

CHAMBER ACTION

1 The Transportation & Economic Development Appropriations  
2 Committee recommends the following:

3  
4 **Council/Committee Substitute**

5 Remove the entire bill and insert:

6 A bill to be entitled

7 An act relating to economic development incentives;  
8 amending s. 212.20, F.S.; providing for distribution of a  
9 portion of revenues from the tax on sales, use, and other  
10 transactions to specified units of local government owning  
11 eligible convention centers; providing limitations;  
12 requiring the Department of Revenue to prescribe certain  
13 forms; specifying uses of certain distributions; providing  
14 for future repeal; creating s. 288.1171, F.S.; providing  
15 for certification of units of local government owning  
16 eligible convention centers by the Office of Tourism,  
17 Trade, and Economic Development; requiring the office to  
18 adopt specified rules; providing a definition; providing  
19 requirements for certification; providing for use of  
20 proceeds distributed to units of local government under  
21 the act; providing for audits by the Auditor General;  
22 authorizing the Auditor General to pursue recovery of  
23 certain proceeds; barring certain local governments from

24 receiving future distributions under certain  
 25 circumstances; providing for revocation of certification;  
 26 providing for future repeal; providing an effective date.

27  
 28 Be It Enacted by the Legislature of the State of Florida:

29  
 30 Section 1. Paragraph (d) of subsection (6) of section  
 31 212.20, Florida Statutes, is amended to read:

32 212.20 Funds collected, disposition; additional powers of  
 33 department; operational expense; refund of taxes adjudicated  
 34 unconstitutionally collected.--

35 (6) Distribution of all proceeds under this chapter and s.  
 36 202.18(1)(b) and (2)(b) shall be as follows:

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

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

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

49 3. After the distribution under subparagraphs 1. and 2.,  
 50 8.814 percent of the amount remitted by a sales tax dealer  
 51 located within a participating county pursuant to s. 218.61

52 | shall be transferred into the Local Government Half-cent Sales  
 53 | Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to  
 54 | be transferred pursuant to this subparagraph to the Local  
 55 | Government Half-cent Sales Tax Clearing Trust Fund shall be  
 56 | reduced by 0.1 percent, and the department shall distribute this  
 57 | amount to the Public Employees Relations Commission Trust Fund  
 58 | less \$5,000 each month, which shall be added to the amount  
 59 | calculated in subparagraph 4. and distributed accordingly.

60 |         4. After the distribution under subparagraphs 1., 2., and  
 61 | 3., 0.095 percent shall be transferred to the Local Government  
 62 | Half-cent Sales Tax Clearing Trust Fund and distributed pursuant  
 63 | to s. 218.65.

64 |         5. After the distributions under subparagraphs 1., 2., 3.,  
 65 | and 4., 2.0440 percent of the available proceeds pursuant to  
 66 | this paragraph shall be transferred monthly to the Revenue  
 67 | Sharing Trust Fund for Counties pursuant to s. 218.215.

68 |         6. After the distributions under subparagraphs 1., 2., 3.,  
 69 | and 4., 1.3409 percent of the available proceeds pursuant to  
 70 | this paragraph shall be transferred monthly to the Revenue  
 71 | Sharing Trust Fund for Municipalities pursuant to s. 218.215. If  
 72 | the total revenue to be distributed pursuant to this  
 73 | subparagraph is at least as great as the amount due from the  
 74 | Revenue Sharing Trust Fund for Municipalities and the former  
 75 | Municipal Financial Assistance Trust Fund in state fiscal year  
 76 | 1999-2000, no municipality shall receive less than the amount  
 77 | due from the Revenue Sharing Trust Fund for Municipalities and  
 78 | the former Municipal Financial Assistance Trust Fund in state  
 79 | fiscal year 1999-2000. If the total proceeds to be distributed

80 are less than the amount received in combination from the  
 81 Revenue Sharing Trust Fund for Municipalities and the former  
 82 Municipal Financial Assistance Trust Fund in state fiscal year  
 83 1999-2000, each municipality shall receive an amount  
 84 proportionate to the amount it was due in state fiscal year  
 85 1999-2000.

86 7. Of the remaining proceeds:

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

107 distribution specifically is in lieu of funds distributed under  
108 s. 550.135 prior to July 1, 2000.

