

By the Committee on Community Affairs; and Senators
Constantine and Bullard

578-2533-07

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; providing
8 limitations; requiring the Department of
9 Revenue to prescribe certain forms; providing
10 for future repeal; creating s. 288.1172, F.S.;
11 providing for certification of units of local
12 government owning eligible convention centers
13 by the Office of Tourism, Trade, and Economic
14 Development; requiring the office to adopt
15 specified rules; providing a definition;
16 providing requirements for certification;
17 providing for use of proceeds distributed to
18 units of local government under the act;
19 providing for revocation of certification;
20 providing an effective date.

21
22 Be It Enacted by the Legislature of the State of Florida:
23

24 Section 1. Paragraph (d) of subsection (6) of section
25 212.20, Florida Statutes, is amended to read:

26 212.20 Funds collected, disposition; additional powers
27 of department; operational expense; refund of taxes
28 adjudicated unconstitutionally collected.--

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

3 202.18(1)(b) and (2)(b) shall be distributed as follows:

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

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

14 3. After the distribution under subparagraphs 1. and
15 2., 8.814 percent of the amount remitted by a sales tax dealer
16 located within a participating county pursuant to s. 218.61
17 shall be transferred into the Local Government Half-cent Sales
18 Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to
19 be transferred pursuant to this subparagraph to the Local
20 Government Half-cent Sales Tax Clearing Trust Fund shall be
21 reduced by 0.1 percent, and the department shall distribute
22 this amount to the Public Employees Relations Commission Trust
23 Fund less \$5,000 each month, which shall be added to the
24 amount calculated in subparagraph 4. and distributed
25 accordingly.

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

30 5. After the distributions under subparagraphs 1., 2.,
31 3., and 4., 2.0440 percent of the available proceeds pursuant

1 to this paragraph shall be transferred monthly to the Revenue
2 Sharing Trust Fund for Counties pursuant to s. 218.215.

3 6. After the distributions under subparagraphs 1., 2.,
4 3., and 4., 1.3409 percent of the available proceeds pursuant
5 to this paragraph shall be transferred monthly to the Revenue
6 Sharing Trust Fund for Municipalities pursuant to s. 218.215.

7 If the total revenue to be distributed pursuant to this
8 subparagraph is at least as great as the amount due from the
9 Revenue Sharing Trust Fund for Municipalities and the former
10 Municipal Financial Assistance Trust Fund in state fiscal year
11 1999-2000, ~~a no~~ a municipality may not ~~shall~~ receive less than
12 the amount due from the Revenue Sharing Trust Fund for
13 Municipalities and the former Municipal Financial Assistance
14 Trust Fund in state fiscal year 1999-2000. If the total
15 proceeds to be distributed are less than the amount received
16 in combination from the Revenue Sharing Trust Fund for
17 Municipalities and the former Municipal Financial Assistance
18 Trust Fund in state fiscal year 1999-2000, each municipality
19 shall receive an amount proportionate to the amount it was due
20 in state fiscal year 1999-2000.

21 7. Of the remaining proceeds:

22 a. In each fiscal year, the sum of \$29,915,500 shall
23 be divided into as many equal parts as there are counties in
24 the state, and one part shall be distributed to each county.
25 The distribution among the several counties shall begin each
26 fiscal year on or before January 5th and shall continue
27 monthly for a total of 4 months. If a local or special law
28 required that any moneys accruing to a county in fiscal year
29 1999-2000 under the then-existing provisions of s. 550.135 be
30 paid directly to the district school board, special district,
31 or a municipal government, such payment shall continue until

1 such time that the local or special law is amended or
2 repealed. The state covenants with holders of bonds or other
3 instruments of indebtedness issued by local governments,
4 special districts, or district school boards prior to July 1,
5 2000, that it is not the intent of this subparagraph to
6 adversely affect the rights of those holders or relieve local
7 governments, special districts, or district school boards of
8 the duty to meet their obligations as a result of previous
9 pledges or assignments or trusts entered into which obligated
10 funds received from the distribution to county governments
11 under then-existing s. 550.135. This distribution
12 specifically is in lieu of funds distributed under s. 550.135
13 prior to July 1, 2000.

