

**FLORIDA FILM AND ENTERTAINMENT ADVISORY COUNCIL**

2<sup>nd</sup> Quarter Meeting

June 23, 2020

10 a.m. – 12 p.m.

**107 East Madison St.**

**Tallahassee, FL 32399**

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| <p><b>MINUTES</b></p> |
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**CALL TO ORDER AND WELCOME**

Administrative (Chair Nicholas Popp)

Call to Order by Chair Popp at 10 a.m.

Roll Call:

*Committee Members:*

Ana Siegel

Cynthia Angelos

Durand Adams

Kevin Ambler

Marc Meisel

Michael Williams

Nicholas Popp

Ryan Nieves

Sandy Lighterman

*Ex-Officio Members*

Kathleen Keenan, Enterprise Florida

*Members of the Public:*

Chris Ranung

Gail Morgan

Earl Perque

Bonnie King

Hertha Suarez

*Office of Film and Entertainment (OFE) Staff:*

Commissioner Niki Welge

Susan Simms

Donyelle Marshall

**WELCOME**

Chair Popp welcomed everyone.

Chair Popp introduced and welcomed new councilmember Durand Adams. Judge Adams is a retired judge from the 12<sup>th</sup> Judicial Circuit in Manatee County and is also a filmmaker. Chair asked Judge Adams to introduce himself.

Judge Adams gave some personal background about himself, including that he graduated law school from UF. He was a trial lawyer for 10 years and a circuit court judge for 24 years before retiring 10 years ago, when he started making documentary films.

He has made 8 documentaries with his partner at BTN Films, and they have been shown at film festivals all over the country. They have a close connection with the Sarasota Film Festival and have had several documentaries screen there over the last 7 years. President Bill Galvano appointed him to the council and he's excited to help further develop the industry in Florida. They are currently filming a documentary about the passage of the 19<sup>th</sup> amendment.

## **NEW BUSINESS**

### **Legislative Update (Chair Nicholas Popp)**

Chair Popp encouraged councilmembers to have conversations with legislators in their areas, as many elected officials don't have a way to learn about the industry from someone first hand. Many of our members have tried to reach out to elected officials to educate them about industry and the impact on the economy in Florida. If you are interested in participating in a campaign, it's a great way to get to know the person running for office and educate them through those relationships.

During last legislative session, the FFEAC passed a resolution to support Film Florida's bill, but unfortunately that bill did not pass, but anticipate another bill being filed next session.

Last session there was also an active effort to eliminate advisory bodies, including the FFEAC. Successful with efforts from councilmembers and film Florida to maintain the council. The references to the council were removed from those bills, and that is why we are able to meet today.

Visit Florida was also a large topic of debate, and at the 11<sup>th</sup> hour, they did receive the go ahead to continue their efforts. Glad to hear about that and give them some breathing room for a few years. There were a few other bills being discussed, but these were the main ones we were tracking during session.

The council will have more meetings prior to the next legislative session and will provide updates at that time. Later session next year, March 2021.

## **OLD BUSINESS**

### **2020 1st Quarter Meeting Minutes**

Chair Popp called for a motion to approve the March meeting minutes. Minutes were approved unanimously.

## **NEW BUSINESS - CONTINUED**

### **Office of Film and Entertainment Team Report**

Chair Popp invited the Office of Film and Entertainment staff to give their respective updates.

#### **Office Updates (Commissioner Niki Welge)**

Film Commissioner, Niki Welge, discussed administrative changes, including Allie Pratt's departure. She thanked Allie for her service. The state is currently in a hiring freeze, so OFE is looking for interns to assist with marketing duties until she can be replaced.

OFE staff are continuing to telework and assist with DEO mission critical items, including Emergency Bridge Loan and Reemployment Assistance correspondence. Even with the state slowing reopening, Florida's May employment rate was 14.5% with some counties seeing unemployment rates as high as 31% in central Florida.