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

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

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

144 e. The department shall distribute monthly to units of  
 145 local government that have been certified as owning eligible  
 146 convention centers pursuant to s. 288.1171 an amount equal to 50  
 147 percent of the proceeds, as defined in this sub-subparagraph,  
 148 received and collected in the previous month by the department  
 149 under the provisions of this chapter which are generated by such  
 150 eligible convention centers and remitted on the sales and use  
 151 tax returns of eligible convention centers. Proceeds, for this  
 152 sub-subparagraph, are limited to all applicable sales taxes  
 153 collected by an eligible convention center for standard services  
 154 provided by center staff to users of the center, which include  
 155 the following: parking, admission, and ticket sales, food  
 156 services, utilities services, space rentals, equipment rentals,  
 157 security services, decorating services, business services,  
 158 advertising services, communications services, exhibit supply  
 159 sales and rentals, locksmith services, and sales of gifts and  
 160 sundries. The total distribution to each unit of local  
 161 government shall not exceed \$1 million per state fiscal year.  
 162 However, total distributions to all units of local government

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163 shall not exceed \$5 million per state fiscal year, and such  
164 distribution shall be limited exclusively to the taxes collected  
165 and remitted under the provisions of this chapter. If  
166 collections and remittances of eligible convention centers  
167 exceed the \$5 million maximum amount authorized for  
168 distribution, the department shall distribute proceeds to each  
169 eligible unit of local government using an apportionment factor,  
170 the numerator of which is the amount remitted by an eligible  
171 convention center and the denominator is the total amount  
172 remitted by all eligible convention centers. The apportionment  
173 factor for each eligible convention center shall be applied to  
174 the \$5 million maximum amount authorized for distribution to  
175 determine the amount that shall be distributed to each local  
176 government unit. The department shall prescribe forms required  
177 to be filed with the department by eligible convention centers.  
178 Distributions shall begin 60 days following notification of  
179 certification by the Office of Tourism, Trade, and Economic  
180 Development pursuant to s. 288.1171. Distributions shall be used  
181 solely to encourage and provide economic development for the  
182 attraction, recruitment, and retention of corporate headquarters  
183 and of high-technology, manufacturing, research and development,  
184 entertainment, and tourism industries as designated by the unit  
185 of local government by resolution of its governing body, and to  
186 assist the eligible convention centers to attract more business  
187 and expand their offerings, including developing their own  
188 events and shows. This sub-subparagraph is repealed effective  
189 June 30, 2008.

190 8. All other proceeds shall remain with the General  
191 Revenue Fund.

192 Section 2. Section 288.1171, Florida Statutes, is created  
193 to read:

194 288.1171 Convention centers owned by units of local  
195 government; certification as owning eligible convention centers;  
196 duties.--

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

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

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

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

212 (a) The unit of local government, as defined in s.  
213 218.369, owns an eligible convention center.

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

216 (c) The unit of local government in which the convention  
217 center is located has certified by resolution after a public

218 hearing that the application serves a public purpose pursuant to  
 219 subsection (7).

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

222 (5) Upon certification of an applicant, the Office of  
 223 Tourism, Trade, and Economic Development shall notify the  
 224 executive director of the Department of Revenue of such  
 225 certification by means of an official letter granting  
 226 certification. The Department of Revenue shall not begin  
 227 distributing proceeds until 60 days following notice by the  
 228 Office of Tourism, Trade, and Economic Development that a unit  
 229 of local government has been certified as owning an eligible  
 230 convention center.

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

234 (7) A unit of local government certified as owning an  
 235 eligible convention center may use proceeds provided pursuant to  
 236 s. 212.20(6)(d)7.e. solely to encourage and provide economic  
 237 development for the attraction, recruitment, and retention of  
 238 corporate headquarters and of high-technology, manufacturing,  
 239 research and development, entertainment, and tourism industries  
 240 as designated by the unit of local government by resolution of  
 241 its governing body, and to assist the eligible convention  
 242 centers to attract more business and expand their offerings,  
 243 including developing their own events and shows.

244 (8) The Auditor General may audit as provided in s. 11.45  
 245 to verify that the distributions under this section have been

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246 expended as required by this section. If the Auditor General  
247 determines that the distributions have not been expended as  
248 required by this section, the Auditor General may pursue  
249 recovery of such proceeds and the unit of local government shall  
250 be further barred from receiving future distributions of  
251 proceeds authorized by this section.

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

254 (10) This section is repealed June 30, 2008.

255 Section 3. This act shall take effect July 1, 2005.