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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/19/2019	.	
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The Committee on Commerce and Tourism (Gruters) recommended the following:

Senate Amendment (with title amendment)

Delete lines 81 - 476
and insert:

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

(c) "Commissioner" means the Commissioner of Film and



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11 Entertainment as described in s. 288.1251(1)(b), Florida
12 Statutes.

13 (d) "Department" means the Department of Economic
14 Opportunity.

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

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

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

30 (h) "Florida resident" means a person who has a valid
31 Florida driver license or Florida identification card issued
32 under s. 322.051, Florida Statutes, and has signed an affidavit
33 confirming residency.

34 (i) "Office" means the Office of Film and Entertainment
35 within the department.

36 (j) "Principal photography" means, for a film project or
37 television project, the filming of major or significant
38 components of the project which involve lead actors, or, for a
39 digital media project, the period of time during which the work



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40 of the majority of the crew is dedicated solely to the project.

41 (k) "Production start date" means:

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

44 2. For digital media projects, the start date of
45 storyboards or a later date as specified in the project's
46 application.

47 (l)1. "Qualified expenditures" means expenditures made
48 solely for preproduction, production, or postproduction of a
49 qualified project which are incurred in this state for any of
50 the following:

51 a. Rented or leased goods or services provided by a vendor
52 or supplier in this state which is registered with the
53 Department of State or the Department of Revenue; which has a
54 physical address in this state, not including a post office box;
55 and which employs one or more Florida residents on a full-time
56 basis. The term does not include rebilled goods or services
57 provided by an in-state company from out-of-state vendors or
58 suppliers. When services provided by the vendor or supplier
59 include personal services or labor, only personal services or
60 labor provided by Florida residents qualifies.

61 b. Payments to Florida residents in the form of salary or
62 wages up to a maximum of \$200,000 per resident, including
63 amounts paid through payroll service companies, and benefits
64 such as pension, health, and welfare payments for technical and
65 production crews, directors, producers, and performers. For
66 purposes of this sub-subparagraph, payments do not include wages
67 for executives, legal staff, or other corporate staff who are
68 not employed to work solely on the project.



69 2. "Qualified expenditures" includes expenditures for
70 renting cars, trucks, and trailers if such car, truck, or
71 trailer is registered with the Department of Highway Safety and
72 Motor Vehicles.

73 3. "Qualified expenditures" does not include expenditures
74 not expressly identified in subparagraphs 1. or 2., expenditures
75 made before qualification for the program, expenditures made via
76 Internet transactions, or any costs associated with development,
77 marketing, or distribution.

78
79 For the purposes of a digital media project, the term includes
80 only those qualified expenditures made within 9 months after the
81 project's first qualified expenditure.

82 (m) "Qualified project" means a film project, television
83 project, or digital media project for which a complete
84 application for the program has been submitted to the
85 commissioner and accepted for consideration by the board. The
86 term does not include a weather or market program; a sporting
87 event or a sporting event broadcast; a gala; an awards show; a
88 production that solicits funds; a home shopping program; a
89 political program; a documentary; a gambling-related project or
90 production; a concert production; a news or current events show;
91 a sports or sports recap show; a pornographic production; or any
92 production deemed obscene under chapter 847, Florida Statutes.

93 (n) "Television project" means a television pilot program
94 or a television series that:

- 95 1. Is a scripted drama, comedy, or animation;
96 2. Has a runtime of at least 30 minutes but not more than
97 60 minutes; and



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98 3. If the television project is a television series, has a
99 minimum of seven episodes.

100
101 The term does not include a project deemed by the office to have
102 content that is obscene, as defined in s. 847.001, Florida
103 Statutes.

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

107 (3) GRANT ELIGIBILITY.-

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

110 1. Has projected qualified expenditures of:

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

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

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

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

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

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

121 4. Will not receive a certificate of exemption pursuant to
122 s. 288.1258.

123 (b) A project may receive a grant in the amount of up to 20
124 percent of its verified qualified expenditures. A bonus may be
125 earned in the amount of an additional 3 percentage points, if 75
126 percent of the project's production will take place in an



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127 underutilized county or if its content is deemed family
128 friendly. A certified project may not receive more than one
129 bonus, and the total that may be awarded under any grant may not
130 exceed 23 percent of its verified qualified expenditures or \$2
131 million, whichever is less.

