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DIVISION 1

PROCEDURAL RULES

951-001-0000  
Procedure for Notice of Intended Rulemaking

- (1) **Definitions:** For purposes of this chapter of administrative rules, unless the context demands otherwise:
  - (a) **OFVO** or **Office** means the Oregon Film and Video Office as organized under ORS 284.300 to 284.375;
  - (b) **OFVO Board** or **Board** means the Oregon Film and Video Office board as organized under ORS 284.315;
  - (c) **Director** means the Oregon Film and Video Office executive director appointed under ORS 284.325.

(2) Before permanently adopting, amending or repealing any rule, the Oregon Film and Video Office will give notice of the intended action:

- (a) In the Secretary of State’s Bulletin, referred to in ORS 183.360 at least 21 days before the effective date of the rule;
  - (b) By mailing a copy of the notice to persons on the OFVO mailing list established pursuant to ORS 183.335(8), at least 28 days before the effective date of the rule;
  - (c) By mailing a copy of the notice to the legislators specified in ORS 183.335(15) at least 49 days before the effective date of the rule; and
  - (d) By mailing or furnishing a copy of the notice to:
    - (A) The Associated Press;
    - (B) Capitol Press Room;
    - (C) The following associations:
      - (i) Oregon Media Production Association;
      - (ii) Mid-Oregon Productions Arts Network;
      - (iii) Media Communications Association International;
      - (iv) Central Oregon Film and Video Association.
    - (D) The following state agencies:
      - (i) Oregon Economic and Community Development Department;
      - (ii) Oregon Tourism Commission;
      - (iii) Oregon Arts Commission.
- Stat. Auth.: ORS 284.300 - 284.315  
 Stats. Implemented: ORS 284.300 - 284.315  
 Hist.: FVO 1-2004(Temp), f. 3-12-04 cert. ef. 3-15-04 thru 9-11-04; FVO 3-2004, f. & cert. ef. 7-15-04

951-001-0005  
Model Rules of Procedure

The Uniform and Model Rules of Procedure, OAR 137-001-0007 through 137-001-0080; and 137-004-0010 through 137-004-0800 as adopted by the Attorney General of the State of Oregon under the Administrative Procedures Act, effective October 1, 2001, are adopted as the rules of procedure for rulemaking and declaratory rulings for the Oregon Film & Video Office.

DIVISION 2

OREGON PRODUCTION INVESTMENT FUND  
PRODUCTION SPENDING REBATES

951-002-0000  
Purpose

The purpose of these rules is to provide guidance for the administration of the Oregon Production Investment Fund film and television production rebates as authorized by ORS 284.367 to 284.368. The Oregon Production Investment Fund was authorized by the 2003 legislature to encourage film and video production in Oregon, thereby increasing job opportunities for Oregonians in the film and video industry and bringing additional production spending into the state.

Stat. Auth: ORS 284.335 & 284.368  
 Stats. Implemented: ORS 284.367 & 284.368  
 Hist: FVO 4-2004, f. & cert. ef. 11-26-04

951-002-0001  
Definitions

- (1) “Qualifying film or television production” means a movie produced for release to theaters, video or the internet or a television movie or one or more episodes of a single television series, the production of which will result in the spending of at least \$1 million directly to Oregon resident vendors or for work done in Oregon. “Qualifying film or television production” does not include the production of a commercial or one or more segments of a newscast or sporting event.
- (2) “OPIF” means Oregon Production Investment Fund created by ORS 284.367.

(3) “OFVO” means the Oregon Film & Video Office created by ORS 284.305.

Stat. Auth: ORS 284.335 & 284.368  
 Stats. Implemented: ORS 284.367 & 284.368  
 Hist: FVO 4-2004, f. & cert. ef. 11-26-04

**951-002-0005**

**Program Application**

A person proposing to produce a qualifying film or television production and wishing to receive a production spending rebate from the OPIF with respect to the production shall submit an application to the Oregon Film and Video Office for an eligibility determination. Unless otherwise permitted by the OFVO, the application must be submitted prior to the commencement of production. Incomplete applications will not be accepted.

Stat. Auth: ORS 284.335 & 284.368  
 Stats. Implemented: ORS 284.367 & 284.368  
 Hist: FVO 4-2004, f. & cert. ef. 11-26-04; FVO 1-2007 f. & cert. ef. 6-1-07

**951-002-0010**

**Eligibility Determination**

(1) Except as set forth in sections (2) and (3), the OFVO will approve the applications for eligibility for productions that satisfy the following requirements:

(a) The production satisfies the non-monetary portions of the “qualifying film or television production” definition.

