

Amendment No. 001 (for drafter's use only)

|   | <u>Senate</u> | CHAMBER ACTION | <u>House</u> |
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ORIGINAL STAMP BELOW

11 The Committee on Business Development & International Trade  
12 offered the following:

14 **Amendment (with title amendment)**

15 Remove from the bill: Everything after the enacting clause  
16  
17 and insert in lieu thereof:

18 Section 1. Twenty-first Century Digital Television and  
19 Education Act.--

20 (1) Short title.--This act may be cited as the "21st  
21 Century Digital Television and Education Act."

22 (2) Legislative findings and intent.--The Legislature  
23 finds that the federally mandated transition from analog to  
24 digital television will provide numerous new, improved, and  
25 innovative information and entertainment services to the  
26 public. The Legislature further finds that, whereas all  
27 commercial and noncommercial television markets in the United  
28 States must begin digital broadcasts by no later than May,  
29 2003, it is in the interest of the state to facilitate the  
30 conversion of existing television stations, studios, networks,  
31 and production companies to digital technology as well as to

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1 encourage new companies involved in digital television and  
2 related industries to locate in Florida. It is therefore the  
3 intent of the Legislature to investigate and create the  
4 economic incentives and educational opportunities necessary to  
5 position Florida as a 21st century leader in the production,  
6 transmission, manufacturing, and research and development of  
7 digital television and related digital communication.

8 (3) Task force; membership; duties.--

9 (a) The "21st Century Digital Television and Education  
10 Task Force" is hereby created to serve through February 1,  
11 2000. The task force is created within the Office of Tourism,  
12 Trade, and Economic Development, which shall provide staff  
13 support for the activities of the taskforce. The task force  
14 shall consist of the following members:

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

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

18 3. Two members of the House of Representatives, or  
19 their designees, to be appointed by the Speaker of the House  
20 of Representatives.

21 4. The Commissioner of Education or the commissioner's  
22 designee.

23 5. The Chancellor of the State University System or  
24 the chancellor's designee.

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

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

29 (b) Each appointed member of the task force shall  
30 serve at the pleasure of the appointing official. A vacancy on  
31 the task force shall be filled in the same manner as the

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1 original appointment.

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

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

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

18 (f) The Task Force shall act as an advisory body and  
19 shall make recommendations to the Governor and the Legislature  
20 on a coordinated plan to carry out the legislative intent of  
21 this act. The task force shall have the following duties:

22 1. Devise a plan to recruit the following industry  
23 segments to locate in Florida:

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

28 b. Companies involved in the transmission of digital  
29 media, including television broadcasters, cable and satellite  
30 companies, television, theater, and film industry members,  
31 Internet content providers, web site producers, and other

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1 information service providers.

2 c. Digital television equipment manufacturers,  
3 including makers of digital video cameras, audio equipment,  
4 transmission equipment, television sets, set-top boxes and  
5 related hardware, monitors, displays, tapes, and discs.

6 d. Companies involved in the research and development  
7 of new and innovative digital television equipment, consumer  
8 electronics, prototypes, and products.

9 2. Investigate and recommend strong economic  
10 incentives to encourage the digital industry segments  
11 described in subparagraph 1. to locate and compete in Florida.

12 3. Devise a plan to create and maintain higher  
13 education opportunities for students wishing to enter the  
14 digital television field. At minimum, the plan shall consider  
15 and address the following:

16 a. The extent to which higher education opportunities  
17 are currently available to students in the areas of digital  
18 production, transmission, manufacturing, and research and  
19 development.

20 b. The workforce needs of the digital television  
21 industry segments described in subparagraph 1.

22 c. Recommendations and an operational plan for  
23 creating and maintaining higher education opportunities in  
24 digital television production, transmission, manufacturing,  
25 and research and development.

26 d. Any other recommendations to encourage and promote  
27 the development of a skilled workforce in digital broadcast  
28 communications and high-definition television.

29 4. Recommend methods to hasten the conversion of  
30 existing commercial television studios and soundstages from  
31 analog to digital technology.

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1           5. Recommend a means to fund the cost of converting  
2 public broadcast stations from analog to digital technology,  
3 including a grant program for Florida Public Television.

