

By the Committee on Commerce and Tourism; and Senator Gruters

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1 A bill to be entitled
2 An act relating to the entertainment industry;
3 creating the Film, Television, and Digital Media
4 Targeted Grant Program within the Department of
5 Economic Opportunity under the supervision of the
6 Commissioner of Film and Entertainment; providing
7 purposes for the program; defining terms; requiring
8 that film, television, and digital media projects
9 being produced in this state meet specified criteria
10 for grant eligibility; authorizing applicants to
11 receive grants up to a specified amount, including
12 bonuses; requiring an applicant that receives funding
13 to make a good faith effort to use existing providers
14 of infrastructure or equipment in this state and
15 Florida-resident cast and crew; requiring the
16 commissioner to set application windows for the grant;
17 providing requirements for the department relating to
18 earmarking and setting aside grant funds; providing
19 procedures and requirements for applicants applying
20 for the grant; requiring the commissioner to take
21 specified action within a reasonable period of time;
22 specifying that an applicant is may submit only one
23 application per application window; creating the Grant
24 Advisory Board within the Office of Film and
25 Entertainment of the department; providing membership
26 requirements for the board; requiring the commissioner
27 to select an alternate board member when certain
28 conflicts of interest are present; providing meeting
29 requirements for the board; requiring the board to

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30 determine a score for each qualified project using
31 specified criteria; requiring the board to make a
32 recommendation for certification or rejection of a
33 qualified project within a specified timeframe;
34 requiring the commissioner to determine the priority
35 order and scoring system of the specified criteria
36 with assistance from the board and certain other
37 persons; requiring the board to use certain criteria;
38 requiring the commissioner to take certain actions
39 relating to the certification or rejection of
40 qualified projects in a timely manner; requiring the
41 department to earmark and set aside funding necessary
42 to fund the total maximum that may be awarded to the
43 certified projects, if funds are available; requiring
44 the commissioner to develop a verification process to
45 verify the actual certified expenditures of a
46 certified project after the project's work in this
47 state is complete; providing requirements for the
48 verification process; requiring that the grant be
49 issued within a reasonable period of time upon
50 approval of the final grant amount by the department;
51 requiring the department to deduct a specified
52 percentage of the grant and to credit the amount to
53 the department to offset certain expenses; requiring
54 that certain marketing be included with a project;
55 requiring certified projects to allow certain persons
56 to visit the production site upon request of the
57 commissioner and after providing the commissioner with
58 reasonable notice; specifying that a visit to the

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59 production site is not required; requiring the
60 department to disqualify a project under certain
61 circumstances; providing for liability and imposing
62 civil penalties for an applicant that submits
63 fraudulent information; providing for rulemaking;
64 requiring the commissioner to provide an annual report
65 to the Governor and the Legislature on a specified
66 date; providing for the expiration of the program;
67 providing an effective date.

68
69 Be It Enacted by the Legislature of the State of Florida:

70
71 Section 1. Film, Television, and Digital Media Targeted
72 Grant Program.—

73 (1) CREATION AND PURPOSES OF PROGRAM.—The Film, Television,
74 and Digital Media Targeted Grant Program is created within the
75 Department of Economic Opportunity under the supervision of the
76 Commissioner of Film and Entertainment. The purposes of the
77 program are to boost this state's economic prosperity; expand
78 the impact of the film, television, and digital media industries
79 on the economy of this state; and encourage more family-friendly
80 productions in this state.

81 (2) DEFINITIONS.—As used in this act, unless the context
82 otherwise requires, the term:

83 (a) "Board" means the Grant Advisory Board.

84 (b) "Certified project" means a qualified project that has
85 been evaluated by the board, determined by the commissioner to
86 meet or exceed the desired economic impact and other criteria of
87 the program, and has grant funds allocated to it based on the

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88 project's estimated qualified expenditures.

89 (c) "Commissioner" means the Commissioner of Film and
90 Entertainment as described in s. 288.1251(1)(b), Florida
91 Statutes.

92 (d) "Department" means the Department of Economic
93 Opportunity.

94 (e) "Digital media project" means a commercial video game,
95 including an educational video game, which includes at least 30
96 minutes of game play time. The term does not include a project
97 that may be considered obscene, as defined in s. 847.001,
98 Florida Statutes.

99 (f) "Family friendly" means having cross-generational
100 appeal; being appropriate in theme, content, and language for a
101 broad family audience; embodying a responsible resolution of
102 issues; and not containing any act of smoking, illicit drug use,
103 sex, nudity, gratuitous violence, or vulgar or profane language.