(b) Projected spending in Oregon on the production is reasonably anticipated to equal or exceed US \$750,000.00.

(c) The producer includes, with its application, a letter to the OFVO stating the producer’s intent to film the production in Oregon and its willingness and ability to enter into a contract with the OFVO setting forth the terms and conditions of the rebate.

(2) The following productions are not eligible:

(a) Productions of a producer that has, or whose principals have, a verifiable history of previous production problems that create significant doubt, as determined by the OFVO, regarding the producer’s ability to complete a production in Oregon successfully. The production problems may include, but are but not limited to:

- (A) Unpaid financial obligations;
- (B) Crew mistreatment; or
- (C) damage to locations that the producer did not repair upon completion of the production.

(b) Productions with respect to which the producer withdraws his application for eligibility determination.

(c) Productions whose applications for eligibility are filed at times when there are not sufficient funds available in the Oregon Production Investment Fund to pay the anticipated rebates.

(d) Productions that the OFVO determines are unlikely to further the purposes of the Oregon Production Investment Fund. Productions that pay any employee less than the minimum wage as set forth in Oregon Minimum Wage Rule. Rebates will not be issued until complaints filed with the Bureau of Labor and Industries have been satisfied.

(3) If the OFVO receives multiple relatively concurrent applications for eligibility determinations and there are not sufficient funds available in the Oregon Production Investment Fund to pay anticipated rebates with respect to all of the productions, the OFVO will determine which applications to approve and which to deny based on the following factors:

- (a) Satisfaction of requirements of section (1);
- (b) Chronological order of receipt of application;
- (c) Amount of production spending anticipated in Oregon;
- (d) Number of film workers expected to be hired;
- (e) Whether the production company intends to pay prevailing industry rates and provide health, retirement and other benefits;
- (f) Whether receipt of a production rebate from the OPIF is a determining factor in bringing or keeping the production in Oregon;
- (g) Experience level of producer;
- (h) Reputation of the producer and its principals;
- (i) Estimated production start date;
- (j) Other benefits to Oregon, including but not limited to promotional value, long-term financial benefits, contribution to devel-

opment of Oregon’s crew and talent base or production industry infrastructure.

(k) Whether the production company has contributed to the Oregon Production Investment Fund.

(4) Upon approval of an application for eligibility with respect to a production, the producer must enter into a contract with OFVO stipulating the producer’s intent to film the production in Oregon and setting forth the terms and conditions of the rebate. If the producer and the OFVO have not entered into the contract within 30 days of the production’s eligibility approval, the production’s eligibility will be automatically revoked unless the OFVO, in its discretion, extends the deadline for contract execution.

Stat. Auth: ORS 284.335 & 284.368  
 Stats. Implemented: ORS 284.367 & 284.368  
 Hist: FVO 4-2004, f. & cert. ef. 11-26-04; FVO 1-2007, f. & cert. ef. 6-1-07; FVO 1-2008, f. & cert. ef. 6-27-08

**951-002-0020**

**Payment of rebates**

(1) Regardless of whether the production is otherwise a qualifying film or television production or whether the OFVO determined the production eligible, rebates from the Oregon Production Investment Fund will only be paid pursuant to and upon the terms and conditions of a contract entered into between the OFVO and producer pursuant to OAR 951-002-0010(4). If no contract is entered into, no rebates will be paid. Amounts paid by the production to an individual who receives compensation in excess of \$1 million are excluded and ineligible for a rebate.

(2) In addition to any other terms and conditions that the OFVO considers necessary or desirable, contracts for Oregon Production Investment Fund rebates will usually include the following:

(a) A requirement that the producer submit to the OFVO, after completion of the production work in Oregon, financial and other records sufficient to verify that the production satisfied the minimum expenditure requirement for a rebate;

(b) Authorization for the OFVO to deduct from the rebate the costs reasonably incurred by the OFVO in verifying the production expenditures in Oregon, including but not limited to, the costs incurred by OFVO in obtaining an outside accounting review, audit, or both, of the financial and other records evidencing the expenditures. The OFVO will usually submit the expenditure documentation to an outside accounting firm for a review after the OFVO has completed its review. Based on the advice of the outside accounting firm, the OFVO may require an audit of the production’s financial record;.

