

An Act

ENROLLED HOUSE
BILL NO. 2110

By: Osburn, Fetgatter, Tedford,
Dobrinski, Hefner, and
Pittman of the House

and

Coleman of the Senate

An Act relating to revenue and taxation; enacting the Bringing Sitcoms Home from Hollywood Pilot Program Act; providing findings of the Legislature; defining terms; creating certain incentive rebate program; providing for administration of rebate program; directing the Oklahoma Department of Commerce to collect metrics for evaluation; authorizing the promulgation of rules; prescribing requirements for eligibility for incentive rebate payments; prohibiting receipt of incentive rebate payment and certain sales tax exemption; prescribing procedures for approval of applications; imposing certain limit with respect to incentive rebate payments; providing for base incentive amount; authorizing additional incentive amounts; prescribing maximum percentage amount; allowing for the utilization of services from apprentices; requiring production projects to use a certain logo and prescribing procedures related to duration of appearance; creating the Bringing Sitcoms Home from Hollywood Pilot Program Revolving Fund; providing for certain revenue; directing expenditures from the fund be made upon warrants issued by the State Treasurer; stating purpose of the fund; providing for transfer of unencumbered funds; terminating the fund by certain date; providing for codification; and providing an effective date.

SUBJECT: Revenue and taxation

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 3642.1 of Title 68, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Bringing Sitcoms Home from Hollywood Pilot Program Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3642.2 of Title 68, unless there is created a duplication in numbering, reads as follows:

The Legislature hereby finds that the production of live audience episodic television in Oklahoma not only provides jobs for Oklahomans and dollars for Oklahoma businesses, but also enhances the state's image nationwide with a focus on authentic storytelling targeting Middle America. The Legislature also finds that the entertainment industry is always seeking economical locations that can help cut the costs of production. The Legislature further finds that the State of Oklahoma, with the appropriate incentive, can become a strategic site for live audience episodic television production, that serves as strategic retention for the production of live audience episodic series in Oklahoma. It is therefore the intent of the Legislature that Oklahoma provide a pilot program incentive specifically for live audience episodic television production in this state, carving out a niche in the industry that Oklahoma can be known for.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3642.3 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. As used in the Bringing Sitcoms Home from Hollywood Pilot Program Act, each of the definitions used in Section 3632 of Title 68 of the Oklahoma Statutes shall have the same meaning for purposes of this act.

B. In addition to the definitions referenced in subsection A of this section, as used in the Bringing Sitcoms Home from Hollywood Pilot Program Act:

1. "Live audience episodic series" means an episodic television series that is filmed in front of a live audience, which is not child sexual abuse material as defined in subsection A of Section 1024.1 of Title 21 of the Oklahoma Statutes or obscene material as defined in paragraph 1 of subsection B of Section 1024.1 of Title 21

of the Oklahoma Statutes including, but not limited to, live audience episodic series to be licensed for exhibition by individual television stations, groups of stations, networks, cable television stations, or other means or licensed for home viewing markets;

2. "Live audience episodic television" means episodic television filmed in front of a live audience intended for broadcast on network television, cable, and streaming platforms. The audience shall consist of a minimum of fifty people; and

3. "Live audience studio facility" means a production facility to accommodate multi-camera operations and construction set and scenic elements with live audience seating.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3642.4 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created an incentive rebate program for eligible live audience episodic series filmed or produced in Oklahoma who meet the requirements of this act.

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

C. The Oklahoma Department of Commerce shall collect separate metrics specific to the Bringing Sitcoms Home from Hollywood Pilot Program and incentive rebate payments for evaluation of this pilot program.

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 an incentive 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 an incentive rebate payment pursuant to the provisions of this act and an exemption from sales tax pursuant to the provisions of paragraph 23 of Section 1357 of Title 68 of the Oklahoma Statutes. If a production company has received the exemption from sales tax 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.

G. The Department of Commerce Oklahoma Film and Music Office shall approve or disapprove all claims for rebate and shall notify the Oklahoma Tax Commission. The Oklahoma Tax Commission shall, upon notification of approval from the Oklahoma Film and Music Office, issue payment for all approved claims from funds in the Bringing Sitcoms Home from Hollywood Pilot Program Revolving Fund created in Section 6 of this act. The amount of claims prequalified and approved by the Office for any single fiscal year shall not exceed Ten Million Dollars (\$10,000,000.00). If the amount of approved claims exceeds the amount specified in this subsection in a fiscal year, payments shall be made in the order in which the claims are approved by the Oklahoma Film and Music Office. If an approved claim is not paid in whole or in part, the unpaid claim or unpaid portion may be paid upon the availability of funds.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3642.5 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. Subject to the final approval of the eligibility application by the Oklahoma Department of Commerce, a requirement that the incentive rebate payments made pursuant to the provisions of this act achieve the maximum positive impact for the Oklahoma economy and subject to the Oklahoma workforce requirements of this title, the base incentive amount for a live audience episodic series filmed in this state shall be a minimum of twenty-five percent (25%) of the qualified goods and services production expenditure amount with the following requirements:

