

By Senator Constantine

22-12-05

1 A bill to be entitled
2 An act relating to economic-development
3 incentives; amending s. 212.20, F.S.; providing
4 for distribution of a portion of revenues from
5 the tax on sales, use, and other transactions
6 to specified units of local government owning
7 eligible convention centers; amending s.
8 288.1162, F.S.; providing a procedure for
9 certification of additional facilities for a
10 retained spring training franchise; providing
11 for application and selection; establishing a
12 maximum number of certifications and the
13 funding per application cycle; clarifying the
14 number of certifications of facilities for
15 retained spring training franchises; creating
16 s. 288.1171, F.S.; providing for certification
17 of units of local government owning eligible
18 convention centers by the Office of Tourism,
19 Trade, and Economic Development; requiring the
20 office to adopt specified rules; providing a
21 definition; providing requirements for
22 certification; providing for use of proceeds
23 distributed to units of local government under
24 the act; providing for audits by the Department
25 of Revenue; providing for revocation of
26 certification; providing an effective date.

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

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

1 212.20 Funds collected, disposition; additional powers
2 of department; operational expense; refund of taxes
3 adjudicated unconstitutionally collected.--

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

6 (d) The proceeds of all other taxes and fees imposed
7 pursuant to this chapter or remitted pursuant to s.
8 202.18(1)(b) and (2)(b) shall be distributed as follows:

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

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

19 3. After the distribution under subparagraphs 1. and
20 2., 8.814 percent of the amount remitted by a sales tax dealer
21 located within a participating county pursuant to s. 218.61
22 shall be transferred into the Local Government Half-cent Sales
23 Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to
24 be transferred pursuant to this subparagraph to the Local
25 Government Half-cent Sales Tax Clearing Trust Fund shall be
26 reduced by 0.1 percent, and the department shall distribute
27 this amount to the Public Employees Relations Commission Trust
28 Fund less \$5,000 each month, which shall be added to the
29 amount calculated in subparagraph 4. and distributed
30 accordingly.
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1 4. After the distribution under subparagraphs 1., 2.,
2 and 3., 0.095 percent shall be transferred to the Local
3 Government Half-cent Sales Tax Clearing Trust Fund and
4 distributed pursuant to s. 218.65.

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

9 6. After the distributions under subparagraphs 1., 2.,
10 3., and 4., 1.3409 percent of the available proceeds pursuant
11 to this paragraph shall be transferred monthly to the Revenue
12 Sharing Trust Fund for Municipalities pursuant to s. 218.215.
13 If the total revenue to be distributed pursuant to this
14 subparagraph is at least as great as the amount due from the
15 Revenue Sharing Trust Fund for Municipalities and the former
16 Municipal Financial Assistance Trust Fund in state fiscal year
17 1999-2000, no municipality shall receive less than the amount
18 due from the Revenue Sharing Trust Fund for Municipalities and
19 the former Municipal Financial Assistance Trust Fund in state
20 fiscal year 1999-2000. If the total proceeds to be distributed
21 are less than the amount received in combination from the
22 Revenue Sharing Trust Fund for Municipalities and the former
23 Municipal Financial Assistance Trust Fund in state fiscal year
24 1999-2000, each municipality shall receive an amount
25 proportionate to the amount it was due in state fiscal year
26 1999-2000.

27 7. Of the remaining proceeds:

28 a. In each fiscal year, the sum of \$29,915,500 shall
29 be divided into as many equal parts as there are counties in
30 the state, and one part shall be distributed to each county.
31 The distribution among the several counties shall begin each

1 | fiscal year on or before January 5th and shall continue
2 | monthly for a total of 4 months. If a local or special law
3 | required that any moneys accruing to a county in fiscal year
4 | 1999-2000 under the then-existing provisions of s. 550.135 be
5 | paid directly to the district school board, special district,
6 | or a municipal government, such payment shall continue until
7 | such time that the local or special law is amended or
8 | repealed. The state covenants with holders of bonds or other
9 | instruments of indebtedness issued by local governments,
10 | special districts, or district school boards prior to July 1,
11 | 2000, that it is not the intent of this subparagraph to
12 | adversely affect the rights of those holders or relieve local
13 | governments, special districts, or district school boards of
14 | the duty to meet their obligations as a result of previous
15 | pledges or assignments or trusts entered into which obligated
16 | funds received from the distribution to county governments
17 | under then-existing s. 550.135. This distribution
18 | specifically is in lieu of funds distributed under s. 550.135
19 | prior to July 1, 2000.