OFE is working with Film Florida and the local film offices in Florida to track lost business due to COVID-19. Film Florida is putting a document together, and we will share with the council when available. The Sales Tax Exemption program applications are one way for us to determine lost business. Unfortunately, the DOR is having issues with their reporting at the moment, so the data is not verifiable, but as of last week there were 827 applications approved in FY 19/20, versus 1,024 applications approved in FY 18/19.

At the end of each fiscal year OFE follows up with every project they worked on to see if it resulted in production activity and employment in the state. The results of this process will provide additional insight into the impact this virus has had on activity in the state.

In late April/early May, as Governor DeSantis started slowly reopening the state, interest in production activity in Florida started to increase – especially because CA and NY were still closed. This coincided with Film Florida releasing their recommendations for maintaining clean and healthy production sets, which increased interest even more. Our office worked closely with the local film offices in the state on these information requests. Most counties are permitting at this time, although counties that have been hit the hardest, specifically Miami Dade have been slower to open.

Over the last few weeks, industry leadership groups have released recommendations and guidelines for how to restart production activity safely across the US. A copy of the following documents were provided in the meeting packet:

- Alliance of Motion Picture and Television Producers Industry-Wide Labor-Management Safety Committee Task Force White Paper
- Joint Report of DGA, SAG-AFTRA, IATSE and Teamster's Committees for COVID-19 Safety Guidelines

- AICP COVID-19 Workplace Guidelines and Considerations geared towards the commercial production activity.

These documents will most likely evolve as this pandemic evolves. Our office does not have policing authority over productions in Florida, but we are encouraging the implementation of these safety precautions on sets in the state.

OFE has implemented the following additions to our online [Production Directory](#) under the category of Health and Safety based on the recommendations in these documents:

- (crew) HEALTH AND SAFETY - COVID-19 Compliance Officer
- (support services) HEALTH AND SAFETY - PPE / Personal Protective Equipment
- (support services) HEALTH AND SAFETY – Cleaning / Disinfectants / Sanitation Solutions

State Parks are now accepting applications for film permits. When most of the state moved into phase 2, all state parks in Florida started accepting and reviewing applications for film permits. OFE can assist with permitting at state parks or any other state property.

Currently, any traveler coming to Florida from the NY tri state area (NY, NJ, CT) must quarantine for 14 days. [Executive Order 20-112](#), indicates that individuals traveling to Florida that engage in commercial activity are not required to quarantine. The Governor's Office informed DEO that the production of commercials, feature films, television shows, music videos, etc. in Florida is considered "commercial activity," and that production companies and their employees traveling to Florida from areas impacted by COVID-19 (specifically NY, NJ, CT) are not obligated to quarantine for 14 days upon arrival if they are entering the state to engage in production activity.

We are still waiting to see what the Governor will do with the budget passed in March by the legislature. The state is facing an unprecedented revenue shortfall because our state relies so heavily on sales taxes for generating revenue, and in particular on tourism-generated revenue. EDR released their April tax revenue estimates for the state, and Florida lost nearly \$900M in tax revenues. The budget the legislature passed included \$300M in extra reserves and \$27M in emergency funds from the federal government. OFE does not know what our marketing and travel budget will look like for next fiscal year, which starts on July 1.

Each June, DEO's Bureau of Workforce Statistics and Economic Research provides us with Labor Market Statistic data collected by the federal government from the previous calendar year. Overall, in comparison to 2018 data, employment totals went down, but wages and the number of establishments increased for 2019.

- In 2019, there were 4,601 establishments in the film and entertainment industry with employment of 26,146 and an average annual wage of \$84,205.
- In 2019, the total wages paid to workers in the film and entertainment industry was \$2,201,581,628.
- In 2019, the average annual wage for workers in the film and entertainment industry was \$84,205 exceeding the state's 2019 average annual wage for all industries of \$51,761 by 62.7 percent.

