

STATE OF KANSAS

SENATE CHAMBER

MR. PRESIDENT:

I move to amend **SB 91**, As Amended by Senate Committee, on page 1, in line 12, by striking "6" and inserting "8";

On page 18, following line 30, by inserting:

"New Sec. 7. (a) The secretary of commerce is hereby authorized and empowered to award grants for educational purposes or programs to develop and support the Kansas film and digital media industry. The purpose of such grants is to develop, expand and improve Kansas educational programs directly relevant to development and support of the film and digital media industry in this state. The secretary is authorized to award such grants to not-for-profit postsecondary educational institutions with a main campus or principal operations in Kansas, including public or private four-year universities or colleges, community colleges or technical colleges established under the laws of this state or the Washburn institute of technology. In awarding such grants, the secretary shall select such institutions that are engaged in or that seek to engage in educational programs or activities related to film, media, digital technology, gaming or other evolving areas of the film and digital media industry in Kansas. The secretary shall not award grants pursuant to this section on or after January 1, 2033.

(b) (1) There is hereby established in the state treasury the Kansas film and digital media production development act education fund to be administered by the secretary of commerce. All moneys credited to such fund shall be used to provide grants for the expansion of film and digital media production-related education in the state of Kansas and the administration of such fund. All expenditures from such fund shall be made in accordance with the provisions of

appropriation acts and upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of commerce or the secretary's designee.

(2) The secretary shall remit any moneys received pursuant to any penalties or any repayment obligations imposed by the secretary pursuant to this section to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the Kansas film and digital media production development act education fund.

(c) (1) Grants made by the secretary of commerce from the Kansas film and digital media production development act education fund shall be used for educational purposes, including, but not limited to:

- (A) Internships and apprenticeship programs;
- (B) scholarships;
- (C) curriculum development and staffing; or
- (D) resources such as lab facilities or equipment.

(2) Such grants shall be awarded upon such terms and conditions as the secretary of commerce may deem appropriate. Such terms and conditions shall:

(A) Require that scholarship programs that receive grant funding require student scholarship recipients to agree to reside in Kansas and work primarily in Kansas or with a Kansas-based company, when possible, for at least two years following completion of an educational program;

(B) include specified objectives and milestones as agreed by the Kansas educational institution grant recipient and the secretary, including, but not limited to, graduate job placement goals; and

(C) require the Kansas educational institution to provide information as requested by

the secretary for purposes of administering the grant program, monitoring the use of funds and the achievement of milestones and objectives and preparation of the report required by subsection (e).

(d) (1) Subject to appropriation acts, on July 1, 2023, and each July 1 thereafter through July 1, 2032, the director of accounts and reports shall transfer \$1,000,000 from the state general fund to the Kansas film and digital media production development act education fund. Any unexpended balance in such fund at the close of a fiscal year shall remain credited to the fund for use in the succeeding fiscal year.

(2) On January 1, 2033, the director of accounts and reports shall transfer all unencumbered moneys in the Kansas film and digital media production development act education fund to the state general fund. After such transfer and the disbursement of any encumbered funds pursuant to grant awards made prior to January 1, 2033, the Kansas film and digital media production development act education fund shall be abolished. Upon abolishment of such fund, all liabilities of the Kansas film and digital media production development act education fund shall be transferred to and imposed on the state general fund.

(e) On or before January 31, 2024, and each January 31 through January 31, 2033, the secretary of commerce shall submit an annual report to the house of representatives standing committee on commerce, labor and economic development and the senate standing committee on commerce on the administration of the Kansas film and digital media production development act education fund and all grants awarded from the fund. Such report shall contain specific and aggregate information regarding all expenditures from the fund, the Kansas educational institutions receiving grants, the amount of funds expended for each grant, the reason and purpose for which each grant was approved, including how it was intended to further the purposes of the fund, the actual use of such grant funds by the Kansas educational institution and

the accomplishment or progress made by the educational institution toward agreed milestones and objectives.

New Sec. 8. (a) The secretary of commerce is hereby authorized and empowered to award grants or loans from the Kansas film and digital media production development act workforce training and business direct investment fund in connection with projects certified by the secretary pursuant to section 3, and amendments thereto. The secretary shall award such grants or loans for the purpose of facilitating and supporting certified projects and developing the Kansas film and digital media industry by funding workforce training and by investing directly in Kansas companies engaged in or seeking to engage in certified projects. The secretary shall not award grants or loans pursuant to this section on or after January 1, 2033.

