

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Amend the bill by striking out the title and substituting the following:

**'An Act To Promote Visual and Digital Media
Productions, Tourism and Job Creation in the State'**

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

'**Sec. 1. 5 MRSA §13090-M** is enacted to read:

§ 13090-M. Visual and Digital Media Loan Program

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "B-roll" means scenic background film footage that does not include actors and is not used in the final visual media production.

B. "Digital media project" has the same meaning as in section 13090-L, subsection 2-A, paragraph A.

C. "Fund" means the Visual and Digital Media Loan Fund, established pursuant to Title 10, section 1023-O.

D. "Program" means the Visual and Digital Media Loan Program established in subsection 2.

E. "Visual media production" has the same meaning as in section 13090-L, subsection 2-A, paragraph D.

2. Administration. The Visual and Digital Media Loan Program is established to promote digital media projects and visual media productions in the State that will assist in job creation and promote tourism in the State. The commissioner shall administer the program in accordance with this section.

3. Loan conditions. The commissioner may use the fund to provide loans for digital media projects or visual media productions of up to \$500,000 per project or production, not to exceed 20% of the project's or production's proposed preproduction and production budget. A loan from the fund is subject to terms and conditions prescribed by rule by the commissioner and by the Finance Authority of Maine pursuant to Title 10, section 1023-O. The rules may also provide a mechanism for reserving funds for, or giving priority to, projects or productions determined by the commissioner to most effectively promote tourism and job creation in the State. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A. When considering loans under this section, the commissioner shall consult with the Finance Authority of Maine.

4. Loan forgiveness criteria. A borrower under a loan under subsection 3 may apply to the commissioner for loan forgiveness upon completion of the digital media project or visual media production. The borrower must demonstrate to the satisfaction of the commissioner that the following criteria have been met:

- A. The project or production has a total budget, including preproduction, production and postproduction costs and expenses, that exceeds \$100,000;
- B. Seventy-five percent of the completed project or production has been filmed in the State;
- C. A marketing plan with respect to the project or production includes promotion and acknowledgment of the project's or production's filming in the State;
- D. A signed agreement with the department provides the department with access to a film trailer and all b-roll footage, if applicable, provided free of charge to the State for tourism promotion activities; and
- E. A signed agreement with the department provides that the project or production will not be the basis for a claim for an income tax credit under Title 36, section 5219-Y or reimbursement under Title 36, chapter 919-A.

5. Certification by commissioner. The commissioner must certify a digital media project's or visual media production's eligibility for a loan under subsection 3 to the Finance Authority of Maine prior to the disbursement of any funds by the authority pursuant to Title 10, section 1023-O.

6. Administration. The commissioner may contract with the Finance Authority of Maine to assist in the administration of this section.

7. Repeal. This section is repealed December 31, 2015.

Sec. 2. 10 MRSA §1023-O is enacted to read:

§ 1023-O. Visual and Digital Media Loan Fund

1. Fund established. The Visual and Digital Media Loan Fund, referred to in this section as "the fund," is established. The fund must be deposited with and maintained by the authority. The fund must be administered by the Commissioner of Economic and Community Development in accordance with Title 5, section 13090-M. The authority and the Department of Economic and Community Development may receive money for deposit into the fund from the Treasurer of State and from any other gift, grant or other source of revenue for use pursuant to this section. All money received by the authority from any source for the development and implementation of the fund must be credited to the fund. Repayment of loans and interest on loans from the fund must be credited to the fund and may be used for the purposes stated in Title 5, section 13090-M. Interest earned on money in the fund and interest earned on loans made from the fund may be used to pay the administrative costs of processing loan applications. The authority may, in collaboration with the Commissioner of Economic and Community Development, establish by rule prudent terms and conditions for loans, including requiring adequate collateral for the loans.

2. Rulemaking. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

3. Repeal. This section is repealed December 31, 2015.

Sec. 3. Appropriations and allocations. The following appropriations and allocations are made.

ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF

Office of Tourism 0577

Initiative: Allocates one-time funds for the start-up costs of the Visual and Digital Media Loan Program.

OTHER SPECIAL REVENUE FUNDS	2011-12	2012-13
All Other	\$5,000	\$0
OTHER SPECIAL REVENUE FUNDS TOTAL	\$5,000	\$0

SUMMARY

This amendment replaces the bill. It establishes the Visual and Digital Media Loan Program within the Department of Economic and Community Development to promote tourism and job creation through loans to the producers of visual and digital media projects and productions. The Visual and Digital Media Loan Fund is established to provide loans for eligible digital media projects or visual media productions of up to \$500,000 per eligible project or production, not to exceed 20% of its proposed preproduction and production budget. It establishes a loan forgiveness process for borrowers if they demonstrate to the satisfaction of the Commissioner of Economic and Community Development that the following criteria have been met upon completion of the project or production:

1. The project or production has a total preproduction, production and postproduction budget that is above \$100,000;
2. Seventy-five percent of the project or production has been filmed in the State;
3. A marketing plan includes promotion and acknowledgment of the project's or production's filming in the State;
4. A signed agreement provides the department with access to a film trailer and all b-roll footage, provided free of charge to the State for tourism promotion activities; and
5. A signed agreement provides that the project or production will not be the basis for an income tax credit or tax reimbursement for visual media productions.

It authorizes the commissioner to contract with the Finance Authority of Maine to administer the fund for the program. It also provides that the program is repealed December 31, 2015.

It also adds an appropriations and allocations section.

FISCAL NOTE REQUIRED
(See attached)