

1 A bill to be entitled

2 An act relating to the professional sports facilities
3 incentive application process; amending s. 212.20,
4 F.S.; providing for the distribution of a specified
5 amount of tax proceeds to certain applicants of the
6 professional sports facility incentive program;
7 prohibiting the Department of Revenue from
8 distributing more than a specified amount to program
9 applicants; amending s. 218.64, F.S.; authorizing
10 municipalities and counties to use local government
11 half-cent sales tax distributions to reimburse the
12 state for funding received under the professional
13 sports facility incentive program; amending s.
14 288.0001, F.S.; requiring the Office of Economic and
15 Demographic Research and the Office of Program Policy
16 Analysis and Government Accountability to provide a
17 detailed analysis of the professional sports facility
18 incentive program; creating s. 288.11625, F.S.;
19 creating the professional sports facility incentive
20 program; providing definitions; providing application
21 requirements and procedures; providing procedures and
22 criteria for the evaluation of applications and the
23 recommendation of applications for a distribution of
24 state funds; providing that an applicant must receive
25 legislative approval of its application in order to
26 receive state funding; requiring an applicant whose

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

27 application is approved by the Legislature to enter
28 into a contract with the Department of Economic
29 Opportunity containing specified terms in order to
30 become certified; providing for the duration of
31 certain certifications; providing for the distribution
32 of state funds to certified applicants; requiring
33 certified applicants to submit an annual analysis
34 including specified information; restricting the
35 amount of state funds that may be provided to
36 certified applicants in a specified period;
37 restricting the use of state funds received by a
38 certified applicant to specified purposes; providing
39 for the repayment of distributions under certain
40 circumstances; requiring the department to submit an
41 annual report containing specified information to the
42 Governor and Legislature; requiring the Auditor
43 General to conduct an audit of the program;
44 authorizing the Department of Revenue to recover
45 improperly expended distributions at the request of
46 the Auditor General; providing for the halting of
47 distributions; authorizing the Department of Economic
48 Opportunity to adopt rules; providing an effective
49 date.

50
51 Be It Enacted by the Legislature of the State of Florida:
52

53 Section 1. Paragraph (d) of subsection (6) of section
 54 212.20, Florida Statutes, is amended to read:

55 212.20 Funds collected, disposition; additional powers of
 56 department; operational expense; refund of taxes adjudicated
 57 unconstitutionally collected.—

58 (6) Distribution of all proceeds under this chapter and s.
 59 202.18(1)(b) and (2)(b) shall be as follows:

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

63 1. In any fiscal year, the greater of \$500 million, minus
 64 an amount equal to 4.6 percent of the proceeds of the taxes
 65 collected pursuant to chapter 201, or 5.2 percent of all other
 66 taxes and fees imposed pursuant to this chapter or remitted
 67 pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in
 68 monthly installments into the General Revenue Fund.

69 2. After the distribution under subparagraph 1., 8.814
 70 percent of the amount remitted by a sales tax dealer located
 71 within a participating county pursuant to s. 218.61 shall be
 72 transferred into the Local Government Half-cent Sales Tax
 73 Clearing Trust Fund. Beginning July 1, 2003, the amount to be
 74 transferred shall be reduced by 0.1 percent, and the department
 75 shall distribute this amount to the Public Employees Relations
 76 Commission Trust Fund less \$5,000 each month, which shall be
 77 added to the amount calculated in subparagraph 3. and
 78 distributed accordingly.

79 3. After the distribution under subparagraphs 1. and 2.,
 80 0.095 percent shall be transferred to the Local Government Half-
 81 cent Sales Tax Clearing Trust Fund and distributed pursuant to
 82 s. 218.65.

83 4. After the distributions under subparagraphs 1., 2., and
 84 3., 2.0440 percent of the available proceeds shall be
 85 transferred monthly to the Revenue Sharing Trust Fund for
 86 Counties pursuant to s. 218.215.

