

By: Miles

S.B. No. 1460

A BILL TO BE ENTITLED

AN ACT

relating to incentives for the moving image industry in this state.

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

SECTION 1. Section 485.021(1), Government Code, is amended to read as follows:

(1) "In-state spending" means the amount of money spent in Texas by a production company during the production and completion of a moving image project, including the amount spent on wages [~~to Texas residents~~]. The term does not include wages described by Section 485.024(b).

SECTION 2. Section 485.022(b), Government Code, is amended to read as follows:

(b) The office shall develop a procedure for the submission of grant applications and the awarding of grants under this subchapter. The procedure must include provisions relating to[+

~~(1) methods by which an individual's Texas residency as described by Section 485.021(4) can be proved, and~~

~~(2)]~~ requirements for the submission, before production of a moving image project begins, of:

(1) [~~(A)~~] an estimate of total in-state spending;

(2) [~~(B)~~] the shooting script or story board, as applicable;

(3) [~~(C)~~] the estimated number of jobs for cast and production crew during the production and completion of a moving

1 image project; and

2 (4) [~~(D)~~] any other information considered useful and  
3 necessary by the office for an adequate and accurate analysis of a  
4 production company's in-state spending.

5 SECTION 3. Section 485.023, Government Code, is amended to  
6 read as follows:

7 Sec. 485.023. QUALIFICATION. To qualify for a grant under  
8 this subchapter:

9 (1) a production company must have spent a minimum of:

10 (A) \$250,000 in in-state spending for a film or  
11 television program; or

12 (B) \$100,000 in in-state spending for a  
13 commercial or series of commercials, an educational or  
14 instructional video or series of educational or instructional  
15 videos, or a digital interactive media production;

16 ~~(2) [at least 70 percent of the production crew,~~  
17 ~~actors, and extras for a moving image project must be Texas~~  
18 ~~residents unless the office determines and certifies in writing~~  
19 ~~that a sufficient number of qualified crew, actors, and extras are~~  
20 ~~not available to the company at the time principal photography~~  
21 ~~begins,~~

22 [~~(3)~~] at least 60 percent of the moving image project  
23 must be filmed in Texas; and

24 (3) [~~(4)~~] a production company must submit to the  
25 office an expended budget, in a format prescribed by the office,  
26 that reflects all in-state spending and includes all receipts,  
27 invoices, pay orders, and other documentation considered necessary

1 by the office to accurately determine the amount of a production  
2 company's in-state spending that has occurred.

3 SECTION 4. Sections 485.024(a) and (b), Government Code,  
4 are amended to read as follows:

5 (a) Except as provided by Section 485.025, a grant under  
6 this subchapter for a moving image project may not be less than 20  
7 percent of the total amount of the production company's in-state  
8 spending on the project [~~exceed the amount established by office~~  
9 ~~rule~~]. The office shall adopt rules prescribing the method the  
10 office will use to calculate the amount of a grant under this  
11 subsection. The office shall publish a written summary of the  
12 method for determining grants before awarding a grant under this  
13 section. The method must consider at a minimum:

14 (1) the current and likely future effect a moving  
15 image project will have on employment, tourism, and economic  
16 activity in this state; and

17 (2) the amount of a production company's in-state  
18 spending for a moving image project.

19 (b) In calculating a grant amount under Section 485.025 or  
20 the amount of in-state spending for purposes of rules adopted under  
21 Subsection (a), the office may not include wages of persons,  
22 including an actor or director, employed in the production of a  
23 moving image project that exceed \$500,000 [~~\$1 million~~].

24 SECTION 5. Section 485.025, Government Code, is amended to  
25 read as follows:

26 Sec. 485.025. ADDITIONAL GRANT FOR UNDERUTILIZED AND  
27 ECONOMICALLY DISTRESSED AREAS. In addition to the grant calculated

1 under Section 485.024, a production company that spends at least 25  
2 percent of a moving image project's filming days in an  
3 underutilized and economically distressed area is eligible for an  
4 additional grant in an amount equal to 10 [~~2.5~~] percent of the total  
5 amount of the production company's in-state spending for the moving  
6 image project.

7 SECTION 6. Section 485.021(4), Government Code, is  
8 repealed.

9 SECTION 7. The changes in law made by this Act to Chapter  
10 485, Government Code, apply only to a grant awarded on or after the  
11 effective date of this Act. A grant awarded before the effective  
12 date of this Act is governed by the law in effect on the date the  
13 award was made, and the former law is continued in effect for that  
14 purpose.

15 SECTION 8. This Act takes effect September 1, 2023.