

COMMITTEE AMENDMENT

HOUSE OF REPRESENTATIVES

State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2219 _____
 _____ Of the printed Bill
 Page _____ Section _____ Lines _____
 _____ Of the Engrossed Bill

By deleting the content of the entire measure, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: Nick Archer _____

Reading Clerk

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 PROPOSED POLICY
4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 2219

By: Archer

7 PROPOSED POLICY COMMITTEE SUBSTITUTE

8 An Act relating to revenue and taxation; creating the
9 Crossroads Sound and Screen Act; providing
10 definitions; providing for rebates for certain
11 entities who create certain productions in certain
12 production facilities; providing additional rebates;
13 providing annual cap on amount a single entity may
14 receive for a single production; providing annual cap
15 for administering rebate; providing for Oklahoma
16 Department of Commerce and Oklahoma Tax Commission to
17 administer the rebate program; providing the Oklahoma
18 Tax Commission and Oklahoma Film and Music office to
19 promulgate rules; providing requirements for
20 eligibility for rebate; requiring Oklahoma Department
21 of Commerce to approve or disapprove rebate claims;
22 requiring recipients to participate in promotional
23 activities; requiring on-screen credit; creating the
24 Crossroads Sound and Screen Revolving Fund; providing
for noncodification; providing for codification; and
providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law not to be
codified in the Oklahoma Statutes reads as follows:

This act shall be known and may be cited as the "Crossroads
Sound and Screen Act".

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 5500 of Title 68, unless there
3 is created a duplication in numbering, reads as follows:

4 A. As used in this act:

5 1. "Qualified production" means music content created in whole
6 or in part within the State of Oklahoma, including music albums,
7 sound recordings, and original scores or soundtracks for motion
8 pictures, television, gaming, and digital multimedia;

9 2. "Qualified production company" means a natural person,
10 general partnership, limited partnership, limited liability
11 partnership, limited liability limited partnership, limited
12 liability company, corporation, trust, estate or any other lawfully
13 recognized entity engaged in producing a qualified production;

14 3. "Qualified production facility" means a building or
15 buildings in which music is intended to be regularly produced within
16 the State of Oklahoma, containing:

17 a. indoor, climate-controlled storage for materials
18 anticipated to be used or are being used for qualified
19 productions, and

20 b. at least three (3) indoor, fully insulated, climate-
21 controlled, and soundproof recording or scoring
22 studios or sound stages, and sufficient electrical
23 service so as to not need generators for ordinary
24 operation.

1 B. 1. A qualified production company shall be entitled to a
2 rebate for ten percent (10%) of the costs incurred for the use of a
3 qualified production facility for the creation of a qualified
4 production, provided that the costs are less than Twenty Thousand
5 Dollars (\$20,000.00). A qualified production company shall be
6 entitled to a rebate for twenty-five percent (25%) of the costs
7 incurred for the use of a qualified production facility for the
8 creation of a qualified production, provided that the costs are
9 equal to or exceed Twenty Thousand Dollars (\$20,000.00).

10 2. In addition to the rebate provided by paragraph 1 of this
11 subsection, a qualified production company shall be entitled to an
12 additional five percent (5%) rebate if at least fifty percent (50%)
13 of the qualified production's musicians, artists, producers, or
14 engineers are Oklahoma-based;

15 3. In addition to the rebate provided by paragraph 1 of this
16 subsection, a qualified production company shall be entitled to an
17 additional two percent (2%) rebate if the scoring, recording,
18 mixing, and all other music related work for a qualified production
19 is completed in the State of Oklahoma;

20 4. In addition to the rebate provided by paragraph 1 of this
21 subsection, a qualified production company shall be entitled to an
22 additional seven percent (7%) rebate if a qualified production
23 company, during the recording or production period, performs a
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1 public, ticketed concert in Oklahoma that meets the following
2 criteria:

- 3 a. the venue has a minimum capacity of five hundred
4 (500), or two hundred fifty (250), if in a rural area,
- 5 b. the performance is ticketed or part of an established
6 festival or event, and
- 7 c. there is public promotion for the concert.

