

By Representative Byrd

1 A bill to be entitled
2 An act relating to economic development;
3 creating the "21st Century Digital Television
4 and Education Act"; providing legislative
5 findings and intent; creating the 21st Century
6 Digital Television and Education Task Force;
7 providing membership; providing duties;
8 providing for a report; amending s. 212.08,
9 F.S.; providing an exemption from the tax on
10 sales, use, and other transactions for
11 machinery or equipment purchased or leased for
12 use in the production, transmission, receipt,
13 or redistribution of digital television
14 signals; providing an effective date.

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

17
18 Section 1. Twenty-first Century Digital Television and
19 Education Act.--

20 (1) Short title.--This act may be cited as the "21st
21 Century Digital Television and Education Act."

22 (2) Legislative findings and intent.--The Legislature
23 finds that the federally mandated transition from analog to
24 digital television will provide numerous new, improved, and
25 innovative information and entertainment services to the
26 public. The Legislature further finds that, whereas all
27 commercial and noncommercial television markets in the United
28 States must begin digital broadcasts by no later than May,
29 2003, it is in the interest of the state to facilitate the
30 conversion of existing television stations, studios, networks,
31 and production companies to digital technology as well as to

1 encourage new companies involved in digital television and
2 related industries to locate in Florida. It is therefore the
3 intent of the Legislature to investigate and create the
4 economic incentives and educational opportunities necessary to
5 position Florida as a 21st century leader in the production,
6 transmission, manufacturing, and research and development of
7 digital television and related digital communication.

8 (3) Task force; membership; duties.--

9 (a) The "21st Century Digital Television and Education
10 Task Force" is hereby created to serve through February 1,
11 2000. The task force shall consist of the following members:

12 1. Two members to be appointed by the Governor.

13 2. Two members of the Senate, or their designees, to
14 be appointed by the President of the Senate.

15 3. Two members of the House of Representatives, or
16 their designees, to be appointed by the Speaker of the House
17 of Representatives.

18 4. The Commissioner of Education or the commissioner's
19 designee.

20 5. The Chancellor of the State University System or
21 the chancellor's designee.

22 6. The Executive Director of the State Community
23 College System or the executive director's designee.

24 7. The President of the Independent Colleges and
25 Universities of Florida or the president's designee.

26 (b) Each appointed member of the task force shall
27 serve at the pleasure of the appointing official. A vacancy on
28 the task force shall be filled in the same manner as the
29 original appointment.

30 (c) The task force shall elect a chair from among its
31 members. A vacancy in the chair of the task force must be

1 filled for the remainder of the unexpired term by an election
2 of the task force members.

3 (d) The task force shall meet as necessary, at the
4 call of the chair or at the call of a quorum of the task
5 force, and at the time and place designated by the chair. A
6 quorum is necessary for the purpose of conducting official
7 business of the task force. Six members of the task force
8 shall constitute a quorum. The task force shall use accepted
9 rules of procedure to conduct its meetings and shall keep a
10 complete record of each meeting.

11 (e) Members of the task force shall receive no
12 compensation for their services, but shall be entitled to
13 receive per diem and travel expenses as provided in s.
14 112.061, Florida Statutes.

15 (f) The Task Force shall act as an advisory body and
16 shall make recommendations to the Governor and the Legislature
17 on a coordinated plan to carry out the legislative intent of
18 this act. The task force shall have the following duties:

19 1. Devise a plan to recruit the following industry
20 segments to locate in Florida:

21 a. Digital programmers and producers, including
22 companies involved in the production, marketing, and
23 development of digital content, as well as studios, networks,
24 and television stations.

25 b. Companies involved in the transmission of digital
26 media, including television broadcasters, cable and satellite
27 companies, television, theater, and film industry members,
28 Internet content providers, web site producers, and other
29 information service providers.

30 c. Digital television equipment manufacturers,
31 including makers of digital video cameras, audio equipment,

1 transmission equipment, television sets, set-top boxes and
2 related hardware, monitors, displays, tapes, and discs.

3 d. Companies involved in the research and development
4 of new and innovative digital television equipment, consumer
5 electronics, prototypes, and products.

6 2. Investigate and recommend strong economic
7 incentives to encourage the digital industry segments
8 described in subparagraph 1. to locate and compete in Florida.

9 3. Devise a plan to create and maintain higher
10 education opportunities for students wishing to enter the
11 digital television field. At minimum, the plan shall consider
12 and address the following:

13 a. The extent to which higher education opportunities
14 are currently available to students in the areas of digital
15 production, transmission, manufacturing, and research and
16 development.

17 b. The workforce needs of the digital television
18 industry segments described in subparagraph 1.

