

1                   A bill to be entitled  
2           An act relating to the television broadcasting  
3           industry; creating the "21st Century Digital  
4           Television and Education Act"; providing  
5           legislative findings and intent; creating the  
6           21st Century Digital Television and Education  
7           Task Force; providing membership; providing  
8           duties; providing for a report; amending s.  
9           212.08, F.S.; providing an exemption from the  
10          tax on sales, use, and other transactions for  
11          personal or real property purchased or leased  
12          for use in the operation of a television  
13          broadcasting station that meets specified  
14          criteria; requiring return of tax refunds plus  
15          interest and penalties if certain criteria are  
16          not met; providing limitations; providing an  
17          effective date.

18  
19 Be It Enacted by the Legislature of the State of Florida:

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21           Section 1. Twenty-first Century Digital Television and  
22 Education Act.--

23           (1) SHORT TITLE.--This section may be cited as the  
24 "21st Century Digital Television and Education Act."

25           (2) LEGISLATIVE FINDINGS AND INTENT.--The Legislature  
26 finds that the federally mandated transition from analog to  
27 digital television will provide numerous new, improved, and  
28 innovative information and entertainment services to the  
29 public. The Legislature further finds that, whereas all  
30 commercial and noncommercial television markets in the United  
31 States must begin digital broadcasts by no later than May

1 2003, it is in the interest of the state to facilitate the  
2 conversion of existing television stations, studios, networks,  
3 and production companies to digital technology as well as to  
4 encourage new companies involved in digital television and  
5 related industries to locate in Florida. It is therefore the  
6 intent of the Legislature to investigate and create the  
7 economic incentives and educational opportunities necessary to  
8 position Florida as a 21st century leader in the production,  
9 transmission, manufacturing, and research and development of  
10 digital television and related digital communication.

11 (3) TASK FORCE; MEMBERSHIP; DUTIES.--

12 (a) The "21st Century Digital Television and Education  
13 Task Force" is hereby created to serve through February 1,  
14 2000. The task force is created within the Office of Tourism,  
15 Trade, and Economic Development, which shall provide staff  
16 support for the activities of the task force. The task force  
17 shall consist of the following members:

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

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

21 3. Two members of the House of Representatives, or  
22 their designees, to be appointed by the Speaker of the House  
23 of Representatives.

24 4. The Commissioner of Education or the commissioner's  
25 designee.

26 5. The Chancellor of the State University System or  
27 the chancellor's designee.

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

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

1           (b) Each appointed member of the task force shall  
2 serve at the pleasure of the appointing official. A vacancy on  
3 the task force shall be filled in the same manner as the  
4 original appointment.

5           (c) The task force shall elect a chair from among its  
6 members. A vacancy in the chair of the task force must be  
7 filled for the remainder of the unexpired term by election by  
8 the task force members.

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

17           (e) Members of the task force shall receive no  
18 compensation for their services, but shall be entitled to  
19 receive per diem and travel expenses as provided in s.  
20 112.061, Florida Statutes.

21           (f) The task force shall act as an advisory body and  
22 shall make recommendations to the Governor and the Legislature  
23 on a coordinated plan to carry out the legislative intent of  
24 this section. The task force shall have the following duties:

25           1. To devise a plan to recruit the following industry  
26 segments to locate in Florida:

27           a. Digital programmers and producers, including  
28 companies involved in the production, marketing, and  
29 development of digital content, as well as studios, networks,  
30 and television stations.

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1           b. Companies involved in the transmission of digital  
2 media, including television broadcasters, cable and satellite  
3 companies, television, theater, and film industry members,  
4 Internet content providers, web site producers, and other  
5 information service providers.

6           c. Digital television equipment manufacturers,  
7 including makers of digital video cameras, audio equipment,  
8 transmission equipment, television sets, set-top boxes and  
9 related hardware, monitors, displays, tapes, and discs.

10           d. Companies involved in the research and development  
11 of new and innovative digital television equipment, consumer  
12 electronics, prototypes, and products.

13           2. To investigate and recommend strong economic  
14 incentives to encourage the digital industry segments  
15 described in subparagraph 1. to locate and compete in Florida.

16           3. To devise a plan to create and maintain higher  
17 education opportunities for students wishing to enter the  
18 digital television field. At minimum, the plan shall consider  
19 and address the following:

20           a. The extent to which higher education opportunities  
21 are currently available to students in the areas of digital  
22 production, transmission, manufacturing, and research and  
23 development.

24           b. The workforce needs of the digital television  
25 industry segments described in subparagraph 1.

26           c. Recommendations and an operational plan for  
27 creating and maintaining higher education opportunities in  
28 digital television production, transmission, manufacturing,  
29 and research and development.

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1           d. Any other recommendations to encourage and promote  
2 the development of a skilled workforce in digital broadcast  
3 communications and high-definition television.

4           4. To recommend methods to hasten the conversion of  
5 existing commercial television studios and soundstages from  
6 analog to digital technology.

7           5. To recommend a means to fund the cost of converting  
8 public broadcast stations from analog to digital technology,  
9 including a grant program for Florida Public Television.