8 In addition to the rebate provided for by this paragraph, the
9 qualified production company shall be entitled to addition two
10 percent (2%) rebate if the concert features an Oklahoma-based
11 opening act.

12 C. No qualified production company shall receive more than Five
13 Hundred Thousand Dollars (\$500,000.00) in rebates for a single
14 qualified production.

15 D. No rebate provided for in subsection B shall be available
16 after the first Ten Million Dollars (\$10,000,000.00) are expended
17 each year.

18 E. The Oklahoma Department of Commerce and the Oklahoma Tax
19 Commission shall administer the rebate program. The Oklahoma
20 Department of Commerce, the Oklahoma Tax Commission, and the
21 Oklahoma Film and Music Office may promulgate rules to implement the
22 provisions of this act.

23 F. To be eligible for a rebate payment a qualified production
24 company shall:

- 1 1. Submit an application and documentation to the Oklahoma
2 Department of Commerce as required by the Department;
 - 3 2. Have filed any Oklahoma tax returns and tax documents
4 required by law;
 - 5 3. Provide evidence that all Oklahoma crew and local vendors
6 have been paid and that there are no pending liens against the
7 production company in this state;
 - 8 4. Provide evidence of financing for production prior to the
9 commencement of principal photography;
 - 10 5. Provide evidence of a certificate of general liability
11 insurance with a minimum coverage of One Million Dollars
12 (\$1,000,000.00) and a workers' compensation policy in compliance
13 with law, which shall include coverage of employer's liability; and
 - 14 6. Provide evidence, as required by the Department, that the
15 projects pursuant to this act are completed.
- 16 G. The Department of Commerce shall approve or disapprove all
17 claims for rebate and shall notify the Tax Commission subject to the
18 limitations set forth in this act. Upon notification of approval
19 from the Department, the Commission shall issue payment for all
20 approved claims from funds held in the Crossroads Sound and Screen
21 Revolving Fund created pursuant to Section 2 of this act and subject
22 to the limitations set forth in Section 1 of this act. If the
23 amount of approved claims exceeds the balance of the revolving fund,
24 payments shall be made in the order the claims are approved by the

1 Department. If an approved claim is not paid in whole, the unpaid
2 claim or unpaid portion of the claim shall be paid upon the
3 availability of funds.

4 H. Any qualified production company receiving a rebate under
5 this act shall agree to participate in a minimum of three (3)
6 promotional efforts, which may include social media, press
7 interviews, event appearances, or other state-approved promotional
8 activities, and allow the Oklahoma Film and Music Office to include
9 their production in statewide marketing campaigns. Recipients of
10 any rebate under this act may be asked to participate in local
11 workshops, artist residences, or community events to foster
12 Oklahoma's growing music and film ecosystem.

13 I. Any qualified production company receiving a rebate under
14 this act that creates a qualified production that is shown through
15 film, television, or digital media shall provide on-screen credit
16 acknowledging the State of Oklahoma's contribution.

17 SECTION 3. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 5501 of Title 68, unless there
19 is created a duplication in numbering, reads as follows:

20 There is hereby created in the State Treasury a revolving fund
21 for the Oklahoma Tax Commission to be designated the "Crossroads
22 Sound and Screen Revolving Fund". The fund shall be a continuing
23 fund, not subject to fiscal year limitations, and shall consist of
24 all monies received by the Tax Commission which are specifically

1 required by law to be deposited in the fund, any public or private
2 donations, contributions, and gifts received for the benefit of the
3 fund and any amounts appropriated by the Oklahoma Legislature. All
4 monies accruing to the credit of the fund are hereby appropriated
5 and may be budgeted and expended by the Tax Commission for the
6 purpose of paying rebates as provided in this act. Expenditures
7 from the fund shall be made upon warrants issued by the State
8 Treasurer against claims filed as prescribed by law with the
9 Director of the Office of Management and Enterprise Services for
10 approval and payment.

11 SECTION 4. This act shall become effective November 1, 2025.

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