20 | b. The department shall distribute \$166,667 monthly
21 | pursuant to s. 288.1162 to each applicant that has been
22 | certified as a "facility for a new professional sports
23 | franchise" or a "facility for a retained professional sports
24 | franchise" pursuant to s. 288.1162. Up to \$41,667 shall be
25 | distributed monthly by the department to each applicant that
26 | has been certified as a "facility for a retained spring
27 | training franchise" pursuant to s. 288.1162; however, not more
28 | than \$416,667~~\$208,335~~ may be distributed monthly in the
29 | aggregate to all certified facilities for a retained spring
30 | training franchise. Distributions shall begin 60 days
31 | following such certification and shall continue for not more

1 | than 30 years. Nothing contained in this paragraph shall be
2 | construed to allow an applicant certified pursuant to s.
3 | 288.1162 to receive more in distributions than actually
4 | expended by the applicant for the public purposes provided for
5 | in s. 288.1162(6). However, a certified applicant is entitled
6 | to receive distributions up to the maximum amount allowable
7 | and undistributed under this section for additional
8 | renovations and improvements to the facility for the franchise
9 | without additional certification.

10 | c. Beginning 30 days after notice by the Office of
11 | Tourism, Trade, and Economic Development to the Department of
12 | Revenue that an applicant has been certified as the
13 | professional golf hall of fame pursuant to s. 288.1168 and is
14 | open to the public, \$166,667 shall be distributed monthly, for
15 | up to 300 months, to the applicant.

16 | d. Beginning 30 days after notice by the Office of
17 | Tourism, Trade, and Economic Development to the Department of
18 | Revenue that the applicant has been certified as the
19 | International Game Fish Association World Center facility
20 | pursuant to s. 288.1169, and the facility is open to the
21 | public, \$83,333 shall be distributed monthly, for up to 168
22 | months, to the applicant. This distribution is subject to
23 | reduction pursuant to s. 288.1169. A lump sum payment of
24 | \$999,996 shall be made, after certification and before July 1,
25 | 2000.

26 | e. The department shall distribute monthly to units of
27 | local government that have been certified as owning eligible
28 | convention centers under s. 288.1171 an amount equal to 50
29 | percent of the proceeds, as defined in paragraph (5)(a),
30 | received and collected in the previous month by the department
31 | under this chapter which are generated by the eligible

1 convention centers and remitted on the sales and use tax
2 returns of eligible convention centers. Proceeds, for purposes
3 of this sub-subparagraph, are further defined as all
4 applicable sales taxes collected by an eligible center for
5 standard services provided by center staff to users of the
6 center, which include the following: parking, admission,
7 ticket sales, food services, electrical or like services,
8 space rentals, equipment rentals, and security services. The
9 total distribution to each unit of local government may not
10 exceed \$2 million per state fiscal year. However, total
11 distributions to all units of local governments may not exceed
12 \$10 million each state fiscal year, and the distribution must
13 be limited exclusively to the taxes collected and remitted
14 under this chapter. The department shall prescribe forms
15 required to be filed with the department by eligible
16 convention centers. Distributions shall begin 60 days
17 following notification of certification by the Office of
18 Tourism, Trade, and Economic Development under s. 288.1171 and
19 shall continue for not more than 30 years. Distributions must
20 be used solely to encourage and provide economic development
21 for attracting, recruiting, and retaining corporate
22 headquarters and high-technology, manufacturing, research and
23 development, entertainment, and tourism industries as
24 designated by the unit of local government by resolution of
25 its governing body.

26 8. All other proceeds shall remain with the General
27 Revenue Fund.

