

1.1 A bill for an act

1.2 relating to tourism; providing reimbursements for certain film production costs;
1.3 amending Minnesota Statutes 2008, section 116U.26.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2008, section 116U.26, is amended to read:

1.6 **116U.26 FILM PRODUCTION JOBS PROGRAM.**

1.7 (a) The film production jobs program is created. The program shall be operated
1.8 by the Minnesota Film and TV Board with administrative oversight and control by the
1.9 director of Explore Minnesota Tourism. The program shall make payment to producers
1.10 of feature films, national television or Internet programs, documentaries, music videos,
1.11 and commercials that directly create new film jobs in Minnesota. To be eligible for a
1.12 payment, a producer must submit documentation to the Minnesota Film and TV Board of
1.13 expenditures for production costs incurred in Minnesota that are directly attributable to the
1.14 production in Minnesota of a film product.

1.15 The Minnesota Film and TV Board shall make recommendations to the director of
1.16 Explore Minnesota Tourism about program payment, but the director has the authority to
1.17 make the final determination on payments. The director's determination must be based
1.18 on proper documentation of eligible production costs submitted for payments. No more
1.19 than five percent of the funds appropriated for the program in any year may be expended
1.20 for administration.

1.21 (b) For the purposes of this section:

1.22 (1) "production costs" means the cost of the following:

1.23 (i) a story and scenario to be used for a film;

- 2.1 (ii) salaries of talent, management, and labor, including payments to personal
2.2 services corporations for the services of a performing artist;
- 2.3 (iii) set construction and operations, wardrobe, accessories, and related services;
- 2.4 (iv) photography, sound synchronization, lighting, and related services;
- 2.5 (v) editing and related services;
- 2.6 (vi) rental of facilities and equipment; or
- 2.7 (vii) other direct costs of producing the film in accordance with generally accepted
2.8 entertainment industry practice; and

2.9 (2) "film" means a feature film, television or Internet show, documentary, music
2.10 video, or television commercial, whether on film, video, or digital media. Film does not
2.11 include news, current events, public programming, or a program that includes weather
2.12 or market reports; a talk show; a production with respect to a questionnaire or contest; a
2.13 sports event or sports activity; a gala presentation or awards show; a finished production
2.14 that solicits funds; or a production for which the production company is required under
2.15 United States Code, title 18, section 2257, to maintain records with respect to a performer
2.16 portrayed in a single-media or multimedia program.

2.17 (c) Notwithstanding any other law to the contrary, the Minnesota Film and TV Board
2.18 may make reimbursements of up to 20 percent of film production costs for films that incur
2.19 production costs in excess of \$5,000,000 in Minnesota within a 12-month period or up to
2.20 15 percent of film production costs for films that incur production costs of \$5,000,000 or
2.21 less within a 12-month period.