



Assemblymember **FELIPE FUENTES**

News Release

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Assemblymember Fuentes, Film Industry Coalition Applaud Governor Brown for Extending California Film and Television Tax Credit Program

Governor Jerry Brown Signs AB 1069, Extends Program by One Additional Year

SACRAMENTO – Assemblymember Felipe Fuentes along with a coalition of labor and film industry leaders applauded Governor Jerry Brown for signing AB 1069 into law today. AB 1069, which Assemblymember Fuentes authored, extends the California Film & Television Tax Credit Program by an additional year.

“I’d like to applaud Governor Brown’s leadership in signing AB 1069 today,” said Assemblymember Fuentes. “By creating tens of thousands of jobs and pumping billions into our economy, the film and television tax credit program has truly been a statewide economic stimulus package.”

So far, \$400 million in tax credits have been allocated to eligible film and television productions. A recent study by the Los Angeles Economic Development Corporation (LAEDC) showed that the first two years of the Program has generated \$3.8 billion dollars in economic activity statewide, created more than 20,000 jobs and over \$200 million dollars in tax revenues. The report also found that for every tax credit dollar allocated so far, there has been more than \$20 pumped into the economy.

“With the State’s unemployment rate hovering around 12%, we need this incentive to help keep tens of thousands of Californians employed. Extending this program will prevent production companies from moving their projects, jobs and spending out of California,” said Assemblymember Fuentes. “I remain committed to working with stakeholders to bring forward a longer-term extension of this successful program next year.”

“Governor Brown and the legislature inked a solid win for California. The extension of the motion picture production tax incentive means that California will continue to compete for motion picture and television productions, with tens of thousands of good middle class jobs for Californians. And we look forward to renewing the effort next year for a longer extension so that productions have certainty in the future of this important program,” said MPAA Chairman and CEO Chris Dodd.

The original credit was enacted in 2009 as part of a targeted effort to create jobs, increase production spending, and tax revenues for the State. The California Film and Television Tax Credit Program was scheduled to end in fiscal year 2013-14 with the last of the credits allocated by July 2012.

“California’s film and television production tax incentive has a proven record of success in putting Californians back to work and I applaud the Governor and Assemblymember Fuentes for extending it until 2015,” said Los Angeles City Councilmember Paul Krekorian, a former state Assemblyman who in 2009 authored the first successful production tax incentive in California. “If our state government is serious about getting Californians back to work, we must be aggressive in preserving the industry that creates so many middle class jobs and supports so many local businesses both small and large. We must be willing to fight to keep the film and television production that is such an inextricable part of our identity, our history and our economy. We must never allow the day to come when we look up at the Hollywood sign on the hill and realize that 'Hollywood' is no longer here.”

“We are extremely gratified that AB 1069 was signed by Governor Jerry Brown after being approved overwhelmingly by both houses of the California State Legislature,” said Bryan Unger, Associate National Executive Director/Western Executive Director of the Directors Guild of America. “Thousands of our members live and work in California and this important legislation will help the state remain a viable location for film and TV production.

“We commend the legislature and Governor Brown for recognizing that the motion picture industry is an integral part of the economic and cultural powerhouse that has been California during the last 100 years and that it is just as important a part of this state’s future as its past. We’d also like to extend our most heartfelt thanks and gratitude to Assembly Member Felipe Fuentes for his clear-eyed vision and his tremendous, unwavering support of this bill from the first day until the last,” Unger added.

Today over 40 U.S. states, along with New York City and Canada among others, offer substantial financial incentives to the film industry in an attempt to lure production and post-production jobs and spending away from California. AB 1069 was approved by the State Assembly by a 77-1 vote and by the State Senate by a 34-2 vote.

“Screen Actors Guild commends the foresight shown by Governor Brown by signing into law a one-year extension of the California Film and Television Incentive,” said Jennifer Heater, Government Relations Manager for SAG. “By increasing local work opportunities for 70,000 California SAG members and their entertainment industry co-workers, allowing them to live and work in the state they love and patronize local businesses, this legislation will help boost our state's fragile economy. We look forward to working with the Governor and the legislature on ensuring the continued viability of this vital and successful program.”

“I want to thank Governor Brown for realizing that AB 1069 creates vitally needed jobs, economic infusion for both the State and local businesses, as well as working to keep one of the cornerstone industries of California where it belongs,” said Leo T. Reed Secretary Treasurer of Teamsters Local 399, who represents thousands of drivers, location managers, casting directors and other basic crafts in the entertainment industry.

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