## SENATE BILL 6584

State of Washington 65th Legislature 2018 Regular Session

By Senators Hasegawa, Chase, and Saldaña

Read first time 01/31/18. Referred to Committee on Economic Development & International Trade.

- 1 AN ACT Relating to the motion picture competitiveness program;
- 2 amending RCW 43.365.020; and creating a new section.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. The legislature finds that the goal of the motion picture competitiveness program is to provide an economic development tool for rebuilding motion picture and associated creative industries' infrastructure by attracting producers who will support development of a strong and diverse motion picture industry.
- 9 Therefore, the legislature finds that it is necessary to ensure 10 that local producers have equity of access to industry opportunities 11 and to ensure that the motion picture competitiveness program is 12 achieving the desired result for the people of the state.
- 13 **Sec. 2.** RCW 43.365.020 and 2012 c 189 s 2 are each amended to 14 read as follows:
- 15 (1) The department must adopt criteria for the approved motion 16 picture competitiveness program with the sole purpose of revitalizing 17 the state's economic, cultural, and educational standing in the 18 national and international market of motion picture production. Rules 19 adopted by the department shall allow the program, within the 20 established criteria, to provide funding assistance only when it

p. 1 SB 6584

- captures economic opportunities for Washington's communities and businesses and shall only be provided under a contractual arrangement
- 3 with a private entity. In establishing the criteria, the department 4 shall consider:
- 5 (a) The additional income and tax revenue to be retained in the 6 state for general purposes;
- 7 (b) The creation and retention of family-wage jobs which provide 8 health insurance and payments into a retirement plan;
- 9 (c) The impact of motion picture projects to maximize in-state 10 labor and the use of in-state film production and film postproduction 11 companies;
- 12 (d) The impact upon the local economies and the state economy as 13 a whole, including multiplier effects;
- 14 (e) The intangible impact on the state and local communities that 15 comes with motion picture projects;
- 16 (f) The regional, national, and international competitiveness of 17 the motion picture filming industry;

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- (g) The revitalization of the state as a premier venue for motion picture production and national television commercial campaigns;
- 20 (h) Partnerships with the private sector to bolster film 21 production in the state and serve as an educational and cultural 22 purpose for its citizens;
  - (i) The vitality of the state's motion picture industry as a necessary and critical factor in promoting the state as a premier tourist and cultural destination;
- 26 (j) ((Giving preference to additional seasons of television 27 series that have previously qualified;
- (k)) Other factors the department may deem appropriate for the implementation of this chapter.
- 30 (2) The board of directors created under RCW 43.365.030 shall create and administer an account for carrying out the purposes of subsection (3) of this section.
  - (3) Money received by the approved motion picture competitiveness program shall be used only for:
- 35 (a) Health insurance and payments into a retirement plan, and 36 other costs associated with film production; and
- 37 (b) Staff and related expenses to maintain the program's proper 38 administration and operation.
- 39 (4) Except as provided otherwise in subsection (7) of this 40 section, maximum funding assistance from the approved motion picture

p. 2 SB 6584

competitiveness program is limited to an amount up to thirty percent of the total actual investment in the state of at least:

- (a) Five hundred thousand dollars for a single motion picture produced in Washington state; or
- (b) One hundred fifty thousand dollars for a television commercial associated with a national or regional advertisement campaign produced in Washington state.
- (5) Except as provided otherwise in subsection (7) of this section, maximum funding assistance from the approved motion picture competitiveness program is limited to an amount up to thirty-five percent of the total actual investment of at least three hundred thousand dollars per episode produced in Washington state. A minimum of six episodes of a series must be produced to qualify under this subsection. A maximum of up to thirty percent of the total actual investment from the approved motion picture competitiveness program may be awarded to an episodic series of less than six episodes.
- (6) With respect to costs associated with nonstate labor for motion pictures and episodic services, funding assistance from the approved motion picture competitiveness program is limited to an amount up to fifteen percent of the total actual investment used for costs associated with nonstate labor. To qualify under this subsection, the production must have a labor force of at least eighty-five percent of Washington residents. The board may establish additional criteria to maximize the use of in-state labor.
- (7)(a) The approved motion picture competitiveness program may allocate an annual aggregate of no more than ten percent of the qualifying contributions by the program under RCW 82.04.4489 to provide funding support for filmmakers who are Washington residents, new forms of production, and emerging technologies.
- (i) Up to thirty percent of the actual investment for a motion picture with an actual investment lower than that of motion pictures under subsection (4)(a) of this section; or
  - (ii) Up to thirty percent of the actual investment of an interactive motion picture intended for multiplatform exhibition and distribution.
- 36 (b) Subsections (4) and (5) of this section do not apply to this 37 subsection.
  - (8) Funding assistance approval must be determined by the approved motion picture competitiveness program within a maximum of

p. 3 SB 6584

- 1 thirty calendar days from when the application is received, if the
- 2 application is submitted after August 15, 2006.

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p. 4 SB 6584