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LEGISLATIVE ACTION

Senate

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House

The Committee on Commerce and Tourism (Gruters) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Film, Television, and Digital Media Targeted
Rebate Program.—

(1) CREATION AND PURPOSES OF PROGRAM.—The Film, Television,
and Digital Media Targeted Rebate Program is created within the
Department of Economic Opportunity under the supervision of the
Commissioner of Film and Entertainment.



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11 (a) The purpose of the program is to boost this state's
12 economic prosperity by:

13 1. Creating high-paying jobs;

14 2. Broadening the film, television, and digital media
15 industry's impact on the state by giving a modest bonus for
16 projects that take place in underutilized areas;

17 3. Enhancing tourism by choosing projects that encourage
18 tourists to visit this state; and

19 4. Encouraging more family-friendly productions to be
20 produced in this state.

21 (b) This purpose shall be accomplished by providing a
22 limited rebate to projects that provide the highest return on
23 investment and economic benefit to the state, as determined
24 after a project has made its expenditures in the state.

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

27 (a) "Certified project" means a qualified project that has
28 been scored by the council, has been determined by the
29 commissioner to meet or exceed the desired economic impact and
30 other criteria of the program, and has rebate funds allocated to
31 it based on the project's estimated qualified expenditures.

32 (b) "Commissioner" means the Commissioner of Film and
33 Entertainment as described in s. 288.1251(1)(b), Florida
34 Statutes.

35 (c) "Council" means the Florida Film and Entertainment
36 Advisory Council.

37 (d) "Department" means the Department of Economic
38 Opportunity.

39 (e) "Digital media project" means a commercial video game,



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40 including an educational video game, which includes at least 30
41 minutes of game play time. The term does not include a project
42 that may be considered obscene, as defined in s. 847.001,
43 Florida Statutes.

44 (f) "Family friendly" means having cross-generational
45 appeal; being appropriate in theme, content, and language for a
46 broad family audience; embodying a responsible resolution of
47 issues; not containing any act of drunkenness, illicit drug use,
48 sex, nudity, gratuitous violence, or vulgar or profane language;
49 and not portraying smoking any substance in a positive light.

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

55 (h) "Florida resident" means a person who has a valid
56 Florida driver license or Florida identification card issued
57 under s. 322.051, Florida Statutes, and has signed an affidavit
58 confirming residency.

59 (i) "Office" means the Office of Film and Entertainment
60 within the department.

61 (j) "Principal photography" means, for a film project or
62 television project, the filming of major or significant
63 components of the project which involve lead actors, or, for a
64 digital media project, the period of time during which the work
65 of the majority of the crew is dedicated solely to the project.

66 (k) "Production start date" means:

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



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69 2. For digital media projects, the start date of final
70 storyboards or a later date as specified in the project's
71 application.

72 (1)1. "Qualified expenditures" means expenditures made in
73 this state and paid to residents of this state or to businesses
74 registered in this state and made solely for preproduction,
75 production, or postproduction of the qualified project,
76 including the following:

77 a. Rented or leased goods or services provided by a vendor
78 or supplier in this state which is registered with the
79 Department of State or the Department of Revenue; which has a
80 physical address in this state other than a post office box; and
81 which employs one or more Florida residents on a full-time
82 basis. The term does not include rebilled goods or services
83 provided by an in-state company from out-of-state vendors or
84 suppliers. When services provided by the vendor or supplier
85 include personal services or labor, only personal services or
86 labor provided by Florida residents qualifies.

87 b. Payments to Florida residents in the form of salary or
88 wages up to a maximum of \$200,000 per resident, including
89 amounts paid per diem to a worker who is a Florida resident and
90 amounts paid through payroll service companies, and benefits
91 such as pension, health, and welfare payments for technical and
92 production crews, directors, producers, and performers. For
93 purposes of this sub-subparagraph, payments do not include wages
94 for executives, legal staff, or other corporate staff who are
95 not employed to work solely on the project.

96 c. Rented or leased cars, trucks, and trailers if the
97 vehicles or trailers are registered with the Florida Department



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98 of Highway Safety and Motor Vehicles.

99 d. Purchases of catered meals and on-set craft service
100 supplies.