104 (g) "Film project" means a theatrical, direct-to-video,
105 television, cable, Internet, streaming service, or animated
106 narrative motion picture at least 75 minutes in length. The term
107 does not include a project deemed by the office to have content
108 that is obscene, as defined in s. 847.001, Florida Statutes.

109 (h) "Florida resident" means a person who has a valid
110 Florida driver license or Florida identification card issued
111 under s. 322.051, Florida Statutes, and has signed an affidavit
112 confirming residency.

113 (i) "Office" means the Office of Film and Entertainment
114 within the department.

115 (j) "Principal photography" means, for a film project or
116 television project, the filming of major or significant

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117 components of the project which involve lead actors, or, for a
118 digital media project, the period of time during which the work
119 of the majority of the crew is dedicated solely to the project.

120 (k) "Production start date" means:

121 1. For film and television projects, the start date of
122 principal photography, as listed in the project's application.

123 2. For digital media projects, the start date of
124 storyboards or a later date as specified in the project's
125 application.

126 (l)1. "Qualified expenditures" means expenditures made
127 solely for preproduction, production, or postproduction of a
128 qualified project which are incurred in this state for any of
129 the following:

130 a. Rented or leased goods or services provided by a vendor
131 or supplier in this state which is registered with the
132 Department of State or the Department of Revenue; which has a
133 physical address in this state, not including a post office box;
134 and which employs one or more Florida residents on a full-time
135 basis. The term does not include rebilled goods or services
136 provided by an in-state company from out-of-state vendors or
137 suppliers. When services provided by the vendor or supplier
138 include personal services or labor, only personal services or
139 labor provided by Florida residents qualifies.

140 b. Payments to Florida residents in the form of salary or
141 wages up to a maximum of \$200,000 per resident, including
142 amounts paid through payroll service companies, and benefits
143 such as pension, health, and welfare payments for technical and
144 production crews, directors, producers, and performers. For
145 purposes of this sub-subparagraph, payments do not include wages

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146 for executives, legal staff, or other corporate staff who are
147 not employed to work solely on the project.

148 2. "Qualified expenditures" includes expenditures for
149 renting cars, trucks, and trailers if such car, truck, or
150 trailer is registered with the Department of Highway Safety and
151 Motor Vehicles.

152 3. "Qualified expenditures" does not include expenditures
153 not expressly identified in subparagraphs 1. or 2., expenditures
154 made before qualification for the program, expenditures made via
155 Internet transactions, or any costs associated with development,
156 marketing, or distribution.

157
158 For the purposes of a digital media project, the term includes
159 only those qualified expenditures made within 9 months after the
160 project's first qualified expenditure.

161 (m) "Qualified project" means a film project, television
162 project, or digital media project for which a complete
163 application for the program has been submitted to the
164 commissioner and accepted for consideration by the board. The
165 term does not include a weather or market program; a sporting
166 event or a sporting event broadcast; a gala; an awards show; a
167 production that solicits funds; a home shopping program; a
168 political program; a documentary; a gambling-related project or
169 production; a concert production; a news or current events show;
170 a sports or sports recap show; a pornographic production; or any
171 production deemed obscene under chapter 847, Florida Statutes.

172 (n) "Television project" means a television pilot program
173 or a television series that:

174 1. Is a scripted drama, comedy, or animation;

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175 2. Has a runtime of at least 30 minutes but not more than
176 60 minutes; and

177 3. If the television project is a television series, has a
178 minimum of seven episodes.

179
180 The term does not include a project deemed by the office to have
181 content that is obscene, as defined in s. 847.001, Florida
182 Statutes.

183 (o) "Underutilized area" means any county in this state
184 other than Broward County, Miami-Dade County, Orange County, or
185 Seminole County.

186 (3) GRANT ELIGIBILITY.—

187 (a) To be eligible for a grant, an applicant must be
188 producing a project that:

189 1. Has projected qualified expenditures of:

190 a. For a film project, at least \$1.5 million;

191 b. For a television series, at least \$500,000 per episode;

192 c. For a television pilot, at least \$1 million; or

193 d. For a digital media project, at least \$1.5 million;

194 2. Is projected to employ a crew, including cast and stand-
195 ins, but not including extras, also known as background
196 performers, of which at least 60 percent will be Florida
197 residents and at least one member will be a military veteran;

198 3. Is projected to spend at least 70 percent of its total
199 production days in this state; and

200 4. Will not receive a certificate of exemption pursuant to
201 s. 288.1258.

