The Florida Senate

BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Community Affairs Committee

BILL: CS/SB 1308

INTRODUCER: Commerce Committee and Commerce Committee

SUBJECT: Baseball spring training facilities

DATE: March 18, 2009 REVISED:

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Pugh	Cooper	CM	**Fav/CS**
2.	Murphy	Yeatman	CA	**Favorable**
3.			FT	
4.			WPSC	
5.				
6.				

Please see Section VIII. for Additional Information:

A. COMMITTEE SUBSTITUTE.....	x	Statement of Substantial Changes
B. AMENDMENTS.....		Technical amendments were recommended
		Amendments were recommended
		Significant amendments were recommended

I. Summary:

Sixteen Major League Baseball franchises conduct their spring training season in Florida, but after the 2009 season that number will be reduced, as the Cincinnati Reds leave Sarasota for Arizona's Cactus League. The Baltimore Orioles, whose current spring training home is in Fort Lauderdale, also may be moving within the next 2 years because of stadium issues.

Currently, s. 288.1062, F.S., specifies a process by which the Governor's Office of Tourism, Trade, and Economic Development (OTTED) has certified 10 local governments to receive up to $15 million each in state sales tax revenues to help pay for spring training facilities. Two of those 10 certified local governments – Sarasota and Fort Lauderdale – are likely to be without teams within the next 2 years.

However, the statute does not require OTTED and the certified local governments to enter into contracts before receiving the state funds; does not have a reporting requirement or other mechanism by which OTTED can monitor the funds' expenditures; and does not include provisions to decertify and recover state funds from local governments whose spring training franchises have relocated, either out of state or to other Florida communities.

CS/SB 1308 proposes a number of changes to current Florida law to address these issues, and to direct OTTED and its partners to develop a strategic plan to help guide the future of spring training baseball in Florida. It also provides an opportunity for currently certified local governments who have lost their teams to recruit new franchises, before they are decertified by OTTED and must return state funds.

In addition, CS/SB 1308 expands the scope of the incentive – currently restricted to "retained" spring training franchises that were based in Florida prior to 2000 – to include any spring training franchise. This allows the incentive to be used by local communities to attract Arizona-based teams to Florida, should additional state funding become available.

CS/SB 1308 takes effect on July 1, 2009.

II. Present Situation:

Florida's Grapefruit League

The first professional team to come to Florida for spring training was the Washington Capitals, in 1888, which spent three weeks in Jacksonville to get ready for the upcoming regular season. [1] In the modern era, Florida's Grapefruit League[2] has been the spring-training home to as many as 20 of the 30 Major League Baseball teams. But since the late 1990s, it has slowly been losing teams to Arizona's Cactus League,[3] which has a storied, 60-year history of its own with Major League Baseball spring training. A 2007 economic impact study indicated that spring training generates nearly $311 million annually to Arizona's economy.[4]

The impetus for Arizona's emergence as a spring-training competitor to Florida was the passage of legislation in 2000 creating the "Arizona Sports and Tourism Authority" with authority to levy and collect certain taxes (such as car-rental fees), and to bond them as debt service, for certain specified sports facilities.[5] These revenue sources, coupled with local bed-tax and other funds, have enabled the construction of new spring-training ballparks, some shared. For example, construction is continuing on an estimated $108 million spring training facility in Goodyear, Arizona.[6] The facility will include a 10,000-seat stadium to be shared by the Cincinnati Reds and the Chicago White Sox, but have separate clubhouses, offices, and practice fields for each team.

Besides the availability of large, new or renovated facilities, baseball teams are drawn to Arizona because of the proximity of the spring training stadiums, which are located within two adjacent counties, Maricopa and Pima. Florida's spring training facilities are scattered along the state's two coasts and within the state's heartland.

