

1                                   A bill to be entitled  
 2       An act relating to professional sports franchise  
 3       facilities; creating s. 288.11635, F.S.; requiring the  
 4       Office of Tourism, Trade, and Economic Development to  
 5       serve as the state agency for screening applicants for  
 6       certain state funding and for certifying applicants as  
 7       facilities for professional sports franchises eligible for  
 8       such funding; defining terms; requiring rulemaking;  
 9       providing prerequisites to certification; prohibiting a  
 10      facility from receiving more than one certification for  
 11      any professional sports franchise; restricting the use of  
 12      funds; requiring notice of and providing a limitation on  
 13      certifications; authorizing the Department of Revenue to  
 14      conduct audits in order to verify that funds have been  
 15      expended as required and to pursue recovery of  
 16      inappropriately expended funds; amending s. 212.20, F.S.;  
 17      providing for the distribution of a portion of revenues  
 18      from the tax on sales, use, and other transactions to  
 19      applicants certified as facilities for professional sports  
 20      franchises under s. 288.11635, F.S.; amending s. 288.1169,  
 21      F.S.; conforming a cross-reference; providing an effective  
 22      date.

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

25  
 26           Section 1.   Section 288.11635, Florida Statutes, is created  
 27   to read:

28           288.11635 Professional sports franchise guarantees.--

29       (1) The Office of Tourism, Trade, and Economic Development  
30 shall serve as the state agency for screening applicants for  
31 state funding pursuant to s. 212.20(6)(d)7.c. and for certifying  
32 an applicant as a "facility for a professional sports franchise"  
33 that is eligible for funding pursuant to s. 212.20(6)(d)7.c.

34       (2) As used in this section, the term:

35       (a) "Force majeure event" means a flood, fire, or other  
36 casualty, a war, a revolution, civil commotion, an act of a  
37 public enemy, an embargo, an act of government in its sovereign  
38 capacity, or a labor difficulty, including, without limitation,  
39 a strike, a lockout, or any circumstance beyond the reasonable  
40 control of the professional sports franchise affected.

41       (b) "League" has the same meaning as provided in s.  
42 288.1162.

43       (c) "Professional sports franchise" means a franchise in  
44 the National League or the American League of Major League  
45 Baseball, the National Basketball Association, the National  
46 Football League, or the National Hockey League.

47       (d) "Unit of local government" has the same meaning as  
48 provided in s. 218.369.

49       (3) The Office of Tourism, Trade, and Economic Development  
50 shall develop rules for the receipt and processing of  
51 applications for funding pursuant to s. 212.20(6)(d)7.c.

52       (4) Before certifying an applicant as a "facility for a  
53 professional sports franchise" eligible for funding pursuant to  
54 s. 212.20(6)(d)7.c., the Office of Tourism, Trade, and Economic  
55 Development must:

56        (a) Determine that a unit of local government is  
57 responsible for the construction, maintenance, or operation of  
58 the professional sports franchise facility or holds title to or  
59 a leasehold interest in the property on which the professional  
60 sports franchise facility is located and the applicant is or  
61 will be the owner, tenant, or operator of the professional  
62 sports franchise facility.

63        (b) Determine that the applicant has a verified copy of  
64 the approval from the governing authority of the league in which  
65 the professional sports franchise exists or verified evidence  
66 that it has had a league-authorized location in this state on or  
67 before July 1, 2007.

68        (c) Determine that the applicant has projections, verified  
69 by the Office of Tourism, Trade, and Economic Development, that  
70 demonstrate that the professional sports franchise will attract  
71 a paid attendance of more than 300,000 annually.

72        (d) Determine that the applicant has an independent  
73 analysis or study, verified by the Office of Tourism, Trade, and  
74 Economic Development, that demonstrates that the amount of the  
75 revenues generated by the taxes imposed under chapter 212 with  
76 respect to the use and operation of the professional sports  
77 franchise facility will equal or exceed \$4 million annually,  
78 except that if the professional sports franchise that has served  
79 as an applicant's basis for certification under this section did  
80 not serve as an applicant's basis for certification under s.  
81 288.1162, then \$2 million annually.

82        (e) Determine that the municipality or county in which the  
83 facility for a professional sports franchise is located has

84 certified by resolution after a public hearing that the  
85 application serves a public purpose.

