By the Committee on Community Affairs; and Senator Fasano

578-04916-10

20102540c1

1	A bill to be entitled
2	An act relating to professional sports franchises;
3	amending ss. 14.2015, 212.20, and 218.64, F.S.,
4	relating to the Office of Tourism, Trade, and Economic
5	Development, the distribution of certain tax proceeds,
6	and the allocation of a portion of the local
7	government half-cent sales tax; conforming provisions
8	to changes made by the act; conforming cross-
9	references; amending s. 288.1162, F.S.; deleting
10	provisions relating to the certification and funding
11	of facilities for spring training baseball franchises;
12	authorizing the Auditor General to conduct audits to
13	verify whether certain funds for professional sports
14	franchises are used as required by law; requiring the
15	Auditor General to notify the Department of Revenue if
16	the funds are not used as required by law; creating s.
17	288.11621, F.S.; authorizing certain units of local
18	government to apply for certification to receive state
19	funding for a facility for a spring training
20	franchise; providing definitions; providing
21	eligibility requirements; providing criteria to
22	competitively evaluate applications for certification;
23	requiring a certified applicant to use the funds
24	awarded for specified public purposes and place
25	unexpended funds in a trust fund or separate account;
26	authorizing a certified applicant to request a
27	suspension of the distribution of funds for a
28	specified period under certain circumstances;
29	requiring the expenditure of funds by certain

Page 1 of 29

	578-04916-10 20102540c1
30	certified applicants within a specified period;
31	requiring the completion of certain spring training
32	facility projects within a specified period; requiring
33	certified applicants to submit annual reports to the
34	Office of Tourism, Trade, and Economic Development;
35	requiring the office to decertify applicants under
36	certain circumstances; providing for delay in
37	decertification proceedings for local governments
38	certified before a specified date under certain
39	circumstances; providing for review of the office's
40	notice of intent to decertify an applicant; requiring
41	an applicant to repay unencumbered state funds and
42	interest after decertification; specifying
43	circumstances under which a certified applicant that
44	is a local government may not be decertified under
45	certain circumstances; requiring the office to develop
46	a strategic plan relating to baseball spring training
47	activities; requiring the office to adopt rules;
48	authorizing the Auditor General to conduct audits to
49	verify whether certified funds for baseball spring
50	training facilities are used as required by law;
51	requiring the Auditor General to notify the Department
52	of Revenue if the funds are not used as required by
53	law; amending s. 288.1229, F.S.; providing that the
54	Office of Tourism, Trade, and Economic Development may
55	authorize a direct-support organization to assist in
56	the retention of professional sports franchises;
57	recognizing the validity of specified agreements under
58	certain circumstances; providing an effective date.

Page 2 of 29

	578-04916-10 20102540c1
59	
60	Be It Enacted by the Legislature of the State of Florida:
61	
62	Section 1. Paragraph (f) of subsection (2) of section
63	14.2015, Florida Statutes, is amended to read:
64	14.2015 Office of Tourism, Trade, and Economic Development;
65	creation; powers and duties
66	(2) The purpose of the Office of Tourism, Trade, and
67	Economic Development is to assist the Governor in working with
68	the Legislature, state agencies, business leaders, and economic
69	development professionals to formulate and implement coherent
70	and consistent policies and strategies designed to provide
71	economic opportunities for all Floridians. To accomplish such
72	purposes, the Office of Tourism, Trade, and Economic Development
73	shall:
74	(f)1. Administer the Florida Enterprise Zone Act under ss.
75	290.001-290.016, the community contribution tax credit program
76	under ss. 220.183 and 624.5105, the tax refund program for
77	qualified target industry businesses under s. 288.106, the tax-
78	refund program for qualified defense contractors and space
79	flight business contractors under s. 288.1045, contracts for
80	transportation projects under s. 288.063, the sports franchise
81	facility <u>programs</u> program under <u>ss. 288.1162</u> and 288.11621 s.
82	288.1162 , the professional golf hall of fame facility program
83	under s. 288.1168, the expedited permitting process under s.
84	403.973, the Rural Community Development Revolving Loan Fund
85	under s. 288.065, the Regional Rural Development Grants Program
86	under s. 288.018, the Certified Capital Company Act under s.
87	288.99, the Florida State Rural Development Council, the Rural

Page 3 of 29

578-04916-10 20102540c1 88 Economic Development Initiative, and other programs that are 89 specifically assigned to the office by law, by the 90 appropriations process, or by the Governor. Notwithstanding any 91 other provisions of law, the office may expend interest earned 92 from the investment of program funds deposited in the Grants and Donations Trust Fund to contract for the administration of the 93 94 programs, or portions of the programs, enumerated in this 95 paragraph or assigned to the office by law, by the 96 appropriations process, or by the Governor. Such expenditures 97 shall be subject to review under chapter 216.

