

ENROLLED ACT NO. 55, HOUSE OF REPRESENTATIVES

FIFTY-NINTH LEGISLATURE OF THE STATE OF WYOMING
2007 GENERAL SESSION

AN ACT relating to economic development; creating the entertainment industry financial incentives program; authorizing incentives for qualified film productions; providing for administration of the program; providing penalties for false claims; providing an appropriation; providing a sunset for the program; and providing for an effective date.

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

Section 1. W.S. 9-12-402 through 9-12-407 are created to read:

9-12-402. Film industry financial incentive program; creation.

There is created the film industry financial incentive program to encourage the use of this state as a site for filming and providing production services for filmed entertainment. The program shall be administered by the business council.

9-12-403. Film industry financial incentive program; definitions.

(a) As used in this article:

(i) "Filmed entertainment" means any one (1) motion picture, television production, commercial or music video to be sold or displayed in electronic medium or film motion pictures;

(ii) "Production costs" means the total cost of producing filmed entertainment;

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(iii) "Program" means the film industry financial incentive program created under this article;

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

(A) Salaries and employment benefits for services rendered in and to residents of this state;

(B) Rents for real and personal property located in this state used in the production;

(C) Payments for preproduction, production, post-production and digital media effects services provided in this state;

(D) Costs of set construction provided in this state.

(v) "Qualified production" means filmed entertainment totally or partially produced and filmed in this state that would have widespread public appeal and would likely encourage members of the public to visit the state of Wyoming.

9-12-404. Film industry financial incentive program; reimbursement eligibility; submission of required documentation; payment.

(a) The business council may contract with the makers of a qualified production to provide a reimbursement of up

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to fifteen percent (15%) of the production's qualified expenditures if a minimum of five hundred thousand dollars (\$500,000.00) in total qualified expenditures are made.

(b) The sum of all contractual obligations under this section shall not exceed the total appropriation available for the program for any fiscal biennium.

(c) A qualified production applying for a payment under this section shall submit documentation for claimed qualified expenditures to the council.

9-12-405. Film industry financial incentive program; contract required; procedure; approval process.

(a) The council may contract with any entity engaged in this state in producing filmed entertainment for reimbursement of qualified expenditures as provided in this article. The council shall be provided information required to determine if the production is a qualified production and to determine the qualified expenditures, production costs and other information necessary for the council to determine both eligibility for and the appropriate level of reimbursement. No reimbursement shall be made unless the council has entered into an agreement which provides for adequate consideration to the state in exchange for the reimbursement provided. No reimbursement of qualified expenditures shall be made by the council until the qualified production is complete and substantially all contractual commitments made to the council have been fulfilled. If a qualified production is not completed according to a reasonable schedule, the contract shall be terminated and funds reallocated to other qualified productions.

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(b) The council shall establish a process by which a contract under this article is formulated and executed and reimbursement amounts are determined. The council shall require information including, but not limited to:

(i) Production related employment;

(ii) Proposed total production budgets;

(iii) Planned expenditures in this state which are intended for use exclusively as an integral part of preproduction, production or post-production activities engaged in primarily in this state; and

(iv) A signed affidavit by a person authorized to commit the entity that the information provided to the council has been verified and is correct.

(d) The council shall not contract with any qualified production for reimbursement of qualified expenditures under this article unless the council determines that adequate consideration to the state in exchange for the reimbursement will be provided under the contract. The reimbursement shall not exceed the amount of measurable benefit gained by the state resulting from the qualified production expenditures. The consideration may include but is not limited to:

(i) Providing a storyline that is set in Wyoming;

(ii) Providing additional Wyoming behind the scenes footage;

(iii) Using Wyoming props and product placement;
and

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(iv) Providing a clear statement in the credits that the product was filmed in Wyoming.

9-12-406. Film industry financial incentive program; rules and regulations; fraudulent claims; reporting.

(a) The council may adopt rules and regulations to implement this article, including, but not limited to, requirements for the contract process, requirements for substantial completion of contractual commitments, records required for submission for substantiation of reimbursement and determination of and qualification for reimbursement.

(b) An entity that obtains payment under this article through a claim that is fraudulent is liable for reimbursement of the amount paid plus an amount double the payment plus reimbursement of reasonable costs. The amounts under this subsection are in addition to any criminal penalty for which the entity is liable for the same acts. The entity shall also be liable for costs and fees incurred by the state in investigating and prosecuting the fraudulent claim.

(c) The council shall include in its annual report under W.S. 9-12-112, and shall report to the joint travel, recreation, wildlife and cultural resources interim committee and the joint appropriations interim committee by October 1 each year, expenditures under this article and the return to the state on funds expended pursuant to this article.

9-12-407. Sunset provision.

W.S. 9-2-402 through 9-2-406 [9-12-402 through 9-12-406] are repealed effective June 30, 2011.

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Section 2. W.S. 9-12-104(a) by creating a new paragraph (xxi) and 9-12-112(a) by creating a new paragraph (v) are amended to read:

9-12-104. General powers and duties of the council.

(a) Except as otherwise limited by this act, the council may:

(xxi) Administer the film industry financial incentive program as provided in W.S. 9-12-402 through 9-12-406.

9-12-112. Annual report and budget.

(a) The council shall submit an annual report in the manner provided by W.S. 9-2-1014 and using the benchmarks prescribed in this act. In addition to the requirements of W.S. 9-2-1014, included within the annual report shall be:

(v) A report of the film industry financial incentive program as provided in W.S. 9-12-406.

Section 3. There is appropriated one million dollars (\$1,000,000.00) from the general fund to the business council for the fiscal period commencing July 1, 2007 and ending June 30, 2008, for purposes of providing entertainment industry financial incentive program reimbursements authorized under this act. Any money not expended by June 30, 2008 shall not revert to the general fund.

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Section 4. It is the purpose of this act to promote economic development at the city, town and county level in order to create additional economic health and a diversified state economy, to provide promotion and public visibility of Wyoming as a tourist or business destination, to provide new employment opportunities within Wyoming for Wyoming workers, to create the entertainment industry financial incentives program and to authorize incentives for qualified film productions.

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

(END)

Speaker of the House

President of the Senate

Governor

TIME APPROVED: _____

DATE APPROVED: _____

I hereby certify that this act originated in the House.

Chief Clerk