

By Senator Diaz de la Portilla

36-564-07

1 A bill to be entitled
 2 An act relating to commercial development and
 3 capital improvements; amending s. 212.20, F.S.;
 4 providing for distribution of a portion of
 5 revenues from the tax on sales, use, and other
 6 transactions to a motorsports entertainment
 7 complex; providing a limit on such
 8 distributions; amending s. 288.1171, F.S.,
 9 relating to motorsports entertainment
 10 complexes; redefining the terms "motorsports
 11 entertainment complex" and "motorsports event";
 12 providing that funding for such complexes will
 13 be state funding rather than local-option
 14 funding; prescribing additional requirements
 15 for certification to receive funds; limiting
 16 the counties in which complexes are eligible
 17 for such funding; providing an effective date.

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

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

24 WHEREAS, motorsports entertainment is the
 25 fastest-growing 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
 30 sanctioned championship motorsports events, the owner or
 31 operator of a motorsports entertainment complex must build

1 additional spectator seating and renovate existing facilities
2 to improve the amenities available to spectators, and

3 WHEREAS, attracting, retaining, and providing favorable
4 conditions for conducting sanctioned championship motorsports
5 events and the continued development of the motorsports
6 entertainment industry in Florida provides skilled-employment
7 opportunities for citizens of this state, and

8 WHEREAS, continued development and improvement of
9 Florida's motorsports entertainment industry is vital to
10 Florida's tourism industry and to state revenues, and

11 WHEREAS, the motorsports entertainment industry is a
12 major contributor to Florida's economic development because of
13 the technology and service businesses that provide goods and
14 services to the industry, and

15 WHEREAS, the provisions of this act are necessary to
16 protect and strengthen Florida's motorsports entertainment
17 industry, and the purposes to be achieved by this act are
18 predominately public purposes vital to the protection and
19 improvement of Florida's economy, NOW, THEREFORE,

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

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

25 212.20 Funds collected, disposition; additional powers
26 of department; operational expense; refund of taxes
27 adjudicated unconstitutionally collected.--

28 (6) Distribution of all proceeds under this chapter
29 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, no municipality shall receive less than the amount
12 due from the Revenue Sharing Trust Fund for Municipalities and
13 the former Municipal Financial Assistance Trust Fund in state
14 fiscal year 1999-2000. If the total proceeds to be distributed
15 are less than the amount received in combination from the
16 Revenue Sharing Trust Fund for Municipalities and the former
17 Municipal Financial Assistance Trust Fund in state fiscal year
18 1999-2000, each municipality shall receive an amount
19 proportionate to the amount it was due in state fiscal year
20 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 shall be construed to
27 allow an applicant certified pursuant to s. 288.1162 to
28 receive more in distributions than actually expended by the
29 applicant for the public purposes provided for in s.
30 288.1162(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. Beginning 30 days after notice by the Office of
18 Tourism, Trade, and Economic Development to the Department of
19 Revenue that the applicant has been certified as a motorsports
20 entertainment complex pursuant to s. 288.1171 and is open to
21 the public, an amount not to exceed \$166,667 shall be
22 distributed monthly to the applicant. However, each state
23 fiscal year's total distribution made under this
24 sub-subparagraph may not exceed the difference between the
25 state sales taxes collected and remitted under this chapter by
26 the certified applicant in the previous calendar year and
27 those collected and remitted in calendar year 2000.
28 Distributions must continue for 30 years.

29 8. All other proceeds shall remain with the General
30 Revenue Fund.

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1 Section 2. Paragraphs (b) and (c) of subsection (1)
2 and subsections (2), (3), and (6) of section 288.1171, Florida
3 Statutes, are amended to read:

4 288.1171 Motorsports entertainment complex;
5 definitions; certification; duties.--

6 (1) As used in this section, the term:

7 (b) "Motorsports entertainment complex" means a
8 closed-course racing facility, with ancillary grounds and
9 facilities, which:-

10 1. Has not fewer than 65,000 permanent seats for race
11 patrons.