86 (f) Receive a signed agreement for the benefit of and  
87 enforceable by the Department of Revenue from the applicant or  
88 the current owner of the professional sports franchise that  
89 formed the basis for the applicant's certification pursuant to  
90 this section that guarantees that, if the professional sports  
91 franchise ceases playing at least 90 percent of its home games  
92 in this state, including preseason, regular season, and  
93 postseason games, unless the cessation is a result of a force  
94 majeure event, the guarantor will pay the Department of Revenue,  
95 commencing with the calendar year in which the professional  
96 sports franchise ceases playing at least 90 percent of its home  
97 games in this state and each calendar year thereafter, the  
98 excess, if any, of:

99 1. The amount distributed pursuant to s. 212.20(6)(d)7.c.  
100 to the applicant under this section during the same calendar  
101 year, and, if the same professional sports franchise also formed  
102 the basis for an applicant's certification pursuant to s.  
103 288.1162, the amount distributed pursuant to s. 212.20(6)(d)7.b.  
104 to the applicant under s. 288.1162 during the same calendar year  
105 over

106 2. The amount of state revenues generated by the taxes  
107 imposed under chapter 212 with respect to the use and operation  
108 of the certified facility during the same calendar year.

109  
110 Within 60 days after the professional sports franchise ceases  
111 playing at least 90 percent of its home games in this state, the

112 guarantor shall provide the Department of Revenue with an  
113 annuity contract issued by a person authorized to issue such  
114 contracts in this state that will secure the guarantor's  
115 obligation to pay the amount distributed pursuant to s.  
116 212.20(6)(d)7.c. to the applicant under this section during the  
117 same calendar year and, if the same professional sports  
118 franchise also formed the basis for an applicant's certification  
119 pursuant to s. 288.1162, the amount distributed pursuant to s.  
120 212.20(6)(d)7.b. to the applicant under s. 288.1162 during the  
121 same calendar year, as required in subparagraph 1. Within 60  
122 days after the end of each calendar year for which an annuity  
123 contract is in force, the Department of Revenue shall reimburse  
124 the guarantor an amount equal to the state revenues generated by  
125 the taxes imposed under chapter 212 with respect to the use and  
126 operation of the certified facility during the prior calendar  
127 year, not to exceed the aggregate amount distributed to the  
128 applicant under s. 212.20(6)(d)7.b. and c. during the same  
129 calendar year. The guarantee of the applicant or current owner  
130 of the professional sports franchise will be returned upon  
131 substitution of the guarantee of any successor applicant or  
132 owner of the professional sports franchise whose ownership has  
133 been approved by the governing authority of the league in which  
134 the professional sports franchise exists.

135 (g) Receive evidence that one or more of the following  
136 have either previously contributed funds, or are contractually  
137 committed to contribute funds during the next 30 years, for the  
138 construction or improvement of the facility for a professional

139 sports franchise that in the aggregate equals or exceeds \$60  
 140 million:

141 1. The municipality in which the facility for a  
 142 professional sports franchise is located.

143 2. The county in which the facility for a professional  
 144 sports franchise is located.

145 3. The applicant.

146 4. The owner of the professional sports franchise that has  
 147 served as an applicant's basis for certification under this  
 148 section or its affiliates.

149 (h) Determine that a professional sports franchise forms  
 150 the basis for only one facility certified under this section for  
 151 funding pursuant to s. 212.20(6)(d)7.c.

152 (5) An applicant certified as a facility for a  
 153 professional sports franchise that is certified for funding  
 154 pursuant to s. 212.20(6)(d)7.c. may use funds provided pursuant  
 155 to that sub-subparagraph only for the public purpose of:

156 (a) Paying for the acquisition, construction,  
 157 reconstruction, renovation, capital improvement, or maintenance  
 158 of the facility for a professional sports franchise or any  
 159 ancillary facilities, such as parking structures; convention  
 160 facilities and meeting rooms; retail and concession space;  
 161 health, fitness, and training facilities; and youth and amateur  
 162 sports facilities, that support the operations of any such  
 163 facility;

164 (b) Paying or pledging for the payment of debt service on,  
 165 or funding debt service reserve funds, arbitrage rebate  
 166 obligations, or other amounts payable with respect to, bonds or

167 other indebtedness issued for the acquisition, construction,  
 168 reconstruction, renovation, or capital improvement of the  
 169 facility for a professional sports franchise or ancillary  
 170 facilities; or

171 (c) Reimbursing costs for the refinancing of bonds or  
 172 other indebtedness, including the payment of any interest and  
 173 prepayment premium or penalty thereon, issued for the  
 174 acquisition, construction, reconstruction, renovation, or  
 175 capital improvement of the facility for a professional sports  
 176 franchise or ancillary facilities.