87 5. After the distributions under subparagraphs 1., 2., and
 88 3., 1.3409 percent of the available proceeds shall be
 89 transferred monthly to the Revenue Sharing Trust Fund for
 90 Municipalities pursuant to s. 218.215. If the total revenue to
 91 be distributed pursuant to this subparagraph is at least as
 92 great as the amount due from the Revenue Sharing Trust Fund for
 93 Municipalities and the former Municipal Financial Assistance
 94 Trust Fund in state fiscal year 1999-2000, no municipality shall
 95 receive less than the amount due from the Revenue Sharing Trust
 96 Fund for Municipalities and the former Municipal Financial
 97 Assistance Trust Fund in state fiscal year 1999-2000. If the
 98 total proceeds to be distributed are less than the amount
 99 received in combination from the Revenue Sharing Trust Fund for
 100 Municipalities and the former Municipal Financial Assistance
 101 Trust Fund in state fiscal year 1999-2000, each municipality
 102 shall receive an amount proportionate to the amount it was due
 103 in state fiscal year 1999-2000.

104 6. Of the remaining proceeds:

105 a. In each fiscal year, the sum of \$29,915,500 shall be
106 divided into as many equal parts as there are counties in the
107 state, and one part shall be distributed to each county. The
108 distribution among the several counties must begin each fiscal
109 year on or before January 5th and continue monthly for a total
110 of 4 months. If a local or special law required that any moneys
111 accruing to a county in fiscal year 1999-2000 under the then-
112 existing provisions of s. 550.135 be paid directly to the
113 district school board, special district, or a municipal
114 government, such payment must continue until the local or
115 special law is amended or repealed. The state covenants with
116 holders of bonds or other instruments of indebtedness issued by
117 local governments, special districts, or district school boards
118 before July 1, 2000, that it is not the intent of this
119 subparagraph to adversely affect the rights of those holders or
120 relieve local governments, special districts, or district school
121 boards of the duty to meet their obligations as a result of
122 previous pledges or assignments or trusts entered into which
123 obligated funds received from the distribution to county
124 governments under then-existing s. 550.135. This distribution
125 specifically is in lieu of funds distributed under s. 550.135
126 before July 1, 2000.

127 b. The department shall distribute \$166,667 monthly
128 pursuant to s. 288.1162 to each applicant certified as a
129 facility for a new or retained professional sports franchise
130 pursuant to s. 288.1162. Up to \$41,667 shall be distributed

131 monthly by the department to each certified applicant as defined
132 in s. 288.11621 for a facility for a spring training franchise.
133 However, not more than \$416,670 may be distributed monthly in
134 the aggregate to all certified applicants for facilities for
135 spring training franchises. Distributions begin 60 days after
136 such certification and continue for not more than 30 years,
137 except as otherwise provided in s. 288.11621. A certified
138 applicant identified in this sub-subparagraph may not receive
139 more in distributions than expended by the applicant for the
140 public purposes provided for in s. 288.1162(5) or s.
141 288.11621(3).

142 c. Beginning 30 days after notice by the Department of
143 Economic Opportunity to the Department of Revenue that an
144 applicant has been certified as the professional golf hall of
145 fame pursuant to s. 288.1168 and is open to the public, \$166,667
146 shall be distributed monthly, for up to 300 months, to the
147 applicant.

148 d. Beginning 30 days after notice by the Department of
149 Economic Opportunity to the Department of Revenue that the
150 applicant has been certified as the International Game Fish
151 Association World Center facility pursuant to s. 288.1169, and
152 the facility is open to the public, \$83,333 shall be distributed
153 monthly, for up to 168 months, to the applicant. This
154 distribution is subject to reduction pursuant to s. 288.1169. A
155 lump sum payment of \$999,996 shall be made, after certification
156 and before July 1, 2000.

157 e. The department shall distribute up to \$55,555 monthly
 158 to each certified applicant as defined in s. 288.11631 for a
 159 facility used by a single spring training franchise, or up to
 160 \$111,110 monthly to each certified applicant as defined in s.
 161 288.11631 for a facility used by more than one spring training
 162 franchise. Monthly distributions begin 60 days after such
 163 certification or July 1, 2016, whichever is later, and continue
 164 for not more than 30 years, except as otherwise provided in s.
 165 288.11631. A certified applicant identified in this sub-
 166 subparagraph may not receive more in distributions than expended
 167 by the applicant for the public purposes provided in s.
 168 288.11631(3).

