

## HOUSE BILL NO. HB0164

Wyoming film production incentive.

Sponsored by: Joint Travel, Recreation, Wildlife & Cultural  
Resources Interim Committee

A BILL

for

1 AN ACT relating to economic development; creating the Wyoming  
2 film production incentive program; authorizing incentives for  
3 qualified film productions; authorizing investments in  
4 branded entertainment; authorizing matching funds for local  
5 film production opportunities; requiring rulemaking;  
6 providing for penalties; requiring reports; providing for a  
7 transfer of funds; and providing for an effective date.

8

9 *Be It Enacted by the Legislature of the State of Wyoming:*

10

11 **Section 1.** W.S. 9-12-410 through 9-12-414 are created  
12 to read:

13

14 **9-12-410. Wyoming film production incentive program;**  
15 **creation; account.**

1

2 (a) There is created the Wyoming film production  
3 incentive program to be administered by the Wyoming tourism  
4 board. The purpose of the program is to:

5

6 (i) Encourage the use of the state as a site for  
7 filming and providing production services for filmed  
8 entertainment;

9

10 (ii) Promote the state as a tourist destination  
11 through investments in branded entertainment; and

12

13 (iii) Match funds from local lodging taxes to  
14 support local film production opportunities.

15

16 (b) There is created the Wyoming film production  
17 incentive account. The account shall consist of those funds  
18 appropriated to the account by the legislature and all  
19 contributions, grants, gifts, bequests and donations to the  
20 account. Funds in the account shall not revert and are  
21 continuously appropriated to the board to be used only for  
22 the purposes authorized under this act. The board shall report

1 the balance carried forward in the account in the agency's  
2 biennial budget request submitted under W.S. 9-2-1013.

3

4 **9-12-411. Wyoming film production incentive;**  
5 **definitions.**

6

7 (a) As used in this act:

8

9 (i) "Board" means the Wyoming tourism board;

10

11 (ii) "Branded entertainment" means opportunities  
12 for the board to contract with, enter into an agreement or  
13 partner with production companies, major brands or other  
14 projects with Wyoming related video content;

15

16 (iii) "Filmed entertainment" means any motion  
17 picture, television production, commercial or music video to  
18 be sold or displayed in electronic medium or film motion  
19 pictures;

20

21 (iv) "Local film production opportunities" means  
22 any filmed entertainment or other entertainment medium that

1 would benefit a local community and would likely encourage  
2 members of the public to visit the local community;

3

4 (v) "Local lodging tax board" means any city, town  
5 or joint powers board imposing a tax as authorized by W.S.  
6 39-15-204(a)(ii);

7

8 (vi) "Production costs" means the total cost of  
9 producing filmed entertainment;

10

11 (vii) "Program" means the Wyoming film production  
12 incentive program created under this act;

13

14 (viii) "Qualified expenditures" mean expenditures  
15 for goods purchased or leased or services purchased, leased  
16 or employed from a vendor or supplier who is located and doing  
17 business in this state if the expenditure was made in this  
18 state and was made for a qualified production. Qualified  
19 expenditures for which reimbursement may be made are limited  
20 to:

21

22 (A) Salaries and employment benefits for  
23 services rendered in this state;

1

2 (B) Rents for real and personal property  
3 located in this state and used in a qualified production;

4

5 (C) Payments for preproduction, production,  
6 post-production and digital media effects services located in  
7 this state;

8

9 (D) Costs of set construction located in this  
10 state.

11

12 (ix) "Qualified production" means filmed  
13 entertainment totally or partially produced and filmed in  
14 this state that would have widespread public appeal and would  
15 likely encourage members of the public to visit the state of  
16 Wyoming;

17

18 (x) "This act" means W.S. 9-12-410 through  
19 9-12-414.

20

21 **9-12-412. Wyoming film production incentive program;**  
22 **qualified production reimbursements; eligibility; procedure;**  
23 **contractual commitments.**

1

2 (a) To the extent funding is available, the board may  
3 contract with any entity engaged in making a qualified  
4 production in this state for reimbursement of up to fifteen  
5 percent (15%) of the entity's qualified expenditures if:

6

7 (i) The board determines the production is a  
8 qualified production;

9

10 (ii) At least two hundred thousand dollars  
11 (\$200,000.00) in total qualified expenditures are made; and

12

13 (iii) The board determines that the contract will  
14 provide adequate benefit to the state in exchange for the  
15 reimbursement to be provided under the contract. No  
16 reimbursement shall exceed the amount of measurable benefit  
17 gained by the state. Measurable benefits that may be  
18 considered by the board include:

19

20 (A) Providing a storyline that is set in  
21 Wyoming;

22

1                   (B) Providing Wyoming footage, interviews  
2 and other marketing materials that highlight Wyoming;

3

4                   (C) Providing a clear statement in the  
5 credits that the production was filmed in Wyoming.

6

7           (b) The board shall by rule and regulation establish a  
8 process by which a contract under this act is formulated and  
9 executed and reimbursement amounts are determined and paid.  
10 The rules and regulations shall include a process for  
11 determining:

12

13                   (i) Whether the production is a qualified  
14 production;

15

16                   (ii) The appropriate level of reimbursement for  
17 qualified expenditures.

18

19           (c) The board shall require a signed affidavit by a  
20 person authorized to commit the contracting entity that any  
21 information provided to the board has been verified and is  
22 correct.