2. The office may enter into contracts in connection with 98 99 the fulfillment of its duties concerning the Florida First 100 Business Bond Pool under chapter 159, tax incentives under 101 chapters 212 and 220, tax incentives under the Certified Capital 102 Company Act in chapter 288, foreign offices under chapter 288, 103 the Enterprise Zone program under chapter 290, the Seaport 104 Employment Training program under chapter 311, the Florida 105 Professional Sports Team License Plates under chapter 320, 106 Spaceport Florida under chapter 331, Expedited Permitting under 107 chapter 403, and in carrying out other functions that are 108 specifically assigned to the office by law, by the 109 appropriations process, or by the Governor.

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

112 212.20 Funds collected, disposition; additional powers of 113 department; operational expense; refund of taxes adjudicated 114 unconstitutionally collected.-

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

Page 4 of 29

578-04916-10 20102540c1 117 (d) The proceeds of all other taxes and fees imposed 118 pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) 119 and (2)(b) shall be distributed as follows: 120 1. In any fiscal year, the greater of \$500 million, minus 121 an amount equal to 4.6 percent of the proceeds of the taxes 122 collected pursuant to chapter 201, or 5.2 percent of all other 123 taxes and fees imposed pursuant to this chapter or remitted 124 pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in 125 monthly installments into the General Revenue Fund. 126 2. After the distribution under subparagraph 1., 8.814 127 percent of the amount remitted by a sales tax dealer located 128 within a participating county pursuant to s. 218.61 shall be transferred into the Local Government Half-cent Sales Tax 129 Clearing Trust Fund. Beginning July 1, 2003, the amount to be 130 131 transferred shall be reduced by 0.1 percent, and the department 132 shall distribute this amount to the Public Employees Relations Commission Trust Fund less \$5,000 each month, which shall be 133 134 added to the amount calculated in subparagraph 3. and 135 distributed accordingly.

136 3. After the distribution under subparagraphs 1. and 2., 137 0.095 percent shall be transferred to the Local Government Half-138 cent Sales Tax Clearing Trust Fund and distributed pursuant to 139 s. 218.65.

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

144 5. After the distributions under subparagraphs 1., 2., and145 3., 1.3409 percent of the available proceeds shall be

Page 5 of 29

578-04916-10

20102540c1

146 transferred monthly to the Revenue Sharing Trust Fund for 147 Municipalities pursuant to s. 218.215. If the total revenue to 148 be distributed pursuant to this subparagraph is at least as great as the amount due from the Revenue Sharing Trust Fund for 149 150 Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, no municipality shall 151 152 receive less than the amount due from the Revenue Sharing Trust 153 Fund for Municipalities and the former Municipal Financial 154 Assistance Trust Fund in state fiscal year 1999-2000. If the 155 total proceeds to be distributed are less than the amount 156 received in combination from the Revenue Sharing Trust Fund for 157 Municipalities and the former Municipal Financial Assistance 158 Trust Fund in state fiscal year 1999-2000, each municipality 159 shall receive an amount proportionate to the amount it was due 160 in state fiscal year 1999-2000.

161

6. Of the remaining proceeds:

162 a. In each fiscal year, the sum of \$29,915,500 shall be 163 divided into as many equal parts as there are counties in the 164 state, and one part shall be distributed to each county. The 165 distribution among the several counties must begin each fiscal 166 year on or before January 5th and continue monthly for a total 167 of 4 months. If a local or special law required that any moneys accruing to a county in fiscal year 1999-2000 under the then-168 169 existing provisions of s. 550.135 be paid directly to the 170 district school board, special district, or a municipal 171 government, such payment must continue until the local or 172 special law is amended or repealed. The state covenants with 173 holders of bonds or other instruments of indebtedness issued by 174 local governments, special districts, or district school boards

Page 6 of 29

578-04916-10 20102540c1 before July 1, 2000, that it is not the intent of this 175 176 subparagraph to adversely affect the rights of those holders or 177 relieve local governments, special districts, or district school 178 boards of the duty to meet their obligations as a result of 179 previous pledges or assignments or trusts entered into which obligated funds received from the distribution to county 180 181 governments under then-existing s. 550.135. This distribution 182 specifically is in lieu of funds distributed under s. 550.135 183 before July 1, 2000. 184 b. The department shall distribute \$166,667 monthly 185 pursuant to s. 288.1162 to each applicant that has been 186 certified as a facility for a new or retained professional 187 sports franchise "facility for a new professional sports franchise" or a "facility for a retained professional sports 188 189 franchise" pursuant to s. 288.1162. Up to \$41,667 shall be 190 distributed monthly by the department to each certified 191 applicant as defined in s. 288.11621 for a facility for a spring 192 training franchise. that has been certified as a "facility for a 193 retained spring training franchise" pursuant to s. 288.1162; 194 However, not more than \$416,670 may be distributed monthly in 195 the aggregate to all certified applicants for facilities for a 196 retained spring training franchises franchise. Distributions 197 must begin 60 days after following such certification and shall continue for not more than 30 years, except as otherwise 198 199 provided in s. 288.11621. A certified applicant identified in 200 this sub-subparagraph may not This paragraph may not be 201 construed to allow an applicant certified pursuant to s. 202 288.1162 to receive more in distributions than actually expended 203 by the applicant for the public purposes provided for in s.

