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A MEMORIAL

CELEBRATING THE SUCCESS OF THE FILM INDUSTRY IN NEW MEXICO.

WHEREAS, in 2018, New Mexico commemorated one hundred twenty years of film production in the state, beginning with the Thomas A. Edison company's 1898 filming of *Indian Day School* in the New Mexico territory; and

WHEREAS, also in 2018, the New Mexico film division of the economic development department, also known as the New Mexico film office, celebrated the fiftieth anniversary of its founding by then-Governor David Cargo; and

WHEREAS, New Mexico established the first state film office in the United States; and

WHEREAS, film and television production continue to flourish in New Mexico; and

WHEREAS, New Mexico has experienced an unprecedented boom in film and television production because of the state's competitive incentives, talented crew both behind and in front of the camera and robust infrastructure; and

WHEREAS, New Mexico also boasts unique architecture, varied landscapes, breathtaking vistas and mystical skies and more than three hundred days a year of sunshine; and

WHEREAS, the New Mexico film industry has made a significant impact on the economic vitality of New Mexico;

and

1 WHEREAS, the film industry has created high-wage jobs
2 for skilled technical crew, business opportunities for local
3 vendors and investment opportunities; and

4 WHEREAS, New Mexico boasts the largest film crew base
5 between the east and west coasts; and

6 WHEREAS, New Mexico's current film and television
7 production incentive offers a refundable tax credit of up to
8 thirty percent on qualified in-state expenditures, making it
9 competitive with other popular film hubs such as Georgia and
10 Louisiana; and

11 WHEREAS, New Mexico's incentive program has a fifty
12 million dollar (\$50,000,000) annual rolling cap, and if a
13 production has a credit approved after the program exceeds
14 the annual cap, the payment rolls over to the next fiscal
15 year; and

16 WHEREAS, the incentive program has been credited for
17 attracting big-budget films such as *The Avengers*, *Thor* and
18 academy-award winning *No Country for Old Men*, as well as
19 popular television series *Breaking Bad*, *Longmire* and *Better*
20 *Call Saul*; and

21 WHEREAS, the New Mexico film office serves the film and
22 television industry locally, nationally and internationally;
23 and

24 WHEREAS, the purpose of the New Mexico film office is to
25 market the state to the film industry, service New Mexico

1 productions and promote jobs for New Mexicans; and

2 WHEREAS, a New Mexico film office report produced by the
3 economic development department, dated February 4, 2019,
4 states that the New Mexico tax credit has brought three
5 billion forty-four million dollars (\$3,044,000,000) into the
6 state, and that is money that would not have been in
7 New Mexico's economy otherwise; and

8 WHEREAS, the New Mexico film office report states that,
9 after deducting qualified expenditures from funds directly
10 spent, the amount not qualifying for a rebate for fiscal year
11 2015 through fiscal year 2017 was almost three hundred
12 eighty-three million dollars (\$383,000,000); and

13 WHEREAS, for fiscal year 2015 through fiscal year 2017,
14 state and local governments received almost ninety-four
15 million dollars (\$94,000,000) in personal income taxes and
16 gross receipts taxes, according to the New Mexico film office
17 report; and

18 WHEREAS, the New Mexico film office estimates that for
19 every dollar spent, sixty nine and eight-tenths cents (\$.698)
20 actually qualifies for a rebate; and

21 WHEREAS, from 2014 to 2017, the state went from eighteen
22 projects with budgets of one million dollars (\$1,000,000) or
23 more to fifty-two projects; and

24 WHEREAS, in October 2018, Netflix purchased Albuquerque
25 studios, which provides additional opportunities for

1 expansion of film industry options; and

2 WHEREAS, *MovieMaker* magazine showcased Albuquerque in
3 its January 2019 issue as a marquee player, hosting the
4 Nicole Kidman drama *The Goldfinch* as well as the Amazon
5 series *Too Old to Die Young*; and

6 WHEREAS, Santa Fe studios provides world-class
7 soundstages where the Joel and Ethan Coen film *The Ballad of*
8 *Buster Scruggs* and the television series *Roswell* were filmed;
9 and

10 WHEREAS, Albuquerque and Santa Fe are the premier
11 locales for production with their film studios, but rural and
12 native communities throughout the state have seen substantial
13 production spending; and

14 WHEREAS, the New Mexico film office report states that
15 in 2017, forty rural communities had film or television
16 production in their vicinities and millions of dollars were
17 spent in local economies; and

18 WHEREAS, an additional benefit New Mexico reaps from
19 film and television production is increased tourism; and

20 WHEREAS, the New Mexico film office report cites
21 statistics that the New Mexico tourism industry is one of the
22 state's largest employers and employs over one hundred
23 thousand people, bringing in six billion six hundred million
24 dollars (\$6,600,000,000) in revenue annually and paying six
25 hundred sixty million dollars (\$660,000,000) in state and

1 local taxes; and

2 WHEREAS, the film industry in New Mexico also presents
3 an opportunity for students to find high-wage jobs without
4 leaving the state, and there are twenty-three film,
5 television and media programs offered in New Mexico; and

6 WHEREAS, the film industry also diversifies New Mexico's
7 economy and is immune to economic downturn; and

8 WHEREAS, in her January 1, 2019 inaugural address,
9 Governor Michelle Lujan Grisham expressed strong support for
10 the film industry and promised to "take the shackles" from
11 New Mexico's film industry; and

12 WHEREAS, one of the issues legislators will be debating
13 this session is whether or not to remove the rebate incentive
14 cap; and

15 WHEREAS, studies under New Mexico's previous two
16 governors measuring the economic impact of the film industry
17 in New Mexico found that the film industry was tremendously
18 beneficial to the state, according to Eric Witt, executive
19 director of the Santa Fe film office;

20 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE
21 STATE OF NEW MEXICO that the success of the New Mexico film
22 industry and its potential to further enrich the state be
23 recognized and applauded; and

24 BE IT FURTHER RESOLVED that the future of the film
25 industry in New Mexico be supported this legislative session;

1 and

2 BE IT FURTHER RESOLVED that copies of this memorial be
3 transmitted to the governor and the acting director of the New
4 Mexico film office. _____

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