28 Section 2. Paragraph (c) of subsection (5) and
29 subsection (7) of section 288.1162, Florida Statutes, are
30 amended to read:
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1 288.1162 Professional sports franchises; spring
2 training franchises; duties.--

3 (5)

4 (c)1. The Office of Tourism, Trade, and Economic
5 Development shall competitively evaluate applications for
6 funding of a facility for a retained spring training
7 franchise. Applications must be submitted by October 1, 2000,
8 with certifications to be made by January 1, 2001. If the
9 number of applicants exceeds five and the aggregate funding
10 request of all applications exceeds \$208,335 per month, the
11 office shall rank the applications according to a selection
12 criteria, certifying the highest ranked proposals. The
13 evaluation criteria shall include, with priority given in
14 descending order to the following items:

15 ~~a.1.~~ The intended use of the funds by the applicant,
16 with priority given to the construction of a new facility.

17 ~~b.2.~~ The length of time that the existing franchise
18 has been located in the state, with priority given to
19 retaining franchises that have been in the same location the
20 longest.

21 ~~c.3.~~ The length of time that a facility to be used by
22 a retained spring training franchise has been used by one or
23 more spring training franchises, with priority given to a
24 facility that has been in continuous use as a facility for
25 spring training the longest.

26 ~~d.4.~~ For those teams leasing a spring training
27 facility from a unit of local government, the remaining time
28 on the lease for facilities used by the spring training
29 franchise, with priority given to the shortest time period
30 remaining on the lease.

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1 ~~e.5.~~ The duration of the future-use agreement with the
2 retained spring training franchise, with priority given to the
3 future-use agreement having the longest duration.

4 ~~f.6.~~ The amount of the local match, with priority
5 given to the largest percentage of local match proposed.

6 ~~g.7.~~ The net increase of total active recreation space
7 owned by the applying unit of local government following the
8 acquisition of land for the spring training facility, with
9 priority given to the largest percentage increase of total
10 active recreation space.

11 ~~h.8.~~ The location of the facility in a brownfield, an
12 enterprise zone, a community redevelopment area, or other area
13 of targeted development or revitalization included in an Urban
14 Infill Redevelopment Plan, with priority given to facilities
15 located in these areas.

16 ~~i.9.~~ The projections on paid attendance attracted by
17 the facility and the proposed effect on the economy of the
18 local community, with priority given to the highest projected
19 paid attendance.

20 2. Beginning July 1, 2005, the Office of Tourism,
21 Trade, and Economic Development shall competitively evaluate
22 applications for funding of facilities for retained spring
23 training franchises in addition to those certified and funded
24 under subparagraph 1. Applications must be submitted by
25 October 1 of each year, with certifications to be made by
26 January 1 of the following year. The office shall rank the
27 applications according to selection criteria, certifying no
28 more than five proposals in any application cycle. The
29 aggregate funding request of all applicants certified during
30 any application cycle may not exceed an aggregate funding
31 request of \$208,335 per month. The evaluation criteria must

- 1 include the following, with priority given in descending
2 order:
- 3 a. The intended use of the funds by the applicant for
4 acquisition or construction of a new facility.
- 5 b. The intended use of the funds by the applicant to
6 renovate a facility.
- 7 c. The length of time that a facility to be used by a
8 retained spring training franchise has been used by one or
9 more spring training franchises, with priority given to a
10 facility that has been in continuous use as a facility for
11 spring training the longest.
- 12 d. For those teams leasing a spring training facility
13 from a unit of local government, the remaining time on the
14 lease for facilities used by the spring training franchise,
15 with priority given to the shortest time period remaining on
16 the lease. For consideration under this subparagraph, the
17 remaining time on the lease may not exceed 4 years.
- 18 e. The duration of the future-use agreement with the
19 retained spring training franchise, with priority given to the
20 future-use agreement having the longest duration.
- 21 f. The amount of the local match, with priority given
22 to the largest percentage of local match proposed.
- 23 g. The net increase of total active recreation space
24 owned by the applying unit of local government following the
25 acquisition of land for the spring training facility, with
26 priority given to the largest percentage increase of total
27 active recreation space.
- 28 h. The location of the facility in a brownfield area,
29 an enterprise zone, a community redevelopment area, or another
30 area of targeted development or revitalization included in an
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1 urban infill redevelopment plan, with priority given to
2 facilities located in those areas.