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[1] Baseball in Florida, written by Kevin M. McCarthy. Published by Pineapple Press in 1996. Page 141.
[2] More information about the league is available at http://www.floridagrapefruitleague.com/. Last visited Aug. 6, 2008.
[3] The Cactus League began in 1947 with two teams, and now has 14 teams. The Cincinnati Reds will join play in 2010.
[4] See report at http://www.cactusleague.com/downloads/2007_Cactus_League_Report.pdf.
[5] See Chapter 8 of the Arizona Statutes at http://www.azleg.gov/ArizonaRevisedStatutes.asp?Title=5. The relevant statewide legislation was ch. 372, Laws 2000, and the implementing local referendum was Proposition 302, which Maricopa County voters approved by a 52% to 48% vote, authorizing new tourism taxes. Legislation filed for the 2008 session, which would have created a similar sports authority for Pima County and given its residents a chance to vote on raising taxes to pay for stadium improvements, failed to pass.
[6] Information available at http://www.goodyearaz.gov/index.asp?NID=1800. The White Sox facilities are completed, and the team will play there beginning in 2009. The Reds' facilities are expected to be completed before the 2010 season.

Since 1998, six teams have left (or announced their intentions to leave) the Grapefruit League for the Cactus League. They are: the Texas Rangers, the Kansas City Royals, the Chicago White Sox, the Los Angeles Dodgers, the Cleveland Indians, and the Cincinnati Reds.

Florida's Current Grapefruit League Teams[7]

Team	Host Community	State Certified?	Public or Private Stadium?	Term of Lease	Average Attendance Per Game in 2008
Atlanta Braves	Disney	No	Private	2017	9,024
Baltimore Orioles[8]	Fort Lauderdale	Yes	Public	2009	5, 312
Boston Red Sox	Fort Myers	No	Public	2019	7,899
Cincinnati Reds[9]	Sarasota	Yes	Public	2010	5,318
Detroit Tigers	Lakeland	Yes	Public	2016	7,718
Florida Marlins	Jupiter	No	Public	2017	7,061
Houston Astros	Osceola County	Yes	Public	2016	4,068
Minnesota Twins	Fort Myers	No	Public	2020	7,808
New York Mets	St. Lucie County	Yes	Public	2017	6,121
NY Yankees	Tampa	No	Public	2027	10,731
Philadelphia Phillies	Clearwater	Yes	Public	2024	8,194
Pittsburg Pirates	Bradenton	Yes	Public	2036	5,404
St. Louis Cardinals	Jupiter	No	Public	2027	6,257
Tampa Bay Rays[10]	Charlotte County	Yes	Public	2029	4,996
Toronto Blue Jays	Dunedin	Yes	Public	2016	4,603
Wash. Nationals	Viera	No	Public	2017	4,157
None	Indian River Co.[11]	Yes	Public	Not Applicable	Not Applicable

Note: Shaded cells indicate teams playing in communities that have received state certification under s. 288.1162, F.S.

[7] Information in this chart was compiled from information provided by the Florida Sports Foundation, the Florida Grapefruit League, and OTTED.
[8] Fort Lauderdale's proposal to renovate its spring-training facility for the Orioles was rejected by the FAA without an accompanying increase in rental fees, so the Orioles may decide to relocate.
[9] The Reds have announced plans to move spring-training operations to Arizona after the 2009 season.
[10] The Rays had been playing their spring training games at Florida Power Park-Al Lang Field in St. Petersburg, but beginning with the 2009 season, will move into the newly renovated Port Charlotte Park in Charlotte County built in part with state certification funds.
[11] 2008 was the last spring training season for the Los Angeles Dodgers at the publicly owned Dodger Town in Indian River County's Vero Beach. Beginning in spring 2009, the Dodgers will share with the Chicago White Sox a new spring training stadium in Glendale, Arizona. Total cost of the facilities is estimated at $100 million.

A 2000 economic impact study on spring training baseball in Florida estimated that the sport created a total business volume of $490 million, with $10.2 million state sales tax revenues and $2.8 million in local tax revenues, and an estimated 5,600 full-time jobs.[12]

Florida's role in funding spring training facilities

Chapter 88-226, L.O.F., established a funding mechanism for state financial support of the construction of new professional sports franchise facilities within Florida.[13] Legislation in 1991 added eligibility for state funding for local-government-owned facilities for "new spring training franchises," defined as teams not based in Florida prior to July 1, 1990, and a certification process for local governments.[14] No local government ever applied for the certification.

