

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

The bill does not appear to implicate any of the House Principles.

B. EFFECT OF PROPOSED CHANGES:

Current Situation

Section 212.20(6)(d)7.d., F.S., provides for a distribution of tax proceeds by the Department of Revenue in the amount of \$83,333 to the certified International Game Fish Association World Center Facility for up to 168 months. This distribution is subject to reduction pursuant to Section 288.1169, F.S. The statute also provided for a lump sum payment of \$999,996 to be distributed after the applicant was certified.

Section 288.1169, F.S., provides for a certification of the International Game Fish Association World Center facility. Prior to the certification, the former Department of Commerce, which is now the Office of Tourism, Trade and Economic Development and its public/private partners, was required to determine the following:

- The International Game Fish Association World Center is the only fishing museum, Hall of Fame, and international administrative headquarters in the United States recognized by the International Game Fish Association, and that one or more private sector concerns have committed to donate to the International Game Fish Association land upon which the International Game Fish Association World Center will operate.
- International Game Fish Association is a not-for-profit Florida corporation that has contracted to construct and operate the facility.
- The municipality in which the facility is located, or the county if the facility is located in an unincorporated area, has certified by resolution after a public hearing that the facility serves a public purpose.
- There are existing projections that the International Game Fish Association World Center facility and the collocated facilities of private sector concerns will attract an attendance of more than 1.8 million annually.
- There is an independent analysis or study, using methodology approved by the Department of Revenue, which demonstrates that the amount of the revenues generated by the taxes imposed under chapter 212 with respect to the use and operation of the project will exceed \$1 million annually.
- There are existing projections that the project will attract more than 300,000 persons annually who are not residents of the state.
- The applicant has submitted an agreement to provide \$500,000 annually in national and international media promotion of the facility, at the then-current commercial rates, during the period of time that the facility receives funds pursuant to s. 212.20. Failure on the part of the applicant to annually provide the advertising as provided in this paragraph shall result in the termination of the funding as provided in s. 212.20. The applicant can discharge its obligation under this paragraph by contracting with other persons, including private sector concerns who participate in the project.

- Documentation exists that demonstrates that the applicant has provided, and is capable of providing, or has financial or other commitments to provide, more than one-half of the cost incurred or related to the improvements and the development of the facility.
- The application is signed by senior officials of the International Game Fish Association and is notarized according to Florida law providing for penalties for falsification.

Additionally, the recipient may only use the funds to pay for costs related to the construction, reconstruction, renovation, promotion, or operation of the facility.

Effect of Proposed Change

This bill extends the period the Department of Revenue distributes \$83,333 in tax revenues to the certified International Game Fish Association World Center facility from 168 to 300 total months. This would increase the total amount of tax distributions for this purpose by approximately \$11 million. The certification occurred in February of 2000 by the Office of Tourism, Trade and Economic Development. The first distribution was made in March of 2000; therefore, under current law the distributions would continue until February of 2014. The proposed changes would extend the distributions until February of 2025.

C. SECTION DIRECTORY:

Section 1: Amends Section 212.20, F.S., to extend the period the Department of Revenue distributes \$83,333 in tax revenues to the certified International Game Fish Association World Center facility from 168 to 300 total months.

Section 2: Provides an effective date of July 1, 2008.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

The bill will have a negative impact of \$999,996 annually on the General Revenue Fund for a total of \$10,999,956.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

No direct impact on the private sector.

D. FISCAL COMMENTS:

This bill extends the period the Department of Revenue distributes \$83,333 in tax revenues to the certified International Game Fish Association World Center facility from 168 to 300 total months. This would increase the total amount of tax distributions for this purpose by approximately \$11 million.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not require counties or municipalities to spend funds or take action requiring the expenditure of funds. This bill does not reduce the percentage of state tax shared with counties or municipalities. This bill does not reduce the authority that municipalities have to raise revenue.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

Section 288.1169, F.S. refers to the Department of Commerce as the agency responsible for the certification and recertification. The Department of Commerce no longer exists, being effectively replaced by the Governor's Office of Tourism, Trade and Economic Development. This statute should be updated to reflect the correct lead agency.

D. STATEMENT OF THE SPONSOR

Recreational fishing in Florida accounts for \$4.4 billion in annual retail sales, generating over \$264.7 million per year in General Revenue for Florida. Florida is recognized as the top ranked fishing destination in the world, with over 880,000 out-of-state anglers visiting our state each year. The International Game Fish Association plays an important role in Florida's economy by ensuring that recreational fish species are maintained at healthy and robust levels, thereby sustaining our fishing license sales and the taxes generated from fishing. The IGFA also provides educational programs to thousands of Florida children each year, teaching them that responsible fishing can be a lifelong, family activity. This, in turn, also leads to sustained fishing license sales and, in my opinion, provides a wholesome family outdoor experience.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

On Thursday March 20, 2008, the Committee on Economic Development reported the bill favorably with one amendment. The amendment altered the number of months the International Game Fish Association can receive sales tax distribution from 300 months to 288 months. This change conforms the bill to Senate Bill 2322.