

1 A bill to be entitled
 2 An act relating to motorsports entertainment complexes;
 3 amending s. 212.20, F.S.; providing for distribution of a
 4 portion of revenues from the tax on sales, use, and other
 5 transactions to a certified motorsports entertainment
 6 complex; providing a limit on such distributions; creating
 7 s. 288.1170, F.S.; providing definitions; providing for
 8 certification of motorsports entertainment complexes by
 9 the Office of Tourism, Trade, and Economic Development of
 10 the Executive Office of the Governor; providing
 11 requirements for certification; requiring specified
 12 notice; providing for annual recertification; providing
 13 for use of the funds distributed to a motorsports
 14 entertainment complex; authorizing audits by the
 15 Department of Revenue; providing an effective date.

16
 17 WHEREAS, the Legislature finds that Florida has long been
 18 the preeminent site in the nation for motorsports racing, and

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

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

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

26 WHEREAS, to continue to attract spectators to sanctioned
 27 championship motorsports events, the owner or operator of a
 28 motorsports entertainment complex must build additional

29 | spectator seating and renovate existing facilities to improve
 30 | the amenities available to spectators, and

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

36 | WHEREAS, continued development and improvement of Florida's
 37 | motorsports entertainment industry is vital to Florida's tourism
 38 | industry and to state revenues, and

39 | WHEREAS, the motorsports entertainment industry is a major
 40 | contributor to Florida's economic development because of the
 41 | technology and service businesses that provide goods and
 42 | services to the industry, and

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

48 |

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

50 |

51 | Section 1. Paragraph (d) of subsection (6) of section
 52 | 212.20, Florida Statutes, is amended to read:

53 | 212.20 Funds collected, disposition; additional powers of
 54 | department; operational expense; refund of taxes adjudicated
 55 | unconstitutionally collected.--

56 (6) Distribution of all proceeds under this chapter and s.
 57 202.18(1)(b) and (2)(b) shall be as follows:

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

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

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

70 3. After the distribution under subparagraphs 1. and 2.,
 71 8.814 percent of the amount remitted by a sales tax dealer
 72 located within a participating county pursuant to s. 218.61
 73 shall be transferred into the Local Government Half-cent Sales
 74 Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to
 75 be transferred pursuant to this subparagraph to the Local
 76 Government Half-cent Sales Tax Clearing Trust Fund shall be
 77 reduced by 0.1 percent, and the department shall distribute this
 78 amount to the Public Employees Relations Commission Trust Fund
 79 less \$5,000 each month, which shall be added to the amount
 80 calculated in subparagraph 4. and distributed accordingly.

81 4. After the distribution under subparagraphs 1., 2., and
 82 3., 0.095 percent shall be transferred to the Local Government

83 Half-cent Sales Tax Clearing Trust Fund and distributed pursuant
84 to s. 218.65.

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

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

107 7. Of the remaining proceeds:

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

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

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

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

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

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

165 e. Beginning 30 days after notice by the Office of
166 Tourism, Trade, and Economic Development to the Department of

167 Revenue that an applicant has been certified as a motorsports
 168 entertainment complex pursuant to s. 288.1170 and is open to the
 169 public, an amount not to exceed \$166,667 shall be distributed
 170 monthly to the applicant. However, each fiscal year's total
 171 distribution made pursuant to this sub-subparagraph shall not
 172 exceed the difference between the state sales taxes collected
 173 and remitted pursuant to this chapter by the facility in the
 174 previous calendar year and state sales taxes collected and
 175 remitted pursuant to this chapter by the facility in calendar
 176 year 2000. Distributions shall continue for 30 years.

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

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

181 288.1170 Motorsports entertainment complex; definitions;
 182 certification; duties.--

183 (1) As used in this section:

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

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

189 1. Has not fewer than 65,000 permanent seats for race
 190 patrons.

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

193 3. Has paid admissions of at least 125,000 annually.

194 4. Serves food at the facility during sanctioned

195 motorsports races.

196 5. Engages in tourism promotion.

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

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

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

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

218 (g) "Unit of local government" has the same meaning as
 219 provided in s. 218.369.

220 (2) The office shall serve as the state agency for
 221 screening applicants for state funding pursuant to s. 212.20 and
 222 for certifying an applicant as a motorsports entertainment

223 complex. The office shall develop and adopt rules for the
 224 receipt and processing of applications for funding pursuant to
 225 s. 212.20. The office shall make a determination regarding any
 226 application filed by an applicant not later than 120 days after
 227 the application is filed.

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

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

233 (b) Seven scheduled days of motorsports events were held
 234 at the motorsports entertainment complex in the most recently
 235 completed calendar year or 7 scheduled days of motorsports
 236 events are scheduled to be held at the motorsports entertainment
 237 complex in the calendar year that begins after the submission of
 238 the application. The applicant shall submit certifications from
 239 the appropriate officials of the relevant sanctioning bodies
 240 that such sanctioned motorsports events were or will be held at
 241 the motorsports entertainment complex.

242 (c) The applicant can provide a certification by a
 243 nationally recognized, independent certified public accounting
 244 firm that the motorsports entertainment complex will attract, or
 245 in the most recently completed calendar year has attracted, paid
 246 attendance of at least 125,000 annually.

247 (d) The applicant can provide a certification by a
 248 nationally recognized, independent certified public accounting
 249 firm that the amount of the revenues generated by the taxes
 250 imposed under chapter 212 with respect to the use and operation

251 of the motorsports entertainment complex will equal or exceed \$1
252 million annually.

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

258 (f) The motorsports entertainment complex is located in a
259 county defined in s. 125.011(1).

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

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

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

277 (7) An applicant certified as a motorsports entertainment
278 complex may use funds provided pursuant to s. 212.20 only for

279 the following public purposes:

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

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

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

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

307 (8) The Department of Revenue may audit, as provided in s.
308 213.34, to verify that the distributions pursuant to this
309 section have been expended as required in this section. All
310 other provisions of chapter 213 shall apply to such audits. If
311 the Department of Revenue determines that the distributions
312 pursuant to this section have not been expended as required by
313 this section, the department may pursue recovery of such funds
314 pursuant to the laws and rules governing the assessment of
315 taxes.

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