 shall be
 91 divided into as many equal parts as there are counties in the
 92 state, and one part shall be distributed to each county. The
 93 distribution among the several counties shall begin each fiscal
 94 year on or before January 5th and shall continue monthly for a
 95 total of 4 months. If a local or special law required that any
 96 moneys accruing to a county in fiscal year 1999-2000 under the
 97 then-existing provisions of s. 550.135 be paid directly to the
 98 district school board, special district, or a municipal
 99 government, such payment shall continue until such time that the
 100 local or special law is amended or repealed. The state covenants
 101 with holders of bonds or other instruments of indebtedness
 102 issued by local governments, special districts, or district
 103 school boards prior to July 1, 2000, that it is not the intent
 104 of this subparagraph to adversely affect the rights of those
 105 holders or relieve local governments, special districts, or

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106 district school boards of the duty to meet their obligations as
 107 a result of previous pledges or assignments or trusts entered
 108 into which obligated funds received from the distribution to
 109 county governments under then-existing s. 550.135. This
 110 distribution specifically is in lieu of funds distributed under
 111 s. 550.135 prior to July 1, 2000.

112 b. The department shall distribute \$166,667 monthly
 113 pursuant to s. 288.1162 to each applicant that has been
 114 certified as a "facility for a new professional sports
 115 franchise" or a "facility for a retained professional sports
 116 franchise" pursuant to s. 288.1162. Up to \$41,667 shall be
 117 distributed monthly by the department to each applicant that has
 118 been certified as a "facility for a retained spring training
 119 franchise" pursuant to s. 288.1162; however, not more than
 120 \$416,667 ~~\$208,335~~ may be distributed monthly in the aggregate to
 121 all certified facilities for a retained spring training
 122 franchise. Distributions shall begin 60 days following such
 123 certification and shall continue for not more than 30 years.
 124 Nothing contained in this paragraph shall be construed to allow
 125 an applicant certified pursuant to s. 288.1162 to receive more
 126 in distributions than actually expended by the applicant for the
 127 public purposes provided for in s. 288.1162(6). However, a
 128 certified applicant is entitled to receive distributions up to
 129 the maximum amount allowable and undistributed under this
 130 section for additional renovations and improvements to the
 131 facility for the franchise without additional certification.

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

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

138 d. Beginning 30 days after notice by the Office of
 139 Tourism, Trade, and Economic Development to the Department of
 140 Revenue that the applicant has been certified as the
 141 International Game Fish Association World Center facility
 142 pursuant to s. 288.1169, and the facility is open to the public,
 143 \$83,333 shall be distributed monthly, for up to 168 months, to
 144 the applicant. This distribution is subject to reduction
 145 pursuant to s. 288.1169. A lump sum payment of \$999,996 shall be
 146 made, after certification and before July 1, 2000.

147 e. The department shall distribute monthly to units of
 148 local government that have been certified as owning eligible
 149 convention centers pursuant to s. 288.1171 an amount equal to 50
 150 percent of the proceeds, as defined in paragraph (5)(a),
 151 received and collected in the previous month by the department
 152 under the provisions of this chapter which are generated by such
 153 eligible convention centers and remitted on the sales and use
 154 tax returns of eligible convention centers. Proceeds, for this
 155 sub-subparagraph, are further defined as all applicable sales
 156 taxes collected by an eligible convention center for standard
 157 services provided by center staff to users of the center, which
 158 include the following: parking, admission, ticket sales, food
 159 services, electrical or like services, space rentals, equipment
 160 rentals, and security services. The total distribution to each
 161 unit of local government shall not exceed \$2 million per state

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162 fiscal year. However, total distributions to all units of local
 163 government shall not exceed \$10 million per state fiscal year,
 164 and such distribution shall be limited exclusively to the taxes
 165 collected and remitted under the provisions of this chapter. The
 166 department shall prescribe forms required to be filed with the
 167 department by eligible convention centers. Distributions shall
 168 begin 60 days following notification of certification by the
 169 Office of Tourism, Trade, and Economic Development pursuant to
 170 s. 288.1171 and shall continue for not more than 30 years.
 171 Distributions shall be used solely to encourage and provide
 172 economic development for the attraction, recruitment, and
 173 retention of corporate headquarters and of high-technology,
 174 manufacturing, research and development, entertainment, and
 175 tourism industries as designated by the unit of local government
 176 by resolution of its governing body.

