

By the Committees on Rules; and Appropriations; and Senators
Braynon and Abruzzo

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1 A bill to be entitled
2 An act relating to economic development; amending s.
3 125.0104, F.S.; providing that tourist development tax
4 revenues may also be used to pay the debt service on
5 bonds that finance the renovation of a professional
6 sports facility that is publicly owned, or that is on
7 publicly owned land, and that is publicly operated or
8 operated by the owner of a professional sports
9 franchise or other lessee; requiring that the
10 renovation costs exceed a specified amount; allowing
11 certain fees and costs to be included in the cost for
12 renovation; requiring private contributions to the
13 professional sports facility as a condition for the
14 use of tourist development taxes; authorizing the use
15 of certain tax revenues to pay for operation and
16 maintenance costs of the renovated facility; requiring
17 a majority-plus-one vote of the membership of the
18 board of county commissioners to levy a tax for
19 renovation of a sports franchise facility after
20 approval by a majority of the electors voting in a
21 referendum to approve the proposal; authorizing the
22 referendum to be held before or after the effective
23 date of this act; providing requirements for the
24 referendum ballot; providing for nonapplication of the
25 prohibition against levying such tax in certain cities
26 and towns under certain conditions; restricting
27 certain counties from levying the tax; providing for
28 controlling application notwithstanding conflicting
29 provisions; authorizing the use of tourist development

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30 tax revenues for financing the renovation of a
31 professional sports franchise facility; amending s.
32 212.20, F.S.; authorizing a distribution for an
33 applicant that has been approved by the Legislature
34 and certified by the Department of Economic
35 Opportunity under s. 288.11625, F.S.; providing a
36 limitation; amending s. 220.153, F.S.; conforming a
37 cross-reference; repealing s. 220.62(3) and (5), F.S.,
38 relating to the definition of the terms "international
39 banking facility" and "foreign person" in the income
40 tax code; repealing s. 220.63(5), F.S., relating to an
41 income tax deduction for international banking
42 facilities; providing retroactive applicability and
43 effect of certain provisions of the act; creating s.
44 288.11625, F.S.; providing that the Department of
45 Economic Opportunity shall screen applicants for state
46 funding for sports development; defining the terms
47 "applicant," "agreement," "beneficiary," "facility,"
48 "major professional sports franchise," "sports
49 franchise or association," "off-season sports training
50 franchise," "project," and "signature event";
51 providing a purpose to provide funding for applicants
52 for constructing, reconstructing, renovating, or
53 improving a facility; providing an application and
54 approval process; providing for an annual application
55 period from June 1 to November 1; providing for the
56 Department of Economic Opportunity to submit
57 recommendations to the Legislature by February 1;
58 requiring legislative approval for state funding;

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59 providing for a contract between the department and
60 the applicant; providing evaluation criteria for an
61 applicant to receive state funding; providing for
62 reimbursement of the state funding under certain
63 circumstances; providing for evaluation and ranking of
64 applicants under certain criteria; allowing the
65 department to determine the type of beneficiary;
66 providing levels of state funding up to a certain
67 amount of new incremental state sales tax revenue;
68 providing for a distribution and calculation;
69 providing for adjustment of the distribution;
70 requiring the Department of Revenue to distribute
71 funds within 45 days of notification by the
72 department; limiting annual distributions to \$15
73 million; limiting use of funds; requiring an applicant
74 to submit information to the department annually;
75 requiring a 5-year review; authorizing the Auditor
76 General to conduct audits; providing for an
77 application related to a signature event; authorizing
78 the Legislative Budget Commission to approve an
79 application; providing for discontinuation of
80 distributions under certain circumstances; permitting
81 the Department of Economic Opportunity and the
82 Department of Revenue to adopt rules; contingently
83 creating s. 288.116255, F.S.; providing for an
84 evaluation; authorizing the Department of Revenue and
85 the Department of Economic Opportunity to adopt
86 emergency rules; providing effective dates.