Page 7 of 29

	578-04916-10 20102540c1
204	<u>288.1162(5) or s. 288.11621(3)</u> s. 288.1162(6) .
205	c. Beginning 30 days after notice by the Office of Tourism,
206	Trade, and Economic Development to the Department of Revenue
207	that an applicant has been certified as the professional golf
208	hall of fame pursuant to s. 288.1168 and is open to the public,
209	\$166,667 shall be distributed monthly, for up to 300 months, to
210	the applicant.
211	d. Beginning 30 days after notice by the Office of Tourism,
212	Trade, and Economic Development to the Department of Revenue
213	that the applicant has been certified as the International Game
214	Fish Association World Center facility pursuant to s. 288.1169,
215	and the facility is open to the public, \$83,333 shall be
216	distributed monthly, for up to 168 months, to the applicant.
217	This distribution is subject to reduction pursuant to s.
218	288.1169. A lump sum payment of \$999,996 shall be made, after
219	certification and before July 1, 2000.
220	7. All other proceeds must remain in the General Revenue
221	Fund.
222	Section 3. Section 218.64, Florida Statutes, is amended to
223	read:
224	218.64 Local government half-cent sales tax; uses;
225	limitations
226	(1) The proportion of the local government half-cent sales
227	tax received by a county government based on two-thirds of the
228	incorporated area population shall be deemed countywide revenues
229	and shall be expended only for countywide tax relief or
230	countywide programs. The remaining county government portion
231	shall be deemed county revenues derived on behalf of the
232	unincorporated area but may be expended on a countywide basis.
	Page 8 of 29

578-04916-10 20102540c1 233 (2) Municipalities shall expend their portions of the local 234 government half-cent sales tax only for municipality-wide 235 programs or for municipality-wide property tax or municipal 236 utility tax relief. All utility tax rate reductions afforded by 237 participation in the local government half-cent sales tax shall be applied uniformly across all types of taxed utility services. 238 239 (3) Subject to ordinances enacted by the majority of the 240 members of the county governing authority and by the majority of the members of the governing authorities of municipalities 241 2.42 representing at least 50 percent of the municipal population of such county, counties may use up to \$2 million annually of the 243 244 local government half-cent sales tax allocated to that county for funding for any of the following applicants: 245 246 (a) A certified applicant as a facility for a new or 247 retained professional sports franchise under "facility for a new 248 professional sports franchise," a "facility for a retained 249 professional sports franchise," or a "facility for a retained 250 spring training franchise," as provided for in s. 288.1162 or a 251 certified applicant as defined in s. 288.11621 for a facility 252 for a spring training franchise. It is the Legislature's intent 253 that the provisions of s. 288.1162, including, but not limited 254 to, the evaluation process by the Office of Tourism, Trade, and 255 Economic Development except for the limitation on the number of 256 certified applicants or facilities as provided in that section and the restrictions set forth in s. 288.1162(8) s. 288.1162(9), 257 258 shall apply to an applicant's facility to be funded by local 259 government as provided in this subsection. 260

(b) A certified applicant as a "motorsport entertainment
 complex," as provided for in s. 288.1171. Funding for each

Page 9 of 29

578-04916-10 20102540c1 262 franchise or motorsport complex shall begin 60 days after 263 certification and shall continue for not more than 30 years. 264 (4) A local government is authorized to pledge proceeds of 265 the local government half-cent sales tax for the payment of 266 principal and interest on any capital project. 267 Section 4. Section 288.1162, Florida Statutes, is amended 268 to read: 269 288.1162 Professional sports franchises; spring training 270 franchises; duties.-(1) The Office of Tourism, Trade, and Economic Development 271 272 shall serve as the state agency for screening applicants for 273 state funding under pursuant to s. 212.20 and for certifying an 274 applicant as a facility for a new or retained professional 275 sports franchise. "facility for a new professional sports 276 franchise," a "facility for a retained professional sports 277 franchise," or a "facility for a retained spring training 278 franchise." 279 (2) The Office of Tourism, Trade, and Economic Development 280 shall develop rules for the receipt and processing of 281 applications for funding under pursuant to s. 212.20. 282 (3) As used in this section, the term: 283 (a) "New professional sports franchise" means a 284 professional sports franchise that was is not based in this 285 state before prior to April 1, 1987. 286 (b) "Retained professional sports franchise" means a 287 professional sports franchise that has had a league-authorized 288 location in this state on or before December 31, 1976, and has 289 continuously remained at that location, and has never been 290 located at a facility that has been previously certified under

Page 10 of 29

291

578-04916-10 20102540c1 any provision of this section.

CS for SB 2540

(4) <u>Before</u> Prior to certifying an applicant as a <u>facility</u>
for a new or retained professional sports franchise, <u>"facility</u>
for a new professional sports franchise" or a "facility for a
retained professional sports franchise," the Office of Tourism,
Trade, and Economic Development must determine that:

(a) A "unit of local government" as defined in s. 218.369 is responsible for the construction, management, or operation of the professional sports franchise facility or holds title to the property on which the professional sports franchise facility is located.