202 (b) A project may receive a grant in the amount of up to 20
203 percent of its verified qualified expenditures. A bonus may be

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204 earned in the amount of an additional 3 percentage points, if 75
205 percent of the project's production will take place in an
206 underutilized county or if its content is deemed family
207 friendly. A certified project may not receive more than one
208 bonus, and the total that may be awarded under any grant may not
209 exceed 23 percent of its verified qualified expenditures or \$2
210 million, whichever is less.

211 (c) A certified project must make a good faith effort to
212 use existing providers of infrastructure or equipment in this
213 state, when available, including providers of camera gear, grip
214 and lighting equipment, vehicles, and postproduction services,
215 and to employ cast and crew who are Florida residents.

216 (4) APPLICATION WINDOWS.—Applications must be accepted for
217 the program during two application windows each fiscal year. The
218 commissioner shall set a start date for both application
219 windows. However, the first application window must end no later
220 than 5 business days after July 1 and the second must end no
221 later than 5 business days after January 1.

222 (a) The department may not earmark or set aside more than
223 60 percent of any appropriated or rolled-over grant funds for
224 any given fiscal year for applications submitted during the
225 first application window. Grant funds not earmarked and set
226 aside for applicants applying during one application window roll
227 over for use in the next application window.

228 (b) If all grant funds are earmarked and set aside for
229 certified projects, additional applications may not be accepted
230 until more funds become available to the program.

231 (5) APPLICATION PROCESS.—

232 (a) A company that plans to produce a film, television, or

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233 digital project in this state may submit an application to the
234 commissioner during one of the two application windows. A
235 project must have a production start date that is within 6
236 months after July 1 if applying in the first window or January 1
237 if applying in the second window.

238 (b) The application must include:

239 1. Proof of funding;

240 2. Project-related employment information, including
241 employment numbers for Florida residents;

242 3. A full line-item budget and a detailed qualified
243 expenditures budget;

244 4. A detailed distribution plan to assist with determining
245 the potential economic impact of the project in this state;

246 5. The applicant's expected total qualified expenditures
247 for wages paid to Florida residents;

248 6. The applicant's expected total qualified expenditures
249 and non-qualified expenditures in this state;

250 7. For a film project or television pilot, a final script,
251 a production schedule, a Day out of Days report, and a list of
252 the expected shooting locations;

253 8. For a television series, scripts for two episodes, a Day
254 out of Days report, and a list of the expected shooting
255 locations;

256 9. For a digital media project, a detailed game design
257 document;

258 10. An affirmation signed by the applicant that the
259 information on the application is correct; and

260 11. The applicant's Florida tax identification number.

261 (c) Within a reasonable period of time after the last

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262 business day of each application window, the commissioner shall:

263 1. Review all applications submitted during the application
264 window and determine the eligibility of each applicant;

265 2. Determine each applicant's expected qualified
266 expenditures;

267 3. Determine the maximum grant amount that each eligible
268 applicant may be awarded;

269 4. Determine whether an eligible applicant's project is
270 deemed family friendly;

271 5. Determine the percentage of the applicant's production,
272 if any, which is proposed to occur in an underutilized county;

273 6. Determine whether each eligible applicant is a
274 corporation registered in this state;

275 7. Contact each applicant with any questions, as necessary;

276 8. Gather any additional information needed to address the
277 criteria specified under subsection (7);

278 9. Assemble a package containing the details of each
279 eligible applicant's project and deliver it to each board
280 member; and

281 10. Give notice to the board of the date and time for when
282 the board must convene to assess each qualified project, as
283 provided for in paragraph (6) (d).

284 (d) An applicant may submit only one application per
285 application window.

286 (6) GRANT ADVISORY BOARD; CREATION; PURPOSE; MEMBERSHIP.—

287 (a) The Grant Advisory Board is created within the office.
288 The board shall comply with the requirements of s. 20.052,
289 Florida Statutes, except as otherwise provided in this section.

290 (b) The board shall consist of seven members appointed by

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291 the commissioner. Of these seven members:

292 1. Three shall be members of the Florida Film and
293 Entertainment Advisory Council who were appointed by the
294 Governor;

295 2. Two shall be members of the Florida Film and
296 Entertainment Advisory Council who were appointed by the
297 President of the Senate; and

298 3. Two shall be members of the Florida Film and
299 Entertainment Advisory Council who were appointed by the Speaker
300 of the House of Representatives.

301 4. If a board member has a conflict of interest with a
302 project under consideration, the commissioner must select an
303 alternate member from the Florida Film and Entertainment
304 Advisory Council.

305 5. The commissioner shall attend and oversee all meetings.