The source of the state funds is a distribution of state sales tax revenues, pursuant to s. 212.20(6)(d)7.b., F.S. Certified facilities are eligible for a maximum $41,667 monthly.

As the pressure from Arizona to recruit Grapefruit League teams intensified in the late 1990's, in 2000 the Legislature amended s. 288.1162, F.S., to make the certification process easier for local governments.[15] A key change in the law expanded eligibility, by replacing the definition for "new spring training franchise" with that of "retained spring training franchise," meaning a franchise that has been based in Florida prior to January 1, 2000. The legislation also gave OTTED (the successor to the Department of Commerce) the responsibility for certifying spring training facilities for state funding. Among the information that the certification applicants were required to submit to OTTED includes:

- Whether the applicant local government was responsible for the acquisition, construction, management or operation of the retained spring training franchise facility, or held title to the property on which the facility was located;
- A verified copy of a signed agreement with a retained spring training franchise for the use of the facility for a term of at least 15 years;
- Whether the applicant had a financial commitment of 50 percent or more of the funds required by an agreement for the acquisition, construction, or renovation of the facility;
- Valid projections demonstrating that the facility would attract paid attendance of at least 50,000 annually; and
- If the facility was or would be located in a county levying a tourist development tax pursuant to s. 125.0104, F.S.

OTTED was to "competitively evaluate" the applications, and nine criteria were specified in the new law in descending order of priority:

- The intended use of the funds by the applicant, with priority given to the construction of a new facility;
- The length of time that the existing franchise has been located in the state, with priority given to retaining franchises that have been in the same location the longest;

[12] "Economic and Fiscal Impacts Associated with Major League Baseball Spring Training Operations in the State of Florida (and) the Grapefruit League." Prepared by Van Horn Associates at the request of the Florida Sports Foundation. May 2000. Copy on file with the Senate Commerce Committee.

[13] Information in this paragraph based on bill analysis for HB 1439 (ch. 2000-186, L.O.F.).

[14] Only three spring training franchises met the original date criteria: the Blue Jays, the Marlins, and the Devil Rays (now known as the Rays).

[15] Chapter 2000-186, L.O.F., which amended s. 288.1162, F.S.

- The length of time that a facility to be used by a retained spring training franchise has been used by one or more spring training franchises, with priority given to a facility that has been in continuous use as a facility for spring training the longest;
- For those teams leasing a spring training facility from a unit of local government, the remaining time on the lease for facilities used by the spring training franchise, with priority given to the shortest time period remaining on the lease;
- The duration of the future-use agreement with the retained spring training franchise, with priority given to the future-use agreement having the longest duration;
- The amount of the local match, with priority given to the largest percentage of local match proposed;
- The net increase of total active recreation space owned by the applying unit of local government following the acquisition of land for the spring training facility, with priority given to the largest percentage increase of total active recreation space;
- The location of the facility in a brownfield, an enterprise zone, a community redevelopment area, or other area of targeted development or revitalization included in an Urban Infill Redevelopment Plan, with priority given to facilities located in these areas; and
- The projections on paid attendance attracted by the facility and the proposed effect on the economy of the local community, with priority given to the highest projected paid attendance.

How local government may use the state funds is expressed in two separate subsections in s. 288.1162, F.S. Subsection (6) specifies that state funds may only be used to pay for acquisition, construction, reconstruction, or renovation of a spring training facility; to pay or pledge for the payment of debt service on a facility; or to reimburse or refinance bonds issued for the facility. The earlier subsection (5)(d) states that the state funds also "may be used to relocate'' a retained spring training franchise to another unit of local government within Florida only if the local government from which it is relocating agrees to the move. The statute does not define "relocate" or the process by which the current host community would make its decision to either approve or veto the relocation.

State funds may not be expended to subsidize privately owned and maintained facilities for use by the retained spring training franchise, under s. 288.1162(5)(d), F.S.

