

NC H 301, Substituted

North Carolina

SUMMARY: Expands the film grant fund.~SAME AS:

Changes in Bill text reflected as:

~~Text Deleted~~

Text Added

~~Text Vetoed~~

Current Legislative Status

03/07/2023 FILED.

03/08/2023 INTRODUCED.

03/08/2023 To HOUSE Committee on COMMERCE.

04/18/2023 From HOUSE Committee on COMMERCE: Reported favorably with substitute.

04/18/2023 In HOUSE. COMMERCE committee substitute adopted on HOUSE floor.

04/18/2023 Re-referred to HOUSE Committee on RULES, CALENDAR, AND OPERATIONS OF THE HOUSE.

~

session: North Carolina General Assembly of North Carolina - Session 2023

cite: 2023 NC H 301

Substituted

April 18, 2023

Faircloth

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2023

H 2

HOUSE BILL 301

Committee Substitute Favorable 4/18/23

(Public)

Short Title: Modify Film Grant.

Sponsors:

Referred to:

March 8, 2023

A BILL TO BE ENTITLED

AN ACT TO EXPAND THE FILM GRANT FUND.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 143B-437.02A reads as rewritten:

" § 143B-437.02A. The Film and Entertainment Grant Fund.

(a) Creation and Purpose of Fund. - There is created in the Department of Commerce a special, nonreverting account to be known as the Film and Entertainment Grant Fund to provide funds to encourage the production of motion pictures, television shows, movies for television, productions intended for on-line distribution, and commercials and to develop the filmmaking industry within the State. The Department of Commerce shall adopt guidelines providing for the administration of the program. Those guidelines may provide for the Secretary to award the grant proceeds over

a period of time, not to exceed three years. Those guidelines shall include the following provisions, which shall apply to each grant from the account:

(1) The funds are reserved for a production on which the production company has qualifying expenses of at least the following:

a. For a feature-length ~~film:~~ *film, one million dollars (\$1,000,000).*

~~1. One million five hundred thousand dollars (\$1,500,000), if for theatrical viewing.~~

~~2. Five hundred thousand dollars (\$500,000), if a movie for television.~~

...

(2) The funds are not used to provide a grant in excess of any of the following:

a. An amount more than ~~twenty-five percent (25%)~~ *thirty-five percent (35%) of the qualifying expenses for the production if at least seventy-five percent (75%) of (i) filming of the production and (ii) where crew, cast, and offices of the production are both located in tier one and tier two areas, as defined in G.S. 143B-437.08, or more than thirty percent (30%) of the qualifying expenses for* ~~the production.~~ *any other production.*

b. An amount more than ~~seven million dollars (\$7,000,000)~~ *twenty million dollars (\$20,000,000)* for a feature-length film, more than fifteen million dollars (\$15,000,000) for a single season of a television series, or two hundred fifty thousand dollars (\$250,000) for a commercial for theatrical or television viewing or on-line distribution.

...."

SECTION 2. G.S. 143B-437.02A(b) reads as rewritten:

"(b) Definitions. - The following definitions apply in this section:

...

(3) Highly compensated individual. - An individual who directly or indirectly receives compensation in excess of ~~one five~~ million dollars ~~(\$1,000,000)~~ *(\$5,000,000)* for personal services with respect to a single production. An individual receives compensation indirectly when a production company pays a personal service company or an employee leasing company that pays the individual.

...

(7) Qualifying expenses. - The sum of the amounts listed in this subdivision, substantiated pursuant to subsection (d) of this section, and spent in this State by a production company in connection with a production, less the amount paid in excess of ~~one five~~ million dollars ~~(\$1,000,000)~~ *(\$5,000,000)* to a highly compensated individual:

...."

SECTION 3. This act is effective when it becomes law and applies to qualifying expenses for productions incurred on or after that date.