

By: Miles

S.B. No. 1459

A BILL TO BE ENTITLED

AN ACT

relating to benefits and incentives for media production in this state.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 485A.002(3), Government Code, is amended to read as follows:

(3) "Moving image project" means a visual and sound production, including a film, a television program, streaming content, a national or multistate commercial, or a digital interactive media production. The term does not include a production that is obscene, as defined by Section 43.21, Penal Code.

SECTION 2. Chapter 485A, Government Code, is amended by adding Subchapter G to read as follows:

SUBCHAPTER G. MEDIA PRODUCTION FACILITY INCENTIVE PROGRAM

Sec. 485A.301. DEFINITIONS. In this subchapter:

(1) "In-state construction spending" means the amount of money spent by a production company on the acquisition, construction, conversion, renovation, or lease of a media production facility.

(2) "Production company" has the meaning assigned by Section 485.021.

Sec. 485A.302. MEDIA PRODUCTION FACILITY INCENTIVE PROGRAM. (a) Using gifts, grants, donations, and appropriations

1 made available to the office for that purpose, the office shall
2 administer a grant program for production companies that:

3 (1) construct media production facilities at a
4 qualified media production location; or

5 (2) convert existing buildings or structures into
6 media production facilities at a qualified media production
7 location.

8 (b) The office shall develop a procedure for the submission
9 of grant applications and the awarding of grants under this
10 subchapter. The procedure must include:

11 (1) requirements for the submission, before facility
12 construction or conversion begins, of an estimate of total in-state
13 construction spending; and

14 (2) provisions relating to the submission of other
15 information considered useful and necessary by the office for an
16 adequate and accurate analysis of a production company's
17 qualifications for a grant under this subchapter.

18 (c) A production company is not required to reapply for a
19 grant under this subchapter for each year of the 10-year period
20 described by Section 485A.303(2).

21 (d) The office may accept gifts, grants, and donations for
22 the purpose of implementing this subchapter.

23 Sec. 485A.303. QUALIFICATION. To qualify for a media
24 production facility grant under this subchapter, a production
25 company must:

26 (1) be a:

27 (A) limited liability company, partnership, or

1 corporation formed or organized under the laws of this state; or
2 (B) joint venture or other legal entity in which
3 at least one entity that holds at least a 30 percent ownership
4 interest is a limited liability company, partnership, or
5 corporation formed or organized under the laws of this state; and
6 (2) commit to either constructing a media production
7 facility or converting an existing building or structure into a
8 media production facility and producing moving image projects for a
9 10-year period.

10 Sec. 485A.304. GRANT. The amount of a media production
11 facility grant under this subchapter is determined as follows:

12 (1) if the production company spent at least \$2
13 million but less than \$4 million on the facility, the amount of the
14 grant is equal to 10 percent of in-state construction spending on
15 the facility; or

16 (2) if the production company spent at least \$4
17 million on the facility, the amount of the grant is equal to 20
18 percent of in-state construction spending on the facility.

19 Sec. 485A.305. ADDITIONAL GRANT FOR UNDERUTILIZED AND
20 ECONOMICALLY DISTRESSED AREAS. In addition to the grants
21 calculated under Sections 485A.304 and 485A.306, a production
22 company that constructs a media production facility or converts an
23 existing building or structure into a media production facility in
24 an underutilized and economically distressed area is eligible for
25 an additional grant in an amount equal to 7.5 percent of the total
26 amount of the production company's in-state construction spending
27 for the facility.

1 Sec. 485A.306. ADDITIONAL GRANT FOR CERTAIN MEDIA
2 PRODUCTION FACILITIES. (a) In addition to the grants calculated
3 under Sections 485A.304 and 485A.305, a production company is
4 eligible for an additional grant in an amount equal to 7.5 percent
5 of the total amount of the company's in-state construction spending
6 for a media production facility if:

7 (1) the company constructs the facility or converts
8 the building or structure to produce projects with a focus on
9 persons from diverse ethnic backgrounds; and

10 (2) at least 35 percent of the persons employed at the
11 facility are women or are from diverse ethnic backgrounds.

12 (b) The office shall adopt rules prescribing the method by
13 which the office will determine whether a production company meets
14 the requirements for an additional grant under this section.

15 SECTION 3. This Act takes effect September 1, 2023.