

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1999

SENATE BILL 1460
RATIFIED BILL

AN ACT TO PROVIDE INCENTIVES FOR DEVELOPMENT OF THE FILM
INDUSTRY IN NORTH CAROLINA.

The General Assembly of North Carolina enacts:

Section 1. Part 2 of Article 10 of Chapter 143B of the General Statutes is amended by adding a new section to read:

"§ 143B-434.3. Film Industry Development Account.

(a) Creation and Purpose of Account. – There is created in the Department of Commerce, Division of Travel and Tourism, the Film Industry Development Account to provide annual grants as incentives to production companies that engage in production activities in this State. The Division of Travel and Tourism shall administer this program in accordance with the following provisions:

- (1) To be eligible for a grant, a production company must engage in production activities in this State. A grant may not be used for political or issue advertising.
- (2) A grant may not exceed fifteen percent (15%) of the amount the production company spends for goods and services in this State during the calendar year.
- (3) A grant may not exceed two hundred thousand dollars (\$200,000) per production.

(b) Production Company Defined. – As used in this section, the term 'production company' has the meaning provided in G.S. 105-164.3.

(c) Reports. – The Department of Commerce shall report annually to the General Assembly concerning the applications made to the account, the payments made from the account, and the effect of the payments on job creation in the State. The Department of Commerce shall also report quarterly to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on the use of the moneys in the account, including information regarding to whom payments were made and in what amounts."

Section 2. G.S. 143-341(4) is amended by adding a new sub-subdivision to read:

"§ 143-341. Powers and duties of Department.

The Department of Administration has the following powers and duties:

(4) Real Property Control:

o. To provide that no fee, other than reimbursement of actual costs incurred and actual revenues lost by the State, shall be charged when State buildings are made available to a production company for a production. As used in this subdivision, the term 'production company' has the meaning provided in G.S. 105-164.3.

Section 3. Article 10 of Chapter 143 of the General Statutes is amended by adding a new section to read:

"§ 143-162.2. Use of public property by production companies.

If a State agency makes real property available to a production company for a production, it shall not charge any fee other than reimbursement of actual costs incurred and actual revenues lost by the agency. As used in this section, the term 'production company' has the meaning provided in G.S. 105-164.3. This section does not require a State agency to make real property available to a production company for a production."

Section 4. G.S. 105-164.3 is amended by adding a new subdivision to read:

"(11c) 'Production company' means a person engaged in the business of making original motion picture, television, or radio images for theatrical, commercial, advertising, or educational purposes."

Section 5. G.S. 105-164.13(22a) reads as rewritten:

"(22a) Sales of audiovisual masters made or used by a production company in making visual and audio images for first generation reproduction. For the purpose of this subdivision, an "audiovisual master" is an audio or video film, tape, or disk or another audio or video storage device from which all other copies are made. For the purpose of this subdivision, a production company is a person engaged in the business of making motion picture, television, or radio images for theatrical, commercial, advertising, or educational purposes."Section 6. No production company shall be eligible for a grant under G.S. 143B-434.3 if an original motion picture, television, or radio image for theatrical, commercial, advertising, or educational purposes made by that company contains material that is considered obscene, as defined by G.S. 14-190.1(b).

Section 7. This act is effective when it becomes law. In the General Assembly read three times and ratified this the 11th day of July, 2000.

Marc Basnight
President Pro Tempore of the Senate

James B. Black
Speaker of the House of Representatives

James B. Hunt, Jr.
Governor

Approved _____ .m. this _____ day of _____ , 2000