306 (c) The board shall meet at the call of the commissioner
307 pursuant to subparagraph (5)(c)10. The board may hold subsequent
308 meetings after the initial meeting for that application window.
309 The board may meet in person or by conference call.

310 (d)1. The board shall determine a score for each qualified
311 project using the criteria specified under subsection (7), with
312 the highest scores going to projects determined to provide the
313 best economic impact and return on investment to the state.

314 2. The board shall make a recommendation for certification
315 or rejection of each qualified project to the commissioner
316 within 10 days after the board's first meeting for that
317 application window.

318 (7) CRITERIA FOR DETERMINING PROJECT SCORES.—

319 (a) The priority order and scoring system of the criteria

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320 specified in paragraph (b) must be determined by the
321 commissioner, with assistance from the board and other persons,
322 as determined by the commissioner, in advance of the first
323 application window.

324 (b) The board shall use at least the following criteria in
325 determining a qualified project's score:

326 1. The amount of the project's overall qualified
327 expenditures.

328 2. The amount of the project's Florida-resident wages.

329 3. The number of full-time-equivalent jobs created by the
330 project.

331 4. Whether the project provides pension, health, and
332 welfare benefits to its workforce in this state.

333 5. The estimated direct and indirect tourism benefit of the
334 project, based on submitted distribution plans.

335 6. The duration of Florida-resident employment for the
336 project.

337 7. What percentage of the project, if any, is being made in
338 an underutilized county.

339 8. Whether the project is family friendly.

340 9. Whether the project has a Florida-resident writer,
341 producer, or star.

342 10. Whether a Florida film, television, or digital media
343 school will assist with the production of the project.

344 11. Whether the project leadership team has a successful
345 track record.

346 12. The number of Florida-resident veterans hired by the
347 project.

348 13. The number of Florida film school graduates the project

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349 will hire as cast or crew.

350 (8) NOTIFICATION OF DECISION.—

351 (a) After the board makes its recommendations to the
352 commissioner, the commissioner shall, in a timely manner:

353 1. Make a final determination on certifying or rejecting
354 each qualified project, giving consideration to the board's
355 recommendations and scoring.

356 2. Provide a list of certified projects to the department
357 which includes the associated maximum grant amounts that the
358 respective applicants may receive.

359 3. Notify each certified project of the specified
360 percentage of qualified expenditures for which it is eligible
361 and the maximum grant amount that it may receive.

362 4. Provide a notice of rejection to each rejected
363 applicant; however, the failure to notify an applicant of its
364 rejection does not deem the applicant's project a certified
365 project.

366 (b) Based on the final determination of the commissioner,
367 the department shall earmark and set aside the amount necessary
368 to fund the total maximum that may be awarded for the certified
369 projects, if funds are available.

370 (9) (a) VERIFICATION PROCESS.—The commissioner shall develop
371 a process to verify the actual qualified expenditures of a
372 certified project after the project's work in this state is
373 complete. The process must require all of the following:

374 1. Submission to the commissioner of at least all of the
375 following information, electronically or in hard copy, or both,
376 by each certified project:

377 a. Data substantiating each qualified expenditure, which

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378 has been audited by an independent certified public accountant
379 licensed in this state, as required by subparagraph 4.;

380 b. Copies of documents verifying residency of persons
381 represented as being Florida residents;

382 c. The final script;

383 d. The most recent production board and shooting schedule;

384 e. The most recent credit list showing where the credits
385 required under subsection (10) will appear;

386 f. A cast list and a final crew list with contact
387 information; and

388 g. For the veteran employed by the project, a copy of his
389 or her DD Form 214, as issued by the United States Department of
390 Defense, or another acceptable form of identification as
391 specified by the Department of Veteran's Affairs.

392 2. Signing, and submission to the commissioner, by the
393 certified project of an affidavit or written declaration signed
394 under the penalty of perjury as specified in s. 92.525, Florida
395 Statutes, stating that all salaries, wages, and other
396 compensation submitted as qualified expenditures are in
397 compliance with this section.

398 3. The information and affidavit required by subparagraphs
399 1. and 2. must be received by the commissioner within 120 days
400 after the certified project has made its last qualified
401 expenditure, but no later than 1 year after its production start
402 date. Pursuant to the rules adopted by the department, the
403 commissioner may, upon a showing of good cause, grant a one-time
404 extension of this deadline.

405 4. The conduct of a compliance audit, at the certified
406 project's expense, by an independent certified public accountant

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407 who is a resident of this state to substantiate the qualified
408 expenditures, and submission of a report of the findings of the
409 audit, including substantiating data, to the commissioner within
410 a reasonable period of time after the initial receipt of records
411 from the certified project.

