

# Department of Finance and Administration

## Legislative Impact Statement

**Bill: HB1461**

**Bill Subtitle: TO AMEND THE DIGITAL PRODUCT AND MOTION PICTURE INDUSTRY DEVELOPMENT ACT OF 2009.**

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### **Basic Change :**

**Sponsors: Rep Wing and Sen. Pitsch**

HB1461 amends the Arkansas Digital Products and Motion Picture Industry Development Act of 2009, § 15-4-2001 et seq. which provides for a rebate of 20% of qualified production costs incurred in connection with the production of a state certified film project and a 10% rebate for the payroll of employees involved in the production who are fulltime residents of Arkansas.

The bill changes the approving authority for participation in the rebate program from the Film Office to the Executive Director of the Arkansas Economic Development Commission (AEDC). The bill also changes the provisions of the program to add that the production rebate is a discretionary incentive and will be authorized only at the discretion of the Director. The bill extends the expiration date of the rebate program from June 30, 2019 to June 30, 2029.

### **Revenue Impact :**

None.

### **Taxpayer Impact :**

The Executive Director of the Arkansas Economic Development Commission will have discretion for the awarding of the rebate incentives.

### **Resources Required :**

None.

### **Time Required :**

None.

### **Procedural Changes :**

Educating the staff.

### **Other Comments :**

None.

### **Legal Analysis :**

HB1461 seeks to amend the Digital Products and Motion Picture Incentive Development Act to clarify the oversight and limitations on the incentives granted. Specifically, HB1461 states that the total of the incentive offered is subject to the incentive agreement approved by the Director of AEDC.

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Furthermore, qualification for the incentives is expressly made subject to the approval of the Director. This reflects the position of the Film Office and brings the standards of issuance in line with other incentives offered by AEDC.

The bill also extends the sunset date of the incentives from June 30, 2019 to June 30, 2029.