101 e. Rented hotel rooms or other accommodations for cast or
102 crew.

103 2. The term does not include expenditures not expressly
104 identified in subparagraph 1., expenditures made before
105 qualification for the program, expenditures made via Internet
106 transactions, expenditures for airfare, or any costs associated
107 with development, marketing, or distribution.

108 3. For the purposes of a digital media project, the term
109 includes only those qualified expenditures made within 9 months
110 after the project's first qualified expenditure.

111 (m) "Qualified project" means a film project, television
112 project, or digital media project that meets the application
113 requirements and for which a complete application for the
114 program has been submitted to the commissioner and accepted for
115 consideration by the office. The term does not include a weather
116 or market program; a sporting event or a sporting event
117 broadcast; a gala; an awards show; a production that solicits
118 funds; a home shopping program; a political program; a gambling-
119 related project or production; a concert production; a news or
120 current events show; a sports or sports recap show; a
121 pornographic production; or any production deemed obscene under
122 chapter 847, Florida Statutes.

123 (n) "Television project" means a television pilot program
124 or a television series that:

- 125 1. Is a scripted drama, comedy, animation, or reality show;
126 2. Has a runtime of at least 30 minutes but not more than



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127 60 minutes; and

128 3. If the television project is a television series, has a
129 minimum of 7 episodes; or, if the television project is a
130 reality program or series, at least 10 episodes.

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132 The term does not include a project deemed by the office to have
133 content that is obscene, as defined in s. 847.001, Florida
134 Statutes.

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

138 (3) REBATE ELIGIBILITY.—

139 (a) To be eligible for a rebate, an applicant must be
140 registered to do business in this state and must be producing a
141 project that:

142 1. Has projected qualified expenditures of:

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

144 b. For a television project, at least \$500,000 per episode;

145 or

146 c. For a digital media project, at least \$1.5 million;

147 2. Is projected to employ a crew, including cast and stand-
148 ins, but not including extras, also known as background

149 performers, of which at least 60 percent will be residents of
150 this state and at least one member will be a military veteran;

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

153 4. Will not receive a sales tax certificate of exemption
154 pursuant to s. 288.1258, Florida Statutes, for the project.

155 (b) A project may receive a rebate in the amount of up to



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156 20 percent of its verified qualified expenditures. A bonus may
157 be earned in the amount of an additional 3 percentage points if
158 75 percent of the project's production in this state will take
159 place in an underutilized area or if its content is deemed
160 family friendly. A certified project may not receive more than
161 one bonus, and the total that may be awarded under any rebate
162 may not exceed 23 percent of its verified qualified expenditures
163 or \$2 million, whichever is less.

164 (c) A certified project must make a good faith effort to
165 use existing providers of infrastructure or equipment in this
166 state, when available, including providers of camera gear, grip
167 and lighting equipment, vehicles, and postproduction services,
168 and to employ cast and crew who are residents of this state.

169 (4) APPLICATION WINDOWS.—Applications must be accepted for
170 the program during two application windows each fiscal year. The
171 commissioner shall set a start date for both application
172 windows. However, the first application window may begin before
173 the start of the fiscal year and must end no later than 5
174 business days after July 1, and the second must end no later
175 than 5 business days after December 1.

176 (a) The department may not earmark or set aside more than
177 60 percent of any appropriated or rolled-over rebate funds for
178 any given fiscal year for applications submitted during the
179 first application window. Rebate funds not earmarked and set
180 aside for applicants applying during one application window roll
181 over for use in the next application window.

182 (b) If all rebate funds are earmarked and set aside for
183 certified projects, additional applications may not be accepted
184 until more funds become available for the program.



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185 (5) APPLICATION PROCESS.—

186 (a) A company that plans to produce a film, television, or
187 digital project in this state may submit an application to the
188 commissioner during one of the two application windows. Each
189 fiscal year, a project must have a production start date that is
190 within 6 months after July 1 if applying in the first window or
191 within 6 months after January 1 if applying in the second
192 window.

193 (b) An applicant or its parent company may submit an
194 application for no more than five projects in any single fiscal
195 year. However, except in the case of a TV pilot and the
196 television series the pilot is based on being certified within
197 the same fiscal year, only one project per applicant may be
198 certified within a fiscal year.