14 b. The department shall distribute \$166,667 monthly
15 pursuant to s. 288.1162 to each applicant that has been
16 certified as a "facility for a new professional sports
17 franchise" or a "facility for a retained professional sports
18 franchise" pursuant to s. 288.1162. Up to \$41,667 shall be
19 distributed monthly by the department to each applicant that
20 has been certified as a "facility for a retained spring
21 training franchise" pursuant to s. 288.1162; however, not more
22 than \$416,670 may be distributed monthly in the aggregate to
23 all certified facilities for a retained spring training
24 franchise. Distributions shall begin 60 days following such
25 certification and shall continue for not more than 30 years.
26 ~~Nothing contained in~~ This paragraph does not shall be
27 ~~construed to~~ allow an applicant certified pursuant to s.
28 288.1162 to receive more in distributions than actually
29 expended by the applicant for the public purposes provided for
30 in s. 288.1162(6).
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1 c. Beginning 30 days after notice by the Office of
2 Tourism, Trade, and Economic Development to the Department of
3 Revenue that an applicant has been certified as the
4 professional golf hall of fame pursuant to s. 288.1168 and is
5 open to the public, \$166,667 shall be distributed monthly, for
6 up to 300 months, to the applicant.

7 d. Beginning 30 days after notice by the Office of
8 Tourism, Trade, and Economic Development to the Department of
9 Revenue that the applicant has been certified as the
10 International Game Fish Association World Center facility
11 pursuant to s. 288.1169, and the facility is open to the
12 public, \$83,333 shall be distributed monthly, for up to 168
13 months, to the applicant. This distribution is subject to
14 reduction pursuant to s. 288.1169. A lump sum payment of
15 \$999,996 shall be made, after certification and before July 1,
16 2000.

17 e. The department shall distribute monthly to units of
18 local government which have been certified as owning eligible
19 convention centers pursuant to s. 288.1172 an amount equal to
20 50 percent of the proceeds defined in this subparagraph which
21 are received and collected in the previous month by the
22 department under this chapter and are generated by such
23 eligible convention centers and remitted on the sales and use
24 tax returns of eligible convention centers. As used in this
25 sub-subparagraph, the term "proceeds" is further defined as
26 all applicable sales taxes collected by an eligible convention
27 center for standard services provided by center staff to users
28 of the center, including parking, admission, ticket sales,
29 food services, utilities services, space rentals, equipment
30 rentals, security services, decorating services, business
31 services, advertising services, communications services,

1 exhibit supply sales and rentals, locksmith services, and
2 sales of gifts and sundries. The total distribution to each
3 unit of local government may not exceed \$1 million per state
4 fiscal year. However, total distributions to all units of
5 local government may not exceed \$3 million per state fiscal
6 year, and such distribution shall be limited exclusively to
7 the taxes collected and remitted under this chapter. If
8 collections and remittances of eligible convention centers
9 will exceed the \$3 million maximum amount authorized for
10 distribution, the department shall distribute proceeds to each
11 eligible unit of local government using an apportionment
12 factor, the numerator of which is the amount remitted by an
13 eligible convention center during the immediate preceding
14 state fiscal year and the denominator of which is the total
15 amount remitted by all eligible convention centers during the
16 immediate preceding state fiscal year. The apportionment
17 factor for each eligible convention center shall be applied to
18 the \$3 million maximum amount authorized for distribution in
19 order to determine the amount that shall be distributed to
20 each local government unit. The department shall prescribe
21 forms required to be filed with the department by eligible
22 convention centers. Distributions shall begin 60 days
23 following notification of certification by the Office of
24 Tourism, Trade, and Economic Development pursuant to s.
25 288.1172. Distributions shall be used solely to fund the
26 installation of renewable energy technologies, as defined in
27 s. 377.803, for use at the qualifying convention center, and
28 to encourage and provide economic development for the
29 attraction, recruitment, and retention of corporate
30 headquarters and of high-technology, manufacturing, research
31 and development, entertainment, and tourism industries, as

