

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO.

Wyoming film production rebates program.

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

A BILL

for

1 AN ACT relating to economic development; creating the
2 Wyoming film production rebates program; authorizing
3 monetary rebates for qualified productions as specified;
4 providing definitions; imposing auditing requirements;
5 requiring rulemaking; providing for penalties; requiring
6 reports; making conforming amendments; providing an
7 appropriation; and providing for effective dates.

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:

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2 **9-12-410. Wyoming film production rebates program;**
3 **creation; purpose; administration; rulemaking.**

4

5 (a) There is created the Wyoming film production
6 rebates program to be administered by the Wyoming tourism
7 board. The purpose of the program shall be to support
8 economic development by:

9

10 (i) Fostering the use of the state of Wyoming as
11 a site for film and digital entertainment productions and
12 services;

13

14 (ii) Bolstering the visitor economy by promoting
15 the state as a tourist destination; and

16

17 (iii) Benefitting Wyoming communities by creating
18 local jobs and training opportunities.

19

20 (b) To the extent funding is available, the board may
21 contract with an entity to provide monetary rebates to that
22 entity engaged in making a qualified production in this
23 state in accordance with this act. The sum of all

1 contractual obligations under this act shall not exceed the
2 total appropriation available for the program for any
3 fiscal biennium. The board shall promulgate rules necessary
4 to administer the program consistent with this act. The
5 rules shall include provisions defining the process for
6 applying for monetary rebates under the program,
7 establishing terms by which a contract under this program
8 shall be formulated and executed and establishing rebate
9 amounts and payment methods.

10

11 **9-12-411. Definitions.**

12

13 (a) As used in this act:

14

15 (i) "Below-the-line" means the expenses of a
16 film or digital entertainment production that are
17 professional, technical or requiring manufacturing, that do
18 not directly relate to the creative side of a production
19 and includes all expenses for labor and crew positions
20 except for producers, directors, screenwriters and the
21 principal cast;

22

23 (ii) "Board" means the Wyoming tourism board;

1

2 (iii) "Entity" means the person who is applying
3 for monetary rebates under the program for a qualified
4 production;

5

6 (iv) "Program" means the Wyoming film production
7 rebates program created under this act, and includes tier 1
8 or tier 2 of the program as the context requires;

9

10 (v) "Qualified expenditures" mean expenditures
11 for goods purchased or leased, or services purchased,
12 leased or employed from a vendor or supplier who is located
13 in and doing business in this state if the expenditure was
14 made in this state and was made for a qualified production.
15 "Qualified expenditures" shall be limited to:

16

17 (A) Rents for real and personal property,
18 including rents for lodging, located in this state and
19 required as part of the qualified production;

20

21 (B) Costs for food and beverage purchased
22 in the state required as part of the qualified production;

23

1 (C) Costs of set construction located in
2 this state;

3
4 (D) Costs of supplies, materials and
5 equipment rented or purchased in this state and required as
6 part of the qualified production; and

7
8 (E) Local per diems, below-the-line
9 salaries and employment benefits for services rendered by
10 Wyoming residents as part of a qualified production.

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14 STAFF COMMENT

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16 The Film Industry Task Force suggested including "above-
17 the-line salaries" in subparagraph (E) above. The committee
18 may wish to consider whether "above-the-line" should be
19 defined and this addition should be included to keep in
20 line with the policy of this bill draft.

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24
25 (vi) "Qualified production" means films and
26 digital entertainment totally or partially produced and
27 filmed or recorded in this state meeting the criteria
28 specified under tier 1 or tier 2 of the program under W.S.
29 9-12-412 and that:

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(A) Would have widespread public appeal and encourage the use of the state as a site for film and digital video productions and services; or

(B) Would encourage people to visit the state of Wyoming.

STAFF COMMENT
The Film Industry Task Force suggested deleting subparagraphs (A) and (B) above. The committee may wish to consider this change and its impact on a public purpose to keep in line with the policy of this bill draft.

