

**BILL SUMMARY**  
1<sup>st</sup> Session of the 59<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB2459</b>
<b>Version:</b>	<b>PCS2</b>
<b>Request Number:</b>	<b>7689</b>
<b>Author:</b>	<b>Rep. Hill</b>
<b>Date:</b>	<b>3/2/2023</b>
<b>Impact:</b>	<b>\$0</b>

**Research Analysis**

The second proposed committee substitute for HB 2459 modifies personnel definitions according to the [Filmed in Oklahoma Act of 2021](#) and authorizes the Department of Commerce to approve an additional incentive of five percent of the qualified production expenditure amount for projects that filmed on location at least 25 percent of the time. The Department is also authorized to approve another incentive of two percent of the qualified production expenditure amount for the post production costs of music production, recording, composition, or licensing of Oklahoma music. The measure requires projects that receive incentives to display a Department of Commerce-approved logo in the credits for at least five seconds.

Prepared By: Autumn Mathews

**Fiscal Analysis**

From the Oklahoma Tax Commission:

**Re:** PCS for HB 2459 (Req. No. 7689)

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The Proposed Committee Substitute for HB 2459 proposes to amend the Filmed in Oklahoma Act of 2021.

This measure proposes the following amendments:

- The definition of "**expenditure**" or "**production cost**" is amended to include the wages or salaries of persons who are enrolled as full-time students at a college or university located in the state offering an undergraduate degree program or who are on active military duty and stationed in Oklahoma and involved in a restorative workforce program; the definition of "**apprentice**" is amended to require an apprentice to complete safety training appropriate for the duties to be performed in connection with a qualified project and also to complete a course related to and with the objective of preventing workplace misbehavior, such as bullying and sexual harassment; and the definition of "**qualified soundstage facility**" is amended to require a total state rental cost to the production company to equal to at least 3% of the qualifying Oklahoma expenditures with respect to a production.
- Removing the provision allowing a 7.5% incentive for a project filmed in this state for wages paid to nonresident crew, not including above-the-line personnel, before July 1, 2023.
- Allowing an additional incentive amount of 2% of the qualified production expenditure amount for the post production expenses of music production, recording, mixing or composition, or licensing of Oklahoma music.
- Allowing color grading or digital intermediate processing, audio post production processes including Foley artist processes or services, and graphics, including but not limited to the GFX system to qualify as post-production expenditures.
- Requiring all production projects for which any incentive is paid shall contain a logo, as approved by the Oklahoma Department of Commerce, to be displayed in the credits of the finished production for a period of at least 5 seconds.

It is expected this measure will have no impact on state revenue collections.

There should be no impact on state revenue.

Additionally, the Department of Commerce, that oversees the Filmed in Oklahoma Act, does not believe the changes will create any fiscal impact for the agency, and therefore, there will be no fiscal impact for the state.

Prepared By: Mariah Searock, House Fiscal Staff

**Other Considerations**

None.

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