

By 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 Rebate 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 rebate eligibility; authorizing applicants to
11 receive rebates 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 to
15 employ residents of this state; requiring the
16 commissioner to set application windows for the
17 rebate; providing requirements for the department
18 relating to earmarking and setting aside rebate funds;
19 providing procedures and requirements for applicants
20 applying for the rebate; requiring the commissioner to
21 take specified action within a reasonable period of
22 time; requiring the Florida Film and Entertainment
23 Advisory Council to determine a score for each
24 qualified project using specified criteria; requiring
25 the commissioner to determine the priority order and
26 scoring system of the specified criteria with
27 assistance from the council and certain other persons;
28 requiring the council to use certain criteria;
29 requiring the commissioner to take certain actions

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30 relating to the certification or rejection of
31 qualified projects in a timely manner; requiring the
32 department to earmark and set aside funding necessary
33 to fund the total maximum that may be awarded to the
34 certified projects, if funds are available; requiring
35 the commissioner to develop a process to verify the
36 actual qualified expenditures and rebate bonus
37 eligibility of a certified project after the project's
38 work in this state is complete; providing requirements
39 for the verification process; requiring that the
40 rebate be issued within a reasonable period of time
41 upon approval of the final rebate amount by the
42 department; requiring that certain marketing be
43 included with a project; requiring certified projects
44 to allow certain persons to visit the production site
45 upon request of the commissioner and after providing
46 the commissioner with reasonable notice; specifying
47 that the commissioner or his or her affiliate is not
48 required to visit the production site; requiring the
49 department to disqualify a project under certain
50 circumstances; providing for liability and imposing
51 civil and criminal penalties for an applicant that
52 submits fraudulent information; providing for
53 rulemaking; requiring the commissioner to provide an
54 annual report to the Governor and the Legislature on a
55 specified date; providing that certain appropriated
56 funds are not subject to reversion; providing for the
57 expiration of the program; providing an effective
58 date.

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

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.

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

1. Creating high-paying jobs;
2. Broadening the film, television, and digital media industry's impact on the state by giving a modest bonus for projects that take place in underutilized areas;
3. Enhancing tourism by choosing projects that encourage tourists to visit this state; and
4. Encouraging more family-friendly productions to be produced in this state.

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

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

(a) "Certified project" means a qualified project that has been scored by the council, has been determined by the commissioner to meet or exceed the desired economic impact and other criteria of the program, and has rebate funds allocated to

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88 it based on the project's estimated qualified expenditures.

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

92 (c) "Council" means the Florida Film and Entertainment
93 Advisory Council.

94 (d) "Department" means the Department of Economic
95 Opportunity.

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

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

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

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

116 (i) "Office" means the Office of Film and Entertainment

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117 within the department.

118 (j) "Principal photography" means, for a film project or
119 television project, the filming of major or significant
120 components of the project which involve lead actors, or, for a
121 digital media project, the period of time during which the work
122 of the majority of the crew is dedicated solely to the project.

123 (k) "Production start date" means:

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

126 2. For digital media projects, the start date of final
127 storyboards or a later date as specified in the project's
128 application.

129 (l)1. "Qualified expenditures" means expenditures made in
130 this state and paid to residents of this state or to businesses
131 registered in this state and made solely for preproduction,
132 production, or postproduction of the qualified project,
133 including the following:

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

144 b. Payments to Florida residents in the form of salary or
145 wages up to a maximum of \$200,000 per resident, including

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146 amounts paid per diem to a worker who is a Florida resident and
147 amounts paid through payroll service companies, and benefits
148 such as pension, health, and welfare payments for technical and
149 production crews, directors, producers, and performers. For
150 purposes of this sub-subparagraph, payments do not include wages
151 for executives, legal staff, or other corporate staff who are
152 not employed to work solely on the project.

153 c. Rented or leased cars, trucks, and trailers if the
154 vehicles or trailers are registered with the Florida Department
155 of Highway Safety and Motor Vehicles.

156 d. Purchases of catered meals and on-set craft service
157 supplies.

158 e. Purchases of personal protective equipment from in-state
159 vendors or suppliers for use on set, in the production office,
160 or with other activities directly related to production, such as
161 providing off-set truck drivers with personal protective
162 equipment, in order to mitigate the transmission of viruses.
163 Such purchases are limited to items for personal use only, such
164 as masks, gloves, test kits, and hand sanitizer.

165 f. Rented hotel rooms or other accommodations for cast or
166 crew.