(vii) "Wyoming resident" means any natural person who is domiciled in the state of Wyoming for not less than ninety (90) days prior to involvement in a qualified production or who maintains a permanent place of abode within the state and who is not currently domiciled in any other state, territory or country;

1 (viii) "This act" means W.S. 9-12-410 through
2 9-12-414.

3
4 9-12-412. Wyoming film production rebates program;
5 eligibility; submission of required information.

6
7 (a) The film production rebates program shall be
8 structured into two (2) rebate tiers as provided by
9 subsection (b) of this section. An entity shall be eligible
10 to receive rebates under the program only through one (1)
11 rebate tier per qualified production. A qualified
12 production shall only be eligible for rebates under tier 1
13 or tier 2 of the program if:

14
15 (i) The entity provides the board with a
16 completed application, including the information required
17 under W.S. 9-12-413(a), signed by a person authorized to
18 bind the entity and certifying that any information
19 provided to the board has been verified and is correct;

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23 STAFF COMMENT
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1 The committee may wish to consider what is required for a
2 person representing an agency to certify the information as
3 required W.S. 9-12-412(a)(i) above.

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8 (ii) The entity seeking the rebates maintains
9 accurate records and receipts for all qualified
10 expenditures and on the number of Wyoming residents,
11 Wyoming resident veterans of the armed forces of the United
12 States, Native Americans and Wyoming students hired,
13 including vocational training provided through internships
14 and apprenticeships, for the qualified production, which
15 shall include payroll records and record of the total
16 number of people hired;

17
18 (iii) The entity seeking the rebates develops a
19 preliminary qualified production distribution plan with
20 circulation estimates for the qualified production, which
21 plan shall be submitted to the board at the time of
22 application as provided by this act;

23
24 (iv) The entity remains in good standing with
25 the department of workforce services under the Wyoming

1 Employment Security Law and the Wyoming Worker's
2 Compensation Act; and

3

4 (v) The qualified production includes the
5 branded recognition of Wyoming in a form negotiated by the
6 board under the terms of the contract entered into with the
7 entity. The board may by rule provide exceptions to the
8 requirement imposed under this paragraph.

9

10 (b) Subject to the requirements imposed by subsection
11 (a) of this section, the board shall administer the two (2)
12 tiered rebate program as follows:

13

14 (i) Tier 1: The board shall administer a
15 traditional media rebate program that provides a total
16 monetary rebate of not more than thirty percent (30%) of
17 qualified expenditures for any qualified production. Only
18 full length feature films, streaming and television series,
19 commercials, documentaries, virtual reality products,
20 multi-media and new media campaigns shall qualify for a
21 tier 1 rebate. The rebates authorized under this paragraph
22 shall be subject to the following conditions:

23

1 (A) The base rebate on qualified
2 expenditures provided for a qualified production under tier
3 1 shall be fifteen percent (15%) and shall require the
4 entity to demonstrate:

5

6 (I) That the entity spent not less
7 than two hundred thousand dollars (\$200,000.00) in
8 qualified expenditures; and

9

10 (II) That not less than one million
11 (1,000,000) viewers are likely to be exposed to the
12 qualified production upon release as substantiated through
13 the entity's distribution plan for the qualified
14 production.

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STAFF COMMENT

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20 The Film Industry Task Force suggested deleting subdivision
21 (I) above. The committee may wish to consider this change
22 and its impact on a public purpose to keep in line with the
23 policy of this bill draft.

