

1 ENGROSSED HOUSE AMENDMENT
TO
2 ENGROSSED SENATE BILL NO. 737

By: Hall of the Senate

3 and

4 Fetgatter of the House
5
6

7 An Act relating to film rebate incentives; amending
8 68 O.S. 2021, Sections 3635 and 3638, which relates
9 to the Filmed in Oklahoma Act of 2021; modifying
10 period for certain rate of reimbursement; modifying
11 requirements to provide certain promotional materials
12 for this state; updating statutory reference;
13 clarifying statutory language; and declaring an
14 emergency.

15 AMENDMENT NO. 1. Strike the title, enacting clause and entire bill
16 and insert:

17 "An Act relating to film rebate incentives; amending
18 68 O.S. 2021, Sections 3635 and 3638, which relate to
19 the Filmed in Oklahoma Act of 2021; modifying period
20 for certain rate of reimbursement; modifying
21 requirements to provide certain promotional materials
22 for this state; updating statutory reference;
23 clarifying statutory language; and declaring an
24 emergency.

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

SECTION 1. AMENDATORY 68 O.S. 2021, Section 3635, is
amended to read as follows:

1 Section 3635. A. Subject to the final approval of the
2 eligibility application by the Oklahoma Department of Commerce, a
3 requirement that the incentive payments made pursuant to the
4 provisions of ~~this act~~ the Filmed in Oklahoma Act of 2021 achieve
5 the maximum positive impact for the Oklahoma economy and subject to
6 the Oklahoma workforce requirements of Section ~~7 3637~~ of this ~~act~~
7 title, the base incentive amount for a project filmed in this state
8 shall be a maximum of twenty percent (20%) of the qualified
9 production expenditure amount. An incentive for a project filmed in
10 this state for wages paid to nonresident crew, not including above-
11 the-line personnel, before ~~July 1, 2023~~ April 1, 2023, shall be
12 provided in the amount of seven and one-half percent (7.5%).

13 B. In addition to the amount authorized by subsection A of this
14 section, there may be an additional incentive amount, subject to the
15 final approval of the Oklahoma Department of Commerce, in the
16 maximum amount of:

17 1. Three percent (3%) of the qualified production expenditure
18 amount for projects where at least twenty-five percent (25%) of main
19 crew principal photography days are filmed on location, excluding
20 sound stage production, in any county of this state if the county
21 has a population of less than two hundred fifty thousand (250,000)
22 persons according to the ~~federal~~ Federal Decennial Census or most
23 recent population estimate;

24

1 2. Two percent (2%) of the qualified production expenditure
2 amount for projects whose hub location, as determined by the
3 Department, is ~~or~~ for projects where at least twenty-five percent
4 (25%) of main crew principal photography days are filmed on
5 location, excluding sound stage production, in a municipality having
6 a population of thirteen thousand (13,000) or fewer persons
7 according to the ~~federal~~ Federal Decennial Census or most recent
8 population estimate regardless of the county in which the
9 municipality is located or partially located;

10 3. Five percent (5%) of the qualified production expenditure
11 amount for soundstage expenditures if at least twenty-five percent
12 (25%) of main crew principal photography days are filmed at a
13 qualified soundstage facility;

14 4. For eligible television series as defined in paragraph 4 of
15 Section ~~2~~ 3632 of this ~~act~~ title:

16 a. two percent (2%) of the qualified production
17 expenditure amount for an eligible television episodic
18 pilot, and

19 b. five percent (5%) of the qualified production
20 expenditure amount if a television series is filmed
21 for one or more seasons;

22 5. Five percent (5%) of the qualified production expenditure
23 amount for an eligible multi-film deal as defined in paragraph 7 of
24 Section ~~2~~ 3632 of this ~~act~~ title; and

1 6. Three percent (3%) of the qualified production expenditure
2 amount based on expenditures paid to Oklahoma vendors for post-
3 production expenses with a minimum expenditure of three percent (3%)
4 of Oklahoma production expenditures. Post-production expenditures
5 include but are not limited to the following categories:

- 6 a. sound recording or mixing,
- 7 b. color grading,
- 8 c. editorial work,
- 9 d. visual effects,
- 10 e. animation,
- 11 f. deliverables, excluding marketing and advertising,
- 12 g. music production, recording, mixing or composition,
- 13 h. licensing of Oklahoma music, and
- 14 i. editing equipment or editing facility rental.

15 SECTION 2. AMENDATORY 68 O.S. 2021, Section 3638, is
16 amended to read as follows:

17 Section 3638. All production projects for which any incentive
18 is paid pursuant to the provisions of this act shall contain a logo,
19 as approved by the Oklahoma Department of Commerce, to be displayed
20 in the ~~end~~ credits of the finished production for a period of at
21 least five (5) seconds or, if the production does not contain ~~end~~
22 credits, the Oklahoma Department of Commerce shall obtain a
23 commitment by the production company to provide equivalent value as
24 determined by the Oklahoma Department of Commerce.