177 (6) The Office of Tourism, Trade, and Economic Development  
 178 shall notify the Department of Revenue of any facility certified  
 179 as a facility for a professional sports franchise that is  
 180 eligible for funding pursuant to s. 212.20(6)(d)7.c. The Office  
 181 of Tourism, Trade, and Economic Development may not certify  
 182 under this section more than nine facilities as facilities for a  
 183 professional sports franchise that are eligible for funding  
 184 pursuant to s. 212.20(6)(d)7.c.

185 (7) The Department of Revenue may conduct audits as  
 186 provided in s. 213.34 to verify that the distributions made  
 187 under this section have been expended as required in this  
 188 section. Such information is subject to the confidentiality  
 189 requirements of chapter 213. If the Department of Revenue  
 190 determines that the distributions made under this section have  
 191 not been expended as required by this section, it may pursue  
 192 recovery of the funds under the laws and rules governing the  
 193 assessment of taxes.

194 Section 2. Paragraph (d) of subsection (6) of section  
195 212.20, Florida Statutes, is amended to read:

196 212.20 Funds collected, disposition; additional powers of  
197 department; operational expense; refund of taxes adjudicated  
198 unconstitutionally collected.--

199 (6) Distribution of all proceeds under this chapter and s.  
200 202.18(1)(b) and (2)(b) shall be as follows:

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

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

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

213 3. After the distribution under subparagraphs 1. and 2.,  
214 8.814 percent of the amount remitted by a sales tax dealer  
215 located within a participating county pursuant to s. 218.61  
216 shall be transferred into the Local Government Half-cent Sales  
217 Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to  
218 be transferred pursuant to this subparagraph to the Local  
219 Government Half-cent Sales Tax Clearing Trust Fund shall be  
220 reduced by 0.1 percent, and the department shall distribute this  
221 amount to the Public Employees Relations Commission Trust Fund



222 less \$5,000 each month, which shall be added to the amount  
 223 calculated in subparagraph 4. and distributed accordingly.

224 4. After the distribution under subparagraphs 1., 2., and  
 225 3., 0.095 percent shall be transferred to the Local Government  
 226 Half-cent Sales Tax Clearing Trust Fund and distributed pursuant  
 227 to s. 218.65.

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

232 6. After the distributions under subparagraphs 1., 2., 3.,  
 233 and 4., 1.3409 percent of the available proceeds pursuant to  
 234 this paragraph shall be transferred monthly to the Revenue  
 235 Sharing Trust Fund for Municipalities pursuant to s. 218.215. If  
 236 the total revenue to be distributed pursuant to this  
 237 subparagraph is at least as great as the amount due from the  
 238 Revenue Sharing Trust Fund for Municipalities and the former  
 239 Municipal Financial Assistance Trust Fund in state fiscal year  
 240 1999-2000, no municipality shall receive less than the amount  
 241 due from the Revenue Sharing Trust Fund for Municipalities and  
 242 the former Municipal Financial Assistance Trust Fund in state  
 243 fiscal year 1999-2000. If the total proceeds to be distributed  
 244 are less than the amount received in combination from the  
 245 Revenue Sharing Trust Fund for Municipalities and the former  
 246 Municipal Financial Assistance Trust Fund in state fiscal year  
 247 1999-2000, each municipality shall receive an amount  
 248 proportionate to the amount it was due in state fiscal year  
 249 1999-2000.