The legislation directed the Department of Revenue (DOR) to distribute sales tax proceeds to any applicant certified under s. 288.1162(5), F.S., as a "facility for a retained spring training franchise." A certified applicant could receive up to $41,667 monthly for up to 30 years.

The original five certifications, in 2000, were awarded to:

- The City of Lakeland: $7 million over 15 years for a facility for the Detroit Tigers;
- The City of Dunedin: $10 million over 20 years for a facility for the Toronto Blue Jays;
- Indian River County: $15 million over 30 years for a facility for the Los Angeles Dodgers;
- Osceola County: $7.5 million over 15 years for a facility for the Houston Astros; and
- The City of Clearwater: $15 million over 30 years for a facility for the Philadelphia Phillies.

In 2006, the Legislature amended s. 288.1162, F.S., to authorize five more certifications for spring training facilities. The criteria were essentially identical and the source of funding, in s. 212.20, F.S., was unchanged. Six local governments submitted applications, and OTTED selected the following five:[16]

- Charlotte County: $15 million over 30 years for a facility for the Tampa Bay Rays;
- The City of Bradenton: $15 million over 30 years for a facility for the Pittsburgh Pirates;
- The City of Fort Lauderdale: $15 million over 30 years for a facility for the Baltimore Orioles;
- The City of Sarasota: $15 million over 30 years for a facility for the Cincinnati Reds; and
- St. Lucie County: $7.5 million over 30 years for the New York Mets.

Eight of the local governments have begun spending the state funds. Sarasota and Fort Lauderdale have been certified and have received in excess of $916,000 each in state funds, as of December 31, 2008, but they have not spent or otherwise encumbered the funds because their plans to build new stadiums have been derailed, for different reasons. Sarasota could not get support from local voters for funds to match the state contribution for new facilities for the Reds, and the team decided to relocate to Arizona. Fort Lauderdale and the Orioles have not renovated their facilities because they do not support some of the lease conditions imposed by the Federal Aviation Administration (FAA).[17]

DOR Distributions to Hosts of Certified Spring Training Facilities[18]
As of December 31, 2008

Host Community	First Distribution Date/ Expiration Date	Total Paid to Date
Clearwater	Feb. 2001/Feb. 2031	$3.917 million
Dunedin	Feb. 2001/Feb. 2023	$3.917 million
Indian River County	Feb. 2001/Feb. 2031	$3.917 million
Osceola County	Feb. 2001/Feb. 2016	$3.917 million
Lakeland	Feb. 2001/Feb. 2016	$3.656 million
Charlotte County	March 2007/Feb. 2037	$916,674
Bradenton	March 2007/Feb. 2037	$916,674
Fort Lauderdale	March 2007/Feb. 2037	$916,674
Sarasota	March 2007/Feb. 2037	$916,674
St. Lucie County	March 2007/Feb. 2037	$483,680

Recent legislation

During the 2008 Legislative Session, attempts were made to amend s. 288.1162, F.S., to facilitate the relocation of baseball spring training teams from one Florida city to another, without getting approval from the current host community, and also to transfer the state certification funds from one community to another.

[16] The City of Fort Myers' application for a new facility for the Boston Red Sox was not approved by OTTED in 2006.
[17] Among the conditions imposed by the FAA is an increase in the Orioles' annual facility rental fee to $1.3 million from the current maximum rate of $120,000. The stadium is on land owned by the Fort Lauderdale Executive Airport.
[18] Chart information provided by DOR. Complete Excel chart on file with the Commerce Committee.

Yet, s. 288.1162(5)(d), F.S., provides that state incentive funds may not "be used to relocate a retained spring training franchise to another unit of local government" unless "the existing unit of local government with the retained spring training franchise agrees to the relocation." Current law is silent about what happens to a certified host community's state funds if the community loses the team on which its certification was based.