(b) The applicant has a verified copy of a signed agreement with a new professional sports franchise for the use of the facility for a term of at least 10 years, or in the case of a retained professional sports franchise, an agreement for use of the facility for a term of at least 20 years.

307 (c) The applicant has a verified copy of the approval from 308 the governing authority of the league in which the new professional sports franchise exists authorizing the location of 309 310 the professional sports franchise in this state after April 1, 1987, or in the case of a retained professional sports 311 franchise, verified evidence that it has had a league-authorized 312 location in this state on or before December 31, 1976. As used 313 in this section, the term "league" means the National League or 314 315 the American League of Major League Baseball, the National 316 Basketball Association, the National Football League, or the 317 National Hockey League.

318 (d) The applicant has projections, verified by the Office 319 of Tourism, Trade, and Economic Development, which demonstrate

Page 11 of 29

578-04916-10 20102540c1 320 that the new or retained professional sports franchise will 321 attract a paid attendance of more than 300,000 annually. 322 (e) The applicant has an independent analysis or study, 323 verified by the Office of Tourism, Trade, and Economic 324 Development, which demonstrates that the amount of the revenues 325 generated by the taxes imposed under chapter 212 with respect to 326 the use and operation of the professional sports franchise 327 facility will equal or exceed \$2 million annually. 328 (f) The municipality in which the facility for a new or 329 retained professional sports franchise is located, or the county 330 if the facility for a new or retained professional sports 331 franchise is located in an unincorporated area, has certified by 332 resolution after a public hearing that the application serves a public purpose. 333 334 (g) The applicant has demonstrated that it has provided, is 335 capable of providing, or has financial or other commitments to 336 provide more than one-half of the costs incurred or related to 337 the improvement and development of the facility. 338 (h) An No applicant previously certified under any 339 provision of this section who has received funding under such 340 certification is not shall be eligible for an additional 341 certification. 342 (5) (a) As used in this section, the term "retained spring 343 training franchise" means a spring training franchise that has been based in this state prior to January 1, 2000. 344 345 (b) Prior to certifying an applicant as a "facility for a retained spring training franchise," the Office of Tourism, 346 347 Trade, and Economic Development must determine that: 1. A "unit of local government" as defined in s. 218.369 is 348

Page 12 of 29

	578-04916-10 20102540c1
349	responsible for the acquisition, construction, management, or
350	operation of the facility for a retained spring training
351	franchise or holds title to the property on which the facility
352	for a retained spring training franchise is located.
353	2. The applicant has a verified copy of a signed agreement
354	with a retained spring training franchise for the use of the
355	facility for a term of at least 15 years.
356	3. The applicant has a financial commitment to provide 50
357	percent or more of the funds required by an agreement for the
358	acquisition, construction, or renovation of the facility for a
359	retained spring training franchise. The agreement can be
360	contingent upon the awarding of funds under this section and
361	other conditions precedent to use by the spring training
362	franchise.
363	4. The applicant has projections, verified by the Office of
364	Tourism, Trade, and Economic Development, which demonstrate that
365	the facility for a retained spring training franchise will
366	attract a paid attendance of at least 50,000 annually.
367	5. The facility for a retained spring training franchise is
368	located in a county that is levying a tourist development tax
369	pursuant to s. 125.0104.
370	(c)1. The Office of Tourism, Trade, and Economic
371	Development shall competitively evaluate applications for
372	funding of a facility for a retained spring training franchise.
373	Applications must be submitted by October 1, 2000, with
374	certifications to be made by January 1, 2001. If the number of
375	applicants exceeds five and the aggregate funding request of all
376	applications exceeds \$208,335 per month, the office shall rank
377	the applications according to a selection criteria, certifying

Page 13 of 29

	578-04916-10 20102540c1
378	the highest ranked proposals. The evaluation criteria shall
379	include, with priority given in descending order to the
380	following items:
381	a. The intended use of the funds by the applicant, with
382	priority given to the construction of a new facility.
383	b. The length of time that the existing franchise has been
384	located in the state, with priority given to retaining
385	franchises that have been in the same location the longest.
386	c. The length of time that a facility to be used by a
387	retained spring training franchise has been used by one or more
388	spring training franchises, with priority given to a facility
389	that has been in continuous use as a facility for spring
390	training the longest.
391	d. For those teams leasing a spring training facility from
392	a unit of local government, the remaining time on the lease for
393	facilities used by the spring training franchise, with priority
394	given to the shortest time period remaining on the lease.
395	e. The duration of the future-use agreement with the
396	retained spring training franchise, with priority given to the
397	future-use agreement having the longest duration.
398	f. The amount of the local match, with priority given to
399	the largest percentage of local match proposed.
400	g. The net increase of total active recreation space owned
401	by the applying unit of local government following the
402	acquisition of land for the spring training facility, with
403	priority given to the largest percentage increase of total
404	active recreation space.
405	h. The location of the facility in a brownfield, an
406	enterprise zone, a community redevelopment area, or other area