(c) Provisions conditioning OFVO’s obligation to pay the rebate on the producer’s compliance with the terms of the contract and satisfactory verification of production spending in Oregon of at least US \$1 million;

(d) Provisions conditioning OFVO’s obligation to pay the rebate on the production spending in Oregon after the date that OFVO approves the production’s eligibility, of at least US \$1 million;

(e) Production to provide final crew and vendor lists with final accounting;

(f) Production to provide promotional materials (such as photos, trailers, electronic press kits) to OFVO. OFVO may use such materials strictly for non profit purposes such as for archival, governmental relations and marketing purposes. OFVO shall not grant usage to any other entity and shall request additional permission prior to any use other than those listed. OFVO understands that talent contracts may prohibit use of actors’ images without express permission and agrees to abide by such agreements when advised of the production company of said limitations.

Stat. Auth: ORS 284.335 & 284.368  
 Stats. Implemented: ORS 284.367 & 284.368  
 Hist: FVO 4-2004, f. & cert. ef. 11-26-04; FVO 1-2007, f. & cert. ef. 6-1-07

DIVISION 3

FILM PRODUCTION DEVELOPMENT CONTRIBUTION CREDIT

951-003-0000

Purpose

(1) These rules specify the procedures for Oregon Film and Video Office certification of tax credits arising from contributions to the Oregon Production Investment Fund, as authorized by ORS 315.514.

(2) The Oregon Production Investment Fund tax credits were authorized by the 2003 legislature to:

(a) Encourage taxpayers to make contributions to the Oregon Production Investment Fund by providing a financial return for qualified contributions.

(b) Encourage film and television production in Oregon by providing incentives in the form of production spending rebates, from the Oregon Production Investment Fund, to qualifying productions.

(c) Strengthen Oregon's film and video industry infrastructure by bringing in more production spending to this sector of the economy.

Stat. Auth.: ORS 284.335 & 315.514  
 Stats. Implemented: ORS 315.514  
 Hist.: FVO 4-2004, f. & cert. ef. 11-26-04

951-003-0001

Definitions

(1) "Tax credit" means certification of an amount for credit by the Oregon Film and Video Office under ORS 315.514 and these administrative rules and arising from a qualifying contribution.

(2) "Oregon Production Investment Fund" means the fund created by ORS 284.367.

(3) "Qualifying contribution" means a contribution made by a taxpayer to the Oregon Production Investment Fund and for which an application, in the form designated by the Oregon Film and Video Office, is submitted for a tax credit.

(4) "Tax credit certificate" means a certificate issued by the Oregon Film and Video Office to a taxpayer evidencing a tax credit.

Stat. Auth.: ORS 284.335 & 315.514  
 Stats. Implemented: ORS 315.514  
 Hist.: FVO 4-2004, f. & cert. ef. 11-26-04

DIVISION 4

GREENLIGHT OREGON LABOR REBATE APPLICATION, CERTIFICATION AND WITHHOLDING

951-004-0000

Purpose

The purpose of these rules is to provide guidance for the administration of the Greenlight Oregon Labor film and television production rebates as authorized by Oregon Laws 2005, chapter 559. The Greenlight Oregon Labor Rebate Program was authorized by the 2005 legislature to encourage film and video production in Oregon, thereby increasing job opportunities for Oregonians in the film and video industry and bringing additional production spending into the state.

Stat. Auth.: ORS 284.335 & OL 2005, ch 559  
 Stats. Implemented: OL 2005, ch 559  
 Hist.: FVO 2-2006, f. & cert. ef. 11-17-06

951-004-0001

Definitions

(1) "Actual Expenses" means costs paid in Oregon for pre-production, principal photography, production or postproduction in Oregon of a Qualifying Film Production, including but not limited to the purchase or rental cost of equipment, food, lodging, real property and permits and payments made for salaries, wages and benefits for work done in Oregon.

(2) "OFVO" means the Oregon Film & Video Office created by ORS 284.305.

(3) "Qualifying Film Production" means a film or television production that occurs primarily in Oregon of: one or more commercials; one or more episodes of a television show; or a movie to be released in theatres, on video, on television, over the internet or over any other distribution channel.

(4) "Qualifying Compensation" means wages paid by an employer to an employee for services performed in Oregon in connection with a Qualifying Film Production.