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

137 (4) APPLICATION WINDOWS.—Applications must be accepted for
138 the program during two application windows each fiscal year. The
139 commissioner shall set a start date for both application
140 windows. However, the first application window must end no later
141 than 5 business days after July 1 and the second must end no
142 later than 5 business days after January 1.

143 (a) The department may not earmark or set aside more than
144 60 percent of any appropriated or rolled-over grant funds for
145 any given fiscal year for applications submitted during the
146 first application window. Grant funds not earmarked and set
147 aside for applicants applying during one application window roll
148 over for use in the next application window.

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

152 (5) APPLICATION PROCESS.—

153 (a) A company that plans to produce a film, television, or
154 digital project in this state may submit an application to the
155 commissioner during one of the two application windows. A



156 project must have a production start date that is within 6
157 months after July 1 if applying in the first window or January 1
158 if applying in the second window.

159 (b) The application must include:

160 1. Proof of funding;

161 2. Project-related employment information, including
162 employment numbers for Florida residents;

163 3. A full line-item budget and a detailed qualified
164 expenditures budget;

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

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

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

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

174 8. For a television series, scripts for two episodes, a Day
175 out of Days report, and a list of the expected shooting
176 locations;

177 9. For a digital media project, a detailed game design
178 document;

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

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

182 (c) Within a reasonable period of time after the last
183 business day of each application window, the commissioner shall:

184 1. Review all applications submitted during the application



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- 185 window and determine the eligibility of each applicant;
186 2. Determine each applicant's expected qualified
187 expenditures;
188 3. Determine the maximum grant amount that each eligible
189 applicant may be awarded;
190 4. Determine whether an eligible applicant's project is
191 deemed family friendly;
192 5. Determine the percentage of the applicant's production,
193 if any, which is proposed to occur in an underutilized county;
194 6. Determine whether each eligible applicant is a
195 corporation registered in this state;
196 7. Contact each applicant with any questions, as necessary;
197 8. Gather any additional information needed to address the
198 criteria specified under subsection (7);
199 9. Assemble a package containing the details of each
200 eligible applicant's project and deliver it to each board
201 member; and
202 10. Give notice to the board of the date and time for when
203 the board must convene to assess each qualified project, as
204 provided for in paragraph (6) (d).
205 (d) An applicant may submit only one application per
206 application window.
207 (6) GRANT ADVISORY BOARD; CREATION; PURPOSE; MEMBERSHIP.-
208 (a) The Grant Advisory Board is created within the office.
209 The board shall comply with the requirements of s. 20.052,
210 Florida Statutes, except as otherwise provided in this section.
211 (b) The board shall consist of seven members appointed by
212 the commissioner. Of these seven members:
213 1. Three shall be members of the Florida Film and



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214 Entertainment Advisory Council who were appointed by the
215 Governor;

216 2. Two shall be members of the Florida Film and
217 Entertainment Advisory Council who were appointed by the
218 President of the Senate; and

219 3. Two shall be members of the Florida Film and
220 Entertainment Advisory Council who were appointed by the Speaker
221 of the House of Representatives.

222 4. If a board member has a conflict of interest with a
223 project under consideration, the commissioner must select an
224 alternate member from the Florida Film and Entertainment
225 Advisory Council.

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

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

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

235 2. The board shall make a recommendation for certification
236 or rejection of each qualified project to the commissioner
237 within 10 days after the board's first meeting for that
238 application window.

239 (7) CRITERIA FOR DETERMINING PROJECT SCORES.—

240 (a) The priority order and scoring system of the criteria
241 specified in paragraph (b) must be determined by the
242 commissioner, with assistance from the board and other persons,



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243 as determined by the commissioner, in advance of the first
244 application window.

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

247 1. The amount of the project's overall qualified
248 expenditures.

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

250 3. The number of full-time-equivalent jobs created by the
251 project.

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

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

256 6. The duration of Florida-resident employment for the
257 project.

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

260 8. Whether the project is family friendly.

261 9. Whether the project has a Florida-resident writer,
262 producer, or star.

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

265 11. Whether the project leadership team has a successful
266 track record.

267 12. The number of Florida-resident veterans hired by the
268 project.