(b) (1) There is hereby established in the state treasury the Kansas film and digital media production development act workforce training and business direct investment fund to be administered by the secretary of commerce. All moneys credited to such fund shall be used to provide grants or loans as provided by this section for the support of workforce training and direct investment in Kansas companies in relation to certified film or digital media production projects, the development of the Kansas film and digital media industry and the administration of such fund. All expenditures from such fund shall be made in accordance with the provisions of appropriation acts and upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of commerce or the secretary's designee.

(2) The secretary of commerce shall remit any moneys received pursuant to loan repayments, interest, any penalties or any other repayment obligations imposed by the secretary pursuant to this section to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the Kansas film and digital media

production development act workforce training and business direct investment fund.

(c) (1) Grants made by the secretary of commerce from the Kansas film and digital media production development act workforce training and business direct investment fund shall be used for workforce development purposes, including, but not limited to:

(A) Apprenticeship programs for Kansas residents;

(B) crew training for Kansas residents, including:

(i) Training provided by not-for-profit postsecondary educational institutions with a main campus or principal operations in Kansas selected by the secretary, including four-year public or private educational institutions, public community colleges or public technical schools established under the laws of this state or the Washburn institute of technology; or

(ii) employee training provided by any production company or a Kansas company involved in the film and digital media industry and engaged in a certified project; or

(C) development of training models, in coordination and cooperation with the film and digital media production industry, for use by Kansas educational institutions.

(2) Such grants shall be upon such terms and conditions as the secretary of commerce may deem appropriate. Such terms and conditions shall include an agreement by the grant recipient to provide information as requested by the secretary for purposes of administering the grant program, monitoring the use of funds and preparation of the report required by subsection (f).

(d) (1) Direct investments made by the secretary of commerce from the Kansas film and digital media production development act workforce training and business direct investment fund shall be used for investing in Kansas film and digital media production industry companies that will or seek to be engaged in certified projects, including Kansas-based production companies or Kansas businesses that are offering personnel, services, facilities, leases or rentals

or that are offering, engaged in or seeking to engage in other production or postproduction-related business activities. Investments may be made in Kansas start-ups, Kansas businesses seeking to expand into the film and digital media production industry or established Kansas businesses in such industry.

(2) Direct investments shall be comprised of a loan component in the amount of 80% and a grant component in the amount of 20% of the total award of funds to the recipient. The investment shall be made upon such terms and conditions as the secretary of commerce may deem appropriate. Such terms and conditions shall:

(A) Include specified objectives and milestones as required by the secretary and provisions for repayment of the grant or loan if conditions specified by the secretary are not met; and

(B) require the recipient to provide information as requested by the secretary for purposes of administering the direct investment program, monitoring the use of funds and achievement of milestones and objectives and preparation of the report required by subsection (f).

(e) (1) Subject to appropriation acts, on July 1, 2024, and each July 1 thereafter through July 1, 2032, the director of accounts and reports shall transfer \$1,000,000 from the state general fund to the Kansas film and digital media production development act workforce training and business direct investment fund. Any unexpended balance in such fund at the close of a fiscal year shall remain credited to the fund for use in the succeeding fiscal year.

(2) On January 1, 2033, the director of accounts and reports shall transfer all unencumbered moneys in the Kansas film and digital media production development act workforce training and business direct investment fund to the state general fund. After such transfer and the disbursement of any encumbered funds pursuant to awards made prior to January

1, 2033, the Kansas film and digital media production development act workforce training and business direct investment fund shall be abolished. Upon abolishment of such fund, all liabilities of the Kansas film and digital media production development act workforce training and business direct investment fund shall be transferred to and imposed on the state general fund.

(f) On or before January 31, 2024, and each January 31 thereafter through January 31, 2033, the secretary of commerce shall submit an annual report to the house of representatives standing committee on commerce, labor and economic development and the senate standing committee on commerce on the administration of the Kansas film and digital media production development act workforce training and business direct investment fund and all grants or loans awarded from the fund. Such report shall contain specific and aggregate information regarding all expenditures from the fund, the businesses or Kansas postsecondary educational institutions receiving funds, the amount of funds expended for each grant or loan, the reason and purpose for which each grant or loan was approved, including how it was intended to further the purposes of the Kansas film and digital media production development act project workforce training and business direct investment fund, the actual use of the grant or loan funds by the recipient and the accomplishment of or progress made toward agreed milestones and objectives.";

And by renumbering sections accordingly;

On page 1, in the title, in line 3, by striking "and" and inserting a comma; also in line 3, before "program" by inserting "and loan and grant program"; in line 8, before "amending" by inserting "establishing the Kansas film and digital media production development act education fund and the Kansas film and digital media production development act workforce training and business direct investment fund;"

Senator _____