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1 (B) In addition to the fifteen percent
 2 (15%) base rebate provided under subparagraph (A) of this
 3 paragraph, an entity shall qualify for additional rebates
 4 not to exceed the total monetary rebate of thirty percent
 5 (30%) as prescribed by this paragraph in the percentages
 6 specified and under the following conditions:

7

8 (I) A five percent (5%) rebate upon
 9 demonstrating that the total number of Wyoming residents
 10 employed for the entity's qualified production is not less
 11 than sixty percent (60%) of the total number of employees
 12 for the production;

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STAFF COMMENT

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 18 The Film Industry Task Force recommends changing
 19 subdivision (I) on the previous page to an incremental
 20 percentage rebate of 1% to 5%. The committee may wish to
 21 consider this change to keep in line with the policy of
 22 this bill draft. Suggested language that could replace
 23 subdivision (I):

24

25 "A one percent (1%) to five percent (5%) rebate to reflect
 26 a one percent (1%) increase for demonstrating each ten
 27 percent (10%) of the total number of people employed for
 28 the entity's qualified production are Wyoming residents;"

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1 (II) A five percent (5%) rebate upon
2 demonstrating that the majority of the qualified
3 production's post-production work was physically completed
4 in Wyoming;

5
6 (III) A two and one-half percent
7 (2.5%) rebate upon demonstrating that the qualified
8 production includes prominent Wyoming exposure and
9 strategic placement of Wyoming businesses, communities,
10 events, characters, ranch brands and names, clothing
11 brands, national parks, museums or other Wyoming
12 attractions and locations, including Wyoming product
13 placements; and

14
15 (IV) A two and one-half percent (2.5%)
16 rebate upon demonstrating that not less than ten percent
17 (10%) of the qualified production's crew were Wyoming
18 resident veterans of the armed forces of the United States,
19 Native Americans or Wyoming students sixteen (16) years of
20 age or older. A Wyoming student shall not be required to be
21 a Wyoming resident under this subdivision.

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3 STAFF COMMENT

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5 The Film Industry Task Force suggested changing subdivision
6 (IV) above to a 2% incremental rebate of 2% to 6%. The
7 committee may wish to consider this change and its impact
8 on a public purpose to keep in line with the policy of this
9 bill draft.

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14 (ii) Tier 2: The board shall administer an
15 alternative media rebate program that provides a total
16 monetary rebate of not more than fifteen percent (15%) of
17 qualified expenditures for any qualified production. Only
18 commercials, infomercials, documentaries, short films,
19 webisodes, video games, music videos, content-based mobile
20 apps, virtual reality products, multi-media and new media
21 campaigns, visual effects and standalone post-production
22 work may qualify for a tier 2 rebate. The rebate authorized
23 under this paragraph shall be subject to the following
24 conditions:

25

26 (A) The base rebate on qualified
27 expenditures provided for a qualified production under tier
28 2 shall be ten percent (10%) and shall require the entity
29 to demonstrate that:

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(I) The entity spent not less than fifty thousand dollars (\$50,000.00) in qualified expenditures; and

(II) Not less than sixty percent (60%) of the production's crew were Wyoming residents.

STAFF COMMENT

The Film Industry Task Force recommends changing subdivision (II) above to an incremental percentage rebate of 1% to 5%, similar to the change made for Tier 1. The committee may wish to consider this change to keep in line with the policy of this bill draft.

(B) In addition to the ten percent (10%) base rebate provided under subparagraph (A) of this paragraph, an entity shall qualify for an additional five percent (5%) rebate, not to exceed the total monetary rebate of fifteen percent (15%) as prescribed under this paragraph, upon demonstrating to the board that the qualified production involves a Wyoming storyline or theme.

1 **9-12-413. Wyoming film production rebates program;**
2 **application procedure; audit requirements.**

3

4 (a) An entity may apply for a rebate on a qualified
5 production under tier 1 or tier 2 of the program at times
6 and on forms provided by the board. As part of the
7 application process, the entity shall provide:

8

9 (i) A copy of the script or a synopsis for the
10 qualified production;

11

12 (ii) A comprehensive list of all forecasted
13 qualified expenditures for which the entity intends to seek
14 rebates under tier 1 or tier 2 of the program for the
15 qualified production. The entity shall include the
16 following information as part of the list:

