

## CHAMBER ACTION

---

1 The Finance & Tax Committee recommends the following:

2  
3 **Council/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.; providing for distribution of a  
8 portion of revenues from the tax on sales, use, and other  
9 transactions to specified units of local government owning  
10 eligible convention centers; providing limitations;  
11 requiring the Department of Revenue to prescribe certain  
12 forms; providing for future repeal; creating s. 288.1171,  
13 F.S.; providing for certification by the Office of  
14 Tourism, Trade, and Economic Development of units of local  
15 government owning eligible convention centers; requiring  
16 the office to adopt specified rules; providing a  
17 definition; providing requirements for certification;  
18 providing for use of proceeds distributed to units of  
19 local government under the act; providing for revocation  
20 of certification; providing for future repeal; providing  
21 an effective date.

22  
23 Be It Enacted by the Legislature of the State of Florida:

HB 1143 CS

2006  
CS

24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51

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

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

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

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

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

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

3. After the distribution under subparagraphs 1. and 2., 8.814 percent of the amount remitted by a sales tax dealer located within a participating county pursuant to s. 218.61 shall be transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to be transferred pursuant to this subparagraph to the Local Government Half-cent Sales Tax Clearing Trust Fund shall be reduced by 0.1 percent, and the department shall distribute this

HB 1143 CS

2006  
CS

52 amount to the Public Employees Relations Commission Trust Fund  
53 less \$5,000 each month, which shall be added to the amount  
54 calculated in subparagraph 4. and distributed accordingly.

55 4. After the distribution under subparagraphs 1., 2., and  
56 3., 0.095 percent shall be transferred to the Local Government  
57 Half-cent Sales Tax Clearing Trust Fund and distributed pursuant  
58 to s. 218.65.

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

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

HB 1143 CS

2006  
CS

79 | proportionate to the amount it was due in state fiscal year  
80 | 1999-2000.

81 | 7. Of the remaining proceeds:

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

104 | b. The department shall distribute \$166,667 monthly  
105 | pursuant to s. 288.1162 to each applicant that has been  
106 | certified as a "facility for a new professional sports

HB 1143 CS

2006  
CS

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

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

130 d. Beginning 30 days after notice by the Office of  
131 Tourism, Trade, and Economic Development to the Department of  
132 Revenue that the applicant has been certified as the  
133 International Game Fish Association World Center facility  
134 pursuant to s. 288.1169, and the facility is open to the public,

Page 5 of 9

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

hb1143-02-c2

HB 1143 CS

2006  
CS

135 \$83,333 shall be distributed monthly, for up to 168 months, to  
136 the applicant. This distribution is subject to reduction  
137 pursuant to s. 288.1169. A lump sum payment of \$999,996 shall be  
138 made, after certification and before July 1, 2000.

139 e. The department shall distribute monthly to units of  
140 local government that have been certified as owning eligible  
141 convention centers pursuant to s. 288.1171 an amount equal to 50  
142 percent of the proceeds, as defined in this sub-subparagraph,  
143 received and collected in the previous month by the department  
144 under the provisions of this chapter which are generated by such  
145 eligible convention centers and remitted on the sales and use  
146 tax returns of eligible convention centers. Proceeds, for the  
147 purposes of this sub-subparagraph, are limited to all applicable  
148 sales taxes collected by an eligible convention center for  
149 standard services provided by center staff to users of the  
150 center, which include the following: parking, admission and  
151 ticket sales, food services, utilities services, space rentals,  
152 equipment rentals, security services, decorating services,  
153 business services, advertising services, communications  
154 services, exhibit supply sales and rentals, locksmith services,  
155 and sales of gifts and sundries. The total distribution to each  
156 unit of local government shall not exceed \$1 million per state  
157 fiscal year. However, total distributions to all units of local  
158 government shall not exceed \$5 million per state fiscal year,  
159 and such distribution shall be limited exclusively to the taxes  
160 collected and remitted under the provisions of this chapter. If  
161 collections and remittances of eligible convention centers  
162 exceed the \$5-million maximum amount authorized for

HB 1143 CS

2006  
CS

163 distribution, the department shall distribute proceeds to each  
164 eligible unit of local government using an apportionment factor,  
165 the numerator of which is the amount remitted by an eligible  
166 convention center and the denominator of which is the total  
167 amount remitted by all eligible convention centers. The  
168 apportionment factor for each eligible convention center shall  
169 be applied to the \$5-million maximum amount authorized for  
170 distribution to determine the amount that shall be distributed  
171 to each local government unit. The department shall prescribe  
172 forms required to be filed with the department by eligible  
173 convention centers. Distributions shall begin 60 days following  
174 notification of certification by the Office of Tourism, Trade,  
175 and Economic Development pursuant to s. 288.1171. Distributions  
176 shall be used solely to encourage and provide economic  
177 development for the attraction, recruitment, and retention of  
178 corporate headquarters and of high-technology, manufacturing,  
179 research-and-development, entertainment, and tourism industries  
180 as designated by the unit of local government by resolution of  
181 its governing body, and to assist the eligible convention  
182 centers to attract more business and expand their offerings,  
183 including developing their own events and shows. This sub-  
184 paragraph is repealed June 30, 2009.

185 8. All other proceeds shall remain with the General  
186 Revenue Fund.

187 Section 2. Section 288.1171, Florida Statutes, is created  
188 to read:

HB 1143 CS

2006  
CS

189 288.1171 Convention centers owned by units of local  
 190 government; certification as owning eligible convention centers;  
 191 duties.--

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

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

200 (3) As used in this section, the term "eligible convention  
 201 center" means a publicly owned facility having exhibition space  
 202 in excess of 30,000 square feet, the primary function of which  
 203 is to host meetings, conventions, or trade shows.

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

207 (a) The unit of local government, as defined in s.  
 208 218.369, owns an eligible convention center.

209 (b) The convention center contains more than 30,000 square  
 210 feet of exhibition space.

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

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



HB 1143 CS

2006  
CS

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

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

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

239       (8) Failure to use the proceeds as provided in this  
240 section shall be grounds for revoking certification.

241       (9) This section is repealed June 30, 2009.

242       Section 3. This act shall take effect July 1, 2006.