169 f. Beginning 60 days after notice by the Department of
 170 Economic Opportunity to the Department of Revenue that an
 171 applicant has been approved by the Legislature, enacted by
 172 general law approved by the Governor, and certified by the
 173 Department of Economic Opportunity under s. 288.11625, the
 174 department shall distribute each month an amount equal to one-
 175 twelfth the annual distribution amount certified by the
 176 Department of Economic Opportunity for the applicant. The
 177 department may not distribute more than \$12 million annually to
 178 all applicants approved by the Legislature and certified by the
 179 Department of Economic Opportunity pursuant to s. 288.11625.

180 7. All other proceeds must remain in the General Revenue
 181 Fund.

182 Section 2. Subsections (2) and (3) of section 218.64,

183 Florida Statutes, are amended to read:

184 218.64 Local government half-cent sales tax; uses;
185 limitations.—

186 (2) Municipalities shall expend their portions of the
187 local government half-cent sales tax only for municipality-wide
188 programs, for reimbursing the state as required by a contract
189 pursuant to s. 288.11625(6), or for municipality-wide property
190 tax or municipal utility tax relief. All utility tax rate
191 reductions afforded by participation in the local government
192 half-cent sales tax shall be applied uniformly across all types
193 of taxed utility services.

194 (3) Subject to ordinances enacted by the majority of the
195 members of the county governing authority and by the majority of
196 the members of the governing authorities of municipalities
197 representing at least 50 percent of the municipal population of
198 such county, counties may use up to \$2 million annually of the
199 local government half-cent sales tax allocated to that county
200 for funding for any of the following purposes ~~applicants~~:

201 (a) Funding a certified applicant as a facility for a new
202 or retained professional sports franchise under s. 288.1162 or a
203 certified applicant as defined in s. 288.11621 for a facility
204 for a spring training franchise. It is the Legislature's intent
205 that the provisions of s. 288.1162, including, but not limited
206 to, the evaluation process by the Department of Economic
207 Opportunity except for the limitation on the number of certified
208 applicants or facilities as provided in that section and the

209 restrictions set forth in s. 288.1162(8), shall apply to an
 210 applicant's facility to be funded by local government as
 211 provided in this subsection.

212 (b) Funding a certified applicant as a "motorsport
 213 entertainment complex," as provided for in s. 288.1171. Funding
 214 for each franchise or motorsport complex shall begin 60 days
 215 after certification and shall continue for not more than 30
 216 years.

217 (c) Reimbursing the state as required by a contract
 218 pursuant to s. 288.11625(6).

219 Section 3. Paragraph (b) of subsection (2) of section
 220 288.0001, Florida Statutes, is amended to read:

221 288.0001 Economic Development Programs Evaluation.—The
 222 Office of Economic and Demographic Research and the Office of
 223 Program Policy Analysis and Government Accountability (OPPAGA)
 224 shall develop and present to the Governor, the President of the
 225 Senate, the Speaker of the House of Representatives, and the
 226 chairs of the legislative appropriations committees the Economic
 227 Development Programs Evaluation.

228 (2) The Office of Economic and Demographic Research and
 229 OPPAGA shall provide a detailed analysis of economic development
 230 programs as provided in the following schedule:

231 (b) By January 1, 2015, and every 3 years thereafter, an
 232 analysis of the following:

233 1. The entertainment industry financial incentive program
 234 established under s. 288.1254.

235 2. The entertainment industry sales tax exemption program
 236 established under s. 288.1258.

237 3. The VISIT Florida Tourism Industry Marketing
 238 Corporation and its programs established or funded under ss.
 239 288.122, 288.1226, 288.12265, and 288.124.

