

## **BILL SUMMARY**

1<sup>st</sup> Session of the 58<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB608</b>
<b>Version:</b>	<b>Floor Substitute (FA1)</b>
<b>Request Number:</b>	<b>8187</b>
<b>Author:</b>	<b>Rep. Fetgatter</b>
<b>Date:</b>	<b>4/20/2021</b>
<b>Impact:</b>	<b>General Revenue Fund Impact: \$50 Million annually</b>

**Economic Impact to the State:  
Unknown**

### **Research Analysis**

The floor substitute for SB 608 creates an incentive rebate program, administered by the Department of Commerce and the Tax Commission, for certain film and television series projects filmed or produced in Oklahoma. The total amount of rebate payments conditionally pre-qualified by the Department each fiscal year shall not exceed \$50 million, split into \$12.5 million for projects with total expenditures of less than \$7.5 million and \$37.5 million for projects with total expenditures of \$7.5 million or more. The base incentive amount is a maximum of 20 percent of the qualified production expenditure amount, and there are varying additional incentive amounts for certain qualifying projects.

The measure also requires projects to utilize apprentices and display a Department-approved logo in the end credits in order to qualify for the rebate.

The measure creates the Filmed In Oklahoma Program Revolving Fund, a continuing fund not subject to fiscal year limitations, for the purpose of paying the rebates. The provisions of the measure expire on June 30, 2031, at which point any money remaining in the Fund will be transferred to the General Revenue Fund.

Prepared By: Emily McPherson

### **Fiscal Analysis**

SB 608 in its current form creates the Filmed In Oklahoma Act of 2021 an incentive rebate program to be administered jointly by the Oklahoma Department of Commerce and the Oklahoma Tax Commission, for certain film and television projects filmed or produced in Oklahoma. The measure schedules the program to sunset at the end of FY 2031. The measure provides that total annual rebate payments not exceed \$50,000,000 and shall be paid from the Filmed in Oklahoma Program Revolving Fund (FOPR Fund) created in SB 608.

The measure funds the program by providing for the annual apportionment to the FOPR Fund of \$50,000,000 in income tax collections that would otherwise be directed to the General Revenue Fund. For this reason the measure will annually negatively impact the General Revenue Fund by \$50,000,000.

Additionally, SB 608 requires the Oklahoma Department of Commerce to administer the incentive payments in a way that achieves the maximum positive impact for the Oklahoma

economy. This requirement acknowledges that the measure is expected to generate economic activity in the state; however, at this time the level of economic impact that would result from SB 608 is unknown.

Prepared By: John McPhetridge

**Other Considerations**

None.

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