The Financial Incentive program and STE program, are under a statutory administrative review this calendar year by OPPAGA (Office of program policy analysis and Government accountability) and EDR (Economic and Demographic Research), which are legislative bodies. Pursuant to Florida statute, every three years economic development programs go under review. We have been through 2 reviews and we don't anticipate the results to be any different this year. The review period covers Fiscal Years 2016-17, 2017-18, and 2018-19. The Financial Incentive program was still active through FY 17/18 when all audits were completed.

#### Future Business Development (Susan Simms)

Los Angeles Liaison, Susan Simms, discussed how we are in a new world since our March meeting. Historically Florida is prepared for natural disasters like Zika, green algae, etc., so it's normal for Florida to be leading the way on recovery. The difference here is that everyone is facing COVID-19. Safety is the most important issue facing everyone. The local film offices and crews are being judicious about safety and will put their hand up if they see something wrong. Hurricane season is upon us and beyond our control. No one in the industry wants to get on a plane and travel or leave their families at this time. Safety is the only thing that is currently trumping incentives.

OFE missed numerous marketing opportunities over the last few months due to industry event cancellations. We excel at meeting our clients in small groups to make the case for why Florida is so much better than other states because we have lots of other assets. A couple of the events we've missed held virtual webinars, including Realscreen. Virtual events have some benefits with participants sharing more than they normally would with the ability to follow up with them via email after. AFCI has been holding weekly virtual meetings with 213 film offices from around the world to discuss what's happening in their markets. Payroll companies are trying to outdo each other in giving webinars on every part of the industry.

Commercials are the lion's share of our clients and are the primary source of income for our crews. As soon as the beaches reopened, crews had a positive experience with commercial production—specifically in Jacksonville. The rules were good, the word got out about how things were going, then other clients found out.

Susan discussed what California is doing, specifically Governor Newsome and the discussion regarding the industry White Paper, which the unions fine-tuned. She also discussed the call to real estate and industrial developers in Los Angeles for available sound stage space, preparing for the crush for requests. Stages in California are double and triple booked because productions got cancelled and walked away with their sets still intact. She discussed the changes to the California incentive, which starts July 1<sup>st</sup> with 2 major changes, the new provision on how much a company can receive (no more than \$5M) and the relocation TV incentive is completely sold out.

She then discussed issues facing productions now, including filming in people's homes and how to protect them. Last Wednesday the first scripted TV series on American soil started filming,

‘The Bold and the Beautiful,’ but production shut down on the first day when some safety issues were raised with the volume of testing. Everyone is now watching them to see how they proceed.

Timing is everything and OFE is currently doing our end of the year report. We are starting to reach out to each of our clients, well over 1,000, and it’s a good time to cull our message. We have lots to sell, including the 3<sup>rd</sup> largest talent pool in the US and our exemplary crew base. We have lots of things to promote, including our Spanish language production.

There are three large projects that filmed here that will be heavily promoted and we will remind everyone they filmed in Florida. ‘David Makes Man’ is coming back for a second season, which won a Peabody award, was nominated for a Gotham award, and shot at Universal Studios in Orlando. All locations for the show were within 6 miles of the studio, which has become folklore. ‘The Right Stuff,’ a new TV series by Appian Way for Nat Geo, is so good that the Disney executives decided to stream it on Disney+ in the Fall. The feature film, ‘The One and Only Ivan,’ which filmed in central Florida will also be released on Disney+ in August.

Finally, we will do what we’ve always done which is promote every nook and cranny of Florida and all the different looks we have, especially to commercial producers. We are very lucky to have the local film office network to partner with and make us all look good.

#### Sales Tax Exemption (Donyelle Marshall)

Production Coordinator, Donyelle Marshall, provided the Sales Tax Exemption Report. As of June 18, 2020, OFE has approved 827 applications for the Entertainment Industry Sales Tax Exemption program during fiscal year 2019/2020. Those 827 applicants are estimated to spend more than \$1.1 Billion in Florida expenditures, \$19,174,153 of which is tax exempt, and employ an estimated 33,467 Floridians. The estimated ROI is 58.5: 1.