Stat. Auth.: ORS 284.335 & OL 2005, ch 559  
 Stats. Implemented: OL 2005, ch 559  
 Hist.: FVO 2-2006, f. & cert. ef. 11-17-06

951-004-0002

Application for Certification

A person proposing to produce a Qualifying Film Production and wishing to receive a labor rebate with respect to the production shall submit an application to the Oregon Film and Video Office for certification. The application must be in a form designated by OFVO and submitted within 10 business days of commencement of pre-production in Oregon.

Stat. Auth.: ORS 284.335 & OL 2005, ch 559  
 Stats. Implemented: OL 2005, ch 559  
 Hist.: FVO 2-2006, f. & cert. ef. 11-17-06

951-004-0003

Greenlight Oregon Labor Rebate Certification

(1) After receipt of an application for certification, the OFVO will review the application to determine if the proposed Qualifying Film Production satisfies the following certification requirements:

(a) OFVO determines that it is reasonably likely that the applicant will incur Actual Expenses of at least \$1 million that are related to the Qualifying Film Production proposed by the applicant;

(b) If the Qualifying Film Production proposed by the applicant consists of one or more episodes of a television series, the Actual Expenses are associated with production that comprises no more than a single season of episodes;

(c) If the Qualifying Film Production proposed by the applicant consists of one or more commercials, the Actual Expenses are to be incurred within a single year; and

(d) If the Qualifying Film Production proposed by the applicant consists of a movie or other film production not described in sections (1) or (2) above, the Actual Expenses are associated with that movie or other film production;

(e) The Qualifying Film Production meets the requirements of OAR 951-004-0004.

(2) If the OFVO determines that the Qualifying Film Production proposed by the applicant satisfies the certification requirements set forth in section (1) of this rule, the OFVO will pre-certify the rebate pending verification that the withholding required has been paid. The OFVO will send a written certificate evidencing the pre-certification to the applicant and a copy of the pre-certification to the Oregon Department of Revenue.

(3) The Oregon Department of Revenue will verify that the taxes required under OAR 951-004-0004 have been paid and will inform the OFVO of the Qualifying Film Production's compliance with the rule.

(4) Upon verification from the Department of Revenue that the Qualifying Film Production has paid the required taxes, the OFVO will finalize the certification and issue a final certificate to the Qualifying Film Production showing the amount of the Greenlight Oregon Labor Rebate. The Department of Revenue will issue payment for the Labor Rebate amount shown on the final certificate.

Stat. Auth.: ORS 284.335 & 2005 OL Ch. 559  
 Stats. Implemented: 2005 OL Ch. 559  
 Hist.: FVO 2-2006, f. & cert. ef. 11-17-06; FVO 1-2011, f. 12-15-11, cert. ef. 1-1-12

951-004-0004

Greenlight Oregon Labor Rebate: Withholding and Reporting

(1) A person issued a written pre-certification under OAR 951-004-003 must:

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(a) Withhold from qualifying compensation and remit to the Oregon Department of Revenue a minimum aggregate withholding of 6.2% of the total qualifying compensation using payroll reporting procedures found in ORS 316.162 to 316.221 and related rules.

(b) Send a written report to the OFVO specifying:

(A) The total amount of Qualifying Compensation paid by the person for the period;

(B) The names, taxpayer identification numbers, amounts of qualifying compensation, and withholding made for each employee receiving Qualifying Compensation during which period the Qualifying Film Production was produced;

(C) Copies of the Oregon Form OQ and Oregon Form 132 reported for the Qualifying Film Production for the period;

(D) Copies of unemployment insurance tax returns for states other than Oregon if the employees upon which Oregon withholding was made are not included on the Oregon Form 132 for the period; and

(E) Any other information required by the OFVO.

(2) The written report required in subsection (1)(b) of this rule is due by the 31st of each month following regular quarterly payroll tax reporting periods, or within 30 days following the completion of the Qualifying Film Production, whichever is earlier.

(3) Notwithstanding subsection (1)(a) of this rule, a Qualifying Film Production may use a third-party payroll reporting service to pay the Qualifying Compensation and withhold appropriately on behalf of the Qualifying Film Production.

(a) If the Qualifying Film Production engages another company to pay the Qualifying Compensation and withhold the tax, the Qualifying Film Production must inform the OFVO of the name and tax identification numbers of the entity retained before any Qualifying Compensation is paid on behalf of the Qualifying Film Production.