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

89

90 Section 1. Paragraph (n) of subsection (3) and paragraph
91 (a) of subsection (5) of section 125.0104, Florida Statutes, are
92 amended to read:

93 125.0104 Tourist development tax; procedure for levying;
94 authorized uses; referendum; enforcement.—

95 (3) TAXABLE PRIVILEGES; EXEMPTIONS; LEVY; RATE.—

96 (n) In addition to any other tax that is imposed under this
97 section, a county that has imposed the tax under paragraph (l)
98 may impose an additional tax that is no greater than 1 percent
99 on the exercise of the privilege described in paragraph (a) by a
100 majority plus one vote of the membership of the board of county
101 commissioners, or as otherwise provided in this paragraph, in
102 order to:

103 1. Pay the debt service on bonds issued to finance:

104 a. The construction, reconstruction, or renovation of a
105 facility that is either publicly owned and operated, ~~or is~~
106 publicly owned and operated by the owner of a professional
107 sports franchise or other lessee with sufficient expertise or
108 financial capability to operate such facility, and to pay the
109 planning and design costs incurred before ~~prior to~~ the issuance
110 of such bonds for a new professional sports franchise as defined
111 in s. 288.1162.

112 b. The acquisition, construction, reconstruction, or
113 renovation of a facility ~~either~~ publicly owned and operated, or
114 publicly owned and operated by the owner of a professional
115 sports franchise or other lessee with sufficient expertise or
116 financial capability to operate such facility, and to pay the

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117 planning and design costs incurred before ~~prior to~~ the issuance
118 of such bonds for a retained spring training franchise.

119 2. Pay the debt service on bonds issued to finance the
120 renovation of a professional sports franchise facility that is
121 publicly owned or located on land that is publicly owned and
122 that is publicly operated or operated by the owner of a
123 professional sports franchise or other lessee who has sufficient
124 expertise or financial capability to operate the facility, and
125 to pay the planning and design costs incurred before the
126 issuance of such bonds for the renovated professional sports
127 facility. The cost to renovate the facility must be more than
128 \$300 million, including permitting, architectural, and
129 engineering fees, and at least a majority of the total
130 construction cost, exclusive of in-kind contributions, must be
131 paid for by the ownership group of the professional sports
132 franchise or other private sources. Tax revenues available to
133 pay debt service on bonds may be used to pay for operation and
134 maintenance costs of the facility. A county levying the tax for
135 the purposes specified in this subparagraph may do so only by a
136 majority-plus-one vote of the membership of the board of county
137 commissioners and after approval of the proposal by a majority
138 vote of the electors voting in a referendum. Referendum approval
139 of the proposal may be in an election held before or after the
140 effective date of this act. The referendum ballot must include a
141 brief description of the proposal and the following question:

142 FOR the Proposal

143 AGAINST the Proposal

144 3.2. Promote and advertise tourism in this ~~the~~ state ~~of~~
145 Florida and nationally and internationally; however, if tax

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146 revenues are expended for an activity, service, venue, or event,
147 the activity, service, venue, or event must ~~shall~~ have as one of
148 its main purposes the attraction of tourists as evidenced by the
149 promotion of the activity, service, venue, or event to tourists.

150
151 A county that imposes the tax authorized in this paragraph may
152 not expend any ad valorem tax revenues for the acquisition,
153 expansion, construction, reconstruction, or renovation of a
154 facility for which tax revenues are used pursuant to
155 subparagraph 1. The provision of paragraph (b) which prohibits
156 any county authorized to levy a convention development tax
157 pursuant to s. 212.0305 from levying more than the 2 percent ~~2-~~
158 ~~percent~~ tax authorized by this section does ~~shall~~ not apply to
159 the additional tax authorized by this paragraph in counties that
160 ~~which~~ levy convention development taxes pursuant to s.

161 212.0305(4) (a) or (b). Subsection (4) does not apply to the
162 adoption of the additional tax authorized in this paragraph. The
163 effective date of the levy and imposition of the tax authorized
164 under this paragraph is the first day of the second month
165 following approval of the ordinance by the board of county
166 commissioners or the first day of any subsequent month specified
167 in the ordinance. A certified copy of such ordinance must ~~shall~~
168 be furnished by the county to the Department of Revenue within
169 10 days after approval of the ordinance.

170 (5) AUTHORIZED USES OF REVENUE.—

171 (a) All tax revenues received pursuant to this section by a
172 county imposing the tourist development tax must ~~shall~~ be used
173 by that county for the following purposes only:

174 1. To acquire, construct, extend, enlarge, remodel, repair,

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175 improve, maintain, operate, or promote one or more publicly
176 owned and operated convention centers, sports stadiums, sports
177 arenas, coliseums, auditoriums, aquariums, or museums that are
178 publicly owned and operated or owned and operated by not-for-
179 profit organizations and open to the public, within the
180 boundaries of the county or subcounty special taxing district in
181 which the tax is levied. Tax revenues received pursuant to this
182 section may also be used for promotion of zoological parks that
183 are publicly owned and operated or owned and operated by not-
184 for-profit organizations and open to the public. However, these
185 purposes may be implemented through service contracts and leases
186 with lessees with sufficient expertise or financial capability
187 to operate such facilities;