3 i. The projections on paid attendance attracted by the
4 facility and the proposed effect on the economy of the local
5 community, with priority given to the highest projected paid
6 attendance.

7 (7) The Office of Tourism, Trade, and Economic
8 Development shall notify the Department of Revenue of any
9 facility certified as a facility for a new professional sports
10 franchise or a facility for a retained professional sports
11 franchise or as a facility for a retained spring training
12 franchise. The Office of Tourism, Trade, and Economic
13 Development shall certify no more than eight facilities as
14 facilities for a new professional sports franchise or as
15 facilities for a retained professional sports franchise ~~and~~
16 ~~shall certify at least five as facilities for retained spring~~
17 ~~training franchises~~, including in such total any facilities
18 certified by the Department of Commerce before July 1, 1996.
19 The number of certifications of facilities for retained spring
20 training franchises shall be governed by subsection (5). The
21 office may make no more than one certification for any
22 facility. The office may not certify funding for less than the
23 requested amount to any applicant certified as a facility for
24 a retained spring training franchise.

25 Section 3. Section 288.1171, Florida Statutes, is
26 created to read:

27 288.1171 Convention centers owned by units of local
28 government; certification as owning eligible convention
29 centers; duties.--

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

1 applicants for state funding under s. 212.20(6)(d)7.e. and for
2 certifying an applicant as owning an eligible convention
3 center.

4 (2) The Office of Tourism, Trade, and Economic
5 Development shall adopt rules under ss. 120.536(1) and 120.54
6 for the receipt and processing of applications for funding as
7 provided in s. 212.20(6)(d)7.e.

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

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

16 (a) The unit of local government, as defined in s.
17 218.369, owns an eligible convention center.

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

20 (c) The unit of local government in which the
21 convention center is located has certified by resolution after
22 a public hearing that the application serves a public purpose
23 under subsection (7).

24 (d) The convention center is located in a county that
25 is levying a tourist development tax under s. 125.0104.

26 (5) Upon certification of an applicant, the Office of
27 Tourism, Trade, and Economic Development shall notify the
28 executive director of the Department of Revenue of such
29 certification by means of an official letter granting
30 certification. The Department of Revenue may not begin
31 distributing proceeds until 60 days following notice by the

1 Office of Tourism, Trade, and Economic Development that a unit
2 of local government has been certified as owning an eligible
3 convention center.

4 (6) An applicant previously certified under any
5 provision of this section who has received proceeds under such
6 certification is not eligible for an additional certification.

7 (7) A unit of local government certified as owning an
8 eligible convention center may use proceeds provided under s.
9 212.20(6)(d)7.e. solely to encourage and provide economic
10 development for attracting, recruiting, and retaining
11 corporate headquarters and high-technology, manufacturing,
12 research and development, entertainment, and tourism
13 industries as designated by the unit of local government by
14 resolution of its governing body.

15 (8) The Department of Revenue may conduct audits as
16 provided in s. 213.34 to verify that the distributions made
17 under this section have been expended as required in this
18 section. Such information is subject to the confidentiality
19 requirements of chapter 213. If the Department of Revenue
20 determines that the distributions have not been expended as
21 required by this section, it may pursue recovery of those
22 distributions under the laws and rules governing the
23 assessment of taxes.

24 (9) Failure to use the distributions as provided in
25 this section is grounds for revoking certification.

26 Section 4. This act shall take effect July 1, 2005.
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SENATE SUMMARY

Provides for distributing a portion of revenues from the tax on sales, use, and other transactions to specified units of local government owning eligible convention centers. Provides for certifying units of local government owning eligible convention centers by the Office of Tourism, Trade, and Economic Development. Provides a procedure for certifying additional facilities for a retained spring training franchise. Establishes a maximum number of certifications and the funding per application cycle. Clarifies the number of certifications of facilities for retained spring training franchises.