Page 14 of 29

	578-04916-10 20102540c1
407	of targeted development or revitalization included in an Urban
408	Infill Redevelopment Plan, with priority given to facilities
409	located in these areas.
410	i. The projections on paid attendance attracted by the
411	facility and the proposed effect on the economy of the local
412	community, with priority given to the highest projected paid
413	attendance.
414	2. Beginning July 1, 2006, the Office of Tourism, Trade,
415	and Economic Development shall competitively evaluate
416	applications for funding of facilities for retained spring
417	training franchises in addition to those certified and funded
418	under subparagraph 1. An applicant that is a unit of government
419	that has an agreement for a retained spring training franchise
420	for 15 or more years which was entered into between July 1,
421	2003, and July 1, 2004, shall be eligible for funding.
422	Applications must be submitted by October 1, 2006, with
423	certifications to be made by January 1, 2007. The office shall
424	rank the applications according to selection criteria,
425	certifying no more than five proposals. The aggregate funding
426	request of all applicants certified shall not exceed an
427	aggregate funding request of \$208,335 per month. The evaluation
428	criteria shall include the following, with priority given in
429	descending order:
430	a. The intended use of the funds by the applicant for
431	acquisition or construction of a new facility.
432	b. The intended use of the funds by the applicant to
433	renovate a facility.
434	c. The length of time that a facility to be used by a
435	retained spring training franchise has been used by one or more

Page 15 of 29

	578-04916-10 20102540c1
436	spring training franchises, with priority given to a facility
437	that has been in continuous use as a facility for spring
438	training the longest.
439	d. For those teams leasing a spring training facility from
440	a unit of local government, the remaining time on the lease for
441	facilities used by the spring training franchise, with priority
442	given to the shortest time period remaining on the lease. For
443	consideration under this subparagraph, the remaining time on the
444	lease shall not exceed 5 years, unless an agreement of 15 years
445	or more was entered into between July 1, 2003, and July 1, 2004.
446	e. The duration of the future-use agreement with the
447	retained spring training franchise, with priority given to the
448	future-use agreement having the longest duration.
449	f. The amount of the local match, with priority given to
450	the largest percentage of local match proposed.
451	g. The net increase of total active recreation space owned
452	by the applying unit of local government following the
453	acquisition of land for the spring training facility, with
454	priority given to the largest percentage increase of total
455	active recreation space.
456	h. The location of the facility in a brownfield area, an
457	enterprise zone, a community redevelopment area, or another area
458	of targeted development or revitalization included in an urban
459	infill redevelopment plan, with priority given to facilities
460	located in those areas.
461	i. The projections on paid attendance attracted by the
462	facility and the proposed effect on the economy of the local
463	community, with priority given to the highest projected paid
464	attendance.

Page 16 of 29

578-04916-10 20102540c1 465 (d) Funds may not be expended to subsidize privately owned 466 and maintained facilities for use by the spring training 467 franchise. Funds may be used to relocate a retained spring 468 training franchise to another unit of local government only if the existing unit of local government with the retained spring 469 training franchise agrees to the relocation. 470 471 (5) (6) An applicant certified as a facility for a new or 472 retained professional sports franchise or a facility for a 473 retained professional sports franchise or as a facility for a 474 retained spring training franchise may use funds provided under 475 pursuant to s. 212.20 only for the public purpose of paying for 476 the acquisition, construction, reconstruction, or renovation of a facility for a new or retained professional sports franchise, 477 a facility for a retained professional sports franchise, or a 478 479 facility for a retained spring training franchise or to pay or 480 pledge for the payment of debt service on, or to fund debt 481 service reserve funds, arbitrage rebate obligations, or other 482 amounts payable with respect to, bonds issued for the 483 acquisition, construction, reconstruction, or renovation of such 484 facility or for the reimbursement of such costs or the 485 refinancing of bonds issued for such purposes.

486 (6) (7) (a) The Office of Tourism, Trade, and Economic 487 Development shall notify the Department of Revenue of any 488 facility certified as a facility for a new or retained professional sports franchise or a facility for a retained 489 490 professional sports franchise or as a facility for a retained 491 spring training franchise. The Office of Tourism, Trade, and 492 Economic Development shall certify no more than eight facilities 493 as facilities for a new professional sports franchise or as

Page 17 of 29

578-04916-10 20102540c1 494 facilities for a retained professional sports franchise, 495 including in the such total any facilities certified by the 496 former Department of Commerce before July 1, 1996. The number of 497 facilities certified as a retained spring training franchise shall be as provided in subsection (5). The office may make no 498 499 more than one certification for any facility. The office may not 500 certify funding for less than the requested amount to any applicant certified as a facility for a retained spring training 501 franchise. 502

(b) The eighth certification of an applicant under this section as a facility for a new <u>or retained</u> professional sports franchise or a facility for a retained professional sports franchise shall be for a franchise that is a member of the National Basketball Association, has been located within the state since 1987, and has not been previously certified. This paragraph is repealed July 1, 2010.

