

1 ENGROSSED SENATE
2 BILL NO. 737

By: Hall of the Senate

3 and

4 Fetgatter of the House

5
6 An Act relating to film rebate incentives; amending
7 68 O.S. 2021, Sections 3635 and 3638, which relates
8 to the Filmed in Oklahoma Act of 2021; modifying
9 period for certain rate of reimbursement; modifying
10 requirements to provide certain promotional materials
11 for this state; updating statutory reference;
12 clarifying statutory language; and declaring an
13 emergency.

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

15 SECTION 1. AMENDATORY 68 O.S. 2021, Section 3635, is
16 amended to read as follows:

17 Section 3635. A. Subject to the final approval of the
18 eligibility application by the Oklahoma Department of Commerce, a
19 requirement that the incentive payments made pursuant to the
20 provisions of ~~this act~~ the Filmed in Oklahoma Act of 2021 achieve
21 the maximum positive impact for the Oklahoma economy and subject to
22 the Oklahoma workforce requirements of ~~Section 7 of this act~~ Section
23 3637 of this title, the base incentive amount for a project filmed
24 in this state shall be a maximum of twenty percent (20%) of the
qualified production expenditure amount. An incentive for a project
filmed in this state for wages paid to nonresident crew, not

1 including above-the-line personnel, before ~~July 1, 2023~~ April 1,
2 2023, shall be provided in the amount of seven and one-half percent
3 (7.5%).

4 B. In addition to the amount authorized by subsection A of this
5 section, there may be an additional incentive amount, subject to the
6 final approval of the Oklahoma Department of Commerce, in the
7 maximum amount of:

8 1. Three percent (3%) of the qualified production expenditure
9 amount for projects where at least twenty-five percent (25%) of main
10 crew principal photography days are filmed on location, excluding
11 sound stage production, in any county of this state if the county
12 has a population of less than two hundred fifty thousand (250,000)
13 persons according to the ~~federal~~ Federal Decennial Census or most
14 recent population estimate;

15 2. Two percent (2%) of the qualified production expenditure
16 amount for projects whose hub location, as determined by the
17 Department, is ~~or~~ for projects where at least twenty-five percent
18 (25%) of main crew principal photography days are filmed on
19 location, excluding sound stage production, in a municipality having
20 a population of thirteen thousand (13,000) or fewer persons
21 according to the ~~federal~~ Federal Decennial Census or most recent
22 population estimate regardless of the county in which the
23 municipality is located or partially located;

1 3. Five percent (5%) of the qualified production expenditure
2 amount for soundstage expenditures if at least twenty-five percent
3 (25%) of main crew principal photography days are filmed at a
4 qualified soundstage facility;

5 4. For eligible television series as defined in paragraph 4 of
6 Section ~~2~~ 3632 of this ~~act~~ title:

7 a. two percent (2%) of the qualified production
8 expenditure amount for an eligible television episodic
9 pilot, and

10 b. five percent (5%) of the qualified production
11 expenditure amount if a television series is filmed
12 for one or more seasons;

13 5. Five percent (5%) of the qualified production expenditure
14 amount for an eligible multi-film deal as defined in paragraph 7 of
15 Section ~~2~~ 3632 of this ~~act~~ title; and

16 6. Three percent (3%) of the qualified production expenditure
17 amount based on expenditures paid to Oklahoma vendors for post-
18 production expenses with a minimum expenditure of three percent (3%)
19 of Oklahoma production expenditures. Post-production expenditures
20 include but are not limited to the following categories:

21 a. sound recording or mixing,

22 b. color grading,

23 c. editorial work,

24 d. visual effects,

- e. animation,
- f. deliverables, excluding marketing and advertising,
- g. music production, recording, mixing or composition,
- h. licensing of Oklahoma music, and
- i. editing equipment or editing facility rental.

SECTION 2. AMENDATORY 68 O.S. 2021, Section 3638, is amended to read as follows:

Section 3638. All production projects for which any incentive is paid pursuant to the provisions of this act shall contain a ~~logo~~ qualifying promotion of this state, as approved by the Oklahoma Department of Commerce, ~~to be displayed in the end credits of the finished production or, if the production does not contain end credits, the Oklahoma Department of Commerce shall obtain a commitment by the production company to provide equivalent value as determined by the Oklahoma Department of Commerce~~ which shall include the following:

1. For a film production with end credits, a five (5) second long static or animated logo, approved by the Department, in the end credits before the below-the-line crew crawl for the life of the project;

2. For a film production without end credits and television series or projects, a five (5) second long static or animated logo, approved by the Department, during each broadcast worldwide for the life of the project; or

3. For all other film productions, including but not limited to advertising messages and video gaming, a logo approved by the Department, visible for no less than one (1) second, or a commitment to provide equivalent value, as determined by the Department.

SECTION 3. 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.

Passed the Senate the 8th day of March, 2023.

Presiding Officer of the Senate

Passed the House of Representatives the ____ day of _____,
2023.

Presiding Officer of the House
of Representatives