12 2. Has not fewer than 7 scheduled days of motorsports
13 events each calendar year.

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

15 4. Serves food at the facility during sanctioned
16 motorsports events.

17 5. Engages in tourism promotion.

18 (c) "Motorsports event" means a motorsports race and
19 its ancillary activities, which have ~~that has~~ been sanctioned
20 by a sanctioning body.

21 (2) The Office of Tourism, Trade, and Economic
22 Development shall serve as the state agency for screening
23 applicants for state local option funding under s. 212.20 s-
24 218.64(3) and for certifying an applicant as a motorsports
25 entertainment complex. The office shall develop and adopt
26 rules for the receipt and processing of applications for
27 funding under s. 212.20 s- 218.64(3). The office shall make a
28 determination regarding any application filed by an applicant
29 not later than 120 days after the application is filed.

30 (3) Before certifying an applicant as a motorsports
31 entertainment complex, the office must determine that:

1 (a) A unit of local government holds title to the land
2 on which the motorsports entertainment complex is located or
3 holds title to the motorsports entertainment complex.

4 (b) Seven scheduled days of motorsports events were
5 held at the motorsports entertainment complex in the most
6 recently completed calendar year or 7 scheduled days of
7 motorsports events are scheduled to be held at the motorsports
8 entertainment complex in the calendar year that begins after
9 the submission of the application. The applicant shall submit
10 certification from the appropriate officials of the relevant
11 sanctioning bodies that such sanctioned motorsports events
12 were or will be held at the motorsports entertainment complex.

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

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

24 (e)(b) The municipality in which the motorsports
25 entertainment complex is located, or the county if the
26 motorsports entertainment complex is located in an
27 unincorporated area, has certified by resolution after a
28 public hearing that the application serves a public purpose.

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

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1 (6) An applicant certified as a motorsports
2 entertainment complex may use funds provided pursuant to s.
3 212.20 ~~s. 218.64(3)~~ only for the following public purposes:

4 (a) Paying for the construction, reconstruction,
5 expansion, or renovation of a motorsports entertainment
6 complex.

7 (b) Paying debt service reserve funds, arbitrage
8 rebate obligations, or other amounts payable with respect to
9 bonds issued for the construction, reconstruction, expansion,
10 or renovation of the motorsports entertainment complex or for
11 the reimbursement of such costs or the refinancing of bonds
12 issued for such purposes.

13 (c) Paying for construction, reconstruction,
14 expansion, or renovation of transportation or other
15 infrastructure improvements related to, necessary for, or
16 appurtenant to the motorsports entertainment complex,
17 including, without limitation, paying debt service reserve
18 funds, arbitrage rebate obligations, or other amounts payable
19 with respect to bonds issued for the construction,
20 reconstruction, expansion, or renovation of such
21 transportation or other infrastructure improvements, and for
22 the reimbursement of such costs or the refinancing of bonds
23 issued for such purposes.

24 (d) Paying for programs of advertising and promotion
25 of or related to the motorsports entertainment complex or the
26 municipality in which the motorsports entertainment complex is
27 located, or the county if the motorsports entertainment
28 complex is located in an unincorporated area, if such programs
29 of advertising and promotion are designed to increase paid
30 attendance at the motorsports entertainment complex or
31 increase tourism in or promote the economic development of the

1 community in which the motorsports entertainment complex is
2 located.

3 Section 3. This act shall take effect July 1, 2007.
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6 SENATE SUMMARY

7 Provides for the distribution of a portion of revenues
8 from the tax on sales, use, and other transactions to a
9 motorsports entertainment complex. Deletes provisions
10 allowing distributions to such complexes from
11 local-option taxes. Revises eligibility conditions for
12 such distributions, including the counties in which such
13 distributions may be made.
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