

# OK H 3964, Engrossed

Oklahoma

SUMMARY: Relates to television episodic film production incentives; creates the Filmed in Oklahoma Live Studio Audience Episodic TV Program Revolving Fund; relates to film rebate incentives; provides for issuing payment from the Filmed in Oklahoma Live Studio Audience Episodic TV Program Revolving Fund.~SAME AS:

Changes in Bill text reflected as:

~~Text Deleted~~

*Text Added*

~~Text Vetoed~~

Current Legislative Status

01/18/2024 PREFILED.

02/05/2024 INTRODUCED.

02/06/2024 To HOUSE Committee on APPROPRIATIONS AND BUDGET.

02/26/2024 From HOUSE Committee on APPROPRIATIONS AND BUDGET: Do pass as substituted.

03/04/2024 Passed HOUSE. \*\*\*\*\*To SENATE.

~

session: Oklahoma 1st Regular Session of the 59th Legislature

cite: 2023 OK H 3964

Engrossed

March 4, 2024

Echols

ENGROSSED

HOUSE BILL NO. 3964

By: Echols, Fetgatter, and Deck of the House

and

Hall of the Senate

An Act relating to television episodic film production incentives; creating the Filmed in Oklahoma Live Studio Audience Episodic TV Program Revolving Fund; providing revolving fund limitations; amending 68 O.S. 2021, Section 3633, which relates to film rebate incentives; providing for issuing payment from the Filmed in Oklahoma Live Studio Audience Episodic TV Program Revolving Fund; providing for codification; providing an effective date; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3639.1 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tax Commission to be designated the "Filmed in Oklahoma Live Studio Audience Episodic TV Program Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Tax Commission which are specifically required by law to be deposited in the fund, any public or private donations, contributions and gifts received for the benefit of the fund and any amounts appropriated by the Oklahoma Legislature. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Tax Commission for the purpose of paying rebates as provided in this act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

B. Funds from the Filmed in Oklahoma Live Studio Audience Episodic TV Program Revolving Fund shall only be used for the purpose of episodic television filmed in Oklahoma with a live studio audience.

C. Any unencumbered funds remaining in the Filmed in Oklahoma Live Studio Audience Episodic TV Program Revolving Fund upon the expiration of this act as provided in Section 3641 of Title 68 of the Oklahoma Statutes shall be transferred to the State Treasurer for deposit in the General Revenue Fund.

SECTION 2. AMENDATORY 68 O.S. 2021, Section 3633, is amended to read as follows:

Section 3633. A. There is hereby created an incentive rebate program for certain film projects and eligible television series projects filmed or produced in Oklahoma who meet the requirements of this act.

B. The rebate program shall be administered by the Oklahoma Department of Commerce and the Oklahoma Tax Commission.

C. By October 1 of each year, the Oklahoma Department of Commerce shall submit an annual report to the Speaker of the **Oklahoma** House of Representatives, the President Pro Tempore of the **Oklahoma State** Senate, the Chair of the Appropriations and Budget Committee of the House of Representatives, the Chair of the Appropriations Committee of the Senate and the Director of the Legislative Office of Fiscal Transparency detailing the program and incentive rebate payments.

D. The Oklahoma Department of Commerce and the Oklahoma Tax Commission may promulgate rules to implement the provisions of this act.

E. To be eligible for a rebate payment , a production company shall:

1. Submit an application and documentation to the Oklahoma Department of Commerce as required by the Department;
2. Have filed any Oklahoma tax returns and tax documents required by law;
3. Provide evidence that all Oklahoma crew and local vendors have been paid and that there are no pending liens against the production company in this state;
4. Provide evidence of financing for production prior to the commencement of principal photography;
5. Provide evidence of a certificate of general liability insurance with a minimum coverage of One Million Dollars (\$1,000,000.00) and a workers' compensation policy in compliance with law, which shall include coverage of employer's liability; and
6. Provide evidence, as required by the Department, that the projects pursuant to this act are completed.

F. A production company shall not be eligible to receive both a rebate payment pursuant to the provisions of this act and an exemption from sales tax pursuant to the provisions of paragraph 23 of ~~section~~ **Section** 1357 of ~~Title 68 of the Oklahoma Statutes~~ **this title**. If a production company has received the exemption from sales taxes and submits a claim for rebate pursuant to the provisions of this act, the company shall be required to fully repay the amount of the exemption to the Tax Commission. A claim for a rebate shall include documentation from the Tax Commission that repayment has been made as required in this subsection or shall include an affidavit from the production company that the company has not received an exemption from sales tax pursuant to the provisions of paragraph 23 of Section 1357 of ~~Title 68 of the Oklahoma Statutes~~ **this title**.

G. The Department of Commerce shall approve or disapprove all claims for rebate and shall notify the Tax Commission , subject to the limitations set forth in Section ~~4 3634~~ of this ~~act~~ **title**. Upon notification of approval from the Department, the Commission shall issue payment for all approved claims from funds held in the Filmed in Oklahoma Program Revolving Fund created pursuant to Section ~~9 3639~~ of this ~~act~~ **title and the Filmed in Oklahoma Live Studio Audience Episodic TV Program Revolving Fund created pursuant to Section 1 of this act**, and subject to the limitations set forth in Section ~~4 3634~~ of this ~~act~~ **title**. If the amount of approved claims exceeds the balance of the revolving fund, payments shall be made in the order the claims are approved by the Department. If an approved claim is not paid in whole, the unpaid claim or unpaid portion of the claim shall be paid upon the availability of funds.

SECTION 3. This act shall become effective July 1, 2024.

SECTION 4. It being immediately necessary for the preservation of the public peace, health or safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage

and approval.