

Second Regular Session  
Seventy-third General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 22-1026.04 Megan Waples x4348

HOUSE BILL 22-1408

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HOUSE SPONSORSHIP

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SENATE SPONSORSHIP

(None),

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House Committees  
Business Affairs & Labor

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING MODIFICATIONS TO THE COLORADO  
102 PERFORMANCE-BASED INCENTIVE FOR FILM PRODUCTION IN  
103 COLORADO.

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Bill Summary

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

The bill creates a film incentive task force to study how to make the performance-based incentive for film production in Colorado more effective. The task force is required to submit its findings to the house of representatives business affairs and labor committee and the senate business, labor, and technology committee by January 1, 2023.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.

The executive director of the office of economic development is authorized, in the executive director's discretion, to authorize the approval or issuance of an incentive in an amount that exceeds the current statutory limit of 20% of qualifying local expenditures for a production company that qualifies for an incentive.

The bill makes a \$2 million transfer from the general fund to the Colorado office of film, television, and media operational account cash fund for fiscal year 2022-23.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-48.5-116.5  
3 as follows:

4 **24-48.5-116.5. Film incentive task force - creation - study -**  
5 **report - repeal.** (1) THE FILM INCENTIVE TASK FORCE, REFERRED TO IN  
6 THIS SECTION AS THE "TASK FORCE", IS HEREBY CREATED. THE TASK  
7 FORCE CONSISTS OF THE FOLLOWING SEVEN MEMBERS:

8 (a) TWO MEMBERS OF THE COLORADO HOUSE OF  
9 REPRESENTATIVES, ONE FROM THE MINORITY PARTY AND ONE FROM THE  
10 MAJORITY PARTY, APPOINTED BY THE SPEAKER OF THE HOUSE;

11 (b) TWO MEMBERS OF THE COLORADO SENATE, ONE FROM THE  
12 MINORITY PARTY AND ONE FROM THE MAJORITY PARTY, APPOINTED BY  
13 THE PRESIDENT OF THE SENATE;

14 (c) ONE REPRESENTATIVE OF THE MOTION PICTURE ASSOCIATION,  
15 APPOINTED BY THE EXECUTIVE DIRECTOR OF THE OFFICE OF ECONOMIC  
16 DEVELOPMENT;

17 (d) ONE REPRESENTATIVE OF THE FILM AND TELEVISION  
18 PRODUCTION LABOR SECTOR, APPOINTED BY THE EXECUTIVE DIRECTOR OF  
19 THE OFFICE OF ECONOMIC DEVELOPMENT; AND

20 (e) THE DIRECTOR OF THE OFFICE OF FILM, TELEVISION, AND MEDIA  
21 CREATED IN SECTION 24-48.5-115 OR THE DIRECTOR'S DESIGNEE.

1 (2) MEMBERS OF THE TASK FORCE SERVE WITHOUT  
2 COMPENSATION; EXCEPT THAT EACH LEGISLATIVE MEMBER OF THE TASK  
3 FORCE IS ENTITLED TO RECEIVE PAYMENT OF PER DIEM AND  
4 REIMBURSEMENT FOR ACTUAL AND NECESSARY EXPENSES AS AUTHORIZED  
5 IN SECTION 2-2-326.

6 (3) THE TASK FORCE SHALL CONDUCT A STUDY AND PREPARE A  
7 REPORT WITH RECOMMENDATIONS ON HOW TO MAKE THE  
8 PERFORMANCE-BASED INCENTIVE FOR FILM PRODUCTION IN COLORADO  
9 MORE EFFECTIVE. IN CONDUCTING THE STUDY, THE TASK FORCE MAY  
10 CONSULT WITH AND CONDUCT OUTREACH TO STAKEHOLDERS AND  
11 INTERESTED PARTIES.

12 (4) THE TASK FORCE SHALL SUBMIT ITS REPORT TO THE HOUSE OF  
13 REPRESENTATIVES BUSINESS AFFAIRS AND LABOR COMMITTEE AND THE  
14 SENATE BUSINESS, LABOR, AND TECHNOLOGY COMMITTEE, OR THEIR  
15 SUCCESSOR COMMITTEES, NO LATER THAN JANUARY 1, 2023.

