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DATE: March 15, 2023
BILL NO: Senate Bill 907
BILL TITLE: Maryland Film Office – Entertainment and Film Funding Grant Program - Establishment
COMMITTEE: Senate Budget & Taxation
POSITION: Statement of Information

Senate Bill 907 establishes the Entertainment and Film Funding Grant program (Program) within the Maryland Film Office which is within the Maryland Department of Commerce (Commerce). Through the Program, Commerce would issue grants of up to \$200,000 to assist with the production costs of entertainment and film projects in the State.

Maryland has a long history of film production. We have a strong crew base, a wealth of talent and many support services. We have a variety of locations, and our film office has a strong reputation. The State currently offers the Film Production Activity Tax Credit to award a refundable tax credit of up to 27% of film production costs incurred in the State. The tax credit is capped at \$12M per fiscal year, of which 10% must be reserved annually for Maryland small and independent film entities.

Thirty-five states presently offer incentives to attract film production. Maryland ranks 24th in the amount of incentives available per fiscal year. Few states offer grants for film production, and those that do base the grants on qualifying expenses incurred in the State, where this Program would issue grants in advance of filming to assist with production costs.

Since the inception of the Film Production Activity Tax Credit in 2011, the nineteen productions that have qualified for tax credits have had a combined economic impact in Maryland of well over a billion dollars. During its six seasons in Maryland, House of Cards hired more than 2,000 Maryland residents per season and purchased or rented goods and services from more than 2,000 Maryland businesses per season. Each season averaged \$118 million in economic impact for the State.