



Legislation Details (With Text)

File #: Res 1193-2016 **Version:** * **Name:** Include certain writer and director salaries and compensation within production costs eligible for the empire state film production credit. (A.3376-B/S.5448-A)

Type: Resolution **Status:** Filed (End of Session)

In control: Committee on Finance

On agenda: 9/14/2016

Enactment date: **Enactment #:**

Title: Resolution calling upon the New York State Legislature to pass, and the Governor to sign, A.3376-B/S.5448-A which would include certain writer and director salaries and compensation within production costs eligible for the empire state film production credit

Sponsors:

Indexes:

Attachments: 1. Assembly Bill, 2. Senate Bill, 3. September 14, 2016 - Stated Meeting Agenda with Links to Files

Date	Ver.	Action By	Action	Result
9/14/2016	*	City Council	Introduced by Council	
9/14/2016	*	City Council	Referred to Comm by Council	
12/31/2017	*	City Council	Filed (End of Session)	

Res. No. 1193

Resolution calling upon the New York State Legislature to pass, and the Governor to sign, A.3376-B/S.5448-A which would include certain writer and director salaries and compensation within production costs eligible for the empire state film production credit

By Council Member Dickens

Whereas, Since 2004, New York State has offered the Empire State Film Production Credit, designed to incentivize and increase the film production and post-production industry presence in the State; and

Whereas, The credit provides qualified film production companies with a refundable credit equal to 30 percent of qualified production and post-production costs of feature-length films, television films, relocated television productions, television pilots, and/or each episode of a television series incurred in the State; and

Whereas, The aggregate amount of the credit available is currently capped at \$420,000,000 and is distributed on a first come, first served basis; and

Whereas, Qualified production costs include those for tangible property used and services performed

within the State directly and predominantly in the production of a film or television episode, such as expenditures for film production facilities, props, makeup, wardrobe, film processing, camera, sound recording, set construction, lighting, shooting, editing, and meals; and

Whereas, All costs for salaries and other compensation for writers and directors are specifically excluded from production costs eligible for the credit; and

Whereas, A.3376-B, introduced by Assembly Member Keith Wright, and S.5448-A, introduced by Senator Kemp Hannon, would make certain writers' and directors' salaries eligible for the credit as qualified production costs; and

Whereas, Specifically, the legislation would authorize the inclusion of the salary and compensation of each writer or director of a television production who is a resident of New York State in the amount of: 1) up to \$50,000 for each writer or director who receives an on-air credit, and 2) up to \$75,000 for each non-credited writer or director if such person is a member of a minority group or female; and

Whereas, The aggregate amount that would be available for these types of qualified production costs would be \$5,000,000; and

Whereas, On May 24, 2016 A.3376-B was passed by the Assembly, but S.5448-A is still pending in the Senate; and

Whereas, The existing Empire State Film Production Credit has been successful in bringing and keeping film production jobs into the State and New York City; and

Whereas, According to a 2013 report prepared for the New York State Tax Reform and Fairness Commission, the level of film production employment in New York fell sharply between 2001 and 2004; and

Whereas, Once the credit was adopted in 2004, film production employment began to rise and experienced a substantial increase when the credit was expanded in 2008, leading to a 22-year high in 2012; and

Whereas, Further, according to the report, the credit's impact is principally in the City with

approximately 88 percent of industry employment in 2012 and approximately 92 percent of the qualified film production spending and tax credits in 2011 attributed to New York City; and

Whereas, However, according to the State Legislature's Memorandum of Support for A.3376-B/S.5448-A, the credit has not created employment opportunities for the thousands of New York State residents who try to earn their living by writing or directing for television; and

Whereas, In particular, female and minority television writers are severely lagging behind their male and non-minority counterparts in terms of employment share with women making up only 29 percent of writing staff and minorities making up only 13 percent in 2014, according to a March 2016 report published by the Bunche Center at the University of California, Los Angeles; and

Whereas, Female and minority directors do not fare any better according to the Directors Guild of America's 2015 Diversity Report, which found that during the 2014-2015 network television season only 16 percent of television episodes were directed by women and only 18 percent were directed by minorities; and

Whereas, The successes of the Empire State Film Production Tax Credit should be expanded in order to promote the television writing and directing job market within New York and, especially, writing and directing jobs for minorities and women who are woefully underrepresented in the industry; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the New York State Legislature to pass, and the Governor to sign, A.3376-B/S.5448-A which would include certain writer and director salaries and compensation within production costs eligible for the empire state film production credit.

RC 7/25/16
LS #7693