1 designated by the unit of local government by resolution of
2 its governing body, and to assist the eligible convention
3 centers in attracting more business and expanding their
4 offerings, including developing their own events and shows.
5 Distributions may not be used to encourage or otherwise
6 provide incentives or payments to existing businesses that
7 have offices within this state for the purpose of relocating
8 those offices to another location within this state. This
9 sub-subparagraph is repealed on June 30, 2010.

10 8. All other proceeds shall remain with the General
11 Revenue Fund.

12 Section 2. Section 288.1172, Florida Statutes, is
13 created to read:

14 288.1172 Convention centers owned by units of local
15 government; certification as owning eligible convention
16 centers; duties.--

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

22 (2) The Office of Tourism, Trade, and Economic
23 Development shall adopt rules pursuant to ss. 120.536(1) and
24 120.54 for the receipt and processing of applications for
25 funding pursuant to s. 212.20(6)(d)7.e.

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

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1 (4) Before certifying an applicant as owning an
2 eligible convention center, the Office of Tourism, Trade, and
3 Economic Development must determine that:

4 (a) The unit of local government, as defined in s.
5 218.369, owns an eligible convention center.

6 (b) The convention center contains more than 30,000
7 square feet of exhibit space.

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

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

14 (5) Upon certification of an applicant, the Office of
15 Tourism, Trade, and Economic Development shall notify the
16 executive director of the Department of Revenue of such
17 certification by means of an official letter granting
18 certification. The Department of Revenue shall not begin
19 distributing proceeds until 60 days following notice by the
20 Office of Tourism, Trade, and Economic Development that a unit
21 of local government has been certified as owning an eligible
22 convention center.

23 (6) An applicant that has previously been certified
24 under any provision of this section and that received proceeds
25 under such certification is ineligible for an additional
26 certification.

27 (7) A unit of local government which is certified as
28 owning an eligible convention center may use proceeds provided
29 pursuant to s. 212.20(6)(d)7.e. for any of the following
30 purposes or combination thereof:

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1 (a) To fund the installation of renewable energy
2 technologies, as defined in s. 377.803, for use at the
3 qualifying convention center;

4 (b) To encourage and provide economic development for
5 attracting, recruiting, and retaining corporate headquarters
6 and high-technology, manufacturing, research and development,
7 entertainment, and tourism industries, as designated by the
8 unit of local government by resolution of its governing body;
9 or

10 (c) To assist the eligible convention center in
11 attracting more business and expanding its offerings,
12 including developing its own events and shows.

13
14 Distributions may not be used to encourage or otherwise
15 provide incentives or payments to existing businesses with
16 offices within this state to relocate those offices to another
17 location within this state.

18 (8) Failure to use the proceeds as provided in this
19 section is grounds for revoking certification.

20 (9) This section is repealed on June 30, 2010.

21 Section 3. This act shall take effect July 1, 2007.

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23 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
24 COMMITTEE SUBSTITUTE FOR
25 Senate Bill 2124

26 The committee substitute clarifies that excess collections and
27 remittances from eligible convention centers shall be
28 distributed by the Department of Revenue to each eligible unit
29 of local government using an apportionment factor, the
30 numerator of which is the amount remitted by an eligible
31 convention center during the immediate previous fiscal year,
and the denominator of which is the total amount remitted by
all eligible convention centers during the previous fiscal
year. The committee substitute clarifies that distributions to
eligible convention centers may also be used to fund the
installation of certain renewable energy technologies for use
at the qualifying convention center.