19 c. Recommendations and an operational plan for
20 creating and maintaining higher education opportunities in
21 digital television production, transmission, manufacturing,
22 and research and development.

23 d. Any other recommendations to encourage and promote
24 the development of a skilled workforce in digital broadcast
25 communications and high-definition television.

26 4. Recommend methods to hasten the conversion of
27 existing commercial television studios and soundstages from
28 analog to digital technology.

29 5. Recommend a means to find the cost of converting
30 public broadcast stations from analog to digital technology,
31 including a grant program for Florida Public Television.

1 6. Issue a report to the Legislature no later than
2 February 1, 2000, summarizing its findings, stating its
3 conclusions, and proposing its recommendations.

4 Section 2. Paragraph (f) of subsection (5) of section
5 212.08, Florida Statutes, 1998 Supplement, is amended to read:

6 212.08 Sales, rental, use, consumption, distribution,
7 and storage tax; specified exemptions.--The sale at retail,
8 the rental, the use, the consumption, the distribution, and
9 the storage to be used or consumed in this state of the
10 following are hereby specifically exempt from the tax imposed
11 by this chapter.

12 (5) EXEMPTIONS; ACCOUNT OF USE.--

13 (f) Motion picture or video equipment used in motion
14 picture or television production activities and sound
15 recording equipment used in the production of master tapes and
16 master records; property purchased or leased to produce,
17 transmit, receive, or redistribute digital television
18 signals.--

19 1. Motion picture or video equipment and sound
20 recording equipment purchased or leased for use in this state
21 in production activities is exempt from the tax imposed by
22 this chapter upon an affirmative showing by the purchaser or
23 lessee to the satisfaction of the department that the
24 equipment will be used for production activities.

25 2. There is exempt from the tax imposed by this
26 chapter all machinery or equipment purchased or leased in this
27 state for use by a television studio, television network,
28 television production company, or federally licensed
29 television station in the production, origination, broadcast,
30 transmission, receipt, or redistribution of digital television
31 signals.

1 3. The exemptions ~~exemption~~ provided by this paragraph
2 shall inure to the taxpayer only through a refund of
3 previously paid taxes. Notwithstanding the provisions of s.
4 212.095, such refund shall be made within 30 days of formal
5 application, which application may be made after the
6 completion of production activities or on a quarterly basis.
7 Notwithstanding the provisions of chapter 213, the department
8 shall provide the Department of Commerce with a copy of each
9 refund application and the amount of such refund, if any.

10 ~~4.2.~~ For the purpose of the exemption provided in
11 subparagraph 1.:

12 a. "Motion picture or video equipment" and "sound
13 recording equipment" includes only equipment meeting the
14 definition of "section 38 property" as defined in s.
15 48(a)(1)(A) and (B)(i) of the Internal Revenue Code that is
16 used by the lessee or purchaser exclusively as an integral
17 part of production activities; however, motion picture or
18 video equipment and sound recording equipment does not include
19 supplies, tape, records, film, or video tape used in
20 productions or other similar items; vehicles or vessels; or
21 general office equipment not specifically suited to production
22 activities. In addition, the term does not include equipment
23 purchased or leased by television or radio broadcasting or
24 cable companies licensed by the Federal Communications
25 Commission.

26 b. "Production activities" means activities directed
27 toward the preparation of a:

28 (I) Master tape or master record embodying sound; or

29 (II) Motion picture or television production which is
30 produced for theatrical, commercial, advertising, or
31 educational purposes and utilizes live or animated actions or

1 a combination of live and animated actions. The motion picture
2 or television production shall be commercially produced for
3 sale or for showing on screens or broadcasting on television
4 and may be on film or video tape.

5 5. For the purpose of the exemption provided in
6 subparagraph 2. "machinery and equipment" means machinery or
7 equipment as described in 47 C.F.R., part 73, and "section 38
8 property" as defined in s. 48(a)(1)(A) and (B)(1) of the
9 Internal Revenue Code, purchased or leased in this state for
10 use by a television studio, television network, television
11 production company, or federally licensed television station
12 in the production, origination, broadcast, transmission,
13 receipt, or redistribution of digital television signals.

14 Section 3. This act shall take effect upon becoming a
15 law.

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18 HOUSE SUMMARY

19
20 Creates the "21st Century Digital Television and
21 Education Act." Provides legislative findings and intent.
22 Creates the 21st Century Digital Television and Education
23 Task Force. Provides membership and duties of the task
24 force and provides for a report.

25 Provides a sales tax exemption for machinery or equipment
26 purchased or leased in this state for use by a television
27 studio, television network, television production
28 company, or federally licensed television station in the
29 production, origination, broadcast, transmission,
30 receipt, or redistribution of digital television signals.
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