199 (c) The application must include:

200 1. Proof of funding;

201 2. Project-related employment information, including
202 employment numbers for residents of this state;

203 3. A full line-item budget and a detailed qualified
204 expenditures budget;

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

207 5. The applicant's expected total qualified expenditures
208 for wages paid to residents of this state;

209 6. The applicant's expected total qualified expenditures
210 and nonqualified expenditures in this state;

211 7. For a film project, the latest script, a production
212 schedule, a Day Out of Days report, and a list of the expected
213 shooting locations;



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- 214 8. For a digital media project, a detailed game design
215 document, including a production schedule;
- 216 9. For a television project that is a pilot, a final
217 script, a production schedule, a Day Out of Days report, and a
218 list of the expected shooting locations;
- 219 10. For a television project that is a series, the latest
220 scripts for at least two episodes and a production schedule, a
221 Day Out of Days report, and a list of the expected shooting
222 locations for the first episode;
- 223 11. An affirmation signed by the applicant that the
224 information on the application is correct;
- 225 12. The applicant's Florida tax identification number.
226 (d) Within a reasonable period of time after the last
227 business day of each application window, the commissioner shall:
- 228 1. Review all applications submitted during the application
229 window and determine the eligibility of each applicant;
- 230 2. Determine each applicant's expected qualified
231 expenditures;
- 232 3. Determine the maximum rebate amount that each eligible
233 applicant may be awarded;
- 234 4. Determine whether an eligible applicant's project is
235 deemed family friendly;
- 236 5. Determine the percentage of the applicant's production,
237 if any, which is proposed to occur in an underutilized area;
- 238 6. Determine whether each eligible applicant is a
239 corporation registered in this state;
- 240 7. Contact each applicant with any questions, as necessary;
241 8. Gather any additional information needed to address the
242 criteria specified under subsection (6);



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243 9. Assemble a package containing the details of each
244 eligible applicant's project and deliver it to each council
245 member; and

246 10. Give notice to the council of the date and time when
247 the council must convene to assess each qualified project. The
248 council may meet in person or by conference call.

249 (e) The council shall determine a score for each qualified
250 project using the criteria specified under subsection (6), with
251 the highest scores going to projects determined to provide the
252 best economic impact and return on investment to this state.

253 (6) CRITERIA FOR DETERMINING PROJECT SCORES.—

254 (a) The priority order and scoring system of the criteria
255 specified in paragraph (b) must be determined by the
256 commissioner, with assistance from the council and other
257 persons, as determined by the commissioner, before the first
258 application window.

259 (b) The council shall use, at a minimum, the following
260 criteria in determining a qualified project's score:

261 1. The amount of the project's overall qualified
262 expenditures.

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

264 3. The number of full-time-equivalent jobs created by the
265 project.

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

268 5. The estimated direct and indirect tourism benefit of the
269 project, based on the submitted distribution plan.

270 6. The duration of Florida-resident employment for the
271 project.



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272 7. What percentage of the project, if any, is being made in
273 an underutilized area.

274 8. Whether the project is family friendly.

275 9. Whether the project has a Florida-resident writer,
276 producer, or star.

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

279 11. Whether the project leadership team has a successful
280 track record.

281 12. The number of Florida-resident veterans the project
282 will hire.

283 13. The number of Florida film school graduates the project
284 will hire as cast or crew.

285 (7) NOTIFICATION OF DECISION.—

286 (a) After the council determines a project's score, the
287 commissioner shall, in a timely manner:

288 1. Make a final determination on certifying or rejecting
289 each qualified project, giving consideration to the council's
290 scoring.

291 2. Provide a list of certified projects to the department
292 which includes the associated maximum rebate amounts that the
293 respective applicants may receive.

294 3. Notify each certified project of the specified
295 percentage of qualified expenditures for which it is eligible
296 and the maximum rebate amount that it may receive.

297 4. Provide a notice of rejection to each rejected
298 applicant; however, the failure to notify an applicant of its
299 rejection does not deem the applicant's project a certified
300 project.