240 4. The Florida Sports Foundation and related programs
 241 established under ss. 288.1162, 288.11621, 288.11625, 288.1166,
 242 288.1167, 288.1168, 288.1169, and 288.1171.

243 Section 4. Section 288.11625, Florida Statutes, is created
 244 to read:

245 288.11625 Professional sports facility incentive program.-

246 (1) PURPOSE.-There is created within the department the
 247 professional sports facility incentive program. The purpose of
 248 the program is to provide for distributions of state funding to
 249 applicants under s. 212.20(6)(d)6.f. for the public purpose of
 250 constructing, reconstructing, renovating, or improving a
 251 facility.

252 (2) DEFINITIONS.-As used in this section, the term:

253 (a) "Beneficiary" means a professional sports franchise of
 254 the National Football League, the National Hockey League, the
 255 National Basketball Association, the National League or the
 256 American League of Major League Baseball, the National
 257 Association of Professional Baseball Leagues, Major League
 258 Soccer, or the North American Soccer League; the promoter of a
 259 signature event sanctioned by the National Association for Stock
 260 Car Auto Racing; the Professional Rodeo Cowboy Association; or

261 another nationally recognized professional sports association
262 that occupies or uses a facility as the facility's primary
263 tenant. A beneficiary may also be an applicant under this
264 section.

265 (b) "Facility" means a facility used primarily to host
266 games or events held by a beneficiary. The term does not include
267 any portion of a facility used for transient lodging. The term
268 also does not include a Major League Baseball spring training
269 facility, a facility certified under s. 288.1168, or a facility
270 certified under s. 288.1169.

271 (c) "Project" means the proposed construction,
272 reconstruction, renovation, or improvement of a facility or the
273 proposed acquisition of land to construct a new facility.

274 (d) "State sales taxes generated by sales at the facility"
275 means sales tax revenue collected under chapter 212 that is
276 generated by admissions to the facility, sales made by vendors
277 at the facility, and charges for parking on property owned or
278 controlled by the beneficiary or the applicant.

279 (3) APPLICATION PROCESS.—

280 (a) To apply for a distribution of state funds under s.
281 212.20(6)(d)6.f., an applicant must:

282 1. Be a unit of local government, as defined in s.
283 218.369, that is responsible for construction, management, or
284 operation of a facility; or

285 2. If not a unit of local government, be another entity
286 responsible for construction, management, or operation of a

287 facility, in which case, a unit of local government must hold
 288 title to the property on which the facility is or will be
 289 located.

290 (b) The annual application period is June 1 through
 291 November 1.

292 (c) The department shall establish procedures and
 293 application forms deemed necessary pursuant to the requirements
 294 of this section. The department may notify an applicant of any
 295 incomplete or additional required information necessary for the
 296 department to evaluate the application.

297 (d) Each application shall include an independent analysis
 298 prepared by a certified public accountant licensed in this state
 299 that demonstrates:

300 1. The average annual amount of state sales taxes
 301 generated by sales at the facility during the 36-month period
 302 immediately before the beginning of the application period,
 303 which shall be known as the "baseline amount."

304 2. The expected amount of new incremental state sales
 305 taxes generated by sales at the facility in excess of the
 306 baseline amount to be generated annually as a result of the
 307 project.

308 (e) Each application may include a statement describing
 309 the positive economic impact that the project is expected to
 310 have on the state.

311 (f) Within 60 days after receipt of a completed
 312 application, the department shall evaluate the application as

313 provided in subsection (4) and notify the applicant in writing
314 of the department's decision to recommend legislative approval
315 of the application or to deny the application.

316 (4) EVALUATION PROCESS.—

317 (a) Before recommending an applicant for a distribution of
318 state funds under s. 212.20(6)(d)6.f., the department shall
319 verify:

320 1. That the applicant or beneficiary is responsible for
321 construction, reconstruction, renovation, or improvement of the
322 facility.

323 2. If the applicant is also the beneficiary, that a unit
324 of local government holds title to the property on which the
325 facility and project are or will be located.

