



Hundredth Legislature – First Session - 2007
Introducer's Statement of Intent
LB 235

Chairperson: Ray Janssen
Committee: Revenue
Date of Hearing: February 15, 2007

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

This bill creates The Nebraska Film and Music Production Program.

***The Nebraska Film and Music Office is created within the Nebraska Game and Parks Commission.**

***Provides a rebate of up to 15% of Nebraska production expenditures to companies filming in the state (capped at \$5 million per year).**

- The rebate is extended to film, television and commercial productions on or after January 1, 2008.
- A company must have a minimum budget of \$2 million and spend \$1.25 million in Nebraska. The minimum budget requirement is cumulative so that companies producing multiple projects in a fiscal year with a minimum budget of \$300,000 and totaling at least \$2 million will qualify.
- A company must employ Nebraska residents for at least 50% of its below-the-line crew to qualify for full 15% rebate. Rebates of 5% are available if a company employs up to 24 % Nebraskans and 10% for companies who employ 25 to 49% Nebraskans. If the budget is \$30 million or higher, this requirement is waived.
- A company must provide proof of complete financing prior to commencement of principal photography. If film is not bonded, no rebate money will be released until evidence is provided that all Nebraska crew and vendors have been paid along with evidence that there are no liens against production company in the state of Nebraska.
- General liability insurance with minimum coverage of \$1M, and a workers' compensation policy pursuant to state law are required.
- Rebate fund may include any public or private donations, contributions and gifts received for the benefit of the fund.

- Production company shall provide evidence of a recognizable domestic or foreign distribution agreement within one (1) year from the end of principal photography.
- A Company is required to apply for and be granted a no-cost filming permit by the Nebraska Film & Music Office.

***Provides a tax credit for construction of Nebraska Film and Music facilities ranging from 10% on a minimum \$500,000 construction project to 25% for projects over one million.**

***Provides a 25% tax credit on profits to state taxpayers who invest in film and music projects produced in Nebraska when those profits are reinvested in another film or music production produced in Nebraska.**

Principal Introducer:

Senator Danielle Nantkes