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

305 (8) (a) VERIFICATION PROCESS.—The commissioner shall develop
306 a process to verify the actual qualified expenditures and rebate
307 bonus eligibility of a certified project after the project's
308 work in this state is complete. The process must require all of
309 the following:

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

313 a. Data substantiating each qualified expenditure, which
314 has been audited by an independent certified public accountant
315 licensed in this state, as required under subparagraph 4.;

316 b. Copies of documents verifying residency of persons
317 represented as being residents of this state;

318 c. The final script;

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

320 e. The most recent credit list showing where the credits
321 required under subsection (9) will appear;

322 f. A cast list and a final crew list with contact
323 information;

324 g. For any veterans employed by the project, a copy of at
325 least one of the veterans' DD Form 214, as issued by the United
326 States Department of Defense, or another acceptable form of
327 identification as specified by the Department of Veterans'
328 Affairs; and

329 h. Any other information determined necessary by the



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330 commissioner.

331 2. Signing, and submission to the commissioner, by the lead
332 producer or studio executive in charge of the certified project,
333 of an affidavit or written declaration signed under the penalty
334 of perjury as specified in s. 92.525, Florida Statutes, stating
335 that all salaries, wages, and other compensation submitted as
336 qualified expenditures are in compliance with this section.

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

344 4. The conducting of a compliance audit, at the certified
345 project's expense, by an independent certified public accountant
346 who is a resident of this state to substantiate the qualified
347 expenditures, and submission of a report of the audit findings,
348 including substantiating data, to the commissioner within a
349 reasonable period of time after the initial receipt of records
350 from the certified project.

351 (b) The commissioner shall review the report and data
352 required under paragraph (a) within a reasonable period of time
353 after receipt of the report and data and shall report to the
354 department the final verified amount of actual qualified
355 expenditures the certified project made and the amount of the
356 rebate, including any bonus, due to the project.

357 (c) Upon approval by the department of the final rebate
358 amount, which may not exceed the maximum specified in the notice



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359 provided under subparagraph (7)(a)3., the rebate must be issued
360 within a reasonable period of time.

361 (9) MARKETING AND TOURISM REQUIREMENT.—

362 (a) The commissioner shall ensure, as a condition of
363 receiving a rebate under this section, that a certified project
364 include marketing promoting this state as a tourist destination
365 or film and entertainment production destination. At a minimum,
366 the marketing must include placement in the end credits of a
367 "Filmed in Florida" or "Produced in Florida" logo with size and
368 placement commensurate to other logos included in the end
369 credits or, if no logos are used, the statement "Filmed in
370 Florida" or "Produced in Florida" or a similar statement
371 approved by the commissioner and the logo of the local film
372 office, if applicable. A digital media project must also supply
373 a 5-second or longer animated logo with "Produced in Florida" or
374 other text, including the logo of the local digital media
375 office, if applicable, as preapproved by the commissioner, in a
376 manner easily seen by a consumer of the digital media project.
377 The commissioner shall provide the logos for the purposes
378 specified in this paragraph, not including the logo for a local
379 office, which must be provided by the applicable office.

380 (b) A certified project must allow the commissioner, or an
381 affiliate, and a minimum of two guests to visit the production
382 site upon the request of the commissioner. Upon such request,
383 the certified project must give the commissioner reasonable
384 notice of a visit date and time that is acceptable to the
385 production. The commissioner or an affiliate is not required to
386 make a visit to the set.

387 (c) A certified project must provide at least five



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388 preapproved photos of the production to the commissioner and
389 grant the commissioner free use of the photos in promoting this
390 state as a film, television, or digital media production
391 location or tourist destination.

392 (10) DISQUALIFICATION.—The department shall disqualify a
393 certified project and may not issue a rebate to the project if
394 the project:

395 (a) Does not begin principal photography in this state
396 within the period beginning 30 days before and ending 90 days
397 after the project's listed production start date. Pursuant to
398 department rule, the commissioner may, upon a showing of good
399 cause, grant a one-time extension of this deadline;

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

402 (c) Does not notify the commissioner of any change in the
403 production start date before commencing production;

404 (d) Submits fraudulent information; or

405 (e) Uses the state sales tax exemption established under s.
406 288.1258, Florida Statutes.