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

271 (8) NOTIFICATION OF DECISION.-



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272 (a) After the board makes its recommendations to the
273 commissioner, the commissioner shall, in a timely manner:
274 1. Make a final determination on certifying or rejecting
275 each qualified project, giving consideration to the board's
276 recommendations and scoring.
277 2. Provide a list of certified projects to the department
278 which includes the associated maximum grant amounts that the
279 respective applicants may receive.
280 3. Notify each certified project of the specified
281 percentage of qualified expenditures for which it is eligible
282 and the maximum grant amount that it may receive.
283 4. Provide a notice of rejection to each rejected
284 applicant; however, the failure to notify an applicant of its
285 rejection does not deem the applicant's project a certified
286 project.
287 (b) Based on the final determination of the commissioner,
288 the department shall earmark and set aside the amount necessary
289 to fund the total maximum that may be awarded for the certified
290 projects, if funds are available.
291 (9) (a) VERIFICATION PROCESS.—The commissioner shall develop
292 a process to verify the actual qualified expenditures of a
293 certified project after the project's work in this state is
294 complete. The process must require all of the following:
295 1. Submission to the commissioner of at least all of the
296 following information, electronically or in hard copy, or both,
297 by each certified project:
298 a. Data substantiating each qualified expenditure, which
299 has been audited by an independent certified public accountant
300 licensed in this state, as required by subparagraph 4.;



301 b. Copies of documents verifying residency of persons
302 represented as being Florida residents;
303 c. The final script;
304 d. The most recent production board and shooting schedule;
305 e. The most recent credit list showing where the credits
306 required under subsection (10) will appear;
307 f. A cast list and a final crew list with contact
308 information; and
309 g. For the veteran employed by the project, a copy of his
310 or her DD Form 214, as issued by the United States Department of
311 Defense, or another acceptable form of identification as
312 specified by the Department of Veteran's Affairs.
313 2. Signing, and submission to the commissioner, by the
314 certified project of an affidavit or written declaration signed
315 under the penalty of perjury as specified in s. 92.525, Florida
316 Statutes, stating that all salaries, wages, and other
317 compensation submitted as qualified expenditures are in
318 compliance with this section.
319 3. The information and affidavit required by subparagraphs
320 1. and 2. must be received by the commissioner within 120 days
321 after the certified project has made its last qualified
322 expenditure, but no later than 1 year after its production start
323 date. Pursuant to the rules adopted by the department, the
324 commissioner may, upon a showing of good cause, grant a one-time
325 extension of this deadline.
326 4. The conduct of a compliance audit, at the certified
327 project's expense, by an independent certified public accountant
328 who is a resident of this state to substantiate the qualified
329 expenditures, and submission of a report of the findings of the



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330 audit, including substantiating data, to the commissioner within
331 a reasonable period of time after the initial receipt of records
332 from the certified project.

333 (b) The commissioner shall review the report and data
334 submitted by the certified public accountant within a reasonable
335 period of time after receipt of the report and data and report
336 to the department the final verified amount of actual qualified
337 expenditures made by the certified project and the amount of the
338 grant due to the such project.

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

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

347 (e) At the end of the fiscal year, grant funds that are not
348 allocated to a certified project, and grant funds allocated but
349 not awarded to a certified project, roll over to the next fiscal
350 year.

351 (10) MARKETING AND TOURISM REQUIREMENT.—

352 (a) The commissioner shall ensure, as a condition of
353 receiving a grant under this section, that a certified project
354 include marketing promoting this state as a tourist destination
355 or film and entertainment production destination. At a minimum,
356 the marketing must include placement in the end credits of a
357 "Filmed in Florida" or "Produced in Florida" logo with size and
358 placement commensurate to other logos included in the end



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359 credits or, if no logos are used, the statement "Filmed in
360 Florida" or "Produced in Florida" or a similar statement
361 approved by the commissioner and the logo of the local film
362 office, if applicable. A digital media project must also supply
363 a 5-second or longer animated logo with "Produced in Florida" or
364 other text, including the logo of the local digital media
365 office, if applicable, as preapproved by the commissioner, in a
366 manner easily seen by a consumer of the digital media project.
367 The commissioner shall provide the logos for the purposes
368 specified in this paragraph, not including the logo for a local
369 office, which must be provided by the applicable office.

370 (b) A certified project must allow the commissioner, or an
371 affiliate, and a minimum of two guests to visit the production
372 site upon the request of the commissioner. Upon such request,
373 the certified project must give the commissioner reasonable
374 notice of a visit date and time that is acceptable to the
375 production. The commissioner or an affiliate is not required to
376 make a visit to the set.