188 2. To promote and advertise tourism in this ~~the~~ state ~~of~~
189 ~~Florida~~ and nationally and internationally; however, if tax
190 revenues are expended for an activity, service, venue, or event,
191 the activity, service, venue, or event must ~~shall~~ have as one of
192 its main purposes the attraction of tourists as evidenced by the
193 promotion of the activity, service, venue, or event to tourists;

194 3. To fund convention bureaus, tourist bureaus, tourist
195 information centers, and news bureaus as county agencies or by
196 contract with the chambers of commerce or similar associations
197 in the county, which may include any indirect administrative
198 costs for services performed by the county on behalf of the
199 promotion agency; ~~or~~

200 4. To finance beach park facilities or beach improvement,
201 maintenance, renourishment, restoration, and erosion control,
202 including shoreline protection, enhancement, cleanup, or
203 restoration of inland lakes and rivers to which there is public

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204 access as those uses relate to the physical preservation of the
205 beach, shoreline, or inland lake or river. However, any funds
206 identified by a county as the local matching source for beach
207 renourishment, restoration, or erosion control projects included
208 in the long-range budget plan of the state's Beach Management
209 Plan, pursuant to s. 161.091, or funds contractually obligated
210 by a county in the financial plan for a federally authorized
211 shore protection project may not be used or loaned for any other
212 purpose. In counties of less than 100,000 population, no more
213 than 10 percent of the revenues from the tourist development tax
214 may be used for beach park facilities; or-

215 5. For other uses specifically allowed under subsection
216 (3).

217 Section 2. Paragraph (d) of subsection (6) of section
218 212.20, Florida Statutes, is amended to read:

219 212.20 Funds collected, disposition; additional powers of
220 department; operational expense; refund of taxes adjudicated
221 unconstitutionally collected.-

222 (6) Distribution of all proceeds under this chapter and s.
223 202.18(1) (b) and (2) (b) shall be as follows:

224 (d) The proceeds of all other taxes and fees imposed
225 pursuant to this chapter or remitted pursuant to s. 202.18(1) (b)
226 and (2) (b) must ~~shall~~ be distributed as follows:

227 1. In any fiscal year, the greater of \$500 million, minus
228 an amount equal to 4.6 percent of the proceeds of the taxes
229 collected pursuant to chapter 201, or 5.2 percent of all other
230 taxes and fees imposed pursuant to this chapter or remitted
231 pursuant to s. 202.18(1) (b) and (2) (b) must ~~shall~~ be deposited
232 in monthly installments into the General Revenue Fund.

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233 2. After the distribution under subparagraph 1., 8.814
234 percent of the amount remitted by a sales tax dealer located
235 within a participating county pursuant to s. 218.61 must ~~shall~~
236 be transferred into the Local Government Half-cent Sales Tax
237 Clearing Trust Fund. Beginning July 1, 2003, the amount to be
238 transferred must ~~shall~~ be reduced by 0.1 percent, and the
239 department shall distribute this amount to the Public Employees
240 Relations Commission Trust Fund less \$5,000 each month, which
241 must ~~shall~~ be added to the amount calculated in subparagraph 3.
242 and distributed accordingly.

243 3. After the distribution under subparagraphs 1. and 2.,
244 0.095 percent must ~~shall~~ be transferred to the Local Government
245 Half-cent Sales Tax Clearing Trust Fund and distributed pursuant
246 to s. 218.65.

247 4. After the distributions under subparagraphs 1., 2., and
248 3., 2.0440 percent of the available proceeds must ~~shall~~ be
249 transferred monthly to the Revenue Sharing Trust Fund for
250 Counties pursuant to s. 218.215.

251 5. After the distributions under subparagraphs 1., 2., and
252 3., 1.3409 percent of the available proceeds must ~~shall~~ be
253 transferred monthly to the Revenue Sharing Trust Fund for
254 Municipalities pursuant to s. 218.215. If the total revenue to
255 be distributed pursuant to this subparagraph is at least as
256 great as the amount due from the Revenue Sharing Trust Fund for
257 Municipalities and the former Municipal Financial Assistance
258 Trust Fund in state fiscal year 1999-2000, a ~~no~~ municipality may
259 not ~~shall~~ receive less than the amount due from the Revenue
260 Sharing Trust Fund for Municipalities and the former Municipal
261 Financial Assistance Trust Fund in state fiscal year 1999-2000.