326 3. If the applicant is a unit of local government within
327 whose jurisdiction the facility is or will be located, that the
328 unit of local government has an exclusive intent agreement to
329 negotiate in this state with the beneficiary.

330 4. That the unit of local government, within whose
331 jurisdiction the facility is or will be located, supports the
332 application for state funds. Such support must be verified by
333 adoption, after a public hearing, of a resolution that the
334 project serves a public purpose.

335 5. That the applicant or beneficiary has not previously
336 defaulted or failed to meet any statutory requirement of a
337 previous state-administered sports-related program under this
338 chapter.

339 6. That the applicant or beneficiary has sufficiently
340 demonstrated a commitment to employ residents of this state,
341 contract with Florida-based firms, and purchase locally
342 available building materials to the greatest extent practicable.

343 7. If the applicant is a unit of local government, that
344 the applicant has a certified copy of a signed agreement with a
345 beneficiary for use of the facility. If the applicant is a
346 beneficiary, the beneficiary must enter into an agreement with
347 the department. The applicant or beneficiary's agreement must
348 require the following:

349 a. If, before expiration of the agreement, the beneficiary
350 relocates to another venue or no longer occupies or uses the
351 facility as the facility's primary tenant, the beneficiary shall
352 reimburse the state for state funds distributed under this
353 section, plus a 5-percent penalty.

354 b. The beneficiary shall pay for signage or advertising
355 within the facility. The signage or advertising shall be placed
356 in a prominent location as close to the field of play or
357 competition as is practicable, shall be displayed consistent
358 with signage or advertising in the same location and be of like
359 value, and shall feature Florida advertising approved by the
360 Florida Tourism Industry Marketing Corporation.

361 8. That the total project cost is greater than \$100
362 million and more than one-half of the funds used to pay for the
363 project are from private sources.

364 9. The independent analysis submitted by the applicant

365 pursuant to paragraph (3) (d). The department shall consult with
366 the Department of Revenue or the Office of Economic and
367 Demographic Research to verify the independent analysis. Such
368 consultation may include the development of a standard
369 calculation for estimating new incremental state sales taxes
370 generated by sales at the facility and adjustments to
371 distributions.

372 (b) By February 1 of each year, as part of its annual
373 report submitted pursuant to paragraph (10) (a), the department
374 shall submit to the Governor, the President of the Senate, and
375 the Speaker of the House of Representatives an evaluation of
376 each application received during the application period.

377 (c) The department shall include a list of all
378 applications that the department recommends to receive a
379 distribution of state funds, ranked in order of projects most
380 likely to produce a significant positive economic impact within
381 the state based on the following criteria:

382 1. The ability to provide a positive return on the state's
383 investment.

384 2. The proposed use of state funds.

385 3. The length of time that a beneficiary has agreed to use
386 the facility.

387 4. The percentage of total project funds provided by the
388 applicant, the percentage of total project funds provided by the
389 beneficiary, and the total amount of private or in-kind
390 contributions to the project.

391 5. The number and type of signature events that the
392 facility is likely to attract during the duration of the
393 agreement with the beneficiary. For purposes of this
394 subparagraph, the term "signature event" means a sporting event
395 that creates a significant positive economic impact within the
396 state, as determined by the department, and enhances the status
397 of the state as a premier sports tourism destination. Such
398 events may include, but are not limited to:

399 a. National Football League Super Bowls.
400 b. College Football Playoff games.
401 c. College football bowl games.
402 d. Professional sports all-star games.
403 e. International sporting events and tournaments.
404 f. Professional motorsports events.

405 6. The anticipated increase in average annual ticket sales
406 and attendance at the facility due to the project.

407 7. The potential to attract out-of-state visitors to the
408 facility.

409 8. The multiuse capabilities of the facility.

410 9. The facility's projected employment of residents of
411 this state, contracts with Florida-based firms, and purchases of
412 locally available building materials.

413 10. The amount of positive advertising or media coverage
414 that the facility generates.

415 11. The estimate by an independent certified public
416 accountant licensed in this state of the amount of new

417 incremental state sales taxes that the facility is expected to
 418 generate annually as a result of the project provided pursuant
 419 to subparagraph (3)(d)2.