4           6. Issue a report to the Legislature no later than  
5 February 1, 2000, summarizing its findings, stating its  
6 conclusions, and proposing its recommendations.

7           Section 2. Paragraph (f) of subsection (5) of section  
8 212.08, Florida Statutes, 1998 Supplement, is amended to read:

9           212.08 Sales, rental, use, consumption, distribution,  
10 and storage tax; specified exemptions.--The sale at retail,  
11 the rental, the use, the consumption, the distribution, and  
12 the storage to be used or consumed in this state of the  
13 following are hereby specifically exempt from the tax imposed  
14 by this chapter.

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

16           (f) Motion picture or video equipment used in motion  
17 picture or television production activities and sound  
18 recording equipment used in the production of master tapes and  
19 master records; property purchased or leased to produce,  
20 transmit, receive, or redistribute digital television  
21 signals.--

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

28           2. There is exempt from the tax imposed by this  
29 chapter all machinery or equipment purchased or leased in this  
30 state for use by a television studio, television network,  
31 television production company, or federally licensed

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1 television station or cable television company in the  
2 production, origination, broadcast, transmission, receipt, or  
3 redistribution of digital television signals.

4       3. The exemptions ~~exemption~~ provided by this paragraph  
5 shall inure to the taxpayer only through a refund of  
6 previously paid taxes. Notwithstanding the provisions of s.  
7 212.095, such refund shall be made within 30 days of formal  
8 application, which application may be made after the  
9 completion of production activities or on a quarterly basis.  
10 Notwithstanding the provisions of chapter 213, the department  
11 shall provide the Department of Commerce with a copy of each  
12 refund application and the amount of such refund, if any.

13       ~~4.2.~~ For the purpose of the exemption provided in  
14 subparagraph 1.:

15       a. "Motion picture or video equipment" and "sound  
16 recording equipment" includes only equipment meeting the  
17 definition of "section 38 property" as defined in s.  
18 48(a)(1)(A) and (B)(i) of the Internal Revenue Code that is  
19 used by the lessee or purchaser exclusively as an integral  
20 part of production activities; however, motion picture or  
21 video equipment and sound recording equipment does not include  
22 supplies, tape, records, film, or video tape used in  
23 productions or other similar items; vehicles or vessels; or  
24 general office equipment not specifically suited to production  
25 activities. In addition, the term does not include equipment  
26 purchased or leased by television or radio broadcasting or  
27 cable companies licensed by the Federal Communications  
28 Commission.

29       b. "Production activities" means activities directed  
30 toward the preparation of a:

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

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1 (II) Motion picture or television production which is  
2 produced for theatrical, commercial, advertising, or  
3 educational purposes and utilizes live or animated actions or  
4 a combination of live and animated actions. The motion picture  
5 or television production shall be commercially produced for  
6 sale or for showing on screens or broadcasting on television  
7 and may be on film or video tape.

8 5. For the purpose of the exemption provided in  
9 subparagraph 2., the term "machinery and equipment" means  
10 machinery or equipment as described in 47 C.F.R., part 73, or  
11 "section 38 property" as defined in s. 48(a)(1)(A) and (B)(i)  
12 of the Internal Revenue Code, purchased or leased in this  
13 state for use by a television studio, television network,  
14 television production company, or federally licensed  
15 television station or cable television company in the  
16 production, origination, broadcast, transmission, receipt, or  
17 redistribution of digital television signals.

18 Section 3. This act shall take effect upon becoming a  
19 law.

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21  
22 ===== T I T L E A M E N D M E N T =====

23 And the title is amended as follows:

24 On page 1, lines 2 through 14,  
25 remove from the title of the bill: all of said lines

26  
27 and insert in lieu thereof:

28 An act relating to economic development;  
29 creating the "21st Century Digital Television  
30 and Education Act"; providing legislative  
31 findings and intent; creating the 21st Century

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1           Digital Television and Education Task Force;  
2           providing membership; providing duties;  
3           providing for a report; amending s. 212.08,  
4           F.S.; providing an exemption from the tax on  
5           sales, use, and other transactions for  
6           machinery or equipment purchased or leased for  
7           use in the production, transmission, receipt,  
8           or redistribution of digital television  
9           signals; defining the term "machinery and  
10          equipment" for purposes of such exemption;  
11          providing an effective date.

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