510 (7) (8) The Auditor General Department of Revenue may conduct audits audit as provided in <u>s. 11.45</u> s. 213.34 to verify 511 512 that the distributions under pursuant to this section are have 513 been expended as required in this section. Such information is 514 subject to the confidentiality requirements of chapter 213. If 515 the Auditor General Department of Revenue determines that the 516 distributions under pursuant to this section are have not been 517 expended as required by this section, the Auditor General shall 518 notify the Department of Revenue, which it may pursue recovery 519 of the such funds under pursuant to the laws and rules governing 520 the assessment of taxes.

521 (8)(9) An applicant is not qualified for certification 522 under this section if the franchise formed the basis for a

Page 18 of 29

	578-04916-10 20102540c1
523	previous certification, unless the previous certification was
524	withdrawn by the facility or invalidated by the Office of
525	Tourism, Trade, and Economic Development or the <u>former</u>
526	Department of Commerce before any funds were distributed <u>under</u>
527	pursuant to s. 212.20. This subsection does not disqualify an
528	applicant if the previous certification occurred between May 23,
529	1993, and May 25, 1993; however, any funds to be distributed
530	<u>under</u> pursuant to s. 212.20 for the second certification shall
531	be offset by the amount distributed to the previous certified
532	facility. Distribution of funds for the second certification
533	shall not be made until all amounts payable for the first
534	certification are have been distributed.
535	Section 5. Section 288.11621, Florida Statutes, is created
536	to read:
537	288.11621 Spring training baseball franchises
538	(1) DEFINITIONSAs used in this section, the term:
539	(a) "Agreement" means a certified, signed lease between an
540	applicant that applies for certification on or after July 1,
541	2010, and the spring training franchise for the use of a
542	facility.
543	(b) "Applicant" means a unit of local government as defined
544	in s. 218.369, including local governments located in the same
545	county that have partnered with a certified applicant before the
546	effective date of this section or with an applicant for a new
547	certification, for purposes of sharing in the responsibilities
548	of a facility.
549	(c) "Certified applicant" means a facility for a spring
550	training franchise that was certified before July 1, 2010, under
551	s. 288.1162(5), Florida Statutes 2009, or a unit of local

Page 19 of 29

	578-04916-10 20102540c1
552	government that is certified under this section.
553	(d) "Facility" means a spring training stadium, playing
554	fields, and appurtenances intended to support spring training
555	activities.
556	(e) "Local funds" and "local matching funds" mean funds
557	provided by a county, municipality, or other local government.
558	(f) "Office" means the Office of Tourism, Trade, and
559	Economic Development.
560	(2) CERTIFICATION PROCESS
561	(a) Before certifying an applicant to receive state funding
562	for a facility for a spring training franchise, the office must
563	verify that:
564	1. The applicant is responsible for the acquisition,
565	construction, management, or operation of the facility for a
566	spring training franchise or holds title to the property on
567	which the facility for a spring training franchise is located.
568	2. The applicant has a certified copy of a signed agreement
569	with a spring training franchise for the use of the facility for
570	a term of at least 20 years. The agreement also must require the
571	franchise to reimburse the state for state funds expended by an
572	applicant under this section if the franchise relocates before
573	the agreement expires. The agreement may be contingent on an
574	award of funds under this section and other conditions
575	precedent.
576	3. The applicant has made a financial commitment to provide
577	50 percent or more of the funds required by an agreement for the
578	acquisition, construction, or renovation of the facility for a
579	spring training franchise. The commitment may be contingent upon
580	an award of funds under this section and other conditions

Page 20 of 29

578-04916-10 20102540c1 581 precedent. 582 4. The applicant demonstrates that the facility for a 583 spring training franchise will attract a paid attendance of at 584 least 50,000 annually to the spring training games. 585 5. The facility for a spring training franchise is located 586 in a county that levies a tourist development tax under s. 587 125.0104. 588 (b) The office shall competitively evaluate applications 589 for state funding of a facility for a spring training franchise. 590 The total number of certifications may not exceed 10 at any 591 time. The evaluation criteria must include, with priority given 592 in descending order to, the following items: 1. The anticipated effect on the economy of the local 593 594 community where the spring training facility is to be built, including projections on paid attendance, local and state tax 595 596 collections generated by spring training games, and direct and 597 indirect job creation resulting from the spring training 598 activities. Priority shall be given to applicants who can 599 demonstrate the largest projected economic impact. 600 2. The amount of the local matching funds committed to a 601 facility relative to the amount of state funding sought, with 602 priority given to applicants that commit the largest amount of 603 local matching funds relative to the amount of state funding 604 sought. 605 3. The potential for the facility to serve multiple uses. 606 4. The intended use of the funds by the applicant, with 607 priority given to the funds being used to acquire a facility, construct a new facility, or renovate an existing facility. 608 609 5. The length of time that a spring training franchise has

