

PUBLIC HEARING

HB 2191-A

TAPE 126 A

HOUSE REVENUE COMMITTEE

APRIL 21, 2005 1:00 PM STATE CAPITOL BUILDING

Members Present: Rep. Vicki Berger, Acting Chair
 Rep. Mark Hass, Vice-Chair
 Rep. Larry Galizio
 Rep. Betty Komp
 Rep. Chuck Riley

Members Excused: Rep. Tom Butler
 Rep. Brian Boquist
 Rep. Sal Esquivel
 Rep. Andy Olson

Witnesses Present: Veronica Rinard, Oregon Film and Video Office
 Howard Lavine, Policy Advisor to Gov. Kulongoski
 Bill Cross, Oregon Assn. of Convention & Visitors Bureaus

Staff Present: Paul Warner, Legislative Revenue Officer
Lizbeth Martin-Mahar, Economist
Kristi Bowman, Committee Assistant

TAPE 126, SIDE A

002 Acting Chair Berger Calls meeting to order at 1:06 p.m.

006 Acting Chair Berger Discusses committee business.

OPENS PUBLIC HEARING FOR HOUSE BILL 2191

018 Lizbeth Martin-Mahar Gives overview of HB 2191 (Exhibit 1). The bill creates a new rebate for people who invest \$1 M or more in actual expenses on film, television shows, or commercial productions in Oregon. Discusses the withholding rate proposed. Discusses amendment HB 2191-A5 (Exhibit 3) that allows the Oregon Film and Video Office to transfer the rebate funds.

109 Rep. Hass Asks about Oregon companies currently doing productions.

114 Martin-Mahar Responds that if the company invests more than \$1 M, they will qualify for the rebate. Comments that the Office of Film and Video would identify a film production company and track their annual

investment for the \$1 M threshold. Refers to the Revenue Impact Statement (Exhibit 2).

- 151 Veronica Rinard Updates information given in previous testimony on 03/22/05. Discusses the statute that governs the Oregon Film and Video Office and how the Office operates. The labor rebate is critical to keeping productions coming to Oregon. Discusses other states' incentive programs.
- 196 Howard Lavine Comments that the Governor supports HB 2191 as an opportunity to provide family-wage jobs and expand economic activity. Oregon is losing business to states with incentives. Adds that the Governor strongly supports the film industry. "This is the right bill for Oregon."
- 221 Rep. Hass Asks if documentaries fit into the definition of film productions, and uses television companies that produce documentaries as an example.
- 232 Rinard If documentaries spend more than \$1 M, they would qualify. However, her experience is that documentaries generally do not have a budget that large.
- 247 Lavine Adds that if a documentary is produced for theatrical release, it would clearly qualify for the labor rebate. Comments on the ability of the Dept. of Revenue to change the 6.2% to keep the bill revenue-neutral. The bill will be reviewed again when it expires in 2012.
- 255 Bill Cross Testifies in support of HB 2191. Comments that film productions have a significant effect on local economies, and HB 2191 will keep the state competitive in attracting film productions.

CLOSES PUBLIC HEARING FOR HB 2191

274 Acting Chair Berger Adjourns meeting at 1:27 p.m.

Tape Log Submitted by:

Reviewed by:

Kristi Bowman, Committee Assistant

Kim Taylor James, Committee
Coordinator

Exhibit Summary:

1. HB 2191, Staff Measure Summary, Martin-Mahar, 1 pg., 04/21/05
2. HB 2191, Amendment HB 2191-A5, Legislative Counsel, 1 pg., 04/21/05
3. HB 2191, Revenue Impact Statement, Martin-Mahar, 2 pp., 04/21/05