17

18 (A) The total dollar amount to be spent in
19 Wyoming including all expenditures on labor;

20

21 (B) The total in-state and out-of-state
22 below-the-line payroll figures;

23

1 (C) The total number of crew members to be
2 hired and the number of crew members that are Wyoming
3 residents, Wyoming resident veterans of the armed forces of
4 the United States, Native Americans or Wyoming students
5 sixteen (16) years of age or older;

6

7 (D) The average crew size per day for
8 production preparation and shooting;

9

10 (E) The scheduled dates on which production
11 preparation will occur and the total number of preparation
12 days;

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14 (F) The scheduled dates on which production
15 shooting will occur and the total number of days for
16 production shooting;

17

18 (G) A detailed list of all Wyoming film
19 locations to be used for the qualified production,
20 including all cities or towns.

21

22 (iii) Proof from the department of workforce
23 services that the entity is in good standing under the

1 Wyoming Employment Security Law and the Wyoming Worker's
2 Compensation Act;

3

4 (iv) A copy of the entity's most recent Internal
5 Revenue Service Form W9; and

6

7 (v) Any other information as specified by rule
8 of the board.

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10 (b) No rebates on qualified expenditures under tier 1
11 or tier 2 of the program shall be made by the board unless:

12

13 (i) The board has approved the entity's
14 application in accordance with W.S. 9-12-412(a)(i) and the
15 board rules;

16

17 (ii) The qualified production is completed and
18 substantially all material contractual commitments made to
19 the board have been fulfilled in accordance with the
20 contract; and

21

1 (iii) The board has completed an audit of the
2 entity's qualified expenditures to ensure compliance with
3 this act and the rules of the board.

4

5 **9-12-414. Wyoming film production rebates program;**
6 **reporting; fraudulent claims.**

7

8 (a) Beginning with its 2024-2025 biennial budget
9 request submitted under W.S. 9-2-1013, the board shall
10 include a report on expenditures under this act for each of
11 the immediately preceding two (2) fiscal years. The reports
12 shall include an explanation of the benefits accrued for
13 the state from the expenditure of funds and for the rebates
14 authorized by this act.

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

23

1 **Section 2.** W.S. 9-12-1002(a)(iv) is amended to read:

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3 **9-12-1002. General powers and duties of the board;**
4 **rulemaking authority.**

5

6 (a) The board shall be responsible for implementing
7 the tourism program and functions assigned to the Wyoming
8 business council under the Wyoming Economic Development
9 Act, including the expenditure of all funds appropriated
10 for the tourism program and shall:

11

12 (iv) Administer the Wyoming film industry
13 financial incentive production rebates program as provided
14 in W.S. ~~9-12-402 through 9-12-406~~ 9-12-410 through
15 9-12-414.

16

17 **Section 3.** There is appropriated three million
18 dollars (\$3,000,000.00) from the Wyoming tourism reserve
19 and projects account created by W.S. 39-15-111(p)(i)(B) to
20 the Wyoming tourism board for the purposes of administering
21 this act and making the rebate payments authorized by this
22 act. This appropriation shall be for the period beginning
23 with the effective date of this act and ending June 30,

1 2025. This appropriation shall not be transferred or
2 expended for any other purpose and any unexpended,
3 unobligated funds remaining from this appropriation shall
4 revert to the Wyoming tourism reserve and projects account
5 created by W.S. 39-15-111(p)(i)(B) on June 30, 2025.

6

7 **Section 4.** The Wyoming tourism board shall promulgate
8 rules and regulations necessary to implement this act on or
9 before July 1, 2023.

10

11 **Section 5.**

12

13 (a) Except as provided in subsection (b) of this
14 section, this act is effective July 1, 2023.

15

16 (b) Sections 4 and 5 of this act are effective
17 immediately upon completion of all acts necessary for a
18 bill to become law as provided by Article 4, Section 8 of
19 the Wyoming Constitution.

20

21 (END)