23

1           (d) No reimbursement for qualified expenditures shall  
2 be made by the board unless the qualified production is  
3 complete and substantially all contractual commitments made  
4 to the board have been fulfilled in accordance with the  
5 contract. If a qualified production is not completed  
6 according to a reasonable schedule as provided in the  
7 contract, the contract shall be terminated.

8

9           **9-12-413. Wyoming film production incentive program;**  
10 **branded entertainment; matching funds for local film**  
11 **production opportunities.**

12

13           (a) To the extent funding is available, the board may  
14 contract, enter into an agreement or otherwise partner with  
15 an entity to produce branded entertainment. The board shall  
16 not enter into any contract, agreement or partnership under  
17 this subsection unless the board determines that the  
18 production will provide measurable benefit to the state and  
19 that the costs of production do not exceed the amount of  
20 measurable benefit gained by the state resulting from the  
21 production of branded entertainment. The measurable benefit  
22 under this subsection may include the use of motion picture,  
23 television production, commercial or music video or other

1 entertainment medium to raise the visibility of the Wyoming  
2 brand, increase marketing reach, utilize partner distribution  
3 channels or reach target audiences.

4

5 (b) To the extent funding is available, the board may  
6 contract, enter into an agreement or otherwise partner with  
7 a local lodging tax board for purposes of providing matching  
8 funds for local film production opportunities. No matching  
9 funds shall be expended by the board unless the board  
10 determines the funds would provide a measurable benefit to  
11 the local community and that the costs do not exceed the  
12 amount of measurable benefit gained by the local community.  
13 The measurable benefit under this subsection may include an  
14 increase in awareness and marketing reach for the local  
15 community as a tourist destination.

16

17 (c) The board shall by rule and regulation establish a  
18 process by which contracts, agreements or partnerships under  
19 this section are formulated and executed and investment  
20 amounts and matching funds are determined.

21

22 **9-12-414. Wyoming film production incentive program;**  
23 **reporting; fraudulent claims.**

1

2 (a) The sum of all contractual obligations, investments  
3 and matching funds expended under this act shall not exceed  
4 the total amount available for the program for any fiscal  
5 biennium.

6

7 (b) The board shall include within its biennial budget  
8 request submitted under W.S. 9-2-1013 a report on  
9 expenditures under this act in each of the immediately  
10 preceding two (2) fiscal years. The report shall include the  
11 return to the state on funds expended pursuant to this act.

12

13 (c) An entity that obtains payment under this act  
14 through a claim that is fraudulent is liable for reimbursement  
15 equal to three (3) times the amount paid and reimbursement of  
16 reasonable costs incurred by the state in investigating the  
17 fraudulent claim. The amounts under this subsection are in  
18 addition to any criminal penalty for which the entity is  
19 liable for the same acts.

20

21 **Section 2.** W.S. 39-15-211(a)(ii)(B)(I) is amended to  
22 read:

23

1           **39-15-211. Distribution.**

2

3           (a) For all revenue collected by the department from  
4 the taxes imposed under W.S. 39-15-204(a)(i), (ii), (v) and  
5 (vi) the department shall:

6

7                   (ii) For revenues collected under W.S.  
8 39-15-204(a)(ii):

9

10                           (B) Except as provided in subparagraph  
11 (a)(ii)(C) of this section, distribute the balance on a  
12 monthly basis to the treasurer of each county, city or town  
13 imposing the tax in an amount equal to the amount collected  
14 in each entity less the costs of collection as provided by  
15 subparagraph (a)(ii)(A) of this section. Amounts distributed  
16 under this subparagraph shall be used for the following  
17 purposes:

18

19                                   (I) Except as provided by subdivision  
20 (III) of this subparagraph, at least ninety percent (90%) of  
21 the amount distributed shall be used to promote travel and  
22 tourism within the county, city or town imposing the tax.  
23 Expenditures for travel and tourism promotion shall be

1 limited to promotional materials, television and radio  
2 advertising, printed advertising, promotion of tours and  
3 other specific tourism related objectives and for local film  
4 production opportunities as provided in W.S. 9-12-413(b),  
5 provided that none of these funds shall be spent for capital  
6 construction or improvements and not more than forty thousand  
7 dollars (\$40,000.00) of these funds shall be spent for  
8 purposes of matching state general funds under the matching  
9 funds program administered by the Wyoming business council.  
10 If the amount is collected under a tax imposed countywide,  
11 expenditures of this amount shall be made in accordance with  
12 the Uniform Municipal Fiscal Procedures Act by a joint powers  
13 board established pursuant to law by the county and a majority  
14 of incorporated municipalities within the county. Membership  
15 of the board shall include at least one (1) representative  
16 appointed by each governmental entity made a party to the  
17 agreement and the majority of the board membership shall be  
18 comprised of representatives of the travel and tourism  
19 industry;

20

21 **Section 3.** W.S. 9-12-407 is repealed.

22

1           **Section 4.** Notwithstanding W.S. 9-2-1008, 9-2-1012(e)  
2 and 9-4-207(a), of unexpended, unobligated monies  
3 appropriated from the general fund to the Wyoming tourism  
4 board under 2018 Wyoming Session Laws, Chapter 134, Section  
5 2, Section 066, up to sixteen thousand dollars (\$16,000.00)  
6 or as much thereof as is available, shall not revert on June  
7 30, 2020 and is hereby reappropriated to the board of tourism  
8 to be deposited in the Wyoming film production incentive  
9 account created by this act.

10

11           **Section 5.** This act is effective immediately upon  
12 completion of all acts necessary for a bill to become law as  
13 provided by Article 4, Section 8 of the Wyoming Constitution.

14

15

(END)