420 12. The size and scope of the project and number of
 421 temporary and permanent jobs that will be created as a direct
 422 result of the facility improvement.

423 (d) The department may certify no more than one
 424 distribution under this section for any applicant, facility, or
 425 beneficiary at a time.

426 (5) LEGISLATIVE APPROVAL.—

427 (a) In order for an applicant to receive a distribution of
 428 state funds under s. 212.20(6)(d)6.f., its application must be
 429 approved by the Legislature, enacted by general law approved by
 430 the Governor in the manner provided in s. 8, Art. III of the
 431 State Constitution.

432 (b) An applicant whose application is received by the
 433 department but not approved by the Legislature may reapply and
 434 update any information in the original application as required
 435 by the department.

436 (6) CERTIFICATION AND CONTRACT.—

437 (a) To be certified by the department to receive a
 438 distribution of state funds under s. 212.20(6)(d)6.f., an
 439 applicant whose application is approved by the Legislature must
 440 enter into a contract with the department that:

- 441 1. Specifies the terms of the state's investment.
- 442 2. States the criteria that the applicant must meet in

443 order to become and remain certified.

444 3. States that the applicant is subject to decertification
445 by the department or by the Legislature.

446 4. Requires the applicant to submit the independent
447 analyses required under paragraphs (3) (d) and (7) (c).

448 5. Specifies information that the applicant must report to
449 the department.

450 6. Requires the applicant to reimburse the state in the
451 manner prescribed in paragraph (9) (c).

452 7. Includes any other provisions deemed prudent by the
453 department.

454 (b) An application by a unit of local government which is
455 approved by the Legislature, enacted by general law approved by
456 the Governor, and subsequently certified by the department
457 remains certified for the duration of the beneficiary's
458 agreement with the applicant or for 30 years, whichever is less,
459 if the certified applicant has an agreement with a beneficiary
460 at the time of initial certification by the department.

461 (c) An application by a beneficiary which is approved by
462 the Legislature, enacted by general law approved by the
463 Governor, and subsequently certified by the department remains
464 certified for the duration of the beneficiary's agreement with
465 the unit of local government that owns the underlying property
466 or for 30 years, whichever is less, if the certified applicant
467 has an agreement with the unit of local government at the time
468 of initial certification by the department.

469 (d) An applicant that is certified under this section does
470 not require legislative approval in any subsequent year in order
471 to continue to receive distributions of state funding authorized
472 pursuant to that certification.

473 (7) DISTRIBUTIONS.—

474 (a) The Department of Revenue shall begin distributions
475 within 60 days after notification of initial certification by
476 the department.

477 (b) The department shall determine the amount of each
478 annual distribution to be disbursed to a certified applicant
479 based on the estimate of the amount of new incremental state
480 sales taxes that the facility is expected to generate as a
481 result of the project provided pursuant to subparagraph (3)(d)2.
482 However, a certified applicant may not receive an annual
483 distribution amount under this paragraph that exceeds 75 percent
484 of the estimated new incremental state sales taxes generated by
485 sales at the facility or \$2 million, whichever is less.

486 (c) Beginning 12 months after certification, and for each
487 year that an applicant remains certified by the department, a
488 certified applicant shall submit to the department an analysis
489 prepared by an independent certified public accountant licensed
490 in this state demonstrating the actual amount of new incremental
491 state sales taxes generated by sales at the facility over the
492 previous 12-month period. The department shall verify the
493 analysis. The department may consult with the Department of
494 Revenue to verify the analysis.

495 (d) The department may not certify new distributions for
496 additional certified applicants if total distributions for all
497 certified applicants equal or exceed \$12 million in any 12-month
498 period.

499 (8) USE OF FUNDS.—A certified applicant may only use state
500 funds distributed under this section for the following purposes:

501 (a) Constructing, reconstructing, renovating, or improving
502 a facility or reimbursing such costs.