#### Association Updates: (Film Florida, SAG, IATSE, etc.)

Chair Popp turned the discussion over to Chris Ranung with IATSE. Chris started his update by saying how happy he was to hear Susan’s positive report. Due to COVID-19, crews are unfortunately out of work, and facing financial hardship. Chris mentioned the importance of the White Paper and the Safe Way Forward guidelines put together by the four major unions involved. He said that negotiations are ongoing with AMPTP to hammer out the details for temporary provisions to protect crews at all levels and to look for additional updates.

Chris said commercials are coming in and are under contract. The smaller level projects coming in are a concern because the union guidelines will only be enforceable under a union contract. Because of this, vigilance is important for smaller projects filming in the state to make sure they are aware of the guidelines and are following them. These new changes will make productions more expensive, which is a reality we must face. It will just take one incident to shut the state down again and it could happen very quickly.

He encouraged everyone to call him at any time with questions, or if a production in your area has questionable practices or needs help.

Chair Popp stated that he is aware of some smaller projects and indie films shooting in his area, and that they are being very conscientious about COVID-19 precautions. He hopes that is occurring everywhere in the state. He asked if Chris is seeing large numbers of productions not following guidelines or seeing anyone not taking precautions?

Chris said no, and that there is a good sized commercial filming in the Orlando area and one coming to Miami that have been in touch with them and have presented safety plans they feel conformable with. He said that it's harder to get info from smaller projects, and they are working with members to make sure everyone keeps in touch. If there is an occurrence they can help with contract tracing, so an early warning system is the goal.

Chair Popp congratulated Gail Morgan on her election as the new President of Film Florida and invited her to give an update on Film Florida's activities.

Gail stated that Film Florida's quarterly meetings were held last week via Zoom. She said they look forward to continued relationship with FFEAC, and she will do her best to continue great leadership in Film Florida. With the industry shut down nationwide, our industry professionals were greatly affected, and many had to file for unemployment. Film Florida did their best to supply as much information and resources as possible on their website to help members.

She said that Film Florida released COVID-19 guidelines, and even though they have no regulating authority, they want everyone to take them into consideration. Many of the local film offices in Florida have used them in conjunction with their permitting process.

Film Florida was chosen to participate in the Florida 'RESET' Taskforce by Associated Industries of Florida (AIF). They also launched the Sunshine State Social Distance Watch Party and Covidio film project. They ordered hand sanitizer and masks branded with Film Florida logos to help members stay safe on set. Safety is the top priority, but staying top-of-mind is important, so John Lux has done lots of outreach, zoom calls, etc. The industry can be part of Florida's economic recovery, so we have continued to market the importance of the industry. She said Film Florida will be having additional webinars in July.

Chair Popp thanked Gail and John for their hard work and mentioned the Film Florida podcasts.

Chair Popp invited Hertha Suarez to give an update on the activities of SAG/AFTRA.

Hertha briefly noted that SAG/AFTRA is the national labor union that represents media performers, including journalists. From their office in Miami, they service Florida and all productions from Puerto Rico to Kentucky, and west to Texas. She said they are very busy because they have reduced staff and are working from home during the pandemic.

Hertha emphasized the importance of the White Paper, as it was created with the employers and the responsible parties and sets a very high standard for safety. The White Paper encourages better planning, which will take more money and more time, but that's the reality of where we are. It splits performers and crew into zones, and unfortunately performers are more unprotected and exposed to sickness.

She said they are very protective and are setting a high standard already, but that the increase in cases in Florida may force additional changes. They will meet with any producer that wants to produce under a SAG/AFTRA contract and require a plan based on risk factors (kissing, etc.) to be addressed prior to the start of production. She said testing is the number one item on the guidelines. She said some of the studios in south Florida are reopening next week and have contracted with a local lab to do testing in accordance with the guidelines.

Ex-Officio Updates: (Enterprise Florida, Inc., VISIT FLORIDA, and CareerSource Florida)

Chair Popp asked if there were any ex-officio updated. There were no ex-officio updates.

Public Comment

Chair Popp opened the floor for public comment. There was no public comment.

**ADJOURN 12 P.M.**