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262 If the total proceeds to be distributed are less than the amount
263 received in combination from the Revenue Sharing Trust Fund for
264 Municipalities and the former Municipal Financial Assistance
265 Trust Fund in state fiscal year 1999-2000, each municipality
266 shall receive an amount proportionate to the amount it was due
267 in state fiscal year 1999-2000.

268 6. Of the remaining proceeds:

269 a. In each fiscal year, the sum of \$29,915,500 must ~~shall~~
270 be divided into as many equal parts as there are counties in the
271 state, and one part must ~~shall~~ be distributed to each county.
272 The distribution among the several counties must begin each
273 fiscal year on or before January 5th and continue monthly for a
274 total of 4 months. If a local or special law required that any
275 moneys accruing to a county in fiscal year 1999-2000 under the
276 then-existing provisions of s. 550.135 be paid directly to the
277 district school board, special district, or a municipal
278 government, such payment must continue until the local or
279 special law is amended or repealed. The state covenants with
280 holders of bonds or other instruments of indebtedness issued by
281 local governments, special districts, or district school boards
282 before July 1, 2000, that it is not the intent of this
283 subparagraph to adversely affect the rights of those holders or
284 relieve local governments, special districts, or district school
285 boards of the duty to meet their obligations as a result of
286 previous pledges or assignments or trusts entered into which
287 obligated funds received from the distribution to county
288 governments under then-existing s. 550.135. This distribution
289 specifically is in lieu of funds distributed under s. 550.135
290 before July 1, 2000.

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291 b. The department shall, pursuant to s. 288.1162,
292 distribute \$166,667 monthly ~~pursuant to s. 288.1162~~ to each
293 applicant certified as a facility for a new or retained
294 professional sports franchise ~~pursuant to s. 288.1162~~. Up to
295 \$41,667 must ~~shall~~ be distributed monthly by the department to
296 each certified applicant as defined in s. 288.11621 for a
297 facility for a spring training franchise. However, not more than
298 \$416,670 may be distributed monthly in the aggregate to all
299 certified applicants for facilities for spring training
300 franchises. Distributions begin 60 days after such certification
301 and continue for not more than 30 years, except as otherwise
302 provided in s. 288.11621. A certified applicant identified in
303 this sub-subparagraph may not receive more in distributions than
304 expended by the applicant for the public purposes provided for
305 in s. 288.1162 ~~288.1162(5)~~ or s. 288.11621(3).

306 c. Beginning 30 days after notice by the Department of
307 Economic Opportunity to the Department of Revenue that an
308 applicant has been certified as the professional golf hall of
309 fame pursuant to s. 288.1168 and is open to the public, \$166,667
310 must ~~shall~~ be distributed monthly, for up to 300 months, to the
311 applicant.

312 d. Beginning 30 days after notice by the Department of
313 Economic Opportunity to the Department of Revenue that the
314 applicant has been certified as the International Game Fish
315 Association World Center facility pursuant to s. 288.1169, and
316 the facility is open to the public, \$83,333 must ~~shall~~ be
317 distributed monthly, for up to 168 months, to the applicant.
318 This distribution is subject to reduction pursuant to s.
319 288.1169. A lump sum payment of \$999,996 must ~~shall~~ be made,

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320 after certification and before July 1, 2000.

321 e. Beginning 45 days after notice by the Department of
322 Economic Opportunity that an applicant has been approved by the
323 Legislature and certified by the department under s. 288.11625,
324 the department shall distribute each month an amount equal to
325 one-twelfth the annual distribution amount certified by the
326 Department of Economic Opportunity for the applicant. This
327 distribution is subject to adjustment pursuant to s. 288.11625.
328 The department may not distribute more than \$15 million annually
329 to all applicants approved by the Legislature and certified by
330 the Department of Economic Opportunity pursuant to s. 288.11625.

331 7. All other proceeds must remain in the General Revenue
332 Fund.

333 Section 3. Subsection (2) of section 220.153, Florida
334 Statutes, is amended to read:

335 220.153 Apportionment by sales factor.—

336 (2) APPORTIONMENT OF TAXES; ELIGIBILITY.—A taxpayer, not
337 including a financial organization as defined in s. 220.15(6) or
338 a bank, savings association, ~~international banking facility,~~ or
339 banking organization as defined in s. 220.62, doing business
340 within and without this state, who applies and demonstrates to
341 the Department of Economic Opportunity that, within a 2-year
342 period beginning on or after July 1, 2011, it has made qualified
343 capital expenditures equal to or exceeding \$250 million may
344 apportion its adjusted federal income solely by the sales factor
345 set forth in s. 220.15(5), commencing in the taxable year that
346 the Department of Economic Opportunity approves the application,
347 but not before a taxable year that begins on or after January 1,
348 2013. Once approved, a taxpayer may elect to apportion its

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349 adjusted federal income for any taxable year using the method
350 provided under this section or the method provided under s.
351 220.15.