10           6. To issue a report to the Legislature no later than  
11 February 1, 2000, summarizing its findings, stating its  
12 conclusions, and proposing its recommendations.

13           Section 2. Paragraph (f) of subsection (5) of section  
14 212.08, Florida Statutes, 1998 Supplement, is amended to read:

15           212.08 Sales, rental, use, consumption, distribution,  
16 and storage tax; specified exemptions.--The sale at retail,  
17 the rental, the use, the consumption, the distribution, and  
18 the storage to be used or consumed in this state of the  
19 following are hereby specifically exempt from the tax imposed  
20 by this chapter.

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

22           (f) Motion picture or video equipment used in motion  
23 picture or television production activities and sound  
24 recording equipment used in the production of master tapes and  
25 master records; property purchased or leased to operate  
26 certain television broadcasting stations.--

27           1. Motion picture or video equipment and sound  
28 recording equipment purchased or leased for use in this state  
29 in production activities is exempt from the tax imposed by  
30 this chapter upon an affirmative showing by the purchaser or  
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1 lessee to the satisfaction of the department that the  
2 equipment will be used for production activities.

3 2. There is exempt from the tax imposed by this  
4 chapter all personal or real property purchased or leased for  
5 use in the operation of any television broadcasting station  
6 that meets all of the following requirements:

7 a. It has been acquired following the conclusion of  
8 bankruptcy proceedings by a previously unrelated owner. The  
9 station general manager of the acquiring station must submit  
10 an affidavit to the department stating that the acquiring  
11 station had no ownership interest, or other business  
12 relationship, with the previous owner that went through  
13 bankruptcy proceedings.

14 b. It submits an affidavit to the department from its  
15 general manager stating that the television broadcasting  
16 station or stations under common ownership have established  
17 and maintained more than 75 full-time jobs since acquisition.

18 c. The acquiring owner has invested more than \$5  
19 million in capital improvements since the acquisition of the  
20 television broadcasting station or stations.

21 d. It is located within the boundaries of a  
22 metropolitan statistical area as defined in s. 334.03(17) and  
23 shares common ownership or management with another television  
24 broadcasting station that has been acquired following  
25 bankruptcy that is located in a different metropolitan  
26 statistical area.

27 e. In the calendar year following receipt of a tax  
28 refund pursuant to this section, it broadcasts at no cost to  
29 the state youth-oriented anti-tobacco public service  
30 announcements and programming of a value equal to or greater  
31 than the tax refund received by the television broadcasting

1 station in the previous year. If a television broadcasting  
 2 station that has received a refund fails to broadcast  
 3 sufficient public service announcements and programming, the  
 4 taxpayer must return the refund to the state together with  
 5 interest and penalties; however, if the refund is returned  
 6 within 30 days after the expiration of such 1-year period,  
 7 interest and penalties do not apply.

8         3. The exemptions ~~exemption~~ provided by this paragraph  
 9 shall inure to the taxpayer only through a refund of  
 10 previously paid taxes. With respect to the refund authorized  
 11 under subparagraph 2., the maximum refund allowed in any year  
 12 shall not exceed \$350,000 for any television broadcasting  
 13 station or group of television broadcasting stations that  
 14 share common ownership or management, and no taxpayer may  
 15 receive a refund for more than 5 years. Notwithstanding the  
 16 provisions of s. 212.095, such refund shall be made within 30  
 17 days of formal application, which application may be made  
 18 after the completion of production activities or on a  
 19 quarterly basis with respect to the refund authorized under  
 20 subparagraph 1., and on a quarterly basis with respect to the  
 21 refund authorized under subparagraph 2. Notwithstanding the  
 22 provisions of chapter 213, the department shall provide the  
 23 Office of Tourism, Trade and Economic Development ~~Department~~  
 24 ~~of Commerce~~ with a copy of each refund application and the  
 25 amount of such refund, if any.

26         ~~4.2.~~ For the purpose of the exemption provided in  
 27 subparagraph 1.:

28             a. "Motion picture or video equipment" and "sound  
 29 recording equipment" includes only equipment meeting the  
 30 definition of "section 38 property" as defined in s.  
 31 48(a)(1)(A) and (B)(i) of the Internal Revenue Code that is

1 used by the lessee or purchaser exclusively as an integral  
2 part of production activities; however, motion picture or  
3 video equipment and sound recording equipment does not include  
4 supplies, tape, records, film, or video tape used in  
5 productions or other similar items; vehicles or vessels; or  
6 general office equipment not specifically suited to production  
7 activities. In addition, the term does not include equipment  
8 purchased or leased by television or radio broadcasting or  
9 cable companies licensed by the Federal Communications  
10 Commission.

11 b. "Production activities" means activities directed  
12 toward the preparation of a:

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

14 (II) Motion picture or television production which is  
15 produced for theatrical, commercial, advertising, or  
16 educational purposes and utilizes live or animated actions or  
17 a combination of live and animated actions. The motion picture  
18 or television production shall be commercially produced for  
19 sale or for showing on screens or broadcasting on television  
20 and may be on film or video tape.

21 Section 3. This act shall take effect upon becoming a  
22 law.

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