16 (5) THE OFFICE OF ECONOMIC DEVELOPMENT SHALL PROVIDE  
17 OFFICE SPACE, EQUIPMENT, AND STAFF SERVICES AS MAY BE NECESSARY  
18 TO IMPLEMENT THIS SECTION.

19 (6) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2023.

20 **SECTION 2.** In Colorado Revised Statutes, 24-48.5-116, **amend**  
21 (1) introductory portion, (1)(a), (1)(b), and (5)(a)(II); and **add** (1.5) and  
22 (5)(a.5) as follows:

23 **24-48.5-116. Film, television, and media - performance-based**  
24 **incentive for film production in Colorado - Colorado office of film,**  
25 **television, and media operational account cash fund - creation -**  
26 **definition.** (1) Subject to the provisions of this section, on or after July  
27 1, 2012, any production company employing a workforce for any in-state

1 production activities made up of at least fifty percent Colorado residents  
2 ~~shall be allowed to~~ MAY claim a performance-based incentive in an  
3 amount as follows:

4 (a) EXCEPT AS PROVIDED IN SUBSECTION (1.5) OF THIS SECTION, for  
5 a production company that originates production activities in Colorado,  
6 an amount equal to twenty percent of the total amount of the production  
7 company's qualified local expenditures if the total of such expenditures  
8 equals or exceeds one hundred thousand dollars; and

9 (b) (I) Except as provided in ~~subparagraph (II) of this paragraph~~  
10 ~~(b)~~ SUBSECTIONS (1)(b)(II) AND (1.5) OF THIS SECTION, for a production  
11 company that does not originate production activities in Colorado, an  
12 amount equal to twenty percent of the total amount of the production  
13 company's qualified local expenditures if the total of such expenditures  
14 equals or exceeds one million dollars.

15 (II) EXCEPT AS PROVIDED IN SUBSECTION (1.5) OF THIS SECTION,  
16 for a production company that produces a television commercial or video  
17 game and that does not originate production activities in Colorado, any  
18 production company employing a workforce for any in-state production  
19 activities made up of at least fifty percent Colorado residents ~~shall be~~  
20 ~~allowed to~~ MAY claim a performance-based incentive in an amount equal  
21 to twenty percent of the total amount of the production company's  
22 qualified local expenditures if the total of such expenditures equals or  
23 exceeds two hundred fifty thousand dollars.

24 (1.5) THE EXECUTIVE DIRECTOR OF THE OFFICE OF ECONOMIC  
25 DEVELOPMENT MAY, IN THE EXECUTIVE DIRECTOR'S DISCRETION,  
26 AUTHORIZE THE APPROVAL OR ISSUANCE OF AN INCENTIVE IN AN AMOUNT  
27 THAT EXCEEDS TWENTY PERCENT OF LOCAL EXPENDITURES FOR A

1 PRODUCTION COMPANY THAT QUALIFIES FOR AN INCENTIVE UNDER  
2 SUBSECTION (1) OF THIS SECTION.

3 (5) (a) There is hereby created in the state treasury the Colorado  
4 office of film, television, and media operational account cash fund,  
5 referred to in this section as the "fund". The fund consists of:

6 (II) Money transferred to the fund, including ~~three million dollars~~  
7 ~~that shall be transferred on July 1, 2012, and~~ five million dollars that shall  
8 be transferred on July 1, 2021, from the general fund, ~~and~~ up to one  
9 million dollars transferred pursuant to section 24-32-129 (3)(b)(II) to the  
10 Colorado office of film, television, and media operational account cash  
11 fund, AND MONEY TRANSFERRED PURSUANT TO SUBSECTION (5)(a.5) OF  
12 THIS SECTION; and

13 (a.5) ON JULY 1, 2023, THE STATE TREASURER SHALL TRANSFER  
14 TWO MILLION DOLLARS FROM THE GENERAL FUND TO THE FUND.

15 **SECTION 3. Safety clause.** The general assembly hereby finds,  
16 determines, and declares that this act is necessary for the immediate  
17 preservation of the public peace, health, or safety.