352 Section 4. Subsections (3) and (5) of section 220.62,
353 Florida Statutes, are repealed.

354 Section 5. Subsection (5) of section 220.63, Florida
355 Statutes, is repealed.

356 Section 6. Sections 3, 4, and 5 of this act are effective
357 with respect to taxable years beginning on or after January 1,
358 2013.

359 Section 7. Section 288.11625, Florida Statutes, is created
360 to read:

361 288.11625 Sports development.—

362 (1) ADMINISTRATION.—The department shall serve as the state
363 agency responsible for screening applicants for state funding
364 under s. 212.20(6)(d)6.e.

365 (2) DEFINITIONS.—As used in this section, the term:

366 (a) "Applicant" means a unit of local government as defined
367 in s. 218.369 that is responsible for the construction,
368 management, or operation of a facility; or a not-for-profit
369 entity or for-profit entity if a unit of local government holds
370 title to the underlying property on which the facility is
371 located.

372 (b) "Agreement" means a signed agreement between a unit of
373 local government and a beneficiary.

374 (c) "Beneficiary" means a major professional sports
375 franchise, sports franchise or association, or an off-season
376 sports training franchise that occupies or uses a facility as
377 the facility's primary tenant. A beneficiary may also be an

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378 applicant under this section.

379 (d) "Facility" means a facility primarily used to host
380 games or events held by a beneficiary and does not include
381 ancillary activities including transient lodging facilities, or
382 retail operations unless physically connected to the facility.
383 For an off-season sports training franchise, the facility also
384 includes training facilities that are associated with the
385 primary facility, but does not include ancillary activities such
386 as transient lodging facilities, or retail operations unless
387 physically connected to the facility.

388 (e) "Major professional sports franchise" means a franchise
389 that is a member of and competes in the National Football
390 League, the National Hockey League, the National Basketball
391 Association, the National League or American League of Major
392 League Baseball, or Major League Soccer.

393 (f) "Sports franchise or association" means either a
394 professional sports franchise that is not a major professional
395 sports franchise as defined in paragraph (e), or a nationally
396 recognized professional sports association.

397 (g) "Off-season sports training franchise" means a major
398 professional sports franchise team that uses or occupies a local
399 government-owned facility during the months from February
400 through April.

401 (h) "Project" means a proposed construction,
402 reconstruction, renovation, or improvement of a facility.

403 (i) "Signature event" means a professional sports event
404 with significant export factor potential. For purposes of this
405 paragraph, the term "export factor" means the attraction of
406 economic activity or growth into the state that otherwise would

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407 not have occurred. Examples of signature events may include, but
408 are not limited to:

- 409 1. National Football League Super Bowls.
410 2. College football bowl games and playoff games.
411 3. College basketball and baseball tournaments and
412 championships.
413 4. Major professional sports franchise All-Star games.
414 5. International sporting events and tournaments.
415 6. Professional automobile race championships or Formula 1
416 Grand Prix.

417 (3) PURPOSE.—The purpose of this section is to provide
418 applicants state funding under s. 212.20(6)(d)6.e. for the
419 public purpose of constructing, reconstructing, renovating, or
420 improving a facility.

421 (4) APPLICATION AND APPROVAL PROCESS.—

422 (a) The department shall establish the procedures and
423 application forms deemed necessary pursuant to the requirements
424 of this section. The department may notify an applicant of any
425 additional required or incomplete information necessary to
426 evaluate an application.

427 (b) The annual application period shall be from June 1
428 through November 1.

429 (c) Within 60 days after receipt of a completed
430 application, the department shall complete its evaluation of the
431 application as provided under subsection (5) and notify the
432 applicant in writing as to the department's decision to
433 recommend approval of the applicant by the Legislature or to
434 deny the application.

435 (d) Annually by February 1, the department shall rank all

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436 applicants and shall provide to the Legislature the list of all
437 recommended applicants in ranked order of projects most likely
438 to positively impact the state based on required criteria
439 established in this section. The list shall include the
440 department's evaluation of the applicant.

