

## CHAMBER ACTION

---

1 The Tourism 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 motorsports entertainment complexes;  
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 a certified motorsports entertainment  
10 complex; providing a limit on such distributions; creating  
11 s. 288.1170, F.S.; providing definitions; providing for  
12 certification of motorsports entertainment complexes by  
13 the Office of Tourism, Trade, and Economic Development of  
14 the Executive Office of the Governor; providing  
15 requirements for certification; requiring specified  
16 notice; providing for use of the funds distributed to a  
17 motorsports entertainment complex; authorizing audits by  
18 the Department of Revenue; providing an effective date.

19  
20 WHEREAS, the Legislature finds that Florida has long been  
21 the preeminent site in the nation for motorsports racing, and

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

HB 183

2006  
CS

24 WHEREAS, motorsports entertainment is the fastest growing  
25 sports industry in the United States, and

26 WHEREAS, as a result of the increased popularity of  
27 motorsports racing, many new motorsports facilities are being  
28 constructed in other states, and

29 WHEREAS, to continue to attract spectators to sanctioned  
30 championship motorsports events, the owner or operator of a  
31 motorsports entertainment complex must build additional  
32 spectator seating and renovate existing facilities to improve  
33 the amenities available to spectators, and

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

39 WHEREAS, continued development and improvement of Florida's  
40 motorsports entertainment industry is vital to Florida's tourism  
41 industry and to state revenues, and

42 WHEREAS, the motorsports entertainment industry is a major  
43 contributor to Florida's economic development because of the  
44 technology and service businesses that provide goods and  
45 services to the industry, and

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

51

HB 183

2006  
CS

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

53 |

54 |       Section 1. Paragraph (d) of subsection (6) of section  
55 | 212.20, Florida Statutes, is amended to read:

56 |       212.20 Funds collected, disposition; additional powers of  
57 | department; operational expense; refund of taxes adjudicated  
58 | unconstitutionally collected.--

59 |       (6) Distribution of all proceeds under this chapter and s.  
60 | 202.18(1)(b) and (2)(b) shall be as follows:

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

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

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

73 |       3. After the distribution under subparagraphs 1. and 2.,  
74 | 8.814 percent of the amount remitted by a sales tax dealer  
75 | located within a participating county pursuant to s. 218.61  
76 | shall be transferred into the Local Government Half-cent Sales  
77 | Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to  
78 | be transferred pursuant to this subparagraph to the Local  
79 | Government Half-cent Sales Tax Clearing Trust Fund shall be

HB 183

2006  
CS

80 | reduced by 0.1 percent, and the department shall distribute this  
81 | amount to the Public Employees Relations Commission Trust Fund  
82 | less \$5,000 each month, which shall be added to the amount  
83 | calculated in subparagraph 4. and distributed accordingly.

84 | 4. After the distribution under subparagraphs 1., 2., and  
85 | 3., 0.095 percent shall be transferred to the Local Government  
86 | Half-cent Sales Tax Clearing Trust Fund and distributed pursuant  
87 | to s. 218.65.

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

92 | 6. After the distributions under subparagraphs 1., 2., 3.,  
93 | and 4., 1.3409 percent of the available proceeds pursuant to  
94 | this paragraph shall be transferred monthly to the Revenue  
95 | Sharing Trust Fund for Municipalities pursuant to s. 218.215. If  
96 | the total revenue to be distributed pursuant to this  
97 | subparagraph is at least as great as the amount due from the  
98 | Revenue Sharing Trust Fund for Municipalities and the former  
99 | Municipal Financial Assistance Trust Fund in state fiscal year  
100 | 1999-2000, no municipality shall receive less than the amount  
101 | due from the Revenue Sharing Trust Fund for Municipalities and  
102 | the former Municipal Financial Assistance Trust Fund in state  
103 | fiscal year 1999-2000. If the total proceeds to be distributed  
104 | are less than the amount received in combination from the  
105 | Revenue Sharing Trust Fund for Municipalities and the former  
106 | Municipal Financial Assistance Trust Fund in state fiscal year  
107 | 1999-2000, each municipality shall receive an amount

HB 183

2006  
CS

108 proportionate to the amount it was due in state fiscal year  
109 1999-2000.

110 7. Of the remaining proceeds:

111 a. In each fiscal year, the sum of \$29,915,500 shall be  
112 divided into as many equal parts as there are counties in the  
113 state, and one part shall be distributed to each county. The  
114 distribution among the several counties shall begin each fiscal  
115 year on or before January 5th and shall continue monthly for a  
116 total of 4 months. If a local or special law required that any  
117 moneys accruing to a county in fiscal year 1999-2000 under the  
118 then-existing provisions of s. 550.135 be paid directly to the  
119 district school board, special district, or a municipal  
120 government, such payment shall continue until such time that the  
121 local or special law is amended or repealed. The state covenants  
122 with holders of bonds or other instruments of indebtedness  
123 issued by local governments, special districts, or district  
124 school boards prior to July 1, 2000, that it is not the intent  
125 of this subparagraph to adversely affect the rights of those  
126 holders or relieve local governments, special districts, or  
127 district school boards of the duty to meet their obligations as  
128 a result of previous pledges or assignments or trusts entered  
129 into which obligated funds received from the distribution to  
130 county governments under then-existing s. 550.135. This  
131 distribution specifically is in lieu of funds distributed under  
132 s. 550.135 prior to July 1, 2000.