167 2. The term does not include expenditures not expressly
168 identified in subparagraph 1., expenditures made before
169 qualification for the program, expenditures made via Internet
170 transactions, expenditures for airfare, or any costs associated
171 with development, marketing, or distribution.

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

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175 (m) "Qualified project" means a film project, television
176 project, or digital media project that meets the application
177 requirements and for which a complete application for the
178 program has been submitted to the commissioner and accepted for
179 consideration by the office. The term does not include a weather
180 or market program; a sporting event or a sporting event
181 broadcast; a gala; an awards show; a production that solicits
182 funds; a home shopping program; a political program; a gambling-
183 related project or production; a concert production; a news or
184 current events show; a sports or sports recap show; a
185 pornographic production; or any production deemed obscene under
186 chapter 847, Florida Statutes.

187 (n) "Television project" means a television pilot program
188 or a television series that:

189 1. Is a scripted drama, comedy, animation, or reality show;

190 2. Has a runtime to fit, at minimum, a 30-minute program
191 slot, but no longer than required to fit a 60-minute program
192 slot; and

193 3. If the television project is a television series, has a
194 minimum of 7 episodes; or, if the television project is a
195 reality program or series, at least 10 episodes.

196

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

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

203 (3) REBATE ELIGIBILITY.-

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

207 1. Has projected qualified expenditures of:

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

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

210 or

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

212 2. Is projected to employ a crew, including cast and stand-
213 ins, but not including extras, also known as background
214 performers, of which at least 60 percent will be residents of
215 this state and at least one member will be a military veteran;

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

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

220 (b) A project may receive a rebate in the amount of up to
221 20 percent of its verified qualified expenditures. A bonus may
222 be earned in the amount of an additional 3 percentage points if
223 75 percent of the project's production in this state will take
224 place in an underutilized area or if its content is deemed
225 family friendly. A certified project may not receive more than
226 one bonus, and the total that may be awarded under any rebate
227 may not exceed 23 percent of its verified qualified expenditures
228 or \$2 million, whichever is less.

229 (c) A certified project must make a good faith effort to
230 use existing providers of infrastructure or equipment in this
231 state, when available, including providers of camera gear, grip
232 and lighting equipment, vehicles, and postproduction services,

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233 and to employ cast and crew who are residents of this state.

234 (4) APPLICATION WINDOWS.—Applications must be accepted for
235 the program during two application windows each fiscal year. The
236 commissioner shall set a start date for both application
237 windows. However, the first application window may begin before
238 the start of the fiscal year and must end no later than 5
239 business days after July 1, and the second application window
240 must end no later than 5 business days after December 1.

241 (a) The department may not earmark or set aside more than
242 60 percent of any appropriated or rolled-over rebate funds for
243 any given fiscal year for applications submitted during the
244 first application window. Rebate funds not earmarked and set
245 aside for applicants applying during one application window roll
246 over for use in the next application window.

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

250 (5) APPLICATION PROCESS.—

251 (a) A company that plans to produce a film, television, or
252 digital project in this state may submit an application to the
253 commissioner during one of the two application windows. Each
254 fiscal year, a project must have a production start date that is
255 within 6 months after July 1 if applying in the first window or
256 within 6 months after January 1 if applying in the second
257 window.

258 (b) An applicant or its parent company may submit an
259 application for no more than five projects in any single fiscal
260 year. However, except in the case of a television pilot and the
261 television series the pilot is based on being certified within

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262 the same fiscal year, only one project per applicant may be
263 certified within a fiscal year.

264 (c) The application must include:

265 1. Proof of funding;

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

268 3. A full line-item budget and a detailed qualified
269 expenditures budget;

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

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

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

276 7. For a film project, the latest script, a production
277 schedule, a Day Out of Days report, and a list of the expected
278 shooting locations;

279 8. For a digital media project, a detailed game design
280 document, including a production schedule;

281 9. For a television project that is a pilot, a final
282 script, a production schedule, a Day Out of Days report, and a
283 list of the expected shooting locations;

284 10. For a television project that is a series, the latest
285 scripts for at least two episodes and a production schedule, a
286 Day Out of Days report, and a list of the expected shooting
287 locations for the first episode;

288 11. An affirmation signed by the applicant that the
289 information on the application is correct;

290 12. The applicant's Florida tax identification number.

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291 (d) Within a reasonable period of time after the last
292 business day of each application window, the commissioner shall:

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

295 2. Determine each applicant's expected qualified
296 expenditures;

297 3. Determine the maximum rebate amount that each eligible
298 applicant may be awarded;

299 4. Determine whether an eligible applicant's project is
300 deemed family friendly;

301 5. Determine the percentage of the applicant's production,
302 if any, which is proposed to occur in an underutilized area;

303 6. Determine whether each eligible applicant is a
304 corporation registered in this state;

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

306 8. Gather any additional information needed to address the
307 criteria specified under subsection (6);

308 9. Assemble a package containing the details of each
309 eligible applicant's project and deliver it to each council
310 member; and

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

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

318 (6) 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 council and other
322 persons, as determined by the commissioner, before the first
323 application window.

324 (b) The council shall use, at a minimum, the following
325 criteria in 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 the submitted distribution plan.

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 area.

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 the project
347 will hire.

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

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349 will hire as cast or crew.

350 (7) NOTIFICATION OF DECISION.—

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

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

356 2. Provide a list of certified projects to the department
357 which includes the associated maximum rebate 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 rebate 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 (8) VERIFICATION PROCESS.—

371 (a) The commissioner shall develop a process to verify the
372 actual qualified expenditures and rebate bonus eligibility of a
373 certified project after the project's work in this state is
374 complete. The process must require all of the following:

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

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

381 b. Copies of documents verifying residency of persons
382 represented as being residents of this state;

383 c. The final script;

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

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

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

389 g. For any veterans employed by the project, a copy of at
390 least one of the veterans' DD Form 214, as issued by the United
391 States Department of Defense, or another acceptable form of
392 identification as specified by the Department of Veterans'
393 Affairs; and

394 h. Any other information determined necessary by the
395 commissioner.

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

402 3. The information and affidavit required by subparagraphs
403 1. and 2. must be received by the commissioner within 120 days
404 after the certified project has made its last qualified
405 expenditure, but no later than 1 year after its production start
406 date. Pursuant to the rules adopted by the department, the

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407 commissioner may, upon a showing of good cause, grant a one-time
408 extension of this deadline.

409 4. The conducting of a compliance audit, at the certified
410 project's expense, by an independent certified public accountant
411 who is a resident of this state to substantiate the qualified
412 expenditures, and submission of a report of the audit findings,
413 including substantiating data, to the commissioner within a
414 reasonable period of time after the initial receipt of records
415 from the certified project.

416 (b) The commissioner shall review the report and data
417 required under paragraph (a) within a reasonable period of time
418 after receipt of the report and data and shall report to the
419 department the final verified amount of actual qualified
420 expenditures the certified project made and the amount of the
421 rebate, including any bonus, due the project.

422 (c) Upon approval by the department of the final rebate
423 amount, which may not exceed the maximum specified in the notice
424 provided under subparagraph (7)(a)3., the rebate must be issued
425 within a reasonable period of time.

426 (9) MARKETING AND TOURISM REQUIREMENT.-

427 (a) The commissioner shall ensure, as a condition of
428 receiving a rebate under this section, that a certified project
429 includes marketing promoting this state as a tourist destination
430 or film and entertainment production destination. At a minimum,
431 the marketing must include placement in the end credits of a
432 "Filmed in Florida" or "Produced in Florida" logo with size and
433 placement commensurate to other logos included in the end
434 credits or, if no logos are used, the statement "Filmed in
435 Florida" or "Produced in Florida" or a similar statement

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436 approved by the commissioner and the logo of the local film
437 office, if applicable. A digital media project must also supply
438 a 5-second or longer animated logo with "Produced in Florida" or
439 other text, including the logo of the local digital media
440 office, if applicable, as preapproved by the commissioner, in a
441 manner easily seen by a consumer of the digital media project.
442 The commissioner shall provide the logos for the purposes
443 specified in this paragraph, not including the logo for a local
444 office, which must be provided by the applicable office.

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

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

457 (10) DISQUALIFICATION.—The department shall disqualify a
458 certified project and may not issue a rebate to the project if
459 the project:

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

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

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

469 (d) Submits fraudulent information; or

470 (e) Uses the state sales tax exemption established under s.
471 288.1258, Florida Statutes.

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

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

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

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494 (14) FUNDS NOT SUBJECT TO REVERSION.—Notwithstanding s.
495 216.301, Florida Statutes, funds appropriated for this purpose
496 shall not be subject to reversion.

497 (15) EXPIRATION.—The Film, Television, and Digital Media
498 Targeted Rebate Program expires June 30, 2025, at which point
499 all remaining appropriated funds not earmarked and set aside for
500 certified projects must revert to the General Revenue Fund. All
501 remaining appropriated funds must revert to the General Revenue
502 Fund no later than October 31, 2026.

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