Page 21 of 29

	578-04916-10 20102540c1
610	been under an agreement to conduct spring training activities
611	within an applicant's geographic location or jurisdiction, with
612	priority given to applicants having agreements with the same
613	franchise for the longest period of time.
614	6. The length of time that an applicant's facility has been
615	used by one or more spring training franchises, with priority
616	given to applicants whose facilities have been in continuous use
617	as facilities for spring training the longest.
618	7. The term remaining on a lease between an applicant and a
619	spring training franchise for a facility, with priority given to
620	applicants having the shortest lease terms remaining.
621	8. The length of time that a spring training franchise
622	agrees to use an applicant's facility if an application is
623	granted under this section, with priority given to applicants
624	having agreements for the longest future use.
625	9. The net increase of total active recreation space owned
626	by the applicant after an acquisition of land for the facility,
627	with priority given to applicants having the largest percentage
628	increase of total active recreation space that will be available
629	for public use.
630	10. The location of the facility in a brownfield, an
631	enterprise zone, a community redevelopment area, or other area
632	of targeted development or revitalization included in an urban
633	infill redevelopment plan, with priority given to applicants
634	having facilities located in these areas.
635	(c) Each applicant certified on or after July 1, 2010,
636	shall enter into an agreement with the office that:
637	1. Specifies the amount of the state incentive funding to
638	be distributed.

Page 22 of 29

578-04916-10 20102540c1 639 2. States the criteria that the certified applicant must 640 meet in order to remain certified. 3. States that the certified applicant is subject to 641 642 decertification if the certified applicant fails to comply with 643 this section or the agreement. 644 4. States that the office may recover state incentive funds 645 if the certified applicant is decertified. 646 5. Specifies information that the certified applicant must 647 report to the office. 648 6. Includes any provision deemed prudent by the office. 649 (3) USE OF FUNDS.-650 (a) A certified applicant may use funds provided under s. 651 212.20(6)(d)6.b. only to: 652 1. Serve the public purpose of acquiring, constructing, 653 reconstructing, or renovating a facility for a spring training 654 franchise. 655 2. Pay or pledge for the payment of debt service on, or to 656 fund debt service reserve funds, arbitrage rebate obligations, 657 or other amounts payable with respect thereto, bonds issued for 658 the acquisition, construction, reconstruction, or renovation of 659 such facility, or for the reimbursement of such costs or the 660 refinancing of bonds issued for such purposes. 661 3. Assist in the relocation of a spring training franchise 662 from one unit of local government to another only if the 663 governing board of the current host local government by a 664 majority vote agrees to relcoation. 665 (b) State funds awarded to a certified applicant for a 666 facility for a spring training franchise may not be used to 667 subsidize facilities that are privately owned, maintained, and

Page 23 of 29

	578-04916-10 20102540c1
668	used only by a spring training franchise.
669	(c) The Department of Revenue may not distribute funds to
670	an applicant certified on or after July 1, 2010, until it
671	receives notice from the office that the certified applicant has
672	encumbered funds under subparagraph (a)2.
673	(d)1. All certified applicants must place unexpended state
674	funds received pursuant to s. 212.20(6)(d)6.b. in a trust fund
675	or separate account for use only as authorized in this section.
676	2. A certified applicant may request that the Department of
677	Revenue suspend further distributions of state funds made
678	available under s. 212.20(6)(d)6.b. for 12 months after
679	expiration of an existing agreement with a spring training
680	franchise to provide the certified applicant with an opportunity
681	to enter into a new agreement with a spring training franchise,
682	at which time the distributions shall resume.
683	3. The expenditure of state funds distributed to an
684	applicant certified before July 1, 2010, must begin within 48
685	months after the initial receipt of the state funds. In
686	addition, the construction of, or capital improvements to, a
687	spring training facility must be completed within 24 months
688	after the project's commencement.
689	(4) ANNUAL REPORTSOn or before September 1 of each year,
690	a certified applicant shall submit to the office a report that
691	includes, but is not limited to:
692	(a) A copy of its most recent annual audit.
693	(b) A detailed report on all local and state funds expended
694	to date on the project being financed under this section.
695	(c) A copy of the contract between the certified local
696	governmental entity and the spring training team.

Page 24 of 29

	578-04916-10 20102540c1
697	(d) A cost-benefit analysis of the team's impact on the
698	community.
699	(e) Evidence that the certified applicant continues to meet
700	the criteria in effect when the applicant was certified.
701	(5) DECERTIFICATION
702	(a) The office shall decertify a certified applicant upon
703	the request of the certified applicant.
704	(b) The office shall decertify a certified applicant if the
705	certified applicant does not:
706	1. Have a valid agreement with a spring training franchise;
707	2. Satisfy its commitment to provide local matching funds
708	to the facility; or
709	
710	However, decertification proceedings against a local government
711	certified before July 1, 2010, shall be delayed until 12 months
712	after the expiration of the local government's existing
713	agreement with a spring training franchise, and without a new
714	agreement being signed, if the certified local government can
715	demonstrate to the office that it is in active negotiations with
716	a major league spring training franchise, other than the
717	franchise that was the basis for the original certification.
718	(c) A certified applicant has 60 days after it receives a
719	notice of intent to decertify from the office to petition the
720	office's director for review of the decertification. Within 45
721	days after receipt of the request for review, the director must
722	notify a certified applicant of the outcome of the review.
723	(d) The office shall notify the Department of Revenue that
724	a certified applicant is decertified within 10 days after the
725	order of decertification becomes final. The Department of