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

Page 5 of 12

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

hb0183-01-c1

HB 183

2006  
CS

136 franchise" or a "facility for a retained professional sports  
137 franchise" pursuant to s. 288.1162. Up to \$41,667 shall be  
138 distributed monthly by the department to each applicant that has  
139 been certified as a "facility for a retained spring training  
140 franchise" pursuant to s. 288.1162; however, not more than  
141 \$208,335 may be distributed monthly in the aggregate to all  
142 certified facilities for a retained spring training franchise.  
143 Distributions shall begin 60 days following such certification  
144 and shall continue for not more than 30 years. Nothing contained  
145 in this paragraph shall be construed to allow an applicant  
146 certified pursuant to s. 288.1162 to receive more in  
147 distributions than actually expended by the applicant for the  
148 public purposes provided for in s. 288.1162(6). However, a  
149 certified applicant is entitled to receive distributions up to  
150 the maximum amount allowable and undistributed under this  
151 section for additional renovations and improvements to the  
152 facility for the franchise without additional certification.

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

159 d. Beginning 30 days after notice by the Office of  
160 Tourism, Trade, and Economic Development to the Department of  
161 Revenue that the applicant has been certified as the  
162 International Game Fish Association World Center facility  
163 pursuant to s. 288.1169, and the facility is open to the public,

HB 183

2006  
CS

164 \$83,333 shall be distributed monthly, for up to 168 months, to  
165 the applicant. This distribution is subject to reduction  
166 pursuant to s. 288.1169. A lump sum payment of \$999,996 shall be  
167 made, after certification and before July 1, 2000.

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

181 8. All other proceeds shall remain with the General  
182 Revenue Fund.

183 Section 2. Section 288.1170, Florida Statutes, is created  
184 to read:

185 288.1170 Motorsports entertainment complex; definitions;  
186 certification; duties.--

187 (1) As used in this section:

188 (a) "Applicant" means the owner of a motorsports  
189 entertainment complex.

190           (b) "Motorsports entertainment complex" means a closed-  
 191 course racing facility, with ancillary grounds and facilities,  
 192 which:

193           1. Has not fewer than 65,000 permanent seats for race  
 194 patrons.

195           2. Has not fewer than 7 scheduled days of motorsports  
 196 events each calendar year.

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

198           4. Serves food at the facility during sanctioned  
 199 motorsports events.

200           5. Engages in tourism promotion.

201           (c) "Motorsports event" means a motorsports race and its  
 202 ancillary activities which have been sanctioned by a sanctioning  
 203 body.

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

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

209           (f) "Sanctioning body" means the American Motorcyclist  
 210 Association (AMA), Championship Auto Racing Teams (CART), Grand  
 211 American Road Racing Association (Grand-Am), Indy Racing League  
 212 (IRL), National Association for Stock Car Auto Racing (NASCAR),  
 213 National Hot Rod Association (NHRA), Professional Sports Car  
 214 Racing (PSCR), Sports Car Club of America (SCCA), United States  
 215 Auto Club (USAC), or any successor organization, or any other  
 216 nationally recognized governing body of motorsports that  
 217 establishes an annual schedule of motorsports events and grants



HB 183

2006  
CS

218 rights to conduct such events, has established and administers  
219 rules and regulations governing all participants involved in  
220 such events and all persons conducting such events, and requires  
221 certain liability assurances, including insurance.

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

224 (2) The office shall serve as the state agency for  
225 screening applicants for state funding pursuant to s. 212.20 and  
226 for certifying an applicant as a motorsports entertainment  
227 complex. The office shall develop and adopt rules for the  
228 receipt and processing of applications for funding pursuant to  
229 s. 212.20. The office shall make a determination regarding any  
230 application filed by an applicant not later than 120 days after  
231 the application is filed.

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

234 (a) A unit of local government holds title to the land on  
235 which the motorsports entertainment complex is located or holds  
236 title to the motorsports entertainment complex.

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

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

251       (d) The applicant can provide a certification by a  
252 nationally recognized, independent certified public accounting  
253 firm that the amount of the revenues generated by the taxes  
254 imposed under chapter 212 with respect to the use and operation  
255 of the motorsports entertainment complex will equal or exceed \$1  
256 million annually.

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

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

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

HB 183

2006  
CS

273       (5) 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       (6) 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

HB 183

2006  
CS

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 (7) 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 certification under this section have not been  
313 expended as required by this section, the department may pursue  
314 recovery of such funds pursuant to the laws and rules governing  
315 the assessment of taxes.

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