

Tab 1	CS/SB 292 by BI, Broxson ; (Similar to CS/H 00269) Insurance Claims Data					
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Tab 2	SB 498 by Baxley ; (Identical to H 00317) Consumer Protection					
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Tab 3	SB 654 by Lee ; Sales Tax Refund for Eligible Job Training Organizations					
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Tab 4	SB 530 by Gruters (CO-INTRODUCERS) Flores, Farmer, Stewart, Rouson, Cruz, Berman, Harrell, Gibson, Bracy, Pizzo, Hooper, Torres ; (Similar to H 00497) Entertainment Industry					
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The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: CS/SB 292

INTRODUCER: Banking and Insurance Committee and Senator Broxson

SUBJECT: Insurance Claims Data

DATE: December 9, 2019

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Arnold</u>	<u>Knudson</u>	<u>BI</u>	Fav/CS
2.	<u>McMillan</u>	<u>McKay</u>	<u>CM</u>	Favorable
3.	_____	_____	<u>RC</u>	_____

Please see Section IX. for Additional Information:

PLEASE MAKE SELECTION

I. Summary:

CS/SB 292 creates loss run reporting requirements for all admitted and nonadmitted insurance carriers.

The bill requires an insurance carrier to provide a loss run statement to the insured within 15 days of receipt of a written request submitted by the insured. For personal lines of insurance, carriers may instead provide information on how to obtain a loss run statement at no charge through a consumer reporting agency. The loss run statement must be provided electronically or made available through an electronic portal, and the insurance carrier must notify the agent of record at the time the statement was provided.

The bill requires the statement to include a loss run history for the preceding 5 years or, if the history is less than 5 years, a complete loss run history with the insurance carrier.

The bill prohibits an insurance carrier from charging a fee for preparing or annually providing one loss run statement.

The bill takes effect January 1, 2021.

II. Present Situation:

Loss Run Statements

A loss run statement¹ is a report generated by an insurance carrier showing the claims history of an insured.² Some insurers have existing loss runs systems that allow their insureds to log into a portal to obtain their own detailed reports on claims.³ Insurance carriers may use loss run statements for purposes of underwriting and issuing policies.⁴ The statement will usually provide the following information:

- Name and policy number of the insured;
- Date of each loss and claim;
- A brief description of the claim;
- Amounts paid to the insured or on reserve; and
- Whether the claim is open or closed.⁵

Loss Run Reporting Requirements in Other States

Currently, Florida does not have an existing statutory framework regarding when and how insurers are required to provide loss run statements to insureds. Among states that have adopted loss run reporting requirements, insurance carriers are generally required to provide a report within 10 to 30 days following receipt of a written request made by the insured or insured's agent.⁶ Further, the length of historical data required to be included in the provided report ranges 3-5 years. State examples include:

State	Reporting Timeframe	Amount of Data Required
California ⁷	10 days	3 years
Kentucky ⁸	20 days	5 years
Louisiana ⁹	30 days	3 years
Oklahoma ¹⁰	30 days	Unspecified
Tennessee ¹¹	10 days	3 years

There is variance among states as to which lines of insurance are subject to the reporting requirements. Some states require reporting compliance of all insurance lines, whereas other states require reporting compliance of specific insurance lines only. Similarly, there is variance

¹ Loss run statements are also referred to as “loss runs” or “loss run reports.”

² Insureon, *Loss Runs*, <https://www.insureon.com/insurance-glossary/loss-runs> (last visited Dec. 9, 2019).

³ See, e.g., MSIG Loss Runs, <https://www.msigusa.com/loss-runs/> and StarStone, <http://myaccount.starstoneworkcomp.com/index.htm> (last visited Dec. 9, 2019)

⁴ Insureon, *Loss Runs*, <https://www.insureon.com/insurance-glossary/loss-runs> (last visited Dec. 9, 2019).

⁵ *Id.*

⁶ See FindLaw, *What Is a Loss Run Report?*, <https://consumer.findlaw.com/insurance/what-is-a-loss-run-report.html> (last visited Dec. 9, 2019).

⁷ Cal. INS. Code. § 679.7

⁸ Ky. Rev. Stat. § 304.20-100.

⁹ LSA-R.S. 22:636.4.

¹⁰ 36 O.S. § 36-1204.1.

¹¹ T.C.A. § 56-5-323.

among states as to penalties for insurance carriers that fail to provide the requested reports. Some states, like Oklahoma and Tennessee, consider such failure a violation of their respective states' Unfair Trade Practices Act.¹² Others, like Kentucky, provide penalties either per each individual failure to comply or for each day that the report is not provided.¹³

Public Sources of Loss Run Statements

The majority of personal auto and personal property insurers participate in the Comprehensive Loss Underwriting Exchange (CLUE)¹⁴, a central database of claims information whose report is used by insurers to assist in making underwriting and rating decisions.¹⁵ Developed by the consumer reporting agency, LexisNexis Risk Solutions, the CLUE report contains 7 years of personal auto and personal property claims history associated with an individual.¹⁶ The report includes date of loss, loss type, and amount paid.¹⁷ Under the Fair and Accurate Credit Transactions Act of 2003, LexisNexis Risk Solutions and other consumer reporting agencies must provide one free copy of the consumer's file per year upon request of the consumer.¹⁸

III. Effect of Proposed Changes:

The bill requires an insurance carrier to provide a loss run statement to an insured within 15 days following receipt of a request submitted by the insured. For personal lines of insurance, an insurance carrier may instead provide the insured with information on how to obtain a loss run statement at no charge through a consumer reporting agency. The insurance carrier must notify the agent of record that the statement was provided electronically or made available through an electronic portal. The statement must include a loss run history for the preceding 5 years or, if the history is less than 5 years, a complete loss run history with the insurance carrier. The bill specifies that an insurer is not required to provide loss reserve information as part of a loss run statement. The insurance carrier may not charge a fee for preparing or annually providing one loss run statement.

The bill creates the following definitions:

- “Loss run statement” means a report containing the policy number, period of coverage, number of claims, paid losses on all claims, and date of each loss¹⁹; and

¹² 36 O.S. §36-1204 and T.C.A. § 56-5-323.

¹³ Ky. Rev. Stat. § 304.99-082.

¹⁴ 99 percent of insurers writing automobile coverage, and 96 percent of insurers writing property coverage, participate in the CLUE database. See <https://risk.lexisnexis.com/products/clue-auto> and https://risk.lexisnexis.com/-/media/files/insurance/brochure/clue_property%20pdf.pdf (last visited Dec. 9, 2019).

¹⁵ LexisNexis Risk Solutions, *What is LexisNexis Risk Solutions' role in supplying the credit report, auto or property loss history, and/or insurance score to the insurance company?*, https://consumer-solutions.custhelp.com/app/answers/detail/a_id/743/~/~what-is-lexisnexis-risk-solutions-role-in-supplyingthe-credit-report%2C-auto-or (last visited Dec. 9, 2019).

¹⁶ LexisNexis Risk Solutions, *Who We Are*, https://personalreports.lexisnexis.com/fact_act_disclosure.jsp;jsessionid=162F0EE7199A58F7F42EF943FC1B0488 (last visited Dec. 9, 2019).

¹⁷ *Id.*

¹⁸ Pub. L. No. 109-159, s. 211m 117 Stat 1952 (2003).

¹⁹ The bill provides that “loss run statement” does not include supporting claim file documentation, including, but not limited to, copies of claim files, investigation reports, evaluation statements, insureds' statements, and documents protected by a common law or statutory privilege.

- “Provide” means to send a document electronically or to allow access through an electronic portal to view or generate a document.

Section 1 creates s. 626.9202, F.S., to apply these requirements to nonadmitted insurance carriers.

Section 2 creates s. 627.444, F.S., to apply these requirements to admitted insurance carriers.

Section 3 provides an effective date of January 1, 2021.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The bill may help consumers with favorable claim histories to obtain insurance at a lower premium.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

The bill in creating s. 626.9202(2), F.S., and s. 627.444(2), F.S., provides that for personal lines of insurance, the insurer may either provide a loss run statement or provide “information on how to obtain a loss run statement through a consumer reporting agency.” The bill then states that “this section does not prohibit an insured from requesting a loss run statement after receiving information from a consumer reporting agency.” The section makes it unclear if a personal lines insurer itself must provide a loss run statement, and if so, at what point they must provide it.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates the following sections of the Florida Statutes: 626.9202 and 627.444.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Banking and Insurance on November 12, 2019:

- Includes specific data elements in the definition of “loss run statement.”
- Excludes specific data elements from the definition of “loss run statement.”
- Allows personal lines insurance carriers to provide the insured with information on how to obtain a loss run statement at no charge through a consumer reporting agency, rather than provide a loss run statement.
- Allows insurers to deny requests for loss reserve information.
- Provides an effective date of January 1, 2021.

B. Amendments:

None.

By the Committee on Banking and Insurance; and Senator Broxson

597-01377-20

2020292c1

1 A bill to be entitled
 2 An act relating to insurance claims data; creating ss.
 3 626.9202 and 627.444, F.S.; defining the terms "loss
 4 run statement" and "provide"; requiring surplus lines
 5 and authorized insurers, respectively, to provide
 6 insureds either a loss run statement or certain
 7 information within a certain timeframe after receipt
 8 of the insured's written request; providing
 9 construction; requiring insurers to provide notice to
 10 the agent of record after providing a loss run
 11 statement; specifying the required claims history in a
 12 loss run statement; providing that insurers are not
 13 required to provide loss reserve information;
 14 prohibiting insurers from charging a fee to prepare
 15 and provide one loss run statement annually; providing
 16 an effective date.

17
 18 Be It Enacted by the Legislature of the State of Florida:

19
 20 Section 1. Section 626.9202, Florida Statutes, is created
 21 to read:

22 626.9202 Loss run statements for all lines of insurance.-

23 (1) As used in this section, the term:

24 (a) "Loss run statement" means a report that contains the
 25 policy number, the period of coverage, the number of claims, the
 26 paid losses on all claims, and the date of each loss. The term
 27 does not include supporting claim file documentation, including,
 28 but not limited to, copies of claim files, investigation
 29 reports, evaluation statements, insureds' statements, and

Page 1 of 4

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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30 documents protected by a common law or statutory privilege.

31 (b) "Provide" means to electronically send a document or to
 32 allow access through an electronic portal to view or generate a
 33 document.

34 (2) Notwithstanding any other law, an insurer shall provide
 35 to an insured within 15 calendar days after receipt of the
 36 insured's written request, either:

37 (a) A loss run statement; or

38 (b) For personal lines of insurance, information on how to
 39 obtain a loss run statement at no charge through a consumer
 40 reporting agency. However, this section does not prohibit an
 41 insured from requesting a loss run statement after receiving
 42 information from a consumer reporting agency.

43 (3) At the time a loss run statement is provided to the
 44 insured, the insurer shall notify the agent of record that the
 45 loss run statement was provided to the insured.

46 (4) A loss run statement provided pursuant to this section
 47 must contain a claims history with the insurer for the preceding
 48 5 years or, if the claims history is less than 5 years, a
 49 complete claims history with the insurer.

50 (5) Notwithstanding any other provision of this section, an
 51 insurer is not required to provide loss reserve information.

52 (6) Notwithstanding any other law, an insurer may not
 53 charge any fee to prepare and provide annually one loss run
 54 statement in accordance with this section.

55 Section 2. Section 627.444, Florida Statutes, is created to
 56 read:

57 627.444 Loss run statements for all lines of insurance.-

58 (1) As used in this section, the term:

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59 (a) "Loss run statement" means a report that contains the
 60 policy number, the period of coverage, the number of claims, the
 61 paid losses on all claims, and the date of each loss. The term
 62 does not include supporting claim file documentation, including,
 63 but not limited to, copies of claim files, investigation
 64 reports, evaluation statements, insureds' statements, and
 65 documents protected by a common law or statutory privilege.