(b) To use the compensation paid by the third-party payroll reporting service to qualify as Qualifying Compensation for the certificate holder, the Qualifying Film Production must provide copies of the payroll reports that reflect the same information as is required in subsection (1)(b) of this rule for the entity retained to pay the qualifying compensation and the tax on behalf of the Qualifying Film Production.

(c) If the third-party payroll reporting service retained by the Qualifying Film Production has not reported and remitted the tax in full, the Qualifying Film Production may not use the compensation paid to employees to qualify for the Greenlight Oregon Labor Rebate.

Stat. Auth.: ORS 284.335 & 2005 OL Ch. 559

Stats. Implemented: 2005 OL Ch. 559

Hist.: FVO 2-2006, f. & cert. ef. 11-17-06; FVO 1-2011, f. 12-15-11, cert. ef. 1-1-12

### DIVISION 5

#### GREENLIGHT OREGON LABOR REBATE PAYMENT OF REBATES

##### 951-005-0000

###### Purpose

The purpose of these rules is to provide guidance for the payment of rebates from the Greenlight Oregon Labor Rebate Fund as authorized by Oregon Laws 2005, chapter 559. The Greenlight Oregon Labor Rebate Fund was authorized by the 2005 legislature to encourage film and video production in Oregon, thereby increasing job opportunities for Oregonians in the film and video industry and bringing additional production spending into the state.

Stat. Auth.: ORS 284.335 & OL 2005, ch 559

Stats. Implemented: OL 2005, ch 559

Hist.: FVO 1-2006, f. & cert. ef. 11-17-06

##### 951-005-0001

###### Definitions

(1) "Actual Expenses" means the costs paid in Oregon for principal photography, production or postproduction in Oregon of a Qualifying Film Production, including but not limited to the pur-

chase or rental cost of equipment, food, lodging, real property and permits and payments made for salaries, wages and benefits for work in Oregon.

(2) "Commercial" means a moving image production created to advertise a product or service.

(3) "Qualifying Compensation" means wages paid by an employer to an employee for services performed in Oregon in connection with a Qualifying Film Production.

(4) "Qualifying Film Production" means a production that occurs primarily in Oregon of: one or more commercials; one or more episodes of a television show; or a movie to be released in theatres, on video, on television, over the internet or over any other distribution channel. "Qualifying film or television production" does not include the production of one or more segments of a newscast or sporting event.

(5) "OFVO", or "Oregon Film & Video Office" means the Oregon Film & Video Office created by ORS 284.305.

Stat. Auth.: ORS 284.335 & OL 2005, ch 559

Stats. Implemented: ORS 284.367 & OL 2005, ch 559

Hist.: FVO 1-2006, f. & cert. ef. 11-17-06

##### 951-005-0002

###### Payment of rebates

(1) Upon completion of the qualifying film production for which a certificate was issued the OFVO shall verify the actual expenses supporting a claim. The qualifying production must:

(a) Submit to the OFVO an application for a rebate within the following time frames:

(A) A feature film or television episode or series — 30 days from completion work in Oregon on the qualifying film production;

(B) A commercial — on or before January 31 of the year following the year in which the commercials were produced.

(b) Submit to the OFVO, after completion of the work in Oregon on the qualifying film production, financial and other records sufficient to verify that the production satisfied the minimum expenditure requirement for a rebate;

(c) Authorization for the OFVO to deduct from the rebate the costs reasonably incurred by the OFVO in verifying the production expenditures in Oregon, including but not limited to, the costs incurred by OFVO in obtaining an outside accounting review, audit, or both, of the financial and other records evidencing the expenditures. The OFVO will usually submit the expenditure documentation to an outside accounting firm for a review after the OFVO has completed its review. Based on the advice of the outside accounting firm, the OFVO may require an audit of the production's financial records.

(2) If the OFVO is unable to verify actual expenses of a minimum of \$1 million, the office may decline to pay a labor rebate to the certificate holder.

Stat. Auth.: ORS 284.335 & 284.368

Stats. Implemented: ORS 284.367 & 284.368

Hist.: FVO 1-2006, f. & cert. ef. 11-17-06

### DIVISION 6

#### INDIGENOUS OREGON PRODUCTION INVESTMENT FUND PRODUCTION SPENDING REBATES

##### 951-006-0000

###### Purpose

The purpose of these rules is to provide guidance for the administration of the i-Oregon Production Investment Fund film and television production rebates as authorized by SB863. The Indigenous Oregon Production Investment Fund was authorized by the 2009 legislature to encourage smaller budget film and television production in Oregon, thereby increasing job opportunities for Oregonians in the film and television industry.

