

By: Dukes

H.B. No. 1634

A BILL TO BE ENTITLED

AN ACT

relating to incentives for the film, television, and multimedia production industries.

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

SECTION 1. The heading to Subchapter B, Chapter 485, Government Code, is amended to read as follows:

SUBCHAPTER B. MOVING IMAGE [~~FILM~~] INDUSTRY INCENTIVE PROGRAM

SECTION 2. Section 485.021, Government Code, is amended to read as follows:

Sec. 485.021. DEFINITIONS. In this subchapter:

(1) "In-state spending" means the amount of spending in Texas generated by a moving image project, including the amount spent on wages to Texas residents.

(2) "Moving image project" [~~"Filmed entertainment"~~] means a visual and sound production, including a

[~~(A)~~] film,

[~~(B)~~] television program,

[~~(C)~~] national or multistate commercial, or digital interactive media production. The term does not include a production required to maintain records under 18 U.S.C. Section 2257 with respect to any performer portrayed on that single media or multimedia program.

(3) [~~(2)~~] "Production company" includes a film production company, television production company, digital

1 interactive media production company, or film and television
2 production company.

3 (4) [~~(3)~~] "Texas resident" means an individual who has
4 resided in Texas since the 120th [~~60th~~] day before the first day of:

5 (A) production in this state on a digital
6 interactive media production; or

7 (B) principal photography on another type of
8 project [~~a filmed entertainment~~].

9 (5) [~~(4)~~] "Underused area" includes any area of this
10 state other than the metropolitan areas of Austin, Houston, or
11 Dallas-Fort Worth.

12 SECTION 3. The heading to Section 485.022, Government Code,
13 is amended to read as follows:

14 Sec. 485.022. MOVING IMAGE [~~FILM~~] INDUSTRY INCENTIVE
15 PROGRAM.

16 SECTION 4. Sections 485.022(a) and (b), Government Code,
17 are amended to read as follows:

18 (a) The office shall administer a grant program for
19 production companies that produce moving image projects [~~filmed~~
20 ~~entertainments~~] in this state, to the extent that gifts, grants,
21 donations, or other money, including appropriations, are made
22 available to the office for that purpose.

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

26 (1) methods by which an individual's Texas residency
27 as described by Section 485.021(4) [~~485.021(3)~~] can be proved; and

1 (2) requirements for the submission, before
2 production of a moving image project [~~filmed entertainment~~] begins,
3 of an estimate of total in-state spending [~~wages that will be paid~~
4 ~~to Texas residents~~].

5 SECTION 5. 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) [r] a production company must generate [pay] a
10 minimum of:

11 (A) \$10 million in in-state spending
12 [~~(1) \$500,000 in wages to Texas residents~~] for a film or
13 television program; or

14 (B) \$1 million in in-state spending
15 [~~(2) \$50,000 in wages to Texas residents~~] for a commercial, [or]
16 series of commercials, or digital interactive media production;

17 (2) at least 80 percent of the production crew for a
18 moving image project must be Texas residents;

19 (3) at least 80 percent of the actors and extras in a
20 moving image project must be Texas residents; and

21 (4) a digital interactive media production:

22 (A) must be rated by the Entertainment Software
23 Rating Board; and

24 (B) may not be rated "Mature" or "Adults Only" by
25 the Entertainment Software Rating Board.

26 SECTION 6. Section 485.024, Government Code, is amended by
27 amending Subsection (a) and adding Subsection (c) to read as

1 follows:

2 (a) Except as provided by Section 485.025, a grant under
3 this subchapter may not exceed the lesser of[+]

4 [~~(1)~~] 20 percent of the wages paid to Texas residents
5 for a moving image project [~~filmed entertainment,~~] or:

- 6 (1) \$1.5 million for a film;
7 (2) \$2 million for a television program; or
8 (3) \$100,000 for a commercial, series of commercials,
9 or digital interactive media production [~~(2) — \$750,000~~].

10 (c) In calculating the amount of wages paid to a Texas
11 resident for a moving image project under Subsection (a), the
12 office may not include amounts that exceed \$50,000.

13 SECTION 7. This Act takes effect immediately if it receives
14 a vote of two-thirds of all the members elected to each house, as
15 provided by Section 39, Article III, Texas Constitution. If this
16 Act does not receive the vote necessary for immediate effect, this
17 Act takes effect September 1, 2007.