377 (c) A certified project must provide at least five
378 preapproved photos of the production to the commissioner and
379 grant the commissioner free use of such photos in promoting this
380 state as a film, television, or digital media production
381 location or tourist destination.

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

384 (a) Does not begin principal photography in this state
385 within the period beginning 30 days before and ending 90 days
386 after the project's listed production start date. Pursuant to
387 department rule, the commissioner may, upon a showing of good



388 cause, grant a one-time extension of this deadline;
389 (b) Does not abide by the policies, procedures, deadlines,
390 or requirements of the application verification process;
391 (c) Does not notify the commissioner of any change in the
392 production start date before commencing production; or
393 (d) Submits fraudulent information.
394 (12) FRAUD.—An applicant that submits fraudulent
395 information under this section is liable for reimbursement of
396 the reasonable costs and fees associated with the review,
397 processing, investigation, and prosecution of the fraudulent
398 submission. An applicant that obtains a grant under this section
399 through a claim that is fraudulent shall reimburse the program
400 for the grant awarded and reasonable costs and fees associated
401 with the review, processing, investigation, and prosecution of
402 the fraudulent claim and shall pay a civil penalty in an amount
403 equal to double the grant amount and any criminal penalty to
404 which the applicant may be subject.
405 (13) RULES; POLICIES; PROCEDURES.—The commissioner may
406 adopt rules and shall develop policies and procedures to
407 administer this section, including, but not limited to, rules
408 specifying requirements for the application and approval process
409 and the determination of qualified expenditures.
410 (14) ANNUAL REPORT.—Each November 1, the commissioner shall
411 provide an annual report on the program for the previous fiscal
412 year to the Governor, the President of the Senate, and the
413 Speaker of the House of Representatives. The report must
414 identify the return on investment associated with, and economic
415 benefits to the state attributable to, the program.
416 (15) EXPIRATION.—The Film, Television, and Digital Media



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417 Targeted Grant Program expires June 30, 2022, at which point all
418 remaining appropriated funds not earmarked and set aside for
419 certified projects must revert to the General Revenue Fund. All
420 remaining appropriated funds must revert to the General Revenue
421 Fund no later than October 31, 2023.

422

423 ===== T I T L E A M E N D M E N T =====

424 And the title is amended as follows:

425 Delete lines 14 - 55

426 and insert:

427 of infrastructure or equipment in this state and
428 Florida-resident cast and crew; requiring the
429 commissioner to set application windows for the grant;
430 providing requirements for the department relating to
431 earmarking and setting aside grant funds; providing
432 procedures and requirements for applicants applying
433 for the grant; requiring the commissioner to take
434 specified action within a reasonable period of time;
435 specifying that an applicant is may submit only one
436 application per application window; creating the Grant
437 Advisory Board within the Office of Film and
438 Entertainment of the department; providing membership
439 requirements for the board; requiring the commissioner
440 to select an alternate board member when certain
441 conflicts of interest are present; providing meeting
442 requirements for the board; requiring the board to
443 determine a score for each qualified project using
444 specified criteria; requiring the board to make a
445 recommendation for certification or rejection of a



446 qualified project within a specified timeframe;
447 requiring the commissioner to determine the priority
448 order and scoring system of the specified criteria
449 with assistance from the board and certain other
450 persons; requiring the board to use certain criteria;
451 requiring the commissioner to take certain actions
452 relating to the certification or rejection of
453 qualified projects in a timely manner; requiring the
454 department to earmark and set aside funding necessary
455 to fund the total maximum that may be awarded to the
456 certified projects, if funds are available; requiring
457 the commissioner to develop a verification process to
458 verify the actual certified expenditures of a
459 certified project after the project's work in this
460 state is complete; providing requirements for the
461 verification process; requiring that the grant be
462 issued within a reasonable period of time upon
463 approval of the final grant amount by the department;
464 requiring the department to deduct a specified
465 percentage of the grant and to credit the amount to
466 the department to offset certain expenses; requiring
467 that certain marketing be included with a project;
468 requiring certified projects to allow certain persons
469 to visit the production site upon request of the
470 commissioner and after providing the commissioner with
471 reasonable notice; specifying that a visit to the