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FISCAL IMPACT REPORT

SPONSOR Pirtle ORIGINAL DATE 2/8/22
LAST UPDATED _____ HB _____
SHORT TITLE Hunter Safety Training for Film Employees SB 188
ANALYST J. Torres

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY22	FY23	FY24	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		See Fiscal Implications	See Fiscal Implications	See Fiscal Implications		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Department of Game and Fish (NMDGF)
Economic Development Department (EDD)

SUMMARY

Synopsis of Bill

Senate Bill 188 (SB 188) requires that employees of New Mexico film production companies having firearms or firearm ammunition successfully complete a hunter education course as defined