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250           7. Of the remaining proceeds:

251           a. In each fiscal year, the sum of \$29,915,500 shall be

252 divided into as many equal parts as there are counties in the

253 state, and one part shall be distributed to each county. The

254 distribution among the several counties shall begin each fiscal

255 year on or before January 5th and shall continue monthly for a

256 total of 4 months. If a local or special law required that any

257 moneys accruing to a county in fiscal year 1999-2000 under the

258 then-existing provisions of s. 550.135 be paid directly to the

259 district school board, special district, or a municipal

260 government, such payment shall continue until such time that the

261 local or special law is amended or repealed. The state covenants

262 with holders of bonds or other instruments of indebtedness

263 issued by local governments, special districts, or district

264 school boards prior to July 1, 2000, that it is not the intent

265 of this subparagraph to adversely affect the rights of those

266 holders or relieve local governments, special districts, or

267 district school boards of the duty to meet their obligations as

268 a result of previous pledges or assignments or trusts entered

269 into which obligated funds received from the distribution to

270 county governments under then-existing s. 550.135. This

271 distribution specifically is in lieu of funds distributed under

272 s. 550.135 prior to July 1, 2000.

273           b. The department shall distribute \$166,667 monthly

274 pursuant to s. 288.1162 to each applicant that has been

275 certified as a "facility for a new professional sports

276 franchise" or a "facility for a retained professional sports

277 franchise" pursuant to s. 288.1162. Up to \$41,667 shall be

278 distributed monthly by the department to each applicant that has  
279 been certified as a "facility for a retained spring training  
280 franchise" pursuant to s. 288.1162; however, not more than  
281 \$416,670 may be distributed monthly in the aggregate to all  
282 certified facilities for a retained spring training franchise.  
283 Distributions shall begin 60 days following such certification  
284 and shall continue for not more than 30 years. Nothing contained  
285 in this paragraph shall be construed to allow an applicant  
286 certified pursuant to s. 288.1162 to receive more in  
287 distributions than actually expended by the applicant for the  
288 public purposes provided for in s. 288.1162(6).

289 c. The department shall distribute \$166,667 monthly  
290 pursuant to s. 288.11635 to each applicant that has been  
291 certified as a "facility for a professional sports franchise"  
292 pursuant to s. 288.11635. Distributions must begin 60 days after  
293 such certification and must continue for not more than 30 years.  
294 This paragraph does not allow an applicant certified pursuant to  
295 s. 288.11635 to receive more in distributions than the applicant  
296 actually expended for the public purposes provided for in s.  
297 288.11635(5).

298 ~~d.e.~~ Beginning 30 days after notice by the Office of  
299 Tourism, Trade, and Economic Development to the Department of  
300 Revenue that an applicant has been certified as the professional  
301 golf hall of fame pursuant to s. 288.1168 and is open to the  
302 public, \$166,667 shall be distributed monthly, for up to 300  
303 months, to the applicant.

304 ~~e.d.~~ Beginning 30 days after notice by the Office of  
305 Tourism, Trade, and Economic Development to the Department of

306 Revenue that the applicant has been certified as the  
 307 International Game Fish Association World Center facility  
 308 pursuant to s. 288.1169, and the facility is open to the public,  
 309 \$83,333 shall be distributed monthly, for up to 168 months, to  
 310 the applicant. This distribution is subject to reduction  
 311 pursuant to s. 288.1169. A lump sum payment of \$999,996 shall be  
 312 made, after certification and before July 1, 2000.

313 8. All other proceeds shall remain with the General  
 314 Revenue Fund.

315 Section 3. Subsection (6) of section 288.1169, Florida  
 316 Statutes, is amended to read:

317 288.1169 International Game Fish Association World Center  
 318 facility.--

319 (6) The Department of Commerce must recertify every 10  
 320 years that the facility is open, that the International Game  
 321 Fish Association World Center continues to be the only  
 322 international administrative headquarters, fishing museum, and  
 323 Hall of Fame in the United States recognized by the  
 324 International Game Fish Association, and that the project is  
 325 meeting the minimum projections for attendance or sales tax  
 326 revenues as required at the time of original certification. If  
 327 the facility is not recertified during this 10-year review as  
 328 meeting the minimum projections, then funding will be abated  
 329 until certification criteria are met. If the project fails to  
 330 generate \$1 million of annual revenues pursuant to paragraph  
 331 (2) (e), the distribution of revenues pursuant to s.  
 332 212.20(6) (d) 7.e.d. shall be reduced to an amount equal to  
 333 \$83,333 multiplied by a fraction, the numerator of which is the

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334 actual revenues generated and the denominator of which is \$1  
335 million. Such reduction shall remain in effect until revenues  
336 generated by the project in a 12-month period equal or exceed \$1  
337 million.

338 Section 4. This act shall take effect upon becoming a law.