

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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SENATE BILL DRS35244-MC-171

Short Title: Modify Film Grant Incentive. (Public)

Sponsors: Senators Lowe, Foushee, and Woodard (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO MODIFY THE FILM AND ENTERTAINMENT GRANT FUND.
3 The General Assembly of North Carolina enacts:

4 SECTION 1. G.S. 143B-437.02A reads as rewritten:
5 "§ 143B-437.02A. The Film and Entertainment Grant Fund.

6 (a) Creation and Purpose of Fund. – There is created in the Department of Commerce a
7 special, nonreverting account to be known as the Film and Entertainment Grant Fund to provide
8 funds to encourage the production of motion pictures, television shows, movies for television,
9 productions intended for on-line distribution, and commercials and to develop the filmmaking
10 industry within the State. The Department of Commerce shall adopt guidelines providing for the
11 administration of the program. Those guidelines may provide for the Secretary to award the grant
12 proceeds over a period of time, not to exceed three years. Those guidelines shall include the
13 following provisions, which shall apply to each grant from the account:

14 (1) The funds are reserved for a production on which the production company has
15 qualifying expenses of at least the following:

16 a. For a feature-length ~~film~~film, five hundred thousand dollars
17 (\$500,000).

18 ~~1. Three million dollars (\$3,000,000), if for theatrical viewing.~~

19 ~~2. One million dollars (\$1,000,000), if a movie for television.~~

20 b. For a television series, ~~one million dollars (\$1,000,000)~~five hundred
21 thousand dollars (\$500,000) per episode.

22 c. For a commercial for theatrical or television viewing or on-line
23 distribution, two hundred fifty thousand dollars (\$250,000).

24 (2) The funds are not used to provide a grant in excess of any of the following:

25 a. An amount more than ~~twenty five~~thirty percent ~~(25%)~~(30%) of the
26 qualifying expenses for the ~~production~~production if the majority of
27 the production is filmed in a development tier one or two area, as
28 defined in G.S. 143B-437.08. An amount more than twenty-five
29 percent (25%) of the qualifying expenses for any other production.

30 b. An amount more than seven million dollars (\$7,000,000) for a
31 feature-length film, more than twelve million dollars (\$12,000,000)
32 for a single season of a television series, or two hundred fifty thousand
33 dollars (\$250,000) for a commercial for theatrical or television
34 viewing or on-line distribution.

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1 **SECTION 2.** There is appropriated from the General Fund to the Film and
2 Entertainment Grant Fund an additional nineteen million dollars (\$19,000,000) in recurring funds
3 for the 2019-2020 and 2020-2021 fiscal years for purposes consistent with the Fund.

4 **SECTION 3.** Section 1 of this act is effective when it becomes law and applies to
5 grants made on or after that date. Section 2 of this act becomes effective July 1, 2019. The
6 remainder of this act is effective when it becomes law.