Various versions of the 2008 legislation would have: authorized OTTED to approve relocation, consistent with criteria it would develop for this purpose; authorized OTTED to decertify local governments from continued eligibility to receive the incentive; created a process for OTTED to recover unexpended state funds; required annual reports of the certified local governments on how the state funds are being spent; and created the position of Florida Commissioner of Baseball.

None of the legislation passed, but it focused scrutiny on the existing statute, revealing its lack of oversight by OTTED over the local governments receiving the state funds. For example, there is no formal, legal agreement between OTTED and a certified local government; instead, OTTED sends a letter to local governments announcing their successful certification, and a similar letter to DOR notifying it to begin releasing the funds. The statute does not direct OTTED to periodically monitor the certified local governments' activities, and there is no financial reporting requirement to the state from the communities receiving the state funding.

The proposed 2008 legislation generated enough interest that it resulted in interim projects for Senate professional staff and for OTTED staff.

OTTED also decided over the interim to contract for an economic impact study on spring training baseball in Florida, since the last statewide study was conducted in 2000. Results of the study are expected to be available in April, after the conclusion of the 2009 spring training season.

III. Effect of Proposed Changes:

CS/SB 1308 seeks to clarify and strengthen existing statutory provisions related to the state certification program for local governmental entities applying for or receiving state funding for spring training baseball facilities.

The CS gives OTTED explicit authority to enter into contracts with certified local governments receiving state funding for spring-training facilities; to decertify local governments that no longer meet the certification requirements; and to recover unencumbered state funds. It also directs OTTED to take the lead in developing a strategic plan for supporting spring training baseball in Florida. Additionally, the bill removes a potential impediment to Florida communities interested in recruiting teams from Arizona's Cactus League, by deleting a definition that eligible teams had to be based in Florida prior to January 1, 2000.

Section 1 amends s. 14.2015, F.S., to replace a cross-reference, consistent with the proposed changes in Section 5 of the CS.

Section 2 amends s. 212.20, F.S., to correct a cross-reference and make technical changes recognizing that some local governments receiving the funds were certified pursuant to s. 288.1162, F.S., and that future local governments will be certified pursuant to s. 288.11621, F.S., as proposed in Section 5 of the CS.

Section 3 amends s. 218.64, F.S., to make technical changes consistent with the creation of s. 288.11621, F.S., in Section 5 of the CS.

Section 4 amends s. 288.1162, F.S., to delete all references to retained spring training baseball teams and to the certification process for local governments seeking state funds to help finance spring-training facilities. (Many of these provisions are recreated in Section 5 of the CS.) The law also is amended to direct the Auditor General, rather than the Department of Revenue, to conduct audits pursuant to s. 11.45, F.S., to verify that the funds are being spent for the purposes provided in law. If the Auditor General determines that the state funds have not been spent as required by law, he must notify the Department of Revenue, which may pursue recovery of the funds.

Section 5 creates s. 288.11621, F.S., which is devoted exclusively to the state funding program for communities with spring-training baseball teams. It is based on the existing law, but includes several provisions designed to increase program oversight and accountability.

Provisions in the existing spring training certification program that are preserved, albeit modified and reordered, in the new s. 288.11621, F.S., include:

- OTTED is required to verify certain information provided by an applicant local government that the:
  - Applicant is responsible for the acquisition, construction, management, or operation of a spring training facility, or holds title to the property on which the facility is located;
  - Applicant has a signed agreement with a spring training team;
  - Applicant has made a financial commitment to provide at least 50 percent of the funds needed to acquire, construct, or renovate the spring-training facility;
  - Applicant demonstrates that the spring training facility will attract an annual paid attendance of at least 50,000 persons; and
  - The spring training facility is or will be located in a county that levies a tourist development tax pursuant to s. 125.0104, F.S.
- OTTED shall competitively evaluate applications for funding using the following criteria, with priority given in descending order:
  - The anticipated economic impact on the local community by the new or modified facility, including projections on paid attendance, local and state tax collections, and job creation resulting from spring-training activities. Priority is given to applicants who can demonstrate the largest projected economic impact.
  - The amount of local matching funds committed to the facility project, relative to the amount of state funding sought, with priority given to applicants that commit the largest amount of local match relative to the state funding sought.
  - The potential for facilities to serve multiple purposes.[19]

[19] This is the only new evaluative criterion to be used by OTTED when reviewing applications.

