

1 HOUSE BILL 653

2 **54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019**

3 INTRODUCED BY

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10 AN ACT

11 RELATING TO WORKFORCE SOLUTIONS; ESTABLISHING A FILM SET
12 INTERNSHIP PROGRAM TO ASSIST NEW MEXICO RESIDENTS TO BUILD FILM
13 CAREERS BY GIVING THEM ON-SET EXPERIENCE; PROVIDING A PUBLIC-
14 PRIVATE PARTNERSHIP BETWEEN THE WORKFORCE SOLUTIONS DEPARTMENT
15 AND A NONPROFIT FILM SET INTERNSHIP PROGRAM ADMINISTRATOR;
16 PROVIDING POWERS AND DUTIES; CREATING A FUND; PROVIDING FOR THE
17 ASSIGNMENT OF ONE PERCENT OF A FILM PRODUCTION COMPANY'S FILM
18 PRODUCTION TAX CREDITS TO THE FILM SET INTERNSHIP FUND TO PAY
19 FOR THE PROGRAM.
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21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

22 SECTION 1. [NEW MATERIAL] WORKFORCE SOLUTIONS

23 DEPARTMENT--FILM SET INTERNSHIP PROGRAM--POWERS AND DUTIES.--

24 A. The workforce solutions department shall
25 establish a film set internship program as a public-private

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1 partnership to assist New Mexico residents to build film
2 careers by giving them on-set experience. The program shall be
3 modeled on the completed two-year pilot project through the
4 city of Albuquerque, central New Mexico community college, the
5 Kellogg foundation and a nonprofit film training corporation.

6 The department shall:

- 7 (1) establish guidelines for the program;
8 (2) register qualified interns and provide
9 them with an "intern ready" endorsement to prove that they meet
10 the qualifications for an internship; and
11 (3) work with a private nonprofit film
12 training corporation, which shall serve as the program
13 administrator and manage and oversee interns on film sets.

14 B. To qualify as an intern, a person shall:

- 15 (1) be at least eighteen years of age and a
16 New Mexico resident for at least two years and have a proof of
17 residency card issued by the state; and
18 (2) have successfully completed a certificate
19 or degree program with a focus on film trades or have
20 equivalent experience or be honorably discharged from the
21 United States armed forces.

22 C. The program administrator shall:

- 23 (1) provide orientation training for qualified
24 interns;
25 (2) serve as the employer of record for the

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1 interns;

2 (3) provide workers' compensation insurance;

3 (4) work to place interns with qualified
4 productions and provide oversight of interns while they are
5 placed on a film production;

6 (5) make sure the program guidelines and state
7 laws are being followed by the interns and film production
8 companies; and

9 (6) provide an assessment of each intern at
10 the completion of the intern's internship.

11 D. Interns shall work at the level of a production
12 assistant within a film production company's various
13 departments and be supervised by the company's professional
14 staff or crew. Interns shall not be paid more than one hundred
15 thirty-five percent of the state minimum wage and may be paid a
16 flat daily rate or an hourly rate. A film production that has
17 a budget of one million eight hundred fifty thousand dollars
18 (\$1,850,000) or less may use unpaid interns. Intern positions
19 may be converted from unpaid to paid positions but shall not be
20 converted from paid to unpaid positions on a film production.

21 E. An intern who works over eighty percent of a
22 film production or of an episode in the case of a series shall
23 be credited.

24 F. Film production companies that employ paid
25 interns qualify for a training rebate paid through the program

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1 administrator. Those film production companies shall:

2 (1) work with the program administrator to
3 facilitate payroll for interns at a pay rate provided for in
4 this section; and

5 (2) receive a fifty percent rebate of net
6 wages, excluding taxes, benefits and payroll administration
7 costs, paid to a paid intern by the program administrator after
8 the completion of principal photography.

9 G. Film production companies that host unpaid
10 interns shall:

11 (1) work with the program administrator to
12 place interns on their film productions; and

13 (2) if a film production company chooses to
14 provide a stipend or other honorarium to the intern, it shall
15 do so through the program administrator.

16 H. The film set internship program shall be funded
17 through an assignment of one percent of a film production
18 company's tax credit granted pursuant to the Film Production
19 Tax Credit Act. The money assigned shall be deposited to the
20 credit of the film set internship fund.

21 SECTION 2. [NEW MATERIAL] FILM PRODUCTION TAX CREDIT--ONE
22 PERCENT OF TAX CREDIT ASSIGNED.--When a film production company
23 that is eligible for a tax credit pursuant to the Film
24 Production Tax Credit Act registers with the New Mexico film
25 division of the economic development department, the film

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1 production company shall sign an assignment of one percent of
2 its credit to the film set internship fund.

3 SECTION 3. [NEW MATERIAL] FILM SET INTERNSHIP FUND.--The
4 "film set internship fund" is created as a nonreverting fund in
5 the state treasury. The fund consists of assigned percentages
6 of tax credits granted pursuant to the Film Production Tax
7 Credit Act, gifts, grants, donations, appropriations and income
8 from investment of the fund. The fund shall be administered by
9 the workforce solutions department, and money in the fund is
10 appropriated to the department to carry out the provisions of
11 Section 1 of this 2019 act. No more than ten percent of the
12 fund may be used by the department for administration of the
13 film set internship program. Expenditures from the fund shall
14 be on warrants signed by the secretary of finance and
15 administration pursuant to vouchers signed by the secretary of
16 workforce solutions.

17 SECTION 4. A new section of the Film Production Tax
18 Credit Act is enacted to read:

19 "[NEW MATERIAL] ADDITIONAL ASSIGNMENT.--A film production
20 company that is eligible to receive a credit pursuant to the
21 Film Production Tax Credit Act shall assign one percent of the
22 payment of the authorized film production tax credit or film
23 and television tax credit to the film set internship fund when
24 the film production company registers with the division. When
25 the tax credit is issued, the taxation and revenue department

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1 shall distribute the assigned credit rebate to the film set
2 internship fund."

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