



MEASURE: HB 2167  
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Joint Committee on Tax Credits 76<sup>th</sup> Session  
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SUBMITTED BY: Tom McFadden

### Testimony In Support of SB 2167

Joint Committee on Tax Credits

Co-Chairs: Senator Ginny Burdick, Representative Jules Bailey, and Representative Vicki Berger

April 21, 2011

OPIF and the Greenlight Oregon Labor Rebate are sustainable economic development programs that cultivate a 21<sup>st</sup> Century industry in which Oregon has unique advantages, and also represent one immediate solution to Oregon's jobs crisis.

Media production is one of the few stable manufacturing industries left in America. Investing in its growth in Oregon is a smart business move. Oregon successfully participates in the competitive national and international landscape to attract large budget projects to our state with a modest incentive and a conservatively apportioned program. A ranking of Oregon's incentives among the incentive programs offered by other states is attached. We should be proud of our success at attracting industry so efficiently.

Our incentives stimulate investment from large-scale film and TV projects now averaging \$55 million per year. That contributes to the existing production activity in Oregon, last figured at \$709 million annually.

**Immediate Jobs:** The result of this stimulation means first and foremost more jobs. Any given project hires local actors, crew, painters, and makeup and wardrobe artists among a host of others. Not to mention the indirect participants: the antique dealers, hardware store owners, cab drivers, restaurant workers and others who also benefit when we grow jobs in this industry. OMPA manages a list of some 1300 qualified crew and services online at [www.SourceOregon.com](http://www.SourceOregon.com), which we use to connect the industry and promote our local workforce.

**Cultivating an Industry:** The large-scale projects also bring additional opportunities for training, and access for Oregon-made product to a pipeline for the international trade of media content.

The knowledge and infrastructure that is gained as a result of hosting projects makes it possible for more Oregon businesses to develop their own titles. OMPA supports this effort of cultivating the indigenous industry by networking producers to share best practices of realizing return on investment, educating the finance community on opportunities for investing in Oregon-made product, and promoting the excellent work that is produced here.

Oregon has cultivated a business and technology environment that puts us on the leading edge for story telling in the 21<sup>st</sup> century. Add to this the rapidly expanding resources of



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young, educated talent, our attractive shooting locations, and ongoing private investment, and we can begin to understand the scope of what Oregon has to offer the world.

We summarize the advantages of OPIF in three ways:

- Being a growing, information-age industry with higher than average wages and minimal environmental impact, it is the **right industry** for Oregon to grow.
- With little to no infrastructure to develop, the opportunity to increase jobs is **right now.**
- And it is the **right price.**

The fact is that OPIF is an economic development program, not a revenue program. In spite of that, OPIF yields local and state government revenues that exceed the spending associated with the program. Continuing it is a smart business move.

I am available at any time to assist you in researching Oregon's film, television, commercial and new media production industry.

Sincerely,

A handwritten signature in black ink that reads 'Tom McFadden'.

Tom McFadden  
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Att: US Film Incentives Ranked

# OVERVIEW OF U.S. PRODUCTION INCENTIVES

(as of April 2010)

	<b>STATE</b>	<b>PERCENTAGE</b>	<b>TYPE OF INCENTIVE</b>
1	ILLINOIS	30%-45%	Transferable
2	ALASKA	30%-44%	Transferable Credit
3	MICHIGAN	30%-42%	Refundable/Transferable
4	DISTRICT OF COLUMBIA	21%-42%	Rebate
5	PUERTO RICO	40%	Transferable
6	OKLAHOMA	35%-37%	Rebate
7	MISSOURI	35%	Transferable
8	LOUISIANA	30%-35%	Partially Refundable
9	ALABAMA	25%-35%	Refundable
10	OHIO	25%-35%	Refundable
11	TENNESSEE	17%-32%	Grant/Refundable
12	WEST VIRGINIA	27%-31%	Transferable
13	NEW YORK	30%	Refundable
14	WASHINGTON	30%	Rebate
15	CONNECTICUT	30%	Transferable
16	ARIZONA	20%-30%	Transferable
17	GEORGIA	20%-30%	Transferable
18	SOUTH CAROLINA	10%-30%	Rebate
19	NEW MEXICO	25%	Refundable
20	WISCONSIN	25%	Refundable
21	MARYLAND	25%	Rebate
22	PENNSYLVANIA	25%	Transferable
23	RHODE ISLAND	25%	Transferable
24	MASSACHUSETTS	25%	Partially Refundable/Transferable
25	NORTH CAROLINA	25%	Refundable
26	CALIFORNIA	20%-25%	Non-Refundable
27	ARKANSAS	15%-25%	Rebate
28	TEXAS	5%-25%	Grant
29	FLORIDA	15%-22%	Rebate
30	KENTUCKY	20%	Refundable
31	IDAHO	20%	Rebate
32	NEW JERSEY	20%	Transferable
33	MISSISSIPPI	20%	Rebate
<b>34</b>	<b>OREGON</b>	<b>16.2%-20%</b>	<b>Rebate</b>
35	UTAH	15%-20%	Refundable Rebate
36	HAWAII	15%-20%	Refundable
37	MINNESOTA	15%-20%	Rebate
38	INDIANA	15%	Refundable
39	WYOMING	12%-15%	Rebate
40	MONTANA	9%-14%	Refundable
41	MAINE	10%-12%	Wage Rebate
42	COLORADO	10%	Rebate

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