407 (11) FRAUD.—An applicant that submits fraudulent
408 information under this section is liable for reimbursement of
409 the reasonable costs and fees associated with the review,
410 processing, investigation, and prosecution of the fraudulent
411 submission. An applicant that obtains a rebate under this
412 section through a claim that is fraudulent shall reimburse the
413 program for the rebate awarded and reasonable costs and fees
414 associated with the review, processing, investigation, and
415 prosecution of the fraudulent claim and shall pay a civil
416 penalty in an amount equal to double the rebate amount and any



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417 criminal penalty to which the applicant may be subject.

418 (12) RULES; POLICIES; PROCEDURES.—The department may adopt
419 rules and shall develop policies and procedures to administer
420 this section, including, but not limited to, rules specifying
421 requirements for the application and approval process and the
422 determination of qualified expenditures.

423 (13) ANNUAL REPORT.—Each November 1, the commissioner shall
424 provide an annual report on the program for the previous fiscal
425 year to the Governor, the President of the Senate, and the
426 Speaker of the House of Representatives. The report must
427 identify the return on investment associated with, and economic
428 benefits to this state attributable to, the program.

429 (14) FUNDS NOT SUBJECT TO REVERSION.—Notwithstanding s.
430 216.301, Florida Statutes, funds appropriated for this purpose
431 shall not be subject to reversion.

432 (15) EXPIRATION.—The Film, Television, and Digital Media
433 Targeted Rebate Program expires June 30, 2023, at which point
434 all remaining appropriated funds not earmarked and set aside for
435 certified projects must revert to the General Revenue Fund. All
436 remaining appropriated funds must revert to the General Revenue
437 Fund no later than October 31, 2024.

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

439
440 ===== T I T L E A M E N D M E N T =====

441 And the title is amended as follows:

442 Delete everything before the enacting clause
443 and insert:

444 A bill to be entitled

445 An act relating to the entertainment industry;



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446 creating the Film, Television, and Digital Media
447 Targeted Rebate Program within the Department of
448 Economic Opportunity under the supervision of the
449 Commissioner of Film and Entertainment; providing
450 purposes for the program; defining terms; requiring
451 that film, television, and digital media projects
452 being produced in this state meet specified criteria
453 for rebate eligibility; authorizing applicants to
454 receive rebates up to a specified amount, including
455 bonuses; requiring an applicant that receives funding
456 to make a good faith effort to use existing providers
457 of infrastructure or equipment in this state and to
458 employ residents of this state; requiring the
459 commissioner to set application windows for the
460 rebate; providing requirements for the department
461 relating to earmarking and setting aside rebate funds;
462 providing procedures and requirements for applicants
463 applying for the rebate; requiring the commissioner to
464 take specified action within a reasonable period of
465 time; requiring the Florida Film and Entertainment
466 Advisory Council to determine a score for each
467 qualified project using specified criteria; requiring
468 the commissioner to determine the priority order and
469 scoring system of the specified criteria with
470 assistance from the council and certain other persons;
471 requiring the council to use certain criteria;
472 requiring the commissioner to take certain actions
473 relating to the certification or rejection of
474 qualified projects in a timely manner; requiring the



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475 department to earmark and set aside funding necessary
476 to fund the total maximum that may be awarded to the
477 certified projects, if funds are available; requiring
478 the commissioner to develop a process to verify the
479 actual qualified expenditures and rebate bonus
480 eligibility of a certified project after the project's
481 work in this state is complete; providing requirements
482 for the verification process; requiring that the
483 rebate be issued within a reasonable period of time
484 upon approval of the final rebate amount by the
485 department; requiring that certain marketing be
486 included with a project; requiring certified projects
487 to allow certain persons to visit the production site
488 upon request of the commissioner and after providing
489 the commissioner with reasonable notice; specifying
490 that the commissioner or his or her affiliate is not
491 required to visit the production site; requiring the
492 department to disqualify a project under certain
493 circumstances; providing for liability and imposing
494 civil penalties for an applicant that submits
495 fraudulent information; providing for rulemaking;
496 requiring the commissioner to provide an annual report
497 to the Governor and the Legislature on a specified
498 date; providing that certain appropriated funds are
499 not subject to reversion; providing for the expiration
500 of the program; providing an effective date.