

RESOLUTION NO. 2019-1694

A RESOLUTION IN SUPPORT OF AN OUT-OF-ZONE FILM TAX CREDIT

WHEREAS, the State of New Mexico has developed a robust film industry, employing more than a thousand fulltime workers and attracting hundreds of millions of dollars a year of direct spending into our economy; and

WHEREAS, New Mexico's film industry is built upon the state's film incentive program, which offers film productions a rebate of up to 30 percent on their spending in the state; and

WHEREAS, the majority of the film industry's spending in New Mexico is derived from film productions that utilize union based workers; and

WHEREAS, the vast majority of New Mexico's film union membership live in the Albuquerque and Santa Fe region; and

WHEREAS, union staffed film productions that choose to film outside of the Albuquerque and Santa Fe region are required to pay extra travel based expenses to crew members, costing as much as \$500,000 per production to locate outside of this zone; and

WHEREAS, the additional cost of crew travel creates a disincentive for film productions to locate outside this zone; and

WHEREAS, this has created a growing disparity in both film based economic development opportunities and crew training for the rest of the state; and

WHEREAS, other top film production states, including Louisiana and New York, addressed this opportunity gap by providing an extra 5 to 10 percent production rebate to film productions who film outside of the main production center zone; and

WHEREAS, this extra credit to film in underserved areas helps to offset the additional cost for film productions of bringing in a union trained crew; and

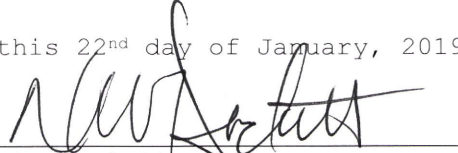
WHEREAS, the State of New Mexico is considering significant expenditures to its film incentive program in the upcoming legislative session including eliminating its cap of annual film rebate expenditures and paying in excess of \$150 million in accrued film incentive rebates; and

WHEREAS, given the significant financial expenditures being requested of all New Mexico taxpayers in support this economic development program it is appropriate and equitable to also modernize New Mexico's film incentive program to help expand film production opportunities in all parts of the state.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF FARMINGTON, NEW MEXICO, THAT:

1. The City urges Governor Michelle Lujan Grisham and the New Mexico Legislature to establish an additional 5 percent tax rebate to film productions that film in underserved parts of the state.
2. The City also encourages the state to enhance or establish new programs to increase film crew training in underserved film production communities as well as assist individuals in film crew training programs to have opportunities to work on union affiliated film productions to aid in their advancement into a professional film crew organization.

PASSED, SIGNED, APPROVED AND ADOPTED this 22nd day of January, 2019.


Nate Duckett, Mayor

SEAL

ATTEST:


Dianne Smylie, City Clerk