66 (b) "Provide" means to electronically send a document or to
 67 allow access through an electronic portal to view or generate a
 68 document.

69 (2) Notwithstanding any other law, an insurer shall provide
 70 to an insured within 15 calendar days after receipt of the
 71 insured's written request, either:

72 (a) A loss run statement; or

73 (b) For personal lines of insurance, information on how to
 74 obtain a loss run statement at no charge through a consumer
 75 reporting agency. However, this section does not prohibit an
 76 insured from requesting a loss run statement after receiving
 77 information from a consumer reporting agency.

78 (3) At the time a loss run statement is provided to the
 79 insured, the insurer shall notify the agent of record that the
 80 loss run statement was provided to the insured.

81 (4) A loss run statement provided pursuant to this section
 82 must contain a claims history with the insurer for the preceding
 83 5 years or, if the claims history is less than 5 years, a
 84 complete claims history with the insurer.

85 (5) Notwithstanding any other provision of this section, an
 86 insurer is not required to provide loss reserve information.

87 (6) Notwithstanding any other law, an insurer may not

Page 3 of 4

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

597-01377-20

2020292c1

88 charge any fee to prepare and provide annually one loss run
 89 statement in accordance with this section.

90 Section 3. This act shall take effect January 1, 2021.

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

12/10/19
Meeting Date

292
Bill Number (if applicable)

Topic INSURANCE CLAIMS DATA

Amendment Barcode (if applicable)

Name KYLE ULRICH

Job Title SVP

Address 3159 SHAMROCK S.
Street

Phone 850-566-4204

TALLAHASSEE FL 32309
City State Zip

Email KULRICH@FAIA.COM

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing FL. ASSOC. OF INSURANCE AGENTS

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.



The Florida Senate

Committee Agenda Request

To: Senator Joseph Gruters, Chair
Committee on Commerce and Tourism

Subject: Committee Agenda Request

Date: November 14, 2019

I respectfully request that **Senate Bill # 292**, relating to Insurance Claims Data, be placed on the:

- committee agenda at your earliest possible convenience.
- next committee agenda.

A handwritten signature in cursive script, appearing to read "Doug Broxson".

Senator Doug Broxson
Florida Senate, District 1

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: CS/SB 498

INTRODUCER: Commerce and Tourism Committee and Senator Baxley

SUBJECT: Consumer Protection

DATE: December 11, 2019 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Harmsen	McKay	CM	Fav/CS
2.			IT	
3.			RC	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 498 requires an unlicensed vendor to perform his or her work duties within a specific timeframe after the unlicensed vendor receives payment for the services. The bill also creates a rebuttable presumption that an unlicensed vendor does not have just cause to fail to comply with their duties, refund their payment, or continue their work for any 14-day period.

An unlicensed vendor who violates this provision commits a crime punishable as, depending on the total money received for the services and any prior offenses, a first degree misdemeanor or a felony.

The Criminal Justice Impact Conference has not yet determined the fiscal impact for this bill. To the extent that the felonies and misdemeanor created in the bill results in persons being convicted, the bill may result in a positive indeterminate fiscal impact on prisons.

Additionally, the bill requires solicitors, salespersons, and agents who conduct door-to-door sales of consumer goods or services that will be delivered more than three days after the sale to obtain a home solicitation permit from a county clerk of the circuit court.

The bill takes effect on July 1, 2020.

II. Present Situation:

Florida consumers experienced growing numbers of contractor theft and unlicensed contractor fraud in the wake of recent hurricanes Irma and Michael.¹ However, victims met difficulty prosecuting the perpetrators because theft requires proof that the defendant had the intent to commit the crime at the time of, or prior to, the taking.² Especially in cases where a contract exists, it is difficult to prove criminal intent at the time the contract was signed.³ Florida courts have also found that a partial performance of a contract negates criminal intent.⁴

In 2019, the Legislature updated the contractor theft statute⁵ to remove the requirement that a contractor have intent to defraud the owner to be convicted of such theft.⁶ This change only applies to actors who are, or were acting as, a licensed contractor.

Unlicensed Activity

Several Florida agencies protect consumers from unlicensed activity. The Department of Business and Professional Regulation (DBPR) regulates several professions, including contractors and many of the construction trades. The DBPR therefore regulates the unlicensed practice of those professions as well.⁷ According to the DBPR, unlicensed activity occurs most commonly in the construction and electrical trades.⁸ In fiscal year 2017-2018, the DBPR received 2,461 construction industry complaints, and took action on 1,551 of the cases.⁹

¹ See, e.g., Insurance Journal, *10 Arrests Made in Florida Unlicensed Contractor, Workers' Comp Fraud Sting* (Jun. 19, 2019), <https://www.insurancejournal.com/news/southeast/2019/06/19/529814.htm> (last visited Dec. 10, 2019); and Cape Coral Police Department, *Unlicensed Contractors and Scams* (Nov. 7, 2018), <https://www.capecops.com/newsroom/2018/11/7/unlicensed-contractors-and-scams> (last visited Dec. 10, 2019); and see Florida Dept. of Financial Services, *CFO Jimmy Patronis Announces Arrest of Fake Contractor for Stealing Over \$116,000 from Hurricane Irma Victims* (Mar. 1, 2019), <https://www.myfloridacfo.com/sitePages/newsroom/pressRelease.aspx?id=5206> (last visited Dec. 10, 2019).

² See *Stramaglia v. State*, 603 So. 2d 536, 537-38 (Fla. 4th DCA 1992) and *Frazier v. State*, 114 So. 3d 461 (Fla. Dist. Ct. App. 2013). Florida recognizes two types of intent crimes: specific intent and general intent crimes. A specific intent crime requires the offender to intend to accomplish a precise, prohibited act. A general intent crime requires the offender to intend to do something unlawful, but the offender does not need to intend the precise harm or result that occurs. See Black's Law Dictionary 47, 559 and 560 (6th ed. 1995). Unless an offender confesses his or her intent, intent must be inferred. See generally, David Crump, *What Does Intent Mean*, 38 Hofstra L.R. 1059, <https://scholarlycommons.law.hofstra.edu/hlr/vol38/iss4/2/> (last visited Dec. 10, 2019).

³ See *Adams v. State*, 443 So. 2d 1003 (Fla. 2d DCA 1983).

⁴ See *Yerrick v. State*, 970 So. 2d 1288 (Fla. 4th DCA 2008).

⁵ Section 489.126(2), F.S.

⁶ Section 19, ch. 2019-167, Laws of Fla. See also, Sasha Jones, *New Florida Law Protects You Against Contractor Fraud* (Jul. 11, 2019), <https://www.nbcmiami.com/news/local/New-Florida-Law-Protects-You-Against-Contractor-Fraud-512600391.html> (last visited Dec. 10, 2019).

⁷ Florida Dept. of Business and Professional Regulation, *Department Overview*, <http://www.myfloridalicense.com/DBPR/about-us/department-overview/> (last visited Dec. 10, 2019).

⁸ Florida Dept. of Business and Professional Regulation, *2017-2018 Unlicensed Activity Annual Report* at 4, available at <http://www.myfloridalicense.com/dbpr/reg/documents/ULA%20Annual%20Report%20FY2017-18.pdf> (last visited Dec. 10, 2019).

⁹ *Id.* at 28.

The Department of Agriculture and Consumer Services serves as the consumer complaint clearinghouse for issues that arise from workers who operate in an unregulated profession.¹⁰

Additionally the Florida Office of the Attorney General's Consumer Protection Division prosecutes deceptive and unfair trade practices under the Florida Deceptive and Unfair Trade Practices Act (ch. 501, F.S.).¹¹ Since 2011, the Division has resolved 558 investigations and recovered over \$10 billion for Florida consumers.¹²

Contractor Fraud and Theft

A contractor is a person who undertakes a job or submits a bid to construct, repair, alter, remodel, add to, demolish, subtract from, or improve any building or structure for others.¹³ A contractor must be licensed by the Department of Business and Professional Regulation's Construction Industry Licensing Board (Board) or certified by the county in which he or she wishes to work.¹⁴ A subcontractor who does not have a state certificate or registration may work under a licensed or certified contractor if the subcontractor's work falls within the scope of the contractor's license.¹⁵

Administrative Offenses and Penalties

The Board may discipline¹⁶ a contractor's certification or registration if he or she is found guilty of any of the following offenses:¹⁷

- Committing mismanagement or misconduct in the practice of contracting that causes financial harm to a customer;
- Abandoning a construction project. There is a presumption a contractor has abandoned a project after 90 days if the contractor terminates the project without just cause or without proper notification to the owner, or the contractor fails to perform work without just cause for 90 consecutive days;
- Committing fraud or deceit in the practice of contracting; and
- Proceeding on a job without obtaining required building permits and inspections.

In addition to Board action, Florida law imposes criminal penalties for prohibited behavior in the contracting industry. A person commits a first degree misdemeanor if he or she:¹⁸

- Falsely holds himself or herself out as a licensee, certificate holder, or registrant,
- Acts or advertises as a contractor without being duly registered or certified, or

¹⁰ Florida Dept. of Agriculture and Consumer Services, *Division of Consumer Services*, <https://www.fdacs.gov/Divisions-Offices/Consumer-Services> (last visited Dec. 10, 2019).

¹¹ Florida Office of the Attorney General, *Consumer Protection Division*, <http://www.myfloridalegal.com/pages.nsf/Main/18A7753257FE439085256CC9004EC4F7> (last visited Dec. 10, 2019).

¹² *Id.*

¹³ *See*, s. 489.105(3), F.S.

¹⁴ Sections 489.107(1), 489.113(1), and 489.117(1)(b), F.S.

¹⁵ Section 489.113(2), F.S.

¹⁶ The Board may place a contractor on probation, reprimand him or her, revoke or suspend the contractor's certificate or registration, or deny the renewal of a certificate or registration. The Board may also require the contractor to provide financial restitution to a consumer for financial harm he or she caused, require the contractor to perform continuing education, or to pay costs related to the investigation and prosecution.

¹⁷ Section 489.129(1), F.S.

¹⁸ Section 489.127, F.S.

- Starts or performs work for which a building permit is required without such permit.

If a person commits a subsequent offense, or commits any such offense during a state emergency as declared by the Governor, it is punishable as a third degree felony.¹⁹

Criminal Offenses and Penalties

A contractor, or a person who acts as a contractor, who receives an initial payment of more than 10 percent of the contract price for the project must, unless the payor agreed in writing to a longer period or the contractor has just cause for failing to do so:

- Apply for any necessary permits within 30 days after the payment is made; and
- Start the work within 90 days after all necessary permits are issued.

A contractor is deemed to lack just cause for a failure to perform his or her duties if the payor has made a written demand and given the contractor 30 days to perform.

Section 489.126, F.S., sets the dollar thresholds for the offense severity at the following levels:

Total Money Received	Offense Level
≥ \$200,000	First Degree Felony
≥\$20,000, but < \$200,000	Second Degree Felony
≥ \$1,000, but < \$20,000	Third Degree Felony
< \$1,000	First Degree Misdemeanor

Theft

Section 812.014, F.S., provides that a person commits theft if he or she knowingly obtains or uses, or endeavors to obtain or use, the property of another with intent to (temporarily or permanently):

- Deprive the other person of a right to the property or a benefit thereof; or
- Appropriate the property to his or her own use or to the use of any person not entitled to its use.

¹⁹ Section 489.127(2)(b) and (c), F.S.