441 (e) A recommended applicant's request for funding must be
442 approved by the Legislature by general law.

443 1. An application by a unit of local government which is
444 approved by the Legislature and subsequently certified by the
445 department remains certified for the duration of the
446 beneficiary's agreement with the applicant or for 30 years,
447 whichever is less, provided the certified applicant has an
448 agreement with a beneficiary for a duration of at least 15 years
449 at the time of initial certification by the department.

450 2. An application by a beneficiary that is approved by the
451 Legislature and subsequently certified by the department remains
452 certified for the duration of the beneficiary's agreement with
453 the unit of local government that owns the underlying property
454 or for 30 years, whichever is less, provided the certified
455 applicant has an agreement with the unit of local government for
456 a duration of at least 15 years at the time of initial
457 certification by the department.

458 3. An applicant approved by the Legislature and certified
459 by the department must enter into a contract with the department
460 which:

461 a. Specifies the terms of the state's investment.

462 b. States the criteria that the certified applicant must
463 meet in order to remain certified.

464 c. States that the certified applicant is subject to

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465 decertification, as recommended by the department and approved
466 by the Legislature, or reduction of funding if the certified
467 applicant fails to comply with this section or the contract.

468 d. Specifies information that the certified applicant must
469 report to the department.

470 e. Includes any provisions deemed prudent by the
471 department.

472 4. Previously certified applicants do not require
473 legislative approval each year to receive state funding.

474 (f) Applicants recommended by the department and not
475 approved by the Legislature may reapply and update any
476 information in the original application as required by the
477 department.

478 (g) The department may recommend no more than one
479 distribution under this section for any applicant, facility, or
480 beneficiary at any single point in time.

481 (5) EVALUATION PROCESS.—

482 (a) Before recommending an applicant to receive a state
483 distribution under s. 212.20(6)(d)6.e., the department must
484 verify that:

485 1. The applicant or beneficiary is responsible for the
486 construction, reconstruction, renovation, or improvement of a
487 facility.

488 2. If the applicant is also the beneficiary, a unit of
489 local government holds title to the property on which the
490 facility and project are located.

491 3. The project for which the applicant is seeking state
492 funding has not commenced construction.

493 4. If the applicant is a unit of local government in whose

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494 jurisdiction the facility will be located, the unit of local
495 government has an exclusive intent agreement to negotiate in
496 Florida with the beneficiary.

497 5.a. The unit of local government in whose jurisdiction the
498 facility will be located supports the application for state
499 funds. Such support must be verified by the adoption of a
500 resolution after a public hearing that the project serves a
501 public purpose.

502 b. If the unit of local government is required to hold a
503 referendum for approval under s. 125.0104(3)(n)2., such
504 referendum must be affirmatively passed by a majority-plus-one
505 vote for the applicant to receive state funding under this
506 section.

507 6. The applicant or beneficiary has not previously
508 defaulted or failed to meet any statutory requirements of a
509 previous state-administered sports-related program under ss.
510 288.1162, 288.11621, or 288.1168.

511 7. The applicant or beneficiary has sufficiently
512 demonstrated a commitment to hire Florida residents, contract
513 with Florida-based firms, and purchase locally-available
514 building materials to the greatest extent possible.

515 8. If the applicant is a unit of local government, the
516 applicant has a certified copy of a signed agreement with a
517 beneficiary for the use of the facility. If the applicant is a
518 beneficiary, the beneficiary must enter into an agreement with
519 the department. The applicant or beneficiary's agreement must
520 also require the following:

521 a. The beneficiary must reimburse the state for state funds
522 distributed if the beneficiary relocates before the agreement

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523 expires.

524 b. The beneficiary must pay for signage or advertising
525 within the facility. The signage or advertising must be placed
526 in a prominent location as close to the field of play or
527 competition as is practical, displayed consistent with signage
528 or advertising in the same location and like value, and must
529 feature Florida advertising approved by the Florida Tourism
530 Industry Marketing Corporation.

531 c. The owner of a beneficiary must agree to reimburse the
532 state for state funds if the owner sells the beneficiary before
533 the agreement expires. Funds paid to the state must be in lump
534 sum and paid within 90 days after final sale of the beneficiary.

535 9. The project will be commenced within 12 months after
536 receiving state funds.

537 (b) The department shall competitively evaluate and rank
538 applicants that submit applications for state funding received
539 during the application period using the following criteria to
540 evaluate the applicant's ability to positively impact the state:

541 1. The proposed use of state funds.

542 2. The length of time that a beneficiary has agreed to use
543 the facility.