  - The intended use of the state funds by the applicant, with priority given to applicants who want to use the funds to acquire a facility, construct a new facility, or renovate an existing facility.
  - The length of time the applicant has been a host community for a spring training franchise, with priority given to applicants having agreements with the same franchise for the longest period of time.
  - The length of time that the facility has been used by one or more spring training teams, with priority given to applicants whose facilities have been in continuous use .
  - The term remaining on the lease between the applicant and a spring training team for the facility's use, with priority given to applicants having the shortest lease terms remaining.
  - The length of time that a spring training franchise has agreed to use the applicant's facility, with priority given to applicants having the longest terms.
  - The net increase of total active recreational space owned by the applicant local government, following the acquisition of land for a new spring training facility. Priority is given to applicants having the largest percentage increase in total active recreational space.
  - Whether the facility is located in a brownfield, an enterprise zone, a community development area, or a revitalization area in an urban infill redevelopment plan.
- No more than 10 communities can be certified at any one time.
- The state funds may be used only to: acquire, construct, or renovate a facility for a spring training franchise; pay or pledge debt service, or to fund debt service reserves, for bonds issued to build or renovate a spring training facility; or to assist in the relocation of a spring training franchise from one local community to another, with the approval of the host community.
- State funds may not be used to subsidize facilities that are privately owned and maintained, and which are used only by the team.
- OTTED may adopt rules to implement this program.

CS/SB 1308 also includes a number of <u>new provisions aimed at improving state oversight and management of the spring-training certification program</u>. For example, local governments certified by OTTED on or after July 1, 2009, must enter into a formal agreement with OTTED that specifies:

- the amount of state funds to be distributed;
- the criteria to be met in order remain certified;
- the process by which a local government will be decertified if it fails to comply with certification requirements;
- that state funds may be recovered in case of decertification;
- information that the certified local government must provide to OTTED; and
- any other provision deemed prudent by OTTED.

OTTED also would be given explicit authority to <u>decertify</u> local communities that no longer meet the criteria, and be able to collect the state funds that had not been encumbered. There are two ways the decertification process is initiated:

- Certified local governments could ask to be decertified, or

- OTTED could initiate the decertification if a community either no longer has a valid agreement with a spring training franchise or has satisfied its required local match for the state funds.

However, in this latter instance, decertification proceedings against a local government certified prior to July 1, 2009, are stayed until 12 months after the expiration of its most-recent team agreement without a new agreement being signed, provided that the local government can demonstrate to OTTED that it is in active negotiations with a different major league spring training franchise from the one that formed the basis of its original certification.[20]

Typically, the local government facing decertification has 60 days to petition a review by OTTED's executive director after it receives a notice of OTTED's intent to decertify. The executive director then has 45 days to issue his or her decision.

OTTED must notify DOR within 10 days after an order of decertification becomes final, at which time DOR stops the distribution of the state funds to the decertified local government. A decertified local government must repay all of the unencumbered state funds received through this program, plus any interest earnings, within 60 days after the decertification order becomes final. The returned funds will be deposited into the state's General Revenue Fund.

Other new provisions are:

- A host community must agree <u>through a majority vote of its governing board</u> to allow its retained spring training team to relocate to another Florida community.
- Certified local governments' agreements with spring training teams must be for a term of at least 20 years, rather than the minimum 15 years specified in current law.
- DOR may not distribute funds to any new certified local government until it is notified by OTTED that the local government has encumbered funds for the spring training facilities.
- All certified applicants, current or future, must place unexpended state funds in a trust account for the purposes provided in law. Additionally:
    - Certified local governments who have lost their terms may ask DOR to suspend further distributions of the state funds for 12 months after the expiration of their existing team agreements, in order to give them time to enter into a new agreement, at which point the distributions would resume.
- Expenditure of the state funds to local governments certified prior to July 1, 2009, must begin within 48 months of the initial receipt of the funds, and construction or renovations to, a spring training facility must be completed within 24 months of the project's beginning date. [21]
- By September 1 of each year, all certified local governments must submit an annual report to OTTED that includes the following information:
    - a copy of its most recent annual audit;