Stat. Auth.: ORS 284.335 & 284.368

Stats. Implemented: SB 863

Hist.: FVO 2-2009, f. 11-12-09 cert. ef. 1-1-10

**951-006-0001**

**Definitions**

(1) "Qualifying film or television production" means a movie produced for release to theaters, video or the internet or a television movie or one or more episodes of a single television series, the production of which will result in the spending of at least \$75,000.00 and less than \$750,000 directly to Oregon resident vendors or for work done in Oregon. "Qualifying film or television production" does not include the production of a commercial or one or more segments of a newscast or sporting event.

(2) "i-OPIF" means indigenous-Oregon Production Investment Fund created by SB863.

(3) "Filmmaker" means a person who owns a television or film production company.

(4) "Local filmmaker" means a person who owns a television or film production company that has its principal place of business in this state.

(5) "Resident of this state" has the meaning given that term in ORS 316.027.

(6) "OFVO" means the Oregon Film & Video Office created by ORS 284.305.

Stat. Auth: ORS 284.335 & 284.368  
 Stats. Implemented: SB 863  
 Hist.: FVO 2-2009, f. 11-12-09 cert. ef. 1-1-10

**951-006-0005**

**Program Application**

A person proposing to produce a qualifying film or television production and wishing to receive a production spending rebate from the i-OPIF with respect to the production shall submit an application to the Oregon Film and Video Office for an eligibility determination. Unless otherwise permitted by the OFVO, the application must be submitted prior to the commencement of production. Incomplete applications will not be accepted.

Stat. Auth: ORS 284.335 & 284.368  
 Stats. Implemented: SB 863  
 Hist.: FVO 2-2009, f. 11-12-09 cert. ef. 1-1-10

**951-006-0010**

**Eligibility Determination**

(1) Except as set forth in sections (2) and (3), the OFVO will approve the applications for eligibility for productions that satisfy the following requirements:

(a) The production satisfies the non-monetary portions of the "qualifying film or television production" definition.

(b) Projected spending in Oregon on the production is reasonably anticipated to equal not less than \$75,000 and less than \$750,000.

(c) The local filmmaker includes, with its application, a letter to the OFVO stating the local filmmaker's intent to film the production in Oregon and its willingness and ability to enter into a contract with the OFVO setting forth the terms and conditions of the rebate.

(d) Upon request of the Film Office, provide proof of production insurance.\*

- REQUIRED:**
- General Liability
    - General Liability aggregate — \$1,000,000
    - GL Limit Per Occurrence — \$1,000,000
    - Products Completed Operations — \$1,000,000
    - Personal & Advertising Injury — \$1,000,000
    - Fire Legal Liability — \$50,000
    - Medical Payments — \$5,000
    - Blanket Additional Insured's — \$ included
    - Waiver of Subrogation — \$ included
  - Automobile
    - Hired & Non-Owned Liability — \$1,000,000
    - Hired/Non-Owned Physical Damage — \$500,000
  - Production Package
    - Third Party Property Damage — \$500,000
  - Worker's Compensation (OR State Minimums)
    - Bodily Injury by Accident — \$500,000 Each Accident
    - Bodily Injury by Disease — \$500,000 Policy Limit
    - Bodily Injury by Disease — \$500,000 Each Employee
- RECOMMENDED:**
- Production Package

- Negative Film or Videotape — Included
- Faulty Stock, Camera & Processing — Included
- Extra Expense — \$25,000
- Civil Authority — \$25,000

\* Some filming locations may require additional insurance, or higher limits.

(e) Name and contact information for Payroll company.

(2) The following productions are not eligible:

(a) Productions of a local filmmaker that has, or whose principals have, a verifiable history of previous production problems that create significant doubt, as determined by the OFVO, regarding the local filmmaker's ability to complete a production in Oregon successfully. The production problems may include, but are but not limited to:

- (i) Unpaid financial obligations;
- (ii) Crew mistreatment; or
- (iii) Damage to locations that the local filmmaker did not repair upon completion of the production.

(b) Productions with respect to which the local filmmaker withdraws its application for eligibility determination.