Page 25 of 29

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

CS for SB 2540

	578-04916-10 20102540c1
726	Revenue shall immediately stop the payment of any funds under
727	this section that were not encumbered by the certified applicant
728	under subparagraph (3)(a)2.
729	(e) The office shall order a decertified applicant to repay
730	all of the unencumbered state funds that the local government
731	received under this section and any interest that accrued on
732	those funds. The repayment must be made within 60 days after the
733	decertification order becomes final. These funds shall be
734	deposited into the General Revenue Fund.
735	(f) A local government as defined in s. 218.369 may not be
736	decertified if it has paid or pledged for the payment of debt
737	service on, or to fund debt service reserve funds, arbitrage
738	rebate obligations, or other amounts payable with respect
739	thereto, bonds issued for the acquisition, construction,
740	reconstruction, or renovation of the facility for which the
741	local government was certified, or for the reimbursement of such
742	costs or the refinancing of bonds issued for the acquisition,
743	construction, reconstruction, or renovation of the facility for
744	which the local government was certified, or for the
745	reimbursement of such costs or the refinancing of bonds issued
746	for such purpose. This subsection does not preclude or restrict
747	the ability of a certified local government to refinance,
748	refund, or defease such bonds.
749	(6) ADDITIONAL CERTIFICATIONSIf the office decertifies a
750	unit of local government, the office may accept applications for
751	an additional certification. A unit of local government may not
752	be certified for more than one spring training franchise at any
753	time.
754	(7) STRATEGIC PLANNING.—

Page 26 of 29

_	578-04916-10 20102540c1
755	(a) The office shall request assistance from the Florida
756	Sports Foundation and the Florida Grapefruit League Association
757	to develop a comprehensive strategic plan to:
758	1. Finance spring training facilities.
759	2. Monitor and oversee the use of state funds awarded to
760	applicants.
761	3. Identify the financial impact that spring training has
762	on the state and ways in which to maintain or improve that
763	impact.
764	4. Identify opportunities to develop public-private
765	partnerships to engage in marketing activities and advertise
766	spring training baseball.
767	5. Identify efforts made by other states to maintain or
768	develop partnerships with baseball spring training teams.
769	6. Develop recommendations for the Legislature to sustain
770	or improve this state's spring training tradition.
771	(b) The office shall submit a copy of the strategic plan to
772	the Governor, the President of the Senate, and the Speaker of
773	the House of Representatives by December 31, 2010.
774	(8) RULEMAKINGThe office shall adopt rules to implement
775	the certification, decertification, and decertification review
776	processes required by this section.
777	(9) AUDITSThe Auditor General may conduct audits as
778	provided in s. 11.45 to verify that the distributions under this
779	section are expended as required in this section. If the Auditor
780	General determines that the distributions under this section are
781	not expended as required by this section, the Auditor General
782	shall notify the Department of Revenue, which may pursue
783	recovery of the funds under the laws and rules governing the

Page 27 of 29

	578-04916-10 20102540c1					
784	assessment of taxes.					
785	Section 6. Subsection (1) of section 288.1229, Florida					
786	Statutes, is amended to read:					
787	288.1229 Promotion and development of sports-related					
788	industries and amateur athletics; direct-support organization;					
789	powers and duties					
790	(1) The Office of Tourism, Trade, and Economic Development					
791	may authorize a direct-support organization to assist the office					
792	in:					
793	(a) The promotion and development of the sports industry					
794	and related industries for the purpose of improving the economic					
795	presence of these industries in Florida.					
796	(b) The promotion of amateur athletic participation for the					
797	citizens of Florida and the promotion of Florida as a host for					
798	national and international amateur athletic competitions for the					
799	purpose of encouraging and increasing the direct and ancillary					
800	economic benefits of amateur athletic events and competitions.					
801	(c) The retention of professional sports franchises,					
802	including the spring training operations of Major League					
803	Baseball.					
804	Section 7. An agreement with a spring training franchise					
805	relocating from one local government to another local government					
806	shall be recognized as a valid agreement under this act if the					
807	Office of Tourism, Trade, and Economic Development approved the					
808	continuing release of funds to the local government to which the					
809	franchise relocated before the effective date of this act. The					
810	Legislature recognizes the validity of the agreement and					
811	acknowledges the authority of the Office of Tourism, Trade, and					
812	Economic Development to provide for the continuing release of					

Page 28 of 29

	1			Page					
CODING:	Words	stricken	are	ae⊥etı	ons;	words	<u>underlined</u>	are	additions.

	578-04916-10 20102540c1
813	funds to the local government under the terms of s. 288.1162,
814	Florida Statutes, which were in effect before the effective date
815	of this act.
816	Section 8. This act shall take effect upon becoming a law.