1 SECTION 3. It being immediately necessary for the preservation
2 of the public peace, health or safety, an emergency is hereby
3 declared to exist, by reason whereof this act shall take effect and
4 be in full force from and after its passage and approval."

5 Passed the House of Representatives the 18th day of April, 2023.

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Presiding Officer of the House of
Representatives

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10 Passed the Senate the ____ day of _____, 2023.

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Presiding Officer of the Senate

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1 ENGROSSED SENATE
BILL NO. 737

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6 An Act relating to film rebate incentives; amending
7 68 O.S. 2021, Sections 3635 and 3638, which relates
8 to the Filmed in Oklahoma Act of 2021; modifying
9 period for certain rate of reimbursement; modifying
10 requirements to provide certain promotional materials
11 for this state; updating statutory reference;
12 clarifying statutory language; and declaring an
13 emergency.

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

15 SECTION 4. AMENDATORY 68 O.S. 2021, Section 3635, is
16 amended to read as follows:

17 Section 3635. A. Subject to the final approval of the
18 eligibility application by the Oklahoma Department of Commerce, a
19 requirement that the incentive payments made pursuant to the
20 provisions of ~~this act~~ the Filmed in Oklahoma Act of 2021 achieve
21 the maximum positive impact for the Oklahoma economy and subject to
22 the Oklahoma workforce requirements of ~~Section 7 of this act~~ Section
23 3637 of this title, the base incentive amount for a project filmed
24 in this state shall be a maximum of twenty percent (20%) of the
qualified production expenditure amount. An incentive for a project
filmed in this state for wages paid to nonresident crew, not

1 including above-the-line personnel, before ~~July 1, 2023~~ April 1,
2 2023, shall be provided in the amount of seven and one-half percent
3 (7.5%).

4 B. In addition to the amount authorized by subsection A of this
5 section, there may be an additional incentive amount, subject to the
6 final approval of the Oklahoma Department of Commerce, in the
7 maximum amount of:

8 1. Three percent (3%) of the qualified production expenditure
9 amount for projects where at least twenty-five percent (25%) of main
10 crew principal photography days are filmed on location, excluding
11 sound stage production, in any county of this state if the county
12 has a population of less than two hundred fifty thousand (250,000)
13 persons according to the ~~federal~~ Federal Decennial Census or most
14 recent population estimate;

15 2. Two percent (2%) of the qualified production expenditure
16 amount for projects whose hub location, as determined by the
17 Department, is ~~or~~ for projects where at least twenty-five percent
18 (25%) of main crew principal photography days are filmed on
19 location, excluding sound stage production, in a municipality having
20 a population of thirteen thousand (13,000) or fewer persons
21 according to the ~~federal~~ Federal Decennial Census or most recent
22 population estimate regardless of the county in which the
23 municipality is located or partially located;

24

1 3. Five percent (5%) of the qualified production expenditure
2 amount for soundstage expenditures if at least twenty-five percent
3 (25%) of main crew principal photography days are filmed at a
4 qualified soundstage facility;

5 4. For eligible television series as defined in paragraph 4 of
6 Section ~~2~~ 3632 of this ~~act~~ title:

7 a. two percent (2%) of the qualified production
8 expenditure amount for an eligible television episodic
9 pilot, and

10 b. five percent (5%) of the qualified production
11 expenditure amount if a television series is filmed
12 for one or more seasons;

13 5. Five percent (5%) of the qualified production expenditure
14 amount for an eligible multi-film deal as defined in paragraph 7 of
15 Section ~~2~~ 3632 of this ~~act~~ title; and

16 6. Three percent (3%) of the qualified production expenditure
17 amount based on expenditures paid to Oklahoma vendors for post-
18 production expenses with a minimum expenditure of three percent (3%)
19 of Oklahoma production expenditures. Post-production expenditures
20 include but are not limited to the following categories:

21 a. sound recording or mixing,

22 b. color grading,

23 c. editorial work,

24 d. visual effects,

- e. animation,
- f. deliverables, excluding marketing and advertising,
- g. music production, recording, mixing or composition,
- h. licensing of Oklahoma music, and
- i. editing equipment or editing facility rental.

SECTION 5. AMENDATORY 68 O.S. 2021, Section 3638, is amended to read as follows:

Section 3638. All production projects for which any incentive is paid pursuant to the provisions of this act shall contain a ~~logo~~ qualifying promotion of this state, as approved by the Oklahoma Department of Commerce, ~~to be displayed in the end credits of the finished production or, if the production does not contain end credits, the Oklahoma Department of Commerce shall obtain a commitment by the production company to provide equivalent value as determined by the Oklahoma Department of Commerce~~ which shall include the following:

1. For a film production with end credits, a five (5) second long static or animated logo, approved by the Department, in the end credits before the below-the-line crew crawl for the life of the project;

2. For a film production without end credits and television series or projects, a five (5) second long static or animated logo, approved by the Department, during each broadcast worldwide for the life of the project; or