[20] This would apply to all 10 currently certified communities, but for all practical purposes may be used by the three that no longer have teams: Indian River County/Vero Beach, Sarasota, and Fort Lauderdale.
[21] This would apply to all 10 currently certified communities, but for all practical purposes may be used by the two that no longer have teams and have not encumbered the state funds: Sarasota and Fort Lauderdale.

  - a detailed report on all local and state funds expended to date on the project being financed pursuant to this section;
  - a copy of the contract between the certified local governmental entity and the spring training team;
  - a cost-benefit analysis of the team's impact on the host community; and
  - evidence that the certified community continues to meet the certification requirements.
- If a local government is decertified, OTTED may accept applications for the vacant slot.
- The Auditor General may conduct audits to verify that the state funding is being expended as required in this section. If the Auditor General determines that is not the case, then he may contact DOR to recover the funds.

CS/SB 1308 also directs OTTED to engage in developing a comprehensive strategic plan for Florida to retain and recruit spring training franchises. The Florida Sports Foundation and the Florida Grapefruit League will be invited to assist OTTED in developing the plan, which shall include the following topics:

- Financing options for spring training facilities;
- Monitoring and oversight of the use of state funds awarded to certified communities;
- Identification of the financial impact that spring training has on the state and ways in which to maintain or improve that impact;
- Identification of opportunities to develop public-private partnerships to engage in marketing activities and advertise spring training baseball;
- Identification of efforts made by other states to maintain or develop partnerships with baseball spring training teams; and
- Recommendations for legislative consideration to sustain or improve Florida's spring training tradition.

A copy of the strategic plan must be submitted to the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 31, 2009.

Finally, OTTED is directed to adopt rules to implement the certification, decertification, and review processes required by the new s. 288.11621, F.S.

Section 6 amends s. 288.1229, F.S., to add assistance in the retention of spring-training baseball and other professional sports franchises among the duties of the sports-related direct-support organization under contract to OTTED. The Florida Sports Foundation currently is the direct-support organization under contract with OTTED for assistance in sports-related matters.

Section 7 specifies that the provisions of CS/SB 1308 take effect July 1, 2009.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

Indeterminate. Because CS/SB 1308 will allow OTTED to recover unencumbered state funds from decertified local governments, it is possible that at least $2 million in released state funds can be returned to the state's General Revenue Fund. Additionally, up to $28 million in sales tax revenue dedicated over the next 28 years can instead be directed to the General Revenue Fund, unless OTTED decides to certify new communities for the purpose of developing spring training baseball facilities.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by the Commerce Committee on March 10, 2009:

- Reorders the criteria used by OTTED to evaluate the applications from local governments for state funds to help build or remodel spring training baseball facilities. Moved from last to first in priority is a requirement for economic impact projections showing the effects spring-training activities in the community will have on paid attendance, local and state sales tax collections, and job creation. Moved from 7th place to 2nd place is the amount of local funding committed to the project, compared to the amount of state funds requested.

- Allows a certified local government to ask DOR to suspend further distributions for 12 months after the expiration of its current contract with a team to give it time to recruit a new team. Once the new contract is signed, DOR resumes the distributions. This amendment also gives a certified local government certified prior to July 1, 2009, 48 months to begin spending the state funds, and requires it to complete the construction or modification within 24 months.
- Delays decertification proceedings for certain local governments until 12 months after their current agreements expires without them having signed new teams, as long as they can show OTTED that they are actively negotiating with new teams.
- Clarifies that a local government facing decertification has 60 days to petition OTTED's executive director for a review of its case, and that the executive director then has 45 days to make a decision.
- Specifies the subjects of OTTED's rules on the state spring-training facility certification program.
- Corrects two incorrect cross-references.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.