(c) Productions whose applications for eligibility are filed at times when there are not sufficient funds available in the Oregon Production Investment Fund to pay the anticipated rebates.

(d) Productions that the OFVO determines are unlikely to further the purposes of the i-Oregon Production Investment Fund.

(e) Productions must pay any employee minimum wage as set forth in (Oregon minimum wage rule, ORS 653.025) or meet the requirements of applicable Union Guild contracts the production has entered into.

(f) Productions that employ any individual as "intern" without that individual receiving academic credit. See the Oregon bureau of Labor and Industries for additional information: [www.boli.state.or.us/BOLI/TA/T\\_FAQ\\_Interns.shtml](http://www.boli.state.or.us/BOLI/TA/T_FAQ_Interns.shtml)

(g) Productions determined to be ineligible may appeal to the OFVO Board, upon written application.

(3) If the OFVO receives multiple relatively concurrent applications for eligibility determinations and there are not sufficient funds available in the i-Oregon Production Investment Fund to pay anticipated rebates with respect to all of the productions, the OFVO will determine which applications to approve and which to deny based on the following factors:

- (a) Satisfaction of requirements of section (1)
- (b) Chronological order of receipt of application
- (c) Amount of production spending anticipated in Oregon
- (d) Number of film workers expected to be hired
- (e) Experience level of local filmmaker
- (f) Reputation of the local filmmaker and its principals
- (g) Estimated production start date
- (h) Other benefits to Oregon, including but not limited to promotional value, long-term financial benefits, contribution to development of Oregon's crew and talent base or production industry infrastructure.

(i) Whether the production company has contributed to the Oregon Production Investment Fund.

(j) Whether the local filmmaker intends to pay prevailing industry rates and provide health, retirement and other benefits.

(4) Upon approval of an application for eligibility with respect to a production, the local filmmaker must enter into a contract with OFVO stipulating the local filmmaker's intent to film the production in Oregon and setting forth the terms and conditions of the rebate. If the local filmmaker and the OFVO have not entered into the contract within 30 days of the local filmmaker's eligibility approval, the local filmmaker's eligibility will be automatically revoked unless the OFVO, in its discretion, extends the deadline for contract execution.

Stat. Auth: ORS 284.335 & 284.368  
 Stats. Implemented: SB 863  
 Hist.: FVO 2-2009, f. 11-12-09 cert. ef. 1-1-10

**951-006-0020**

**Payment of Rebates**

(1) Regardless of whether the production is otherwise a qualifying film or television production or whether the OFVO determined

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the production eligible, rebates from the i-Oregon Production Investment Fund will only be paid pursuant to and upon the terms and conditions of a contract entered into between the OFVO and the local filmmaker pursuant to OAR 951-002-0010(4). If no contract is entered into, no rebates will be paid.

(2) In addition to any other terms and conditions that the OFVO considers necessary or desirable, contracts for i-Oregon Production Investment Fund rebates will usually include the following:

(a) A requirement that the local filmmaker submit to the OFVO, after completion of the production work in Oregon, financial and other records sufficient to verify that the production satisfied the expenditure requirement for a rebate.

(b) Authorization for the OFVO to deduct from the rebate the costs reasonably incurred by the OFVO in verifying the production expenditures in Oregon, including but not limited to, the costs incurred by OFVO in obtaining an outside accounting review, audit, or both, of the financial and other records evidencing the expenditures. The OFVO will usually submit the expenditure documentation to an outside accounting firm for a review after the OFVO has completed its review. Based on the advice of the outside

accounting firm, the OFVO may require an audit of the production's financial records.

(c) Provisions conditioning OFVO's obligation to pay the rebate on the local filmmaker's compliance with the terms of the contract and satisfactory verification of production spending in Oregon of at least US \$75,000 but less than \$750,000.

(d) Provisions conditioning OFVO's obligation to pay the rebate on the production spending in Oregon after the date that OFVO approves the production's eligibility, of at least US \$75,000 but not more than \$750,000.

(e) Local filmmaker to provide vendor lists with final accounting.

(f) Local filmmaker to provide promotional materials (such as photos, trailers, electronic press kits) to OFVO. OFVO may use such materials strictly for non profit purposes such as for archival, governmental relations and marketing purposes. OFVO shall not grant usage to any other entity and shall request additional permission prior to any use other than those listed. OFVO understands that talent contracts may prohibit use of actors' images without express permission and agrees to abide by such agreements when advised of the production company of said limitations.