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

179 Section 2. Paragraph (c) of subsection (5) and subsection
 180 (7) of section 288.1162, Florida Statutes, are amended to read:

181 288.1162 Professional sports franchises; spring training
 182 franchises; duties.--

183 (5)

184 (c)1. The Office of Tourism, Trade, and Economic
 185 Development shall competitively evaluate applications for
 186 funding of a facility for a retained spring training franchise.
 187 Applications must be submitted by October 1, 2000, with
 188 certifications to be made by January 1, 2001. If the number of
 189 applicants exceeds five and the aggregate funding request of all

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190 applications exceeds \$208,335 per month, the office shall rank
 191 the applications according to a selection criteria, certifying
 192 the highest ranked proposals. The evaluation criteria shall
 193 include, with priority given in descending order to the
 194 following items:

195 a.1. The intended use of the funds by the applicant, with
 196 priority given to the construction of a new facility.

197 b.2. The length of time that the existing franchise has
 198 been located in the state, with priority given to retaining
 199 franchises that have been in the same location the longest.

200 c.3. The length of time that a facility to be used by a
 201 retained spring training franchise has been used by one or more
 202 spring training franchises, with priority given to a facility
 203 that has been in continuous use as a facility for spring
 204 training the longest.

205 d.4. For those teams leasing a spring training facility
 206 from a unit of local government, the remaining time on the lease
 207 for facilities used by the spring training franchise, with
 208 priority given to the shortest time period remaining on the
 209 lease.

210 e.5. The duration of the future-use agreement with the
 211 retained spring training franchise, with priority given to the
 212 future-use agreement having the longest duration.

213 f.6. The amount of the local match, with priority given to
 214 the largest percentage of local match proposed.

215 g.7. The net increase of total active recreation space
 216 owned by the applying unit of local government following the
 217 acquisition of land for the spring training facility, with

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218 priority given to the largest percentage increase of total
219 active recreation space.

220 ~~h.8-~~ The location of the facility in a brownfield, an
221 enterprise zone, a community redevelopment area, or other area
222 of targeted development or revitalization included in an Urban
223 Infill Redevelopment Plan, with priority given to facilities
224 located in these areas.

225 ~~i.9-~~ The projections on paid attendance attracted by the
226 facility and the proposed effect on the economy of the local
227 community, with priority given to the highest projected paid
228 attendance.

229 2. Beginning July 1, 2004, the Office of Tourism, Trade,
230 and Economic Development shall competitively evaluate
231 applications for funding of facilities for retained spring
232 training franchises in addition to those certified and funded
233 under subparagraph 1. Applications must be submitted by October
234 1 of each year, with certifications to be made by January 1 of
235 the following year. The office shall rank the applications
236 according to selection criteria, certifying no more than five
237 proposals in any application cycle. The aggregate funding
238 request of all applicants certified during any application cycle
239 shall not exceed an aggregate funding request of \$208,335 per
240 month. The evaluation criteria shall include the following, with
241 priority given in descending order:

242 a. The intended use of the funds by the applicant for
243 acquisition or construction of a new facility.

244 b. The intended use of the funds by the applicant to
245 renovate a facility.

246 c. The length of time that a facility to be used by a
 247 retained spring training franchise has been used by one or more
 248 spring training franchises, with priority given to a facility
 249 that has been in continuous use as a facility for spring
 250 training the longest.

