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**SUBSTITUTE HOUSE BILL 2042**

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**State of Washington                      61st Legislature                      2009 Regular Session**

**By** House Community & Economic Development & Trade (originally sponsored by Representatives Kenney, Parker, Hasegawa, Chase, and Ormsby)

READ FIRST TIME 02/23/09.

1            AN ACT Relating to the incentive in the motion picture  
2 competitiveness programs; amending RCW 43.365.020; and declaring an  
3 emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5            **Sec. 1.** RCW 43.365.020 and 2008 c 85 s 1 are each amended to read  
6 as follows:

7            (1) The department shall adopt criteria for an approved motion  
8 picture competitiveness program with the sole purpose of revitalizing  
9 the state's economic, cultural, and educational standing in the  
10 national and international market of motion picture production. Rules  
11 adopted by the department shall allow the program, within the  
12 established criteria, to provide funding assistance only when it  
13 captures economic opportunities for Washington's communities and  
14 businesses and shall only be provided under a contractual arrangement  
15 with a private entity. In establishing the criteria, the department  
16 shall consider:

17            (a) The additional income and tax revenue to be retained in the  
18 state for general purposes;

1 (b) The creation and retention of family wage jobs which provide  
2 health insurance and payments into a retirement plan;

3 (c) The impact of motion picture projects to maximize in-state  
4 labor and the use of in-state film production and film postproduction  
5 companies;

6 (d) The impact upon the local economies and the state economy as a  
7 whole, including multiplier effects;

8 (e) The intangible impact on the state and local communities that  
9 comes with motion picture projects;

10 (f) The regional, national, and international competitiveness of  
11 the motion picture filming industry;

12 (g) The revitalization of the state as a premier venue for motion  
13 picture production and national television commercial campaigns;

14 (h) Partnerships with the private sector to bolster film production  
15 in the state and serve as an educational and cultural purpose for its  
16 citizens;

17 (i) The vitality of the state's motion picture industry as a  
18 necessary and critical factor in promoting the state as a premier  
19 tourist and cultural destination;

20 (j) Giving preference to additional seasons of television series  
21 that have previously qualified;

22 (k) Other factors the department may deem appropriate for the  
23 implementation of this chapter.

24 (2) The board of directors created under RCW 43.365.030 shall  
25 create and administer an account for carrying out the purposes of  
26 subsection (3) of this section.

27 (3) Money received by an approved motion picture competitiveness  
28 program shall be used only for: (a) Health insurance and payments into  
29 a retirement plan, and other costs associated with film production; (b)  
30 a tax credit marketer to market the tax credits authorized under RCW  
31 82.04.4489; and (c) staff and related expenses to maintain the  
32 program's proper administration and operation.

33 (4) Maximum funding assistance from an approved motion picture  
34 competitiveness program is limited to an amount up to (~~twenty~~) thirty  
35 percent of the total actual investment in the state of at least:

36 (a) Five hundred thousand dollars for a single feature film  
37 produced in Washington state;

1 (b) Three hundred thousand dollars per television episode produced  
2 in Washington state; or

3 (c) One hundred fifty thousand dollars for an infomercial or  
4 television commercial associated with a national or regional  
5 advertisement campaign produced in Washington state.

6 (5) Funding assistance approval must be determined by the approved  
7 motion picture competitiveness program within a maximum of thirty  
8 calendar days from when the application is received, if the application  
9 is submitted after August 15, 2006.

10 NEW SECTION. **Sec. 2.** This act is necessary for the immediate  
11 preservation of the public peace, health, or safety, or support of the  
12 state government and its existing public institutions, and takes effect  
13 immediately.

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