1. Live audience episodic series as defined in Section 2 of this act shall meet all of the following requirements:

- a. minimum budget for the live audience episodic series shall be Two Hundred Thousand Dollars (\$200,000.00) per episode,
- b. minimum of six episodes per season produced, and
- c. minimum of fifty live audience members in attendance for each episode filmed in a live audience studio facility; and

2. For the production of live audience episodic series filmed in this state, wages paid to nonresident crew shall be provided in a fixed amount of twenty percent (20%) and wages paid to resident crew shall be provided in a fixed amount of thirty percent (30%).

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

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

2. Two percent (2%) of the qualified production expenditure amount for projects whose hub location, as determined by the Department, is for projects where at least twenty-five percent (25%) of main crew principal photography days are filmed on location, in a municipality having a population of twenty-five thousand (25,000) or fewer persons according to the latest Federal Decennial Census or most recent population estimate regardless of the county in which the municipality is located or partially located;

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

4. Two percent (2%) of the qualified production expenditure amounts paid to an Oklahoma vendor for the post-production expenses of:

- a. music production, recording, mixing, or composition, or
- b. licensing of Oklahoma music, with a minimum expenditure of Twenty Thousand Dollars (\$20,000.00);

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

- a. sound recording or mixing,
- b. color grading,
- c. editorial work,
- d. visual effects,
- e. animation,
- f. deliverables, excluding marketing and advertising,
- g. editing equipment or editing facility rental,
- h. color grading or digital intermediate processing,

- i. audio post-production processes including Foley artist processes or services, and
- j. graphics, including, but not limited to, the GFX system.

C. Notwithstanding any other provisions of this section or the provisions of this act to the contrary, in no case shall the total incentive rebate payments authorized by this section exceed thirty percent (30%) of the otherwise qualified goods and services production expenditure amount. The incentive rebate payment amount prescribed by subsection A of this section may be used in any combination with the additional incentive amounts authorized by subsection B of this section, but the combination of the incentive amounts shall not exceed thirty percent (30%).

D. To qualify for the maximum twenty-five percent (25%) base incentive rebate payment on qualified goods and services production expenditures for Oklahoma in live audience episodic series pursuant to subsection A of this section, the project shall utilize the services of apprentices according to the following requirements:

1. For a production with Oklahoma expenditures of Seven Million Five Hundred Thousand Dollars (\$7,500,000.00) or less, two apprentices;

2. For a production with Oklahoma expenditures greater than Seven Million Five Hundred Thousand Dollars (\$7,500,000.00) and Fifteen Million Dollars (\$15,000,000.00) or less, four apprentices;

3. For a production with Oklahoma expenditures greater than Fifteen Million Dollars (\$15,000,000.00) and Twenty-five Million Dollars (\$25,000,000.00) or less, eight apprentices; and

4. For a production with Oklahoma expenditures greater than Twenty-five Million Dollars (\$25,000,000.00), sixteen apprentices.

E. All production projects for which any incentive is paid pursuant to the provisions of this act shall contain a logo, as approved by the Oklahoma Department of Commerce, to be displayed in the credits of the finished production for a period of at least five (5) seconds or, if the production does not contain 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.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3642.6 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 "Bringing Sitcoms Home from Hollywood Pilot 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 Bringing Sitcoms Home from Hollywood Pilot Program Revolving Fund shall only be used for the purpose of live audience episodic series filmed in Oklahoma with a live studio audience.

C. Any unencumbered funds remaining in the Bringing Sitcoms Home from Hollywood Pilot Program Revolving Fund, upon the expiration of this act, shall be transferred to the State Treasurer for deposit in the General Revenue Fund.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3642.7 of Title 68, unless there is created a duplication in numbering, reads as follows:

The provisions of the Bringing Sitcoms Home from Hollywood Pilot Program Act shall be terminated effective July 1, 2032.

SECTION 8. This act shall become effective November 1, 2025.

Passed the House of Representatives the 15th day of May, 2025.

Presiding Officer of the House
of Representatives

Passed the Senate the 6th day of May, 2025.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____
day of _____, 20_____, at _____ o'clock _____ M.
By: _____

Approved by the Governor of the State of Oklahoma this _____
day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____
day of _____, 20_____, at _____ o'clock _____ M.
By: _____