

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 59th Legislature (2024)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 3964

By: Echols and Fetgatter of the
House

and

Hall of the Senate

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10 COMMITTEE SUBSTITUTE

11 An Act relating to television episodic film
12 production incentives; creating the Filmed in
13 Oklahoma Live Studio Audience Episodic TV Program
14 Revolving Fund; providing revolving fund limitations;
15 amending 68 O.S. 2021, Section 3633, which relates to
16 film rebate incentives; providing for issuing payment
17 from the Filmed in Oklahoma Live Studio Audience
18 Episodic TV Program Revolving Fund; providing for
19 codification; and declaring an emergency.

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

21 SECTION 1. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 3639.1 of Title 68, unless there
23 is created a duplication in numbering, reads as follows:

24 A. There is hereby created in the State Treasury a revolving
fund for the Oklahoma Tax Commission to be designated the "Filmed in
Oklahoma Live Studio Audience Episodic TV Program Revolving Fund".

1 The fund shall be a continuing fund, not subject to fiscal year
2 limitations, and shall consist of all monies received by the Tax
3 Commission which are specifically required by law to be deposited in
4 the fund, any public or private donations, contributions and gifts
5 received for the benefit of the fund and any amounts appropriated by
6 the Oklahoma Legislature. All monies accruing to the credit of the
7 fund are hereby appropriated and may be budgeted and expended by the
8 Tax Commission for the purpose of paying rebates as provided in this
9 act. Expenditures from the fund shall be made upon warrants issued
10 by the State Treasurer against claims filed as prescribed by law
11 with the Director of the Office of Management and Enterprise
12 Services for approval and payment.

13 B. Funds from the Filmed in Oklahoma Live Studio Audience
14 Episodic TV Program Revolving Fund shall only be used for the
15 purpose of episodic television filmed in Oklahoma with a live studio
16 audience.

17 C. Any unencumbered funds remaining in the Filmed in Oklahoma
18 Live Studio Audience Program Revolving Fund upon the expiration of
19 this act as provided in Section 3641 of this title shall be
20 transferred to the State Treasurer for deposit in the General
21 Revenue Fund.

22 SECTION 2. AMENDATORY 68 O.S. 2021, Section 3633, is
23 amended to read as follows:

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1 Section 3633. A. There is hereby created an incentive rebate
2 program for certain film projects and eligible television series
3 projects filmed or produced in Oklahoma who meet the requirements of
4 this act.

5 B. The rebate program shall be administered by the Oklahoma
6 Department of Commerce and the Oklahoma Tax Commission.

7 C. By October 1 of each year, the Oklahoma Department of
8 Commerce shall submit an annual report to the Speaker of the
9 Oklahoma House of Representatives, the President Pro Tempore of the
10 Oklahoma State Senate, the Chair of the Appropriations and Budget
11 Committee of the House of Representatives, the Chair of the
12 Appropriations Committee of the Senate and the Director of the
13 Legislative Office of Fiscal Transparency detailing the program and
14 incentive rebate payments.

15 D. The Oklahoma Department of Commerce and the Oklahoma Tax
16 Commission may promulgate rules to implement the provisions of this
17 act.

18 E. To be eligible for a rebate payment a production company
19 shall:

20 1. Submit an application and documentation to the Oklahoma
21 Department of Commerce as required by the Department;

22 2. Have filed any Oklahoma tax returns and tax documents
23 required by law;

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1 3. Provide evidence that all Oklahoma crew and local vendors
2 have been paid and that there are no pending liens against the
3 production company in this state;

4 4. Provide evidence of financing for production prior to the
5 commencement of principal photography;

6 5. Provide evidence of a certificate of general liability
7 insurance with a minimum coverage of One Million Dollars
8 (\$1,000,000.00) and a workers' compensation policy in compliance
9 with law, which shall include coverage of employer's liability; and

10 6. Provide evidence, as required by the Department, that the
11 projects pursuant to this act are completed.

12 F. A production company shall not be eligible to receive both a
13 rebate payment pursuant to the provisions of this act and an
14 exemption from sales tax pursuant to the provisions of paragraph 23
15 of section 1357 of Title 68 of the Oklahoma Statutes. If a
16 production company has received the exemption from sales taxes and
17 submits a claim for rebate pursuant to the provisions of this act,
18 the company shall be required to fully repay the amount of the
19 exemption to the Tax Commission. A claim for a rebate shall include
20 documentation from the Tax Commission that repayment has been made
21 as required in this subsection or shall include an affidavit from
22 the production company that the company has not received an
23 exemption from sales tax pursuant to the provisions of paragraph 23
24 of Section 1357 of Title 68 of the Oklahoma Statutes.

1 G. The Department of Commerce shall approve or disapprove all
2 claims for rebate and shall notify the Tax Commission subject to the
3 limitations set forth in Section ~~4 of this act~~ 3634 of this title.
4 Upon notification of approval from the Department, the Commission
5 shall issue payment for all approved claims from funds held in the
6 Filmed in Oklahoma Program Revolving Fund created pursuant to
7 Section ~~9 of this act~~ 3639 of this title and the Filmed in Oklahoma
8 Live Studio Audience Episodic TV Program Revolving Fund created
9 pursuant to section 2 of this act, and subject to the limitations
10 set forth in Section ~~4 of this act~~ 3634 of this title. If the
11 amount of approved claims exceeds the balance of the revolving fund,
12 payments shall be made in the order the claims are approved by the
13 Department. If an approved claim is not paid in whole, the unpaid
14 claim or unpaid portion of the claim shall be paid upon the
15 availability of funds.

16 SECTION 3. This act shall become effective July 1, 2024.

17 SECTION 4. It being immediately necessary for the preservation
18 of the public peace, health or safety, an emergency is hereby
19 declared to exist, by reason whereof this act shall take effect and
20 be in full force from and after its passage and approval.

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22 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
23 02/26/2024 - DO PASS, As Amended and Coauthored.

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