The penalties for theft crimes depend on the value of the property taken and are classified as follows:

	Property Value	Offense Level
Grand Theft	≥ \$100,000	First Degree Felony ²⁰
	≥ \$20,000, but < \$100,000	Second Degree Felony ²¹
	≥ \$750, but < \$20,000	Third Degree Felony ²²
	≥ \$100, but < \$750 if taken from a dwelling or unenclosed curtilage ²³ of a dwelling	Third Degree Felony
Petit Theft	≥ \$100, but < \$750	First Degree Misdemeanor ²⁴
	< \$100	Second Degree Misdemeanor ²⁵

However, as discussed above, it has been difficult for prosecutors to apply the theft statute to theft that results from an individual’s failure to perform contracted work.²⁶

Home Solicitation Sales Permits²⁷

A person must obtain a home solicitation sales permit (permit) to sell items valued at \$25 or more by solicitation at any location that is not his or her business’s fixed location.²⁸ The seller can apply for a permit at the clerk of the circuit court within the county in which the seller wants to do business. A county clerk of the circuit court may deny a home solicitation sales permit if the applicant has been convicted of, or entered a guilty or no contest plea, to a crime involving moral turpitude, fraudulent or dishonest dealing, or the illegal use or sale of a controlled substance, or to any violation of the home solicitation laws. The solicitor must display the permit to each prospective buyer before he or she begins a solicitation. A solicitor who attempts to make a sale without a permit commits a first degree misdemeanor. Additionally, the clerk of the circuit court can discipline or revoke the permit for specific violations.

²⁰ A first degree felony is punishable by up to 30 years imprisonment and a \$10,000 fine. Sections 775.082 and 775.083, F.S.

²¹ A second degree felony is punishable by up to 15 years imprisonment and a \$10,000 fine. Sections 775.082 and 775.083, F.S.

²² A third degree felony is punishable by up to five years imprisonment and a \$5,000 fine. Sections 775.082 and 775.083, F.S.

²³ “Unenclosed curtilage of a dwelling” means the unenclosed land or grounds, or any outbuildings, directly and intimately adjacent to and connected with the dwelling and necessary, convenient, and habitually used in connection with that dwelling. Section 810.09(1)(b), F.S.

²⁴ A first degree misdemeanor is punishable by up to one year in county jail and a \$1,000 fine. Sections 775.082 and 775.083, F.S.

²⁵ A second degree misdemeanor is punishable by up to 60 days in county jail and a \$500 fine. Sections 775.082 and 775.083, F.S.

²⁶ See, notes 2-4 *supra*.

²⁷ See, sections 501.021-501.055, F.S.

²⁸ Section 501.021, F.S.

III. Effect of Proposed Changes:

Section 1 creates s. 501.0195, F.S., which provides a definition for an unlicensed vendor, requires them to perform their duties within specific timeframes, and sets criminal penalties for the failure to meet those requirements.

The bill defines an unlicensed vendor as a person who is not deemed a contractor in Florida who also provides or promises to provide services related to a residential home or the extended parcel of land on which the home is situated. This may include work on driveways, lawns, trees, gardens, walls, fences, or other vegetation or fixtures located on the land.

An unlicensed vendor who has agreed to perform a job and has accepted any amount of money as an initial payment for the job must perform the following duties:

- Apply for any required work permits within 14 days after receiving the consumer’s initial payment;
- Start the work within 14 days after either receiving an initial payment or within 14 days after all necessary work permits have been issued; and
- Continue the work until completion, with no breaks that are 14 days or longer in duration.

The unlicensed vendor may deviate from the above duties only when the consumer has agreed to a longer timeframe in writing, or when the unlicensed vendor has just cause.

Additionally, the bill creates a rebuttable presumption that that an unlicensed vendor’s deviation from the above duties, or failure to refund payment within 14 days, is a violation of this law. It is the unlicensed vendor’s burden to rebut this presumption and to plead and prove any just cause for the violation.

An unlicensed vendor who violates this section may be subject to the following penalties:

Offense Level	<i>The Bill</i> Total Money Received
First Degree Felony	≥ \$50,000
Second Degree Felony	≥ \$5,000 but < \$50,000
Third Degree Felony	≥ \$300 but < \$5,000,000
First Degree Misdemeanor	< \$300

Section 2 amends s. 501.022, F.S., to require solicitors, salesperson, and agents to conduct a sale, lease, or rental of consumer goods or services by sample, catalog, or brochure for future delivery to obtain a home solicitation sales permit from the pertinent county’s clerk of the circuit court before they begin their door-to-door sales. This type of solicitor is currently exempt from the permitting requirement.

Section 3 provides an effective date of July 1, 2020.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Homeowners who use unlicensed vendors for services and repairs to their property may be less susceptible to theft of their payments and more timely performance of their repairs as a result of the criminal penalties implemented by this bill.

Solicitors who conduct door-to-door sales, leases, or rentals of consumer goods or services by sample, catalog, or brochure for future delivery will be required to obtain a permit to perform their work. This will increase to cost to do business as such a solicitor. Consumers targeted by such solicitors may be less subject to unscrupulous sales as a result of the permitting process.

C. Government Sector Impact:

The bill creates a new criminal penalty, which may increase the need for prison beds if the number of successful prosecutions increases.

County clerks of circuit courts may see an increase in permit processing for certain door-to-door solicitors.

VI. Technical Deficiencies:

None.

VII. Related Issues:

The bill's definition of an unlicensed vendor is relatively broad and may ultimately capture professionals who are licensed in some capacity by the state of Florida.

It is unclear whether an unlicensed contractor is excluded from the definition of an unlicensed vendor. Therefore, an unlicensed contractor may be subject to penalty under both this law and contractor theft (s. 489.126(2), F.S.).

As written, the bill appears to require all unlicensed vendors to refund their payment within 14 days after receiving it, whether or not they have otherwise complied with their duty outlined in the bill to perform work in a timely fashion.

Section 501.0195(3)(b) provides that there is a presumption that an unlicensed vendor does not have just cause if [he or she] "fails to continue the work for any 14-day period after the date all necessary permits for work, if any, are issued." This is repetitive of the presumption that an unlicensed vendor lacks just cause if he or she "fails to comply with paragraph (a)" on lines 45-47, also within paragraph (3)(b) of the bill because subparagraph (3)(a)3. provides that an unlicensed vendor must "[p]erform the work, without any failure to continue the work for any 14-day period after payment is made or 14 days after the date all necessary permits for work, if any, are issued." The inclusion of this duty twice in paragraph (3)(b) may be problematic when interpreting the law.

VIII. Statutes Affected:

This bill creates section 501.0195, F.S., and amends section 501.022 of the Florida Statutes.

IX. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Commerce and Tourism on December 10, 2019:

The CS clarifies that an unlicensed vendor is an individual who is not deemed a contractor in Florida who also provides or promises to provide services related to a residential home *or* the extended parcel of land on which the home is situated.

- B. **Amendments:**

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.



849820

LEGISLATIVE ACTION

Senate

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. .
. .
. .
. .

House

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

Senate Amendment

Delete line 27

and insert:

residential home or the extended parcel of land on which
the

By Senator Baxley

12-00446-20

2020498__

1 A bill to be entitled
 2 An act relating to consumer protection; creating s.
 3 501.0195, F.S.; providing legislative findings and
 4 intent; defining the term "unlicensed vendor";
 5 requiring an unlicensed vendor to take certain actions
 6 within a specified timeframe after receiving payment;
 7 providing an exception; providing that the unlicensed
 8 vendor has the burden to prove just cause; providing
 9 criminal penalties; amending s. 501.022, F.S.;
 10 removing an exemption from permitting requirements for
 11 certain solicitors, salespersons, and agents;
 12 providing an effective date.

13
 14 Be It Enacted by the Legislature of the State of Florida:

15
 16 Section 1. Section 501.0195, Florida Statutes, is created
 17 to read:

18 501.0195 Home repairs by unlicensed vendors.-

19 (1) The Legislature finds that vigorous enforcement of
 20 residential contracting laws is necessary to protect residents,
 21 consumers, and this state's economy, and therefore, the
 22 Legislature intends that this section be strictly construed and
 23 enforced.

24 (2) For the purposes of this section, the term "unlicensed
 25 vendor" means a person who:

26 (a) Provides or promises to provide services related to a
 27 residential home and the extended parcel of land on which the
 28 home is located, including, but not limited to, driveways,
 29 lawns, trees, gardens, landscaping areas, walls, fences, or

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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2020498__

30 other vegetation or fixtures located thereon; and
 31 (b) Is not deemed a "contractor" under s. 489.105(3).
 32 (3) (a) An unlicensed vendor who receives an initial payment
 33 of any amount must do all of the following unless the unlicensed
 34 vendor has just cause or has agreed, in writing, with the person
 35 who made the payment to a longer timeframe for performance:
 36 1. If the work requires a permit, apply for such permits
 37 within 14 days after receiving payment for the work.
 38 2. Start the work within 14 days after receiving payment
 39 for the work or within 14 days after the date all necessary
 40 permits for work, if any, are issued.
 41 3. Perform the work, without any failure to continue the
 42 work for any 14-day period after payment is made or 14 days
 43 after the date all necessary permits for work, if any, are
 44 issued.
 45 (b) There is a presumption that an unlicensed vendor does
 46 not have just cause if the unlicensed vendor fails to comply
 47 with paragraph (a), fails to refund the payment within 14 days
 48 after receiving payment, or fails to continue the work for any
 49 14-day period after the date all necessary permits for work, if
 50 any, are issued. The burden is on the unlicensed vendor to prove
 51 just cause and to rebut the presumption.
 52 (4) A violation of this section is:
 53 (a) If the total money received is less than \$300, a
 54 misdeemeanor of the first degree, punishable as provided in s.
 55 775.082 or s. 775.083.
 56 (b) If the total money received is less than \$300 and the
 57 unlicensed vendor has had more than one violation within a 3-
 58 year period, a felony of the third degree, punishable as

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59 provided in s. 775.082, s. 775.083, or s. 775.084.

60 (c) If the total money received is greater than or equal to
 61 \$300 but less than \$5,000, a felony of the third degree,
 62 punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

63 (d) If the total money received is \$5,000 or more but less
 64 than \$50,000, a felony of the second degree, punishable as
 65 provided in s. 775.082, s. 775.083, or s. 775.084.

66 (e) If the total money received is \$50,000 or more, a
 67 felony of the first degree, punishable as provided in s.
 68 775.082, s. 775.083, or s. 775.084.

69 Section 2. Paragraphs (a) and (b) of subsection (1) of
 70 section 501.022, Florida Statutes, are amended to read:

71 501.022 Home solicitation sale; permit required.—

72 (1) (a) It is unlawful for any person to conduct any home
 73 solicitation sale, as defined in s. 501.021, or to supervise
 74 excluded minors conducting such sales provided in subparagraph
 75 (b)4. subparagraph (b)5-, in this state without first obtaining
 76 a valid home solicitation sale permit as provided in this
 77 section.

78 (b) The following are excluded from the operation of this
 79 section:

80 1. Bona fide agents, business representatives, or
 81 salespersons making calls or soliciting orders at the usual
 82 place of business of a customer regarding products or services
 83 for use in connection with the customer's business.

84 2. Solicitors, salespersons, or agents making a call or
 85 business visit upon the express invitation, oral or written, of
 86 an inhabitant of the premises or her or his agent.

87 3. Telephone solicitors, salespersons, or agents making

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88 calls which involve transactions that are unsolicited by the
 89 consumer and consummated by telephone and without any other
 90 contact between the buyer and the seller or its representative
 91 ~~before~~ ~~prior~~ to delivery of the goods or performance of the
 92 services.