544 3. The percentage of total project funds provided by the
545 applicant and the percentage of total project funds provided by
546 the beneficiary.

547 4. The number and type of signature events the facility is
548 likely to attract over the duration of the agreement with the
549 beneficiary.

550 5. The anticipated increase in average annual ticket sales
551 and attendance at the facility due to the project.

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552 6. The potential to attract out-of-state visitors to the
553 facility.

554 7. The length of time a beneficiary has been in the state
555 or partnered with the unit of local government.

556 8. The multiuse capabilities of the facility.

557 9. The facility's projected use of Florida workers, firms,
558 and building materials.

559 10. The amount of private and local financial or in-kind
560 contributions to the project.

561 11. The amount of positive advertising or media coverage
562 the facility generates.

563 (c) The department shall determine if a beneficiary is a
564 major professional sports franchise, a sports franchise or
565 association, or an off-season sports training franchise.

566 1. If the beneficiary is a major professional sports
567 franchise, the applicant is eligible to receive annual
568 distributions equaling up to 80 percent of the new incremental
569 state sales tax generated to the state over 12 months, up to \$3
570 million over 12 months.

571 2. If the beneficiary is a professional sports franchise or
572 association, the applicant is eligible to receive annual
573 distributions equaling up to 100 percent of the new incremental
574 state sales tax generated to the state over 12 months, up to \$2
575 million over 12 months.

576 3. If the beneficiary is an off-season sports training
577 franchise, the applicant is eligible to receive annual
578 distributions equaling up to 100 percent of the new incremental
579 state sales taxes generated to the state over 12 months, up to
580 \$666,660 over 12 months.

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581 (6) DISTRIBUTION.-

582 (a) At the time of initial evaluation and review by the
583 department under subsection (5), the applicant must provide an
584 analysis by an independent certified public accountant which
585 demonstrates the amount of the revenues generated by the taxes
586 imposed under chapter 212 with respect to the use and operation
587 of the facility over the 12 month period immediately prior to
588 the beginning of the application period. This amount shall be
589 the baseline. The independent analysis must be verified by the
590 department.

591 (b) Except in the case of the period of time prior to
592 completion of a project or the first four annual distributions,
593 whichever is sooner, a certified applicant's annual distribution
594 shall be based upon the new incremental state sales taxes
595 generated by sales at the facility during the immediately
596 previous 12 month period, not to exceed the limitations
597 established in subsection (5)(c).

598 (c) For the initial annual distribution under s.
599 212.20(6)(d)6.e., the department must estimate the amount of new
600 incremental state sales taxes above the baseline that will be
601 generated by the sales at the facility as a result of the
602 project. This amount must be used to calculate the initial
603 annual distribution to the applicant. The initial annual
604 distribution may not exceed the lesser of the estimated new
605 incremental state sales taxes above the baseline or the limits
606 established in subsection (5)(c). The initial annual
607 distribution amount must continue through the next full 12 month
608 period following completion of the project or the certified
609 applicant's first four years of annual distributions, whichever

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610 is earlier.

611 (d)1. Beginning in the first full 12 month period after
612 completion of a project or first four annual distributions,
613 whichever is earlier, the applicant shall certify to the
614 department the actual amount of state sales taxes generated by
615 sales at the facility over that 12 month period. The applicant
616 shall submit the certification within 60 days after the end of
617 the previous 12 month period and such certification must be done
618 by an analysis by an independent certified public accountant.
619 The department shall verify the analysis and compare the actual
620 new incremental state sales taxes generated by sales at the
621 facility to the previous period's new incremental state sales
622 taxes upon which the annual distribution amount was based.

623 2. If the actual new incremental increase in state sales
624 taxes generated by sales at the facility during the most recent
625 12 month period was different than the actual 12 month new
626 incremental increase in state sales taxes generated by sales at
627 the facility upon which the previous period's annual
628 distribution was based, then the department must certify to the
629 Department of Revenue an adjustment to the annual distribution
630 for the current 12 month period downward or upward as
631 appropriate to reflect the actual new incremental increase in
632 state sales taxes generated by sales at the facility during the
633 previous 12 month period, not to exceed the maximum amount
634 allowable per applicant pursuant to subsection (5)(c).

635 (e) Upon certification by the department, the Department of
636 Revenue must adjust the annual distribution under s.
637 212.20(6)(d)6.e. for the applicant. The first adjusted monthly
638 distribution in a 12 month period, and subsequent monthly

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639 distributions in the same period if necessary, must also be
640 adjusted for downward or upward adjustment that should have
641 begun after the most recent 12 month period.

