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Information Services

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April 1, 2015

The Honorable Lee Beyer, Chair  
Senate Committee on Business and Transportation  
900 Court Street  
Salem, OR 97301

**RE: SB 872 – Relating to certified film production development contributions**

Chair Beyer and members of the committee:

The City of Eugene supports the expansion of the Oregon Production Investment Fund in Senate Bill 872. The City recognizes the economic benefits of media production in our communities. Oregon site selection incentives are a smart business investment that has an immediate and substantial return on investment, while also supporting thousands of jobs for Oregon workers.

The Oregon Film and Video Office documents the economic impacts of their incentive programs and the effectiveness has been quantified. For example, over the last five years, employment in the Film & Video industry here in the state has grown 69%, the median wage is now over \$43,000 and there are currently over 350 film & video production and development companies located here in the state. The current “in-state spend” derived from the OPIF program alone now exceeds \$135 million.

Unfortunately, Oregon’s current incentive is overshadowed by Vancouver BC’s provincial and federal rebate programs and other offerings here in the U.S. such as Washington’s 30%, New Mexico’s 25% and Utah’s 20% rebates. Oregon’s current program has an annual cap of \$10 million, which was exhausted within a month of being offered last year.

This year, it is projected that Oregon’s production tax incentive program will be tapped out even before it is replenished at the start of the fiscal year (July 1) due to the expansion and renewal of the current television series which have based themselves within the state and the expectations of local companies and projects looking to access the program. This will leave the entire fiscal year with no available production incentives, putting Oregon at a severe disadvantage and losing millions of potential production dollars. These dollars will go to other states with more robust and lasting incentive programs. We have so much to demonstrate the success of the Oregon Production Investment Fund - from the multi-year television series produced in Oregon such as *Portlandia*, *Grimm*, *Leverage* and *The Librarians* to the full length features such a *Wild* (which was nominated twice at this year’s Academy Awards while bringing much desired tourism attention to our Pacific Crest Trail). In addition, the resident incentive program (OPIF) has benefitted Eugene-based film companies such as the feature film *Tracktown* and various projects from game development company Pipeworks.

Thank you for your consideration of our comments.

Sincerely,

Pam Berrian  
Telecommunications and Cable Program Manager