503 (b) Paying or pledging the payment of debt service on, or
504 to fund debt service reserve funds, arbitrage rebate
505 obligations, or other amounts payable with respect thereto;
506 bonds issued for the construction or renovation of such
507 facility; or for the reimbursement of such costs or the
508 refinancing of bonds issued for such purposes.

509 (9) REPAYMENT OF DISTRIBUTIONS.—

510 (a) If a beneficiary breaks the terms of its agreement
511 with a certified applicant and relocates to another venue or no
512 longer occupies or uses the facility as the facility's primary
513 tenant, the beneficiary shall reimburse the state for state
514 funds that have been distributed, plus a 5-percent penalty.

515 (b) If the department determines that a certified
516 applicant has submitted information or made a representation
517 that is false, misleading, deceptive, or otherwise untrue, the
518 department shall decertify the certified applicant and direct
519 the Department of Revenue to halt distributions. The certified
520 applicant shall reimburse the state for state funds that have

521 been distributed, plus a 5-percent penalty.

522 (c) Beginning 24 months after the first annual
523 distribution is disbursed, a certified applicant shall, each
524 year that the applicant is certified, reimburse the state in an
525 amount equal to each subsequent annual distribution less 75
526 percent of the actual new incremental state sales taxes
527 generated by sales at the facility, plus a 5 percent penalty.
528 Such reimbursements must be submitted to the Department of
529 Revenue no later than 60 days after the certified applicant's
530 final annual distribution as determined by the certified
531 applicant's contract with the department.

532 (d) If a certified applicant is unable or unwilling to
533 reimburse the state as required by paragraph (b) or paragraph
534 (c), the department may place a lien on the certified
535 applicant's facility. If the applicant is a municipality or
536 county, it may reimburse the state using local government half-
537 cent sales tax distributions as provided in s. 218.64(3).
538 Reimbursements shall be sent to the Department of Revenue for
539 deposit into the General Revenue Fund.

540 (10) REPORTS.—

541 (a) By February 1 of each year, the department shall
542 submit an annual report to the Governor, the President of the
543 Senate, and the Speaker of the House of Representatives. The
544 report shall include evaluations of each application received by
545 the department during the application period, the department's
546 ranking of recommended applications submitted for legislative

547 approval under paragraph (4) (b), and any other information
548 required to be submitted pursuant to this subsection.

549 (b) On or before November 1 of each year, a certified
550 applicant approved to receive state funds under this section
551 shall submit to the department any information required by the
552 department. The department shall summarize this information for
553 inclusion in its annual report submitted under paragraph (a).

554 (c) Every 3 years after the first month that a certified
555 applicant receives a monthly distribution, the department shall
556 verify that the applicant is meeting the program requirements.
557 If the applicant is not meeting program requirements, the
558 department shall notify the Governor, the President of the
559 Senate, and the Speaker of the House of Representatives of the
560 requirements not being met and shall recommend future action as
561 part of the department's annual report submitted under paragraph
562 (a). The department shall consider any extenuating circumstances
563 that may have prevented the applicant from meeting the program
564 requirements, such as a force majeure event or a significant
565 economic downturn.

566 (11) AUDITS.—Every 5 years beginning in 2020, the Auditor
567 General shall conduct audits pursuant to s. 11.45 to verify the
568 independent analyses required under paragraph (7) (c) and to
569 verify that distributions were expended in accordance with this
570 section. The Auditor General shall report the findings to the
571 department. If the Auditor General determines that a
572 distribution was not expended in accordance with this section,

573 the Auditor General shall notify the Department of Revenue,
574 which may pursue recovery of the distribution under the laws and
575 rules that govern the assessment of taxes.

576 (12) HALTING OF DISTRIBUTIONS.—A certified applicant may
577 request to halt future distributions by providing the department
578 with written notice at least 20 days before the next monthly
579 distribution payment. Upon receiving such notice, the department
580 shall immediately notify the Department of Revenue to halt
581 future payments.

582 (13) RULEMAKING.—The department may adopt rules to
583 administer this section.

584 Section 5. This act shall take effect July 1, 2014.