642 (f) The Department of Revenue shall begin distributions
643 within 45 days after notification of initial certification from
644 the department.

645 (g) The department must consult with the Department of
646 Revenue and the Office of Economic and Demographic Research to
647 develop a standard calculation for estimating new incremental
648 state sales taxes generated by sales at the facility and
649 adjustments to distributions.

650 (h) In any 12 month period when total distributions for all
651 certified applicants equal \$15 million, the department may not
652 certify new distributions for any additional applicants or
653 certify to the Department of Revenue any upward adjustments in
654 existing distributions.

655 (7) USE OF FUNDS.—An applicant certified under this section
656 may use state funds only for the public purpose of constructing,
657 reconstructing, renovating, or improving a facility, or
658 reimbursing such costs.

659 (8) REPORTS.—

660 (a) On or before November 1 of each year, an applicant
661 certified under this section and approved to receive state funds
662 must submit to the department any information required by the
663 department. The department shall summarize this information for
664 inclusion in the report to the Legislature due February 1 under
665 subsection (4) (d).

666 (b) Every 5 years following the first month that an
667 applicant receives a monthly distribution, the department must

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668 verify that the applicant is meeting all program requirements.
669 If the applicant is not meeting program requirements, the
670 department must notify the Governor and Legislature of the
671 requirements not being met and must make recommendations for
672 future action, including reducing or halting future
673 distributions, as part of the report to the Legislature due
674 February 1 under paragraph (4) (d). The department shall consider
675 certain exceptions that may have prevented the applicant from
676 meeting certain program requirements. Such exceptions include:
677 1. Force majeure events.
678 2. Significant economic downturn.
679 3. Other extenuating circumstances.
680 (9) AUDITS.—The Auditor General may conduct audits as
681 provided in s. 11.45 to verify that the distributions under this
682 section are expended as required in this section. If the Auditor
683 General determines that the distribution payments under this
684 section are not expended as required by this section, the
685 Auditor General must notify the Department of Revenue, which may
686 pursue recovery of distributions under the laws and rules
687 governing the assessment of taxes.
688 (10) APPLICATION RELATED TO SIGNATURE EVENT.—An applicant
689 may apply for the program under this section after May 1, 2013,
690 if the applicant intends to apply for a signature event prior to
691 the 2014 Regular Session for which state funds to renovate a
692 major professional sports franchise facility are requested. The
693 department must review the application and recommend approval by
694 the Legislature as required under this section. The Legislative
695 Budget Commission is authorized to approve applications as
696 provided under this subsection. State funds may not be

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697 distributed until the department notifies the Department of
698 Revenue that the applicant was approved by the Legislative
699 Budget Commission and certified by the department. An applicant
700 certified under this subsection is subject to all other
701 provisions and requirements of this section.

702 (11) DISCONTINUATION OF DISTRIBUTIONS.—The Department of
703 Revenue shall immediately halt future distributions to any
704 applicant certified under this section upon notice from the
705 department that:

706 (a) An applicant's beneficiary has broken the terms of its
707 agreement with the applicant and relocated from the facility or
708 that the applicant has been decertified.

709 (b) The department has determined that an applicant has
710 submitted any information or made a representation that is
711 determined to be false, misleading, deceptive, or otherwise
712 untrue.

713 (c) The applicant has requested to halt future
714 distributions.

715 (12) RULEMAKING.—The department may adopt rules to
716 implement this section. The Department of Revenue may adopt
717 rules to implement this section.

718 Section 8. Contingent upon enactment of the Economic
719 Development Program Evaluation as set forth in SB 406 or similar
720 legislation, section 288.116255, Florida Statutes, is created to
721 read:

722 288.116255 Sports Development Program evaluation.—Beginning
723 in 2015, the Sports Development Program must be evaluated as
724 part of the Economic Development Program Evaluation, and every 3
725 years thereafter.

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726 Section 9. (1) The executive directors of the Department of
727 Revenue and the Department of Economic Opportunity are
728 authorized, and all conditions are deemed met, to adopt
729 emergency rules under ss. 120.536(1) and 120.54(4), Florida
730 Statutes, for the purpose of implementing this act.

731 (2) Notwithstanding any provision of law, such emergency
732 rules shall remain in effect for 6 months after the date adopted
733 and may be renewed during the pendency of procedures to adopt
734 permanent rules addressing the subject of the emergency rules.

735 Section 10. This act shall take effect upon becoming a law.