412 (b) The commissioner shall review the report and data
413 submitted by the certified public accountant within a reasonable
414 period of time after receipt of the report and data and report
415 to the department the final verified amount of actual qualified
416 expenditures made by the certified project and the amount of the
417 grant due to the such project.

418 (c) Upon approval by the department of the final grant
419 amount, which may not exceed the maximum specified in the notice
420 provided under subparagraph (8) (a) 3., the grant must be issued
421 within a reasonable period of time.

422 (d) The department shall deduct one-half of 1 percent of
423 the total grant amount before issuing the grant to the certified
424 project, and such amount must be credited to the department to
425 offset the cost of the compliance review.

426 (e) At the end of the fiscal year, grant funds that are not
427 allocated to a certified project, and grant funds allocated but
428 not awarded to a certified project, roll over to the next fiscal
429 year.

430 (10) MARKETING AND TOURISM REQUIREMENT.—

431 (a) The commissioner shall ensure, as a condition of
432 receiving a grant under this section, that a certified project
433 include marketing promoting this state as a tourist destination
434 or film and entertainment production destination. At a minimum,
435 the marketing must include placement in the end credits of a

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436 "Filmed in Florida" or "Produced in Florida" logo with size and
437 placement commensurate to other logos included in the end
438 credits or, if no logos are used, the statement "Filmed in
439 Florida" or "Produced in Florida" or a similar statement
440 approved by the commissioner and the logo of the local film
441 office, if applicable. A digital media project must also supply
442 a 5-second or longer animated logo with "Produced in Florida" or
443 other text, including the logo of the local digital media
444 office, if applicable, as preapproved by the commissioner, in a
445 manner easily seen by a consumer of the digital media project.
446 The commissioner shall provide the logos for the purposes
447 specified in this paragraph, not including the logo for a local
448 office, which must be provided by the applicable office.

449 (b) A certified project must allow the commissioner, or an
450 affiliate, and a minimum of two guests to visit the production
451 site upon the request of the commissioner. Upon such request,
452 the certified project must give the commissioner reasonable
453 notice of a visit date and time that is acceptable to the
454 production. The commissioner or an affiliate is not required to
455 make a visit to the set.

456 (c) A certified project must provide at least five
457 preapproved photos of the production to the commissioner and
458 grant the commissioner free use of such photos in promoting this
459 state as a film, television, or digital media production
460 location or tourist destination.

461 (11) DISQUALIFICATION.—The department shall disqualify a
462 certified project if the project:

463 (a) Does not begin principal photography in this state
464 within the period beginning 30 days before and ending 90 days

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465 after the project's listed production start date. Pursuant to
466 department rule, the commissioner may, upon a showing of good
467 cause, grant a one-time extension of this deadline;

468 (b) Does not abide by the policies, procedures, deadlines,
469 or requirements of the application verification process;

470 (c) Does not notify the commissioner of any change in the
471 production start date before commencing production; or

472 (d) Submits fraudulent information.

473 (12) FRAUD.—An applicant that submits fraudulent
474 information under this section is liable for reimbursement of
475 the reasonable costs and fees associated with the review,
476 processing, investigation, and prosecution of the fraudulent
477 submission. An applicant that obtains a grant under this section
478 through a claim that is fraudulent shall reimburse the program
479 for the grant awarded and reasonable costs and fees associated
480 with the review, processing, investigation, and prosecution of
481 the fraudulent claim and shall pay a civil penalty in an amount
482 equal to double the grant amount and any criminal penalty to
483 which the applicant may be subject.

484 (13) RULES; POLICIES; PROCEDURES.—The commissioner may
485 adopt rules and shall develop policies and procedures to
486 administer this section, including, but not limited to, rules
487 specifying requirements for the application and approval process
488 and the determination of qualified expenditures.

489 (14) ANNUAL REPORT.—Each November 1, the commissioner shall
490 provide an annual report on the program for the previous fiscal
491 year to the Governor, the President of the Senate, and the
492 Speaker of the House of Representatives. The report must
493 identify the return on investment associated with, and economic

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494 benefits to the state attributable to, the program.

495 (15) EXPIRATION.—The Film, Television, and Digital Media
496 Targeted Grant Program expires June 30, 2022, at which point all
497 remaining appropriated funds not earmarked and set aside for
498 certified projects must revert to the General Revenue Fund. All
499 remaining appropriated funds must revert to the General Revenue
500 Fund no later than October 31, 2023.

501 Section 2. This act shall take effect upon becoming a law.