251 d. For those teams leasing a spring training facility from
 252 a unit of local government, the remaining time on the lease for
 253 facilities used by the spring training franchise, with priority
 254 given to the shortest time period remaining on the lease. For
 255 consideration under this subparagraph, the remaining time on the
 256 lease shall not exceed 4 years.

257 e. The duration of the future-use agreement with the
 258 retained spring training franchise, with priority given to the
 259 future-use agreement having the longest duration.

260 f. The amount of the local match, with priority given to
 261 the largest percentage of local match proposed.

262 g. The net increase of total active recreation space owned
 263 by the applying unit of local government following the
 264 acquisition of land for the spring training facility, with
 265 priority given to the largest percentage increase of total
 266 active recreation space.

267 h. The location of the facility in a brownfield area, an
 268 enterprise zone, a community redevelopment area, or another area
 269 of targeted development or revitalization included in an Urban
 270 Infill Redevelopment Plan, with priority given to facilities
 271 located in those areas.

272 i. The projections on paid attendance attracted by the
 273 facility and the proposed effect on the economy of the local

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274 community, with priority given to the highest projected paid
275 attendance.

276 (7) The Office of Tourism, Trade, and Economic Development
277 shall notify the Department of Revenue of any facility certified
278 as a facility for a new professional sports franchise or a
279 facility for a retained professional sports franchise or as a
280 facility for a retained spring training franchise. The Office of
281 Tourism, Trade, and Economic Development shall certify no more
282 than eight facilities as facilities for a new professional
283 sports franchise or as facilities for a retained professional
284 sports franchise ~~and shall certify at least five as facilities~~
285 ~~for retained spring training franchises~~, including in such total
286 any facilities certified by the Department of Commerce before
287 July 1, 1996. The number of certifications of facilities for
288 retained spring training franchises shall be pursuant to
289 subsection (5). The office may make no more than one
290 certification for any facility. The office may not certify
291 funding for less than the requested amount to any applicant
292 certified as a facility for a retained spring training
293 franchise.

294 Section 3. Section 288.1171, Florida Statutes, is created
295 to read:

296 288.1171 Convention centers owned by units of local
297 government; certification as owning eligible convention centers;
298 duties.--

299 (1) The Office of Tourism, Trade, and Economic Development
300 shall serve as the state agency for screening applicants for

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301 state funding pursuant to s. 212.20(6)(d)7.e. and for certifying
 302 an applicant as owning an eligible convention center.

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

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

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

314 (a) The unit of local government, as defined in s.
 315 218.369, owns an eligible convention center.

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

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

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

324 (5) Upon certification of an applicant, the Office of
 325 Tourism, Trade, and Economic Development shall notify the
 326 executive director of the Department of Revenue of such
 327 certification by means of an official letter granting
 328 certification. The Department of Revenue shall not begin

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329 distributing proceeds until 60 days following notice by the
 330 Office of Tourism, Trade, and Economic Development that a unit
 331 of local government has been certified as owning an eligible
 332 convention center.

333 (6) No applicant previously certified under any provision
 334 of this section who has received proceeds under such
 335 certification shall be eligible for an additional certification.

336 (7) A unit of local government certified as owning an
 337 eligible convention center may use proceeds provided pursuant to
 338 s. 212.20(6)(d)7.e. solely to encourage and provide economic
 339 development for the attraction, recruitment, and retention of
 340 corporate headquarters and of high-technology, manufacturing,
 341 research and development, entertainment, and tourism industries
 342 as designated by the unit of local government by resolution of
 343 its governing body.

344 (8) The Department of Revenue may audit as provided in s.
 345 213.34 to verify that the distributions pursuant to this section
 346 have been expended as required in this section. Such information
 347 is subject to the confidentiality requirements of chapter 213.
 348 If the Department of Revenue determines that the distributions
 349 have not been expended as required by this section, it may
 350 pursue recovery of such proceeds pursuant to the laws and rules
 351 governing the assessment of taxes.

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

354 Section 4. This act shall take effect July 1, 2004.