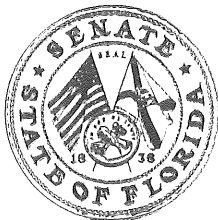
93 ~~4. Solicitors, salespersons, or agents conducting a sale,~~
 94 ~~lease, or rental of consumer goods or services by sample,~~
 95 ~~catalog, or brochure for future delivery.~~

96 ~~4.5-~~ Minors, as defined in s. 1.01(13), conducting home
 97 solicitation sales under the supervision of an adult supervisor
 98 who holds a valid home solicitation sale permit. Minors excluded
 99 from operation of this section must, however, carry personal
 100 identification which includes their full name, date of birth,
 101 residence address, and employer and the name and permit number
 102 of their adult supervisor.

103 ~~5.6-~~ Those sellers or their representatives that are
 104 currently regulated as to the sale of goods and services by
 105 chapter 475 or chapter 497.

106 ~~6.7-~~ Solicitors, salespersons, or agents making calls or
 107 soliciting orders on behalf of a religious, charitable,
 108 scientific, educational, or veterans' institution or
 109 organization holding a sales tax exemption certificate under s.
 110 212.08(7).

111 Section 3. This act shall take effect July 1, 2020.



THE FLORIDA SENATE

COMMITTEES:
Ethics and Elections, *Chair*
Appropriations Subcommittee on Education
Education
Finance and Tax
Health Policy
Judiciary

JOINT COMMITTEE:
Joint Legislative Auditing Committee

SENATOR DENNIS BAXLEY

12th District

November 4, 2019

The Honorable Chair Joe Gruters
324 Senate Office Building
Tallahassee, Florida 32399

Dear Chairman Gruters,

I would like to request that SB 498 Consumer Protection be heard in the next Commerce & Tourism Committee meeting.

This good bill amends sections of the "Theft by Abandonment" and "Unauthorized Home Solicitation" statutes to fix several loopholes that prevent law enforcement and state's attorney's from pursuing criminal prosecution for fraudulent contractors and solicitors.

Thank you for your favorable consideration.

Onward & Upward,

A handwritten signature in cursive script that reads "Dennis K. Baxley".

Senator Dennis K. Baxley
Senate District 12

DKB/dd

cc: Todd McKay, Staff Director

320 Senate Office Building, 404 South Monroe St, Tallahassee, Florida 32399-1100 • (850) 487-5012
Email: baxley.dennis@flsenate.gov

Bill Galvano
President of the Senate

David Simmons
President Pro Tempore

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: SB 654

INTRODUCER: Senator Lee

SUBJECT: Sales Tax Refund for Eligible Job Training Organizations

DATE: December 9, 2019

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Reeve	McKay	CM	Favorable
2.			FT	
3.			AP	

I. Summary:

SB 654 creates a sales tax refund for eligible job training organizations. Under the bill, an eligible job training organization may apply for a refund of 10 percent of the sales tax the organization remitted to the Department of Revenue on its sales of donated goods during the previous fiscal year.

The use of sales tax refunds issued to an eligible job training organization is limited to any of the following purposes:

- Growth in employment hours;
- Job training and employment services to low-income persons, individuals with workplace disadvantages, and individuals with barriers to employment; or
- Job training and employment services for veterans.

The amount of refunds issued may not exceed \$2 million in any state fiscal year.

Except as otherwise expressly provided for in the bill, the bill takes effect upon becoming law.

II. Present Situation:

Florida Sales Tax

Florida levies a 6 percent sales and use tax on the sale or rental of most tangible personal property,¹ admissions,² transient rentals,³ and a limited number of services. Chapter 212, F.S., contains provisions authorizing the levy and collection of Florida's sales and use tax, as well as the exemptions and credits applicable to certain items or uses under specified circumstances.

¹ Section 212.05(1)(a)1.a, F.S.

² Section 212.04(b), F.S.

³ Section 212.03(1)(a), F.S.

Sales tax is added to the price of the taxable good or service and collected from the purchaser at the time of sale.⁴ Sales tax receipts accounted for approximately 77 percent of the state's General Revenue in Fiscal Year 2018-2019.⁵

In addition to the state level tax, counties are authorized to levy local discretionary sales surtaxes under certain situations.⁶ Surtaxes apply to all transactions occurring in the county that are subject to the state level tax.⁷ Discretionary sales surtax rates currently levied vary by county in a range of 0.5 to 2.5 percent.⁸

Charitable Organizations

Charitable organizations are eligible to receive tax-deductible contributions.⁹ To qualify as a charitable organization under section 501(c)(3) of the Internal Revenue Code an organization must be organized and operated exclusively for an exempt purpose,¹⁰ none of its earnings may inure to any private shareholder or individual, and it cannot be an action organization.¹¹ Additionally, organizations that qualify under section 501(c)(3) may be eligible for other tax benefits, such as state and federal sales, property, and income tax exemptions.¹²

Qualified Job Training Organizations

Section 288.1097, F.S., allows a “qualified job training organization” to receive grant funding from the Department of Economic Opportunity (DEO). To be eligible, a job training organization must:

- Be exempt under s. 501(c)(3) or (4) of the Internal Revenue Code;
- Provide job training and employment services to individuals who have workplace disadvantages or disabilities;
- Be accredited by the Commission on Accreditation of Rehabilitation Facilities;
- Collect Florida sales tax;
- Specialize in the retail sale of donated items;
- Operate statewide through more than 100 locations;
- Use a majority of its revenues for job training and placement programs that create jobs and foster economic development; and

⁴ See s. 212.07(2), F.S.

⁵ Office of Economic and Demographic Research, *Florida Tax Handbook*, 16 (2019), available at <http://edr.state.fl.us/Content/revenues/reports/tax-handbook/taxhandbook2019.pdf> (last visited Dec. 9, 2019).

⁶ Section 212.055, F.S.

⁷ Section 212.054, F.S.

⁸ *Supra* note 5, at 225-226.

⁹ 26 U.S.C. s. 170

¹⁰ Exempt purposes include: charitable, religious, educational, scientific, literary, testing for public safety, fostering national or international amateur sports competition, and preventing cruelty to children or animals. IRS, *Exempt Purposes – Internal Revenue Code Section 501(c)(3)*, available at <https://www.irs.gov/charities-non-profits/charitable-organizations/exempt-purposes-internal-revenue-code-section-501c3> (last visited Dec. 9, 2019).

¹¹ A charitable organization “may not attempt to influence legislation as a substantial part of its activities and it may not participate in any campaign activity for or against political candidates.” IRS, *Exemption Requirements - 501(c)(3) Organizations*, available at <https://www.irs.gov/charities-non-profits/charitable-organizations/exemption-requirements-section-501c3-organizations> (last visited Dec. 9, 2019).

¹² See Internal Revenue Service, *Federal Tax Obligations of Non-Profit Corporations*, available at <https://www.irs.gov/pub/irs-pdf/n844.pdf> (last visited Dec. 9, 2019).

- Be certified by the DEO that the organization meets the requirements described above.

The DEO is permitted to release funds to the organization pursuant to a contract with the organization. The contract must require the organization to meet certain performance conditions in order to receive the grant funds, including net new employment in the state, the methodology for validating performance, the schedule of payments, and sanctions for failure to meet the performance requirements. Salaries paid to officers and employees of the organization must meet certain Internal Revenue Code requirements.¹³

The organization must use the grant funds solely to encourage and provide economic development through capital construction, improvements, or the purchase of equipment that will result in expanded employment opportunities. The following results must also be met within a 10-year period:¹⁴

- Creation of at least 5,000 direct, new jobs;
- Minimum of 23,000 new clients served;
- Production of a minimum of \$24 million in new sales tax revenues from increased sales;
- Minimum of \$42 million in new salaries; and
- Minimum of \$6 million for job placement services.

III. Effect of Proposed Changes:

Section 1 of the bill creates s. 212.094, F.S., which would allow eligible job training organizations to apply for a 10 percent refund on the sales tax collected on the sale of donated goods. The bill defines an eligible job training organization as an organization that:

- Is an exempt organization under section 501(c)(3) of the Internal Revenue Code;
- Provides job training and employment services to low-income persons,¹⁵ individuals who have workplace disadvantages, or individuals with barriers to employment; and
- Is accredited by the Commission on Accreditation of Rehabilitation Facilities.

The bill specifies that an eligible job training organization comprised of commonly owned and controlled entities is deemed to be a single organization.

An organization seeking a refund must submit an application to the DEO by July 15.

Applications must establish that the organization meets the eligibility requirements and ensure that the refund will be used exclusively for any the following purposes:

- Growth in employment hours;
- Job training and employment services to low-income persons, individuals with workplace disadvantages, and individuals with barriers to employment; or
- Job training and employment services for veterans.

¹³ Section 288.1097(2), F.S.

¹⁴ Section 288.1097(3), F.S.

¹⁵ Section 420.0004, F.S., defines a low-income person as “one or more natural persons or a family, the total annual adjusted gross household income of which does not exceed 80 percent of the median annual adjusted gross income for households within the state, or 80 percent of the median annual adjusted gross income for households within the metropolitan statistical area (MSA) or, if not within an MSA, within the county in which the person or family resides, whichever is greater.”

The DEO is required to verify applications and notify an organization of their determination within 15 days of receiving a completed application. If an organization is approved, the DEO will provide the organization and the Department of Revenue (DOR), if applicable, with a certification of eligibility. The DEO must communicate decisions in writing, or in e-mail if agreed to by the organization. Certifications remain valid so long as the organization is in compliance with the eligibility requirements.

Organizations that are certified by the DEO must then apply to the DOR between August 1 and August 31 of each year the organization seeks a refund. A copy of the organization's certification must be included in the organization's first application but is not required to be included in subsequent applications.

By August 1 following each state fiscal year an eligible job training organization receives a refund, the organization must provide the DEO with a report regarding the use of its refund. The report must include:

- The amount of the refund used to create growth in employment hours;
- The total growth in employment hours;
- The amount of the refund used for job training and employment services;
- The number of individuals who participated in job training and employment services at the eligible job training organization; and
- A statement declaring that the organization continues to meet the requirements of the tax refund.

The bill authorizes the DEO to adopt rules to administer the sales tax refund, including rules for the approval and disapproval of the application. If the DEO determines that a job training organization is no longer qualified to receive a refund, the DEO must notify the DOR by August 31. The DOR is prohibited from issuing a refund after receiving such notification. The overpayment of a refund and refunds issued to ineligible organizations are subject to repayment and interest at the rate calculated pursuant to s. 213.235, F.S.

The total amount of refunds that may be issued in any state fiscal year must not exceed \$2 million. Refunds are granted on a first-come, first-served basis.

Section 1 of the bill takes effect July 1, 2020.

Section 2 authorizes the DOR to adopt emergency rules for the purpose of administering the sales tax refund. Any other law notwithstanding, emergency rules are effective for 6 months after adoption and may be renewed while procedures to adopt permanent rules are pending. Section 2 of the bill expires July 1, 2021.

Section 3 provides that, except as otherwise expressly provided for in the bill, the bill takes effect upon becoming law.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

Article VII, s. 18 of the Florida Constitution governs laws that require counties and municipalities to spend funds, limit the ability of counties and municipalities to raise revenue, or reduce the percentage of state tax shared with counties and municipalities. Except upon approval of each house of the Legislature by two-thirds vote of the membership, the legislature may not enact, amend, or repeal any general law if the anticipated effect of doing so would be to reduce the authority that municipalities or counties have to raise revenue in the aggregate, as such authority existed on February 1, 1989. However, the mandates requirements do not apply to laws having an insignificant impact,^{16, 17} which is \$2.1 million or less for Fiscal Year 2019-2020.¹⁸

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

The bill creates a sales tax refund for eligible job training organizations equal to 10 percent of the sales tax remitted to the DOR on its sales of goods donated to the organization during the prior state fiscal year.

B. Private Sector Impact:

The bill will likely have a positive fiscal impact on the job training organizations that receive a sales tax refund.

¹⁶ FLA. CONST. art. VII, s. 18(d).

¹⁷ An insignificant fiscal impact is the amount not greater than the average statewide population for the applicable fiscal year multiplied by \$0.10. See Florida Senate Committee on Community Affairs, *Interim Report 2012-115: Insignificant Impact*, (September 2011), available at <http://www.flsenate.gov/PublishedContent/Session/2012/InterimReports/2012-115ca.pdf> (last visited Dec. 9, 2019).

¹⁸ Based on the Demographic Estimating Conference's population adopted on July 8, 2019. The conference packet is available at <http://edr.state.fl.us/Content/conferences/population/ConferenceResults.pdf> (last visited Dec. 9, 2019).

C. Government Sector Impact:

The Revenue Estimating Conference has not yet met regarding the bill.

The DOR has stated the bill will not have an impact on its expenditures.¹⁹

The DEO has not yet analyzed the bill's fiscal impact on its expenditures. For a comparable bill, SB 1098 (Regular Session 2019), the DEO stated that the total impact of expenses incurred to accept and approve applications was not known.²⁰

VI. Technical Deficiencies:

None.

VII. Related Issues:

The bill requires the DEO to notify the DOR by August 31 of any eligible job training organizations that no longer qualify for the sales tax refund. However, organizations must apply to the DOR between August 1 and August 31 to receive a refund. This may result in the DOR processing an organization's refund before receiving notice from the DEO that the organization has been determined as ineligible for the refund. The bill also provides that refunds issued to ineligible organizations are subject to repayment at interest rates specified in statute, though it is unclear how the DOR will facilitate repayments.

VIII. Statutes Affected:

This bill creates section 212.094 of the Florida Statutes.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

¹⁹ Department of Revenue, *2020 Agency Legislative Bill Analysis: SB 654*, November 14, 2019. On file with the Senate Committee on Commerce and Tourism.

²⁰ Department of Economic Opportunity, *2019 Agency Legislative Bill Analysis: SB 1098*, March 13, 2019. On file with the Senate Committee on Commerce and Tourism.



330226

LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
12/10/2019	.	
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	.	
	.	

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

Senate Amendment

Between lines 66 and 67
insert:

(d) Immigration status shall not be a basis for or to deny access to job training programs that benefit from the refunds under this section.

By Senator Lee

20-00318-20

2020654__

A bill to be entitled

An act relating to a sales tax refund for eligible job training organizations; creating s. 212.094, F.S.; defining terms; providing a sales tax refund for eligible job training organizations; specifying the percentage of sales tax remitted on certain sales which may be refunded to such organizations; limiting the use of the refund by such organizations to certain purposes; specifying an annual limit on refunds issued by the Department of Revenue and the priority of granting refunds; specifying requirements and procedures for applying for certification with and approving certification by the Department of Economic Opportunity; specifying requirements and procedures for applying for the refund with the Department of Revenue; providing construction; requiring organizations receiving refunds to provide specified reports to the Department of Economic Opportunity; authorizing the Department of Economic Opportunity to adopt rules; providing requirements and procedures relating to ineligible organizations; authorizing the Department of Revenue to adopt emergency rules; providing for expiration of the authorization; providing effective dates.

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

Section 1. Effective July 1, 2020, section 212.094, Florida Statutes, is created to read:

Page 1 of 6

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

20-00318-20

2020654__

212.094 Sales tax refund for eligible job training organizations.-

(1) As used in this section, the term:

(a) "Eligible job training organization" means an organization that:

1. Is an exempt organization under s. 501(c)(3) of the Internal Revenue Code of 1986, as amended;

2. Provides job training and employment services to low-income persons as defined in s. 420.0004, individuals who have workplace disadvantages, or individuals with barriers to employment; and

3. Is accredited by the Commission on Accreditation of Rehabilitation Facilities.

(b) "Growth in employment hours" means the growth in the number of hours worked by employees at an eligible job training organization in the most recently completed state fiscal year, compared to the number of hours worked by employees at the eligible job training organization in the state fiscal year immediately before the most recently completed state fiscal year.

(c) "Job training and employment services" means programs and services that are provided to improve job readiness, to assist workers in gaining employment and adapting to the changing labor market, and to help workers achieve success through self-sufficiency.

(2) An eligible job training organization is entitled to a refund of 10 percent of the sales tax remitted to the department during the most recently completed state fiscal year on its sales of goods donated to the organization. The organization

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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2020654__

59 must reserve the refund exclusively for use in any of the
60 following:

61 (a) Growth in employment hours.

62 (b) Job training and employment services to low-income
63 persons as defined in s. 420.0004, individuals who have
64 workplace disadvantages, and individuals with barriers to
65 employment.

66 (c) Job training and employment services for veterans.

67 (3) The total amount of refunds that the department may
68 issue under this section may not exceed \$2 million in any state
69 fiscal year. Refunds must be granted on a first-come, first-
70 served basis.

71 (4) An organization seeking a refund under this section
72 must first submit an application to the Department of Economic
73 Opportunity by July 15 which sets forth that the organization
74 meets the requirements under paragraph (1)(a) and that the
75 refund will be used exclusively for the purposes listed in
76 subsection (2). The organization must submit supporting
77 information as prescribed by the Department of Economic
78 Opportunity by rule.

79 (5)(a) The Department of Economic Opportunity shall verify
80 the application and notify the organization of its determination
81 within 15 days after receiving a complete application. The
82 Department of Economic Opportunity shall communicate its
83 decision in writing or, if agreed to by the applicant, via e-
84 mail.

85 (b) If the Department of Economic Opportunity approves the
86 application, the notice sent to the eligible job training
87 organization must include a certification that the organization

Page 3 of 6

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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88 is eligible to receive a refund of certain sales and use tax
89 remitted under this chapter. The Department of Economic
90 Opportunity shall transmit a copy of the notice and
91 certification, if applicable, to the department.

92 (c) Upon the Department of Economic Opportunity's issuance
93 of a certification, the certification remains valid so long as
94 the eligible job training organization is in compliance with the
95 requirements of this section.

96 (6) An eligible job training organization certified under
97 this section must apply to the department between August 1 and
98 August 31 of each year to receive a refund. A copy of the
99 certification must be included in an eligible job training
100 organization's first application for a refund, but is not
101 required to be included in subsequent applications. The
102 organization must submit any information required by the
103 department as part of its application for the refund.

104 (7) For purposes of this section, an eligible job training
105 organization comprised of commonly owned and controlled entities
106 is deemed to be a single organization.

107 (8) By August 1 following each state fiscal year in which
108 an eligible job training organization received a refund pursuant
109 to subsection (2), the organization must provide a report to the
110 Department of Economic Opportunity regarding the use of the
111 funds in accordance with subsection (2). The report must include
112 at least all of the following:

113 (a) The amount of the refund used to create growth in
114 employment hours.

115 (b) The total growth in employment hours.

116 (c) The amount of the refund used for job training and

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117 employment services.

118 (d) The number of individuals who participated in job
 119 training and employment services at the eligible job training
 120 organization.

121 (e) A statement declaring that the eligible job training
 122 organization continues to meet the requirements of this section.

123 (9) (a) The Department of Economic Opportunity may adopt
 124 rules to administer this section, including rules for the
 125 approval and disapproval of applications.

126 (b) If the Department of Economic Opportunity determines
 127 that an eligible job training organization no longer qualifies
 128 for the refund under this section, the Department of Economic
 129 Opportunity must notify the department by August 31. The
 130 department may not issue a refund after receiving such
 131 notification.

132 (c) The overpayment of a refund or a refund issued to an
 133 ineligible organization is subject to repayment and interest at
 134 the rate calculated pursuant to s. 213.235.

135 Section 2. (1) The Department of Revenue is authorized, and
 136 all conditions are deemed met, to adopt emergency rules pursuant
 137 to s. 120.54(4), Florida Statutes, for the purpose of
 138 administering this act.

139 (2) Notwithstanding any other law, emergency rules adopted
 140 pursuant to subsection (1) are effective for 6 months after
 141 adoption and may be renewed during the pendency of procedures to
 142 adopt permanent rules addressing the subject of the emergency
 143 rules.

144 (3) This section expires July 1, 2021.

145 Section 3. Except as otherwise expressly provided in this

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146 act, this act shall take effect upon becoming a law.

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The Florida Senate

Committee Agenda Request

To: Senator Joe Gruters, Chair
Commerce and Tourism Committee

Subject: Committee Agenda Request

Date: November 6, 2019

I respectfully request that **Senate Bill #654**, relating to Sales Tax Refund for Eligible Job Training Organizations, be placed on the:

- committee agenda at your earliest possible convenience.
- next committee agenda.

A handwritten signature in blue ink that reads "Tom Lee".

Senator Tom Lee
Florida Senate, District 20

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: CS/SB 530

INTRODUCER: Commerce and Tourism Committee; and Senators Gruters, Flores, Farmer, and others

SUBJECT: Entertainment Industry

DATE: December 11, 2019 **REVISED:** _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Harmsen	McKay	CM	Fav/CS
2.			IT	
3.			AP	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 530 creates the Film, Television, and Digital Media Targeted Rebate Program to encourage economic development related to the production of film, television, and digital media in Florida. The Program offers rebates to certified film, television, and digital media projects that, among other requirements, employ Florida residents and spend at least 70 percent of their production days in Florida. A certified project may only receive a rebate after it has completed production, and its expenditures have been verified by the Office of Film and Entertainment in the Department of Economic Opportunity.

The Program is subject to legislative appropriation, but there is currently no appropriation of state funds in the bill.

The bill takes effect upon becoming law and expires on June 30, 2023.

II. Present Situation:

The Office of Film and Entertainment (Office) within the Department of Economic Opportunity (Department) develops, markets, promotes, and provides services to Florida's entertainment industry.¹

¹ Section 288.1251, F.S. See also, Florida Office of Film and Entertainment, *Fiscal Year 2017-2018 Annual Report*, 3 (Nov. 1, 2018), available at https://filminflorida.com/wp-content/uploads/2018/11/Office-of-Film-and-Entertainment-Annual-Report-FY-2017-2018_FINAL.pdf (last visited Dec. 10, 2019).

The Commissioner of Film and Entertainment, who is hired by the Department's Executive Director,² administers the Office's programs and provides other advice and counsel relating to entertainment in Florida.³

The Florida Film and Entertainment Advisory Council is an advisory body that serves the Office and the Department in an administrative role to provide insight and expertise related to Florida's entertainment industry.⁴ The Council consists of 17 appointees who are active in Florida's motion picture and entertainment industries, including representatives of local film commissions, entertainment associations, entertainment industry labor organizations, and executives of important industry businesses and offices.⁵

Florida Film Tax Incentive and Exemption

In order to promote film and entertainment in Florida, the Office administers two economic incentive programs that are available to film, television, digital media, and other similar projects that are produced in Florida: a tax credit incentive and a tax exemption.

Entertainment Industry Financial Incentive Program

In 2003, the Legislature created the Entertainment Industry Financial Incentive Program (incentive program). Originally, the incentive program offered a reimbursement for qualified expenditures relating to entertainment industry productions in Florida.^{6,7} In its most recent iteration (from July 1, 2010 to June 30, 2016),⁸ the incentive program provided transferrable tax credits for qualified wage, equipment, rental, and other expenditures made to Florida vendors for qualified entertainment industry productions.⁹ A qualified production was defined as a motion picture, commercial, music video, industrial or educational film, infomercial, documentary film, television series, or digital media project. Qualified productions that successfully completed their project and had their expenses verified by the Office could receive up to 30 percent of their qualified expenditures, or \$8 million, in tax credits—whichever is less.¹⁰ Recipients were permitted to apply their tax credits to their corporate income taxes, sales taxes, or both; alternately, the recipients could sell their tax credits on the market or back to the state at a reduced rate.¹¹

² Section 288.1251(1)(b), F.S.

³ See, e.g., sections 288.1254(3)(g) and 288.1254(4)(b)4., F.S.

⁴ Section 288.1252, F.S.

⁵ See, Florida Office of Film and Entertainment, *Florida Film and Entertainment Advisory Council*, <https://filminflorida.com/advisorycouncil/> (last visited Dec. 10, 2019).

⁶ Chapter 2003-81, Laws of Fla.

⁷ The reimbursement incentive program was subject to annual appropriation as follows: in FY 2004-2005, \$2.45 million; FY 2005-2006, \$10 million; FY 2006-2007, \$20 million; FY 2007-2008, \$25 million; FY 2008-2009, \$5 million; FY 2009-2010, \$10.8 million. Florida EDR, *Return on Investment for the Entertainment Industry Incentives Programs*, 4-5 (Jan. 1, 2018), available at, <http://edr.state.fl.us/content/returnoninvestment/EntertainmentIndustryIncentivePrograms2018.pdf> (last visited Dec. 10, 2019).

⁸ Section 288.1254(7), F.S. In 2012, the Legislature added an additional year to the program. See s. 15, ch. 2012-32, Laws of Fla.

⁹ Chapter 2010-147, Laws of Fla. See also, s. 288.1254, F.S.

¹⁰ Section 288.1254(4), F.S.

¹¹ Sections 288.1254(5)-(6), F.S. See also, Florida EDR, *supra* note 7.

During its 6-year lifetime, the incentive program was allocated \$296 million.¹² The Office reports that it awarded \$288 million in tax credit incentives to 299 certified productions by the end of the incentive program.¹³

The Entertainment Industry Sales Tax Exemption Program

The Entertainment Industry Sales Tax Exemption (tax exemption program) offers tax exemption certificates to companies that create qualified productions in Florida.¹⁴ This tax exemption program currently offers several exemptions from taxes under ch. 212, F.S., for the following:

- *Lease or rental of real property* that is used as an integral part of an activity or service performed directly in connection with the production of a qualified motion picture (“activity or service” includes photography, casting, location scouting, and set design);¹⁵
- *Fabrication labor* when a producer uses his or her own equipment and personnel to produce a qualified motion picture;¹⁶
- *Purchase or lease of motion picture and video equipment and sound recording equipment* used in Florida for motion picture or television production or for the production of master tapes or master records;¹⁷ and
- *Sale, lease, storage, or use of blank master tapes, records, films, and video tapes.*¹⁸

To qualify for these tax exemptions, a company must submit an application to the Department of Revenue (DOR). This application must then be approved by the Office.¹⁹ The Office approved 1,024 applications for the tax exemption program during Fiscal Year 2018-2019.²⁰ Purchases under this tax exemption program are not subject to verification, but may be subject to audit by the DOR.

Other Film Incentives

Florida Local Incentive Programs²¹

Several of Florida’s local governments offer production incentives.

- Miami-Dade County has a two-tier incentive. The first tier grants up to \$100,000 to productions that spend at least \$1 million, and the second tier grants up to \$50,000 to productions that spend \$500,000 to \$999,999 in Miami-Dade.²² At least 70 percent of all

¹² Section 288.1254(7), F.S.

¹³ Florida Office of Film and Entertainment, *supra* note 1, at 5.

¹⁴ Section 288.1258, F.S.

¹⁵ Section 212.031(1)(a)9., F.S.

¹⁶ Section 212.06(1)(b), F.S., provides a definition of the term “qualified motion picture” for purposes of ch. 212, F.S.

¹⁷ Section 212.08(5)(f), F.S.

¹⁸ Section 212.08(12), F.S.

¹⁹ Section 288.1258(2), F.S.

²⁰ Florida Dept. of Economic Opportunity, *Entertainment Industry Sales Tax Exemption Fiscal Year Comparison FY 2001-2019*, on file with the Senate Committee on Commerce and Tourism.

²¹ *See*, Florida EDR, *supra* note 4, at 6-7.

²² Miami-Dade County, *Resolution No. R-619-19*, (Jun. 4, 2019) available at <http://www.miamidade.gov/govaction/legistarfiles/MinMatters/Y2019/190728min.pdf> (last visited Dec. 10, 2019). *See also*, Jesse Scheckner, *Film Incentives Get Added Boost to Lure Productions*, Miami Today, Jun. 4, 2019, available at <https://www.miamitodaynews.com/2019/06/04/film-incentives-get-added-boost-to-lure-productions/> (last visited Dec. 10, 2019).

qualified productions must take place within the county, in addition to other hiring and salary requirements.²³

- Hillsborough County offers a 10 percent rebate for companies that spend at least \$100,000 on production in the county.²⁴
- Jacksonville offers 10 percent of a production's qualified expenditures as an incentive to film in Duval County; a production must make at least \$50,000 in qualified expenditures to qualify.²⁵

*Other State's Programs*²⁶

The popularity of entertainment industry incentives has decreased in state legislatures. In 2009, 44 states offered some form of entertainment industry incentive, but in 2018, only 31 states did so.²⁷ However, Georgia continues to fund its film tax credit program at the level of demand by placing no cap on their program.²⁸ North Carolina reversed its 2014 decision to eliminate film tax credits, and offered \$31 million in available incentives for productions made in its state in 2018.²⁹

III. Effect of Proposed Changes:

The bill creates the Film, Television, and Digital Media Targeted Rebate Program (rebate program) within the Department, to be supervised by the Commissioner of Film and Entertainment (Commissioner). The rebate program gives rebates to certified projects that engage in film, television, and digital media production in the state in order to create high-paying jobs, expand the industry's impact on Florida's economy, enhance tourism, and encourage more family-friendly productions in Florida. After production has completed, each certified project is eligible to receive a rebate for up to 23 percent of its qualified expenditures, or \$2 million, whichever is less. A project's qualified expenditures, and its continued 3 percent bonus eligibility, must be verified by the Commissioner before the project may receive its rebate payment and any such payment is subject to claw back if received as a result of fraudulent information.

²³ FilMiami, *Incentives*, <http://www.filmmiami.org/incentives.asp> (last visited Dec. 10, 2019). See also, FilMiami, *Miami-Dade County Television, Film and Entertainment Production Incentive Program Grant Application at 2-7*, http://www.filmmiami.org/pdf/Film_Grant_Application_revised_2_tiers_fillable.pdf (last visited Dec. 10, 2019).

²⁴ Paul Guzzo, *Hillsborough's Film Incentive has Attracted \$1.7 Million in Local Spending, Audits Show*, THE TAMPA BAY TIMES, May 28, 2018, available at https://www.tampabay.com/news/business/Hillsborough-s-film-incentive-has-attracted-1-17-million-in-local-spending-audits-show_168536945 (last visited Dec. 10, 2019). See also, Film Tampa Bay, *FAQ*, <https://filmtampabay.com/faq> (last visited Dec. 10, 2019).

²⁵ FilmJax, *Incentive Program*, <https://www.filmjax.com/Incentive-Program> (last visited Dec. 10, 2019).

²⁶ See, e.g., Florida Tax Watch, *Is the Sun Setting on Film in Florida: An Analysis of the State's Film and Television Industry*, 4-6, 15 (Nov. 2018), available at <https://floridataxwatch.org/Research/Full-Library/ArtMID/34407/ArticleID/18645/Is-the-Sun-Setting-on-Film-in-Florida> (last visited Dec. 10, 2019).

²⁷ National Conference of State Legislatures, *State Film Production Incentives and Programs* (Feb. 5, 2018), <http://www.ncsl.org/research/fiscal-policy/state-film-production-incentives-and-programs.aspx> (last visited Dec. 10, 2019).

²⁸ Georgia offers a 20 percent tax credit for productions that spend \$500,000 or more in the state, with an additional 10 percent tax credit if the project includes a Georgia promotional logo on its project. Georgia Dep't. of Economic Development, *Incentives and Applications*, <https://www.georgia.org/industries/film-entertainment/georgia-film-tv-production/production-incentives> (last visited Dec. 10, 2019).

²⁹ North Carolina Film Office, *North Carolina Film Incentives*, <https://www.filmnc.com/25-rebate.html> (last visited Dec. 10, 2019). Macy Myer, *North Carolina Film Industry Regains Footing with Revived Film Incentives*, THE DAILY TAR HEEL, Oct. 8, 2018, available at <https://www.dailytarheel.com/article/2018/10/film-incentives-1007> (last visited Dec. 10, 2019).

General Project Requirements

A proposed project is eligible for a rebate under the rebate program if it:

- Is registered to do business in Florida;
- Is a film, television, or digital media project that is not obscene, as defined in s. 847.001, F.S., or pornographic;
- Has a proposed budget of qualified expenditures of at least;
 - \$1.5 million for a film project,
 - \$500,000 per episode for a television project, or
 - \$1.5 million for a digital media project.
- Projects to employ a crew, excluding extras, made up of at least 60 percent Florida residents, and at least one military veteran;
- Proposes to spend at least 70 percent of its total production days in Florida;
- Does not use both the Florida entertainment sales tax exemption, established under s. 288.1258, F.S., and a rebate available under the rebate program;
- Makes a good faith effort to use existing Florida providers of infrastructure or equipment, including providers of gear, grip and lighting equipment, vehicles, and postproduction services and to employ a cast and crew who are Florida residents;
- Agrees to include marketing that promotes Florida tourism or Florida's film and entertainment industry on its project, e.g., a "Filmed in Florida" logo, local film office logo, or other statement that has been approved by the Commissioner;
- Permits the Commissioner or an affiliate to visit the project's production site, along with at least two guests; and
- Provides at least five photos of the production to the Commissioner for use in promoting Florida as a film, television, or digital media production location, or a tourist destination.

Application and Award Process

To become a qualified project that is eligible to receive a rebate under the rebate program, an applicant must submit an application to the Office. The Commissioner will receive assistance from the Florida Film and Entertainment Advisory Council (Council) to review the applications and assign a score to each. Ultimately, the Commissioner alone will make a determination to certify or reject the project. This process is discussed in detail below.

Application

To qualify for the rebate program, a film, television, or digital media project must submit an application that outlines the project's:

- Proof of funding;
- Employment information, including how many Florida residents it intends to employ;
- Line-item budget of planned qualified expenditures;
- Distribution plan for use in estimating the project's potential economic impact in Florida;
- Expected total expenditures in Florida—both qualified and non-qualified—including a specific amount for wages to be paid to Florida residents;
- Most recent script, production schedule, Day out of Days report, and list of expected shooting locations, if it is a film project;

- Final script, production schedule, Day Out of Days report, and a list of the expected shooting locations, if it is a television pilot project;
- Latest scripts for at least two episodes and a production schedule, a Day Out of Days report, and a list of the expected shooting locations for the first episode, if it is a television series project;
- Detailed game design document, if it is a digital media project;
- A signed affirmation that the information included in the application is correct; and
- Florida tax identification number.

An applicant or its parent company may submit up to five applications per application window, but only one project per applicant, per year may receive a rebate.

The Commissioner will determine the start date for both application windows, but the windows must end on or before the fifth business day after July 1, and the fifth business day after January 1, respectively. The proposed project must begin production within 6 months after July 1 or January 1, depending on the window during which the application was submitted.

Scoring Criteria

The Council and Commissioner, with input from other persons must develop a priority order and scoring system (scoring system) to apply to the applicants as part of the determination for certification for the rebate program. The system must include consideration of the project's:

- Overall qualified expenditures;
- Employment of Florida residents, including their wages paid, benefits provided, and duration of employment;
- Full-time-equivalent jobs created;
- Economic impact on direct and indirect tourism based on its distribution plans;
- Production in an underutilized area, defined as any Florida county, excluding Broward, Miami-Dade, Orange, and Seminole counties;
- Status as a family friendly project, defined as a project that has cross-generational appeal, is appropriate in theme, content, and language for a broad audience, embodies a responsible resolution of issues, and does not contain drunkenness, illicit drug use, sex, nudity, gratuitous violence, vulgar or profane language, or smoking portrayed in a positive light;
- Employment of a Florida resident as a writer, producer, or star;
- Employment of Florida film school graduates;
- Employment of veterans who are also residents of Florida;
- Use of a Florida film, television, or digital media school to assist with its production; and
- Leadership team's track record.

The Commissioner and Council may use any other criteria they determine important, but they must be outlined as part of the scoring system before the first application window opens. Specifically, the highest scores must apply to the projects determined to provide the best economic impact and return on investment to Florida.

Award of Rebates

After the initial review and scoring of the applicants, the Commissioner makes the final determination to certify or reject an applicant. The Commissioner must also send a notice of the decision to each applicant. If a project is certified, the Commissioner must include in the notice the project's maximum rebate amount and the specific percent of qualified expenditures for which the project is eligible.

The Commissioner must also give the Department a list of certified projects and their maximum rebate amounts. Based on this notice, the Department must set aside enough money to fund the rebates, if funds are available. However, the number of rebates awarded in the first application window is limited because the Department may only set aside up to 60 percent of the fiscal year appropriation or rolled-over rebate funds for those applications. Any rebate funds that are not set aside for the first application window roll over to be applied to the second application window. The Department cannot accept additional applications for the rebate program if all of its rebate funds are allocated to other projects. Additional applications may be processed after the rebate program receives additional funds. Funds appropriated to the rebate program are not subject to reversion.

Determination and Verification of Qualified Expenditures

Qualified Expenditures

The rebate award starts at 20 percent of a project's verified qualified expenditures; a project may earn one additional 3 percent bonus if either 75 percent of its production will occur in an underutilized area,³⁰ or its content is family friendly. Therefore, a project's rebate award is capped at 23 percent of its qualified expenditures, or \$2 million—whichever is less.

A qualified expenditure is a preproduction, production, or postproduction expenditure made by a qualified project in Florida to a Florida resident or Florida-registered business for:

- Goods rented or leased from, or services provided by, a Florida vendor that is registered with the Department of State or the DOR, has a physical address in Florida, and employs one or more Florida residents in a full-time capacity;
- Salaries or wages, including benefits such as pension or healthcare payments, paid to Florida residents, up to \$200,000 per resident;
- Car, truck, or trailer leases or rentals, if the vehicle is registered with the Department of Highway Safety and Motor Vehicles;
- Catered meals and on-set craft service supplies; and
- Rented hotel rooms or other accommodations for cast or crew.

Qualified expenditures exclude internet transactions; costs associated with the project's development, marketing or distribution; airfare costs; and purchases made before the project qualified for the rebate program.

³⁰ An underutilized county is defined in the bill as any county in Florida that is not Broward County, Miami-Dade County, Orange County, or Seminole County.

Verification

A certified project may not collect its rebate until it has completed its production and its qualified expenditures and bonus eligibility have been verified by the Commissioner. The Commissioner must develop policies and procedures to implement this process, which must require all of the following:

- Submission by the Project within 120 days after making its final qualified expenditure, but no later than 1 year after its production start date, of:
 - Data that substantiates each qualified expenditure, which has been audited by an independent certified public account (CPA) who is licensed in Florida;
 - Documents that verify the Florida residency of the persons represented as such;
 - The project's final script;
 - The project's most recent production board and shooting schedule;
 - The project's most recent credit list, which shows the required marketing logo or other approved statement;
 - The project's cast list and final crew list with contact information; and
 - Verification that at least one person employed by the project is a veteran of the United States Armed Forces.
- An affidavit or written declaration signed under the penalty of perjury by the qualified project that states that all of the salaries, wages, and other compensation submitted as a qualified expenditure to the Office comply with the requirements of the rebate program; and
- A compliance audit, to be conducted by an independent CPA at the project's expense, to prove each qualified expenditure and a report of the audit's findings, including substantiating data. The audit and report must be submitted to the Commissioner within a reasonable amount of time after the Commissioner's initial receipt of records from the project.

The Commissioner must report the Project's actual qualified expenditures, the amount of rebate and any bonus due to the Project to the Department. The Department then must approve the project's final rebate amount and issue the rebate within a reasonable amount of time.

Disqualification and Reimbursement of Awards

Disqualification

A certified project may be disqualified from the rebate program if it:

- Does not begin principal photography within 30 days before, or 90 days after the production start date listed on the project's application;
- Fails to abide by the policies, procedures, deadlines, or requirements of the rebate program's verification process;
- Changes the project's production start date without also providing notice of the change to the Commissioner;
- Submits fraudulent information; or
- Uses the state sales tax exemption established under s. 288.1258, F.S.

In addition to disqualification, an applicant that submits fraudulent information is subject to re-payment of costs and fees associated with the Department's investigation and prosecution of the project's fraudulent statements, reimbursement of any rebate awards, and civil and penalties.

Miscellaneous

The Department is granted rulemaking authority to administer the rebate program.

The Commissioner must provide an annual report to the Governor, President of the Senate, and Speaker of the House of Representatives by November 1 of each year. The report must identify the rebate program's return on investment and resulting economic benefits from the previous fiscal year.

The rebate program expires on June 30, 2023. Any funds that were appropriated to the rebate program that have not been earmarked and set aside for qualified projects revert to the General Revenue Fund at the rebate program's expiration. All remaining funds revert to the General Revenue Fund by October 31, 2024.

The bill takes effect upon becoming law.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

The bill creates an unnumbered section of the Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Commerce and Tourism on December 10, 2019:

- Clarifies that both a television series and a television pilot are eligible for the rebate;
- Adds application requirements for television series and pilot applicants;
- Requires the Commissioner to verify a project's rebate bonus eligibility after the project's production has completed; and
- Grants rulemaking authority for the rebate to the Department.

B. Amendments:

None.



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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.

131

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.

By Senator Gruters

23-00204A-20

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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 of a certified project
 37 after the project's work in this state is complete;
 38 providing requirements for the verification process;
 39 requiring that the rebate be issued within a
 40 reasonable period of time upon approval of the final
 41 rebate amount by the department; requiring that
 42 unallocated rebate funds and rebate funds allocated
 43 but not awarded during a fiscal year roll over to the
 44 next fiscal year; requiring that certain marketing be
 45 included with a project; requiring certified projects
 46 to allow certain persons to visit the production site
 47 upon request of the commissioner and after providing
 48 the commissioner with reasonable notice; specifying
 49 that the commissioner or his or her affiliate is not
 50 required to visit the production site; requiring the
 51 department to disqualify a project under certain
 52 circumstances; providing for liability and imposing
 53 civil penalties for an applicant that submits
 54 fraudulent information; providing for rulemaking;
 55 requiring the commissioner to provide an annual report
 56 to the Governor and the Legislature on a specified
 57 date; providing for the expiration of the program;
 58 providing an effective date.

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

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

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

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

70 1. Creating high-paying jobs;

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

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

76 4. Encouraging more family-friendly productions to be
77 produced in this state.

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

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

84 (a) "Certified project" means a qualified project that has
85 been scored by the council, has been determined by the
86 commissioner to meet or exceed the desired economic impact and
87 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. Rented hotel rooms or other accommodations for cast or
 159 crew.

160 2. The term does not include expenditures not expressly
 161 identified in subparagraph 1., expenditures made before
 162 qualification for the program, expenditures made via Internet
 163 transactions, expenditures for airfare, or any costs associated
 164 with development, marketing, or distribution.

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

168 (m) "Qualified project" means a film project, television
 169 project, or digital media project that meets the application
 170 requirements and for which a complete application for the
 171 program has been submitted to the commissioner and accepted for
 172 consideration by the office. The term does not include a weather
 173 or market program; a sporting event or a sporting event
 174 broadcast; a gala; an awards show; a production that solicits

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175 funds; a home shopping program; a political program; a gambling-
 176 related project or production; a concert production; a news or
 177 current events show; a sports or sports recap show; a
 178 pornographic production; or any production deemed obscene under
 179 chapter 847, Florida Statutes.

180 (n) "Television project" means a television pilot program
 181 or a television series that:

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

183 2. Has a runtime of at least 30 minutes but not more than
 184 60 minutes; and

185 3. If the television project is a television series, has a
 186 minimum of 7 episodes; or, if the television project is a
 187 reality program or series, at least 10 episodes.

188

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

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

195 (3) REBATE ELIGIBILITY.--

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

199 1. Has projected qualified expenditures of:

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

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

202 or

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

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

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

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

212 (b) A project may receive a rebate in the amount of up to
 213 20 percent of its verified qualified expenditures. A bonus may
 214 be earned in the amount of an additional 3 percentage points if
 215 75 percent of the project's production in this state will take
 216 place in an underutilized area or if its content is deemed
 217 family friendly. A certified project may not receive more than
 218 one bonus, and the total that may be awarded under any rebate
 219 may not exceed 23 percent of its verified qualified expenditures
 220 or \$2 million, whichever is less.

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

226 (4) APPLICATION WINDOWS.--Applications must be accepted for
 227 the program during two application windows each fiscal year. The
 228 commissioner shall set a start date for both application
 229 windows. However, the first application window may begin before
 230 the start of the fiscal year and must end no later than 5
 231 business days after July 1, and the second must end no later
 232 than 5 business days after December 1.

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233 (a) The department may not earmark or set aside more than
 234 60 percent of any appropriated or rolled-over rebate funds for
 235 any given fiscal year for applications submitted during the
 236 first application window. Rebate funds not earmarked and set
 237 aside for applicants applying during one application window roll
 238 over for use in the next application window.

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

242 (5) APPLICATION PROCESS.-

243 (a) A company that plans to produce a film, television, or
 244 digital project in this state may submit an application to the
 245 commissioner during one of the two application windows. Each
 246 fiscal year, a project must have a production start date that is
 247 within 6 months after July 1 if applying in the first window or
 248 within 6 months after January 1 if applying in the second
 249 window.

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

256 (c) The application must include:

- 257 1. Proof of funding;
 258 2. Project-related employment information, including
 259 employment numbers for residents of this state;
 260 3. A full line-item budget and a detailed qualified
 261 expenditures budget;

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

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

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

268 7. For a film project, the latest script, a production
 269 schedule, a Day Out of Days report, and a list of the expected
 270 shooting locations;

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

273 9. An affirmation signed by the applicant that the
 274 information on the application is correct; and

275 10. The applicant's Florida tax identification number.

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

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

280 2. Determine each applicant's expected qualified
 281 expenditures;

282 3. Determine the maximum rebate amount that each eligible
 283 applicant may be awarded;

284 4. Determine whether an eligible applicant's project is
 285 deemed family friendly;

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

288 6. Determine whether each eligible applicant is a
 289 corporation registered in this state;

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

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- 291 8. Gather any additional information needed to address the
 292 criteria specified under subsection (6);
- 293 9. Assemble a package containing the details of each
 294 eligible applicant's project and deliver it to each council
 295 member; and
- 296 10. Give notice to the council of the date and time when
 297 the council must convene to assess each qualified project. The
 298 council may meet in person or by conference call.
- 299 (e) The council shall determine a score for each qualified
 300 project using the criteria specified under subsection (6), with
 301 the highest scores going to projects determined to provide the
 302 best economic impact and return on investment to this state.
- 303 (6) CRITERIA FOR DETERMINING PROJECT SCORES.—
- 304 (a) The priority order and scoring system of the criteria
 305 specified in paragraph (b) must be determined by the
 306 commissioner, with assistance from the council and other
 307 persons, as determined by the commissioner, before the first
 308 application window.
- 309 (b) The council shall use, at a minimum, the following
 310 criteria in determining a qualified project's score:
- 311 1. The amount of the project's overall qualified
 312 expenditures.
- 313 2. The amount of the project's Florida-resident wages.
- 314 3. The number of full-time-equivalent jobs created by the
 315 project.
- 316 4. Whether the project provides pension, health, and
 317 welfare benefits to its workforce in this state.
- 318 5. The estimated direct and indirect tourism benefit of the
 319 project, based on the submitted distribution plan.

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- 320 6. The duration of Florida-resident employment for the
 321 project.
- 322 7. What percentage of the project, if any, is being made in
 323 an underutilized area.
- 324 8. Whether the project is family friendly.
- 325 9. Whether the project has a Florida-resident writer,
 326 producer, or star.
- 327 10. Whether a Florida film, television, or digital media
 328 school will assist with the production of the project.
- 329 11. Whether the project leadership team has a successful
 330 track record.
- 331 12. The number of Florida-resident veterans the project
 332 will hire.
- 333 13. The number of Florida film school graduates the project
 334 will hire as cast or crew.
- 335 (7) NOTIFICATION OF DECISION.—
- 336 (a) After the council determines a project's score, the
 337 commissioner shall, in a timely manner:
- 338 1. Make a final determination on certifying or rejecting
 339 each qualified project, giving consideration to the council's
 340 scoring.
- 341 2. Provide a list of certified projects to the department
 342 which includes the associated maximum rebate amounts that the
 343 respective applicants may receive.
- 344 3. Notify each certified project of the specified
 345 percentage of qualified expenditures for which it is eligible
 346 and the maximum rebate amount that it may receive.
- 347 4. Provide a notice of rejection to each rejected
 348 applicant; however, the failure to notify an applicant of its

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349 rejection does not deem the applicant's project a certified
 350 project.

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

355 (8) (a) VERIFICATION PROCESS.—The commissioner shall develop
 356 a process to verify the actual qualified expenditures of a
 357 certified project after the project's work in this state is
 358 complete. The process must require all of the following:

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

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

365 b. Copies of documents verifying residency of persons
 366 represented as being residents of this state;

367 c. The final script;

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

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

371 f. A cast list and a final crew list with contact
 372 information;

373 g. For any veterans employed by the project, a copy of at
 374 least one of the veterans' DD Form 214, as issued by the United
 375 States Department of Defense, or another acceptable form of
 376 identification as specified by the Department of Veterans'
 377 Affairs; and

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378 h. Any other information determined necessary by the
 379 commissioner.

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

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

393 4. The conducting of a compliance audit, at the certified
 394 project's expense, by an independent certified public accountant
 395 who is a resident of this state to substantiate the qualified
 396 expenditures, and submission of a report of the audit findings,
 397 including substantiating data, to the commissioner within a
 398 reasonable period of time after the initial receipt of records
 399 from the certified project.

400 (b) The commissioner shall review the report and data
 401 submitted by the certified public accountant within a reasonable
 402 period of time after receipt of the report and data and shall
 403 report to the department the final verified amount of actual
 404 qualified expenditures the certified project made and the amount
 405 of the rebate due to the project.

406 (c) Upon approval by the department of the final rebate

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407 amount, which may not exceed the maximum specified in the notice
 408 provided under subparagraph (7)(a)3., the rebate must be issued
 409 within a reasonable period of time.

410 (d) At the end of the fiscal year, rebate funds that are
 411 not allocated to a certified project, and rebate funds allocated
 412 but not awarded to a certified project, roll over to the next
 413 fiscal year.

414 (9) MARKETING AND TOURISM REQUIREMENT.—

415 (a) The commissioner shall ensure, as a condition of
 416 receiving a rebate under this section, that a certified project
 417 include marketing promoting this state as a tourist destination
 418 or film and entertainment production destination. At a minimum,
 419 the marketing must include placement in the end credits of a
 420 "Filmed in Florida" or "Produced in Florida" logo with size and
 421 placement commensurate to other logos included in the end
 422 credits or, if no logos are used, the statement "Filmed in
 423 Florida" or "Produced in Florida" or a similar statement
 424 approved by the commissioner and the logo of the local film
 425 office, if applicable. A digital media project must also supply
 426 a 5-second or longer animated logo with "Produced in Florida" or
 427 other text, including the logo of the local digital media
 428 office, if applicable, as preapproved by the commissioner, in a
 429 manner easily seen by a consumer of the digital media project.
 430 The commissioner shall provide the logos for the purposes
 431 specified in this paragraph, not including the logo for a local
 432 office, which must be provided by the applicable office.

433 (b) A certified project must allow the commissioner, or an
 434 affiliate, and a minimum of two guests to visit the production
 435 site upon the request of the commissioner. Upon such request,

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436 the certified project must give the commissioner reasonable
 437 notice of a visit date and time that is acceptable to the
 438 production. The commissioner or an affiliate is not required to
 439 make a visit to the set.

440 (c) A certified project must provide at least five
 441 preapproved photos of the production to the commissioner and
 442 grant the commissioner free use of the photos in promoting this
 443 state as a film, television, or digital media production
 444 location or tourist destination.

445 (10) DISQUALIFICATION.—The department shall disqualify a
 446 certified project and may not issue a rebate to the project if
 447 the project:

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

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

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

457 (d) Submits fraudulent information; or

458 (e) Uses the state sales tax exemption.

459 (11) FRAUD.—An applicant that submits fraudulent
 460 information under this section is liable for reimbursement of
 461 the reasonable costs and fees associated with the review,
 462 processing, investigation, and prosecution of the fraudulent
 463 submission. An applicant that obtains a rebate under this
 464 section through a claim that is fraudulent shall reimburse the

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465 program for the rebate awarded and reasonable costs and fees
466 associated with the review, processing, investigation, and
467 prosecution of the fraudulent claim and shall pay a civil
468 penalty in an amount equal to double the rebate amount and any
469 criminal penalty to which the applicant may be subject.

470 (12) RULES; POLICIES; PROCEDURES.—The commissioner may
471 adopt rules and shall develop policies and procedures to
472 administer this section, including, but not limited to, rules
473 specifying requirements for the application and approval process
474 and the determination of qualified expenditures.

475 (13) ANNUAL REPORT.—Each November 1, the commissioner shall
476 provide an annual report on the program for the previous fiscal
477 year to the Governor, the President of the Senate, and the
478 Speaker of the House of Representatives. The report must
479 identify the return on investment associated with, and economic
480 benefits to this state attributable to, the program.

481 (14) EXPIRATION.—The Film, Television, and Digital Media
482 Targeted Rebate Program expires June 30, 2023, at which point
483 all remaining appropriated funds not earmarked and set aside for
484 certified projects must revert to the General Revenue Fund. All
485 remaining appropriated funds must revert to the General Revenue
486 Fund no later than October 31, 2024.

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

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/10/19
Meeting Date

530
Bill Number (if applicable)

Topic Entertainment Industry

Amendment Barcode (if applicable)

Name Brewster Bevis

Job Title Senior Vice President

Address 516 N. Adams St
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Tallahassee FL 32301
City State Zip

Email bbevis@aif.com

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Associated Industries of Florida

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak must be prepared to speak for a minimum of 30 seconds.

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

12-10-14

Meeting Date

8530

Bill Number (if applicable)

Topic Film Incentives

Amendment Barcode (if applicable)

Name Kyle Baltuch (Bal-tic)

Job Title Economist

Address 106 N. Brumby St

Phone 850.222-5052

Street

Tallahassee
City

FL
State

32301
Zip

Email _____

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Florida TaxWatch

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

12/10/19

Meeting Date

SB 530

Bill Number (if applicable)

Topic Film Florida Targeted Grant Rebate Program

Amendment Barcode (if applicable)

Name Call Morgan

Job Title Emerald Coast Film Commissioner

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City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Emerald Coast Film Commission

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

THE FLORIDA SENATE
APPEARANCE RECORD

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12/10/19
Meeting Date

SB 530
Bill Number (if applicable)

Topic Entertainment Industry

Amendment Barcode (if applicable)

Name Lauren Storch

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Address 601 E. Kennedy Blvd.
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Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Hillsborough County

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

THE FLORIDA SENATE
APPEARANCE RECORD

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12/10/19

Meeting Date

530

Bill Number (if applicable)

Topic Entertainment Industry

Amendment Barcode (if applicable)

Name Carolyn Johnson

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City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Florida Chamber of Commerce

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

THE FLORIDA SENATE

APPEARANCE RECORD

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12/10/19

Meeting Date

530

Bill Number (if applicable)

Topic Entertainment Industry

Amendment Barcode (if applicable)

Name Paul Lowell

Job Title _____

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City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Palm Beach County

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

THE FLORIDA SENATE

APPEARANCE RECORD

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12-10-2019
Meeting Date

SB530

Bill Number (if applicable)

Topic Entertainment Industry

Amendment Barcode (if applicable)

Name Jack Herbert

Job Title Govt Affairs Dir.

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Phone 727-560-3323

City CLEARWATER State FL Zip 33762

Email Jack@themalbandgroup.com

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing American Advertising Federation, 4th Dist.

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

THE FLORIDA SENATE

APPEARANCE RECORD

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12-10-19

Meeting Date

0530

~~0503~~

Bill Number (if applicable)

Topic Entertainment Industry

Amendment Barcode (if applicable)

Name Kaitlyn Bailey

Job Title BSA Consulting

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Tallahassee

FL

32304

Email

City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Film Tampa Bay

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

12/10/19
Meeting Date

530
Bill Number (if applicable)
As Amended
Amendment Barcode (if applicable)

Topic Film/Entertainment Industry

Name John Lux

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34743

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City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Film Florida

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

THE FLORIDA SENATE
APPEARANCE RECORD

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12/10/19
Meeting Date

530
Bill Number (if applicable)
AS AMENDED
Amendment Barcode (if applicable)

Topic FILM

Name SIATER BA-LISS

Job Title _____

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City State Zip

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perkins

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing FILM FLORIDA

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

12/10/19

Meeting Date

SB 530

Bill Number (if applicable)

Topic Entertainment Industry

Amendment Barcode (if applicable)

Name David Shepp

Job Title Lobbyist

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Phone 863 581-4255

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Lakeland

FL

33802

Email shepp@thesoutherngroup.com

City

State

Zip

Speaking: [] For [] Against [] Information

Waive Speaking: [x] In Support [] Against (The Chair will read this information into the record.)

Representing Feld Entertainment

Appearing at request of Chair: [] Yes [x] No

Lobbyist registered with Legislature: [x] Yes [] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

SB 530
Bill Number (if applicable)

Meeting Date _____

Topic Film, Entertainment

Amendment Barcode (if applicable) _____

Name Alexis Ramon

Job Title Chair

Address 403 Stewart Road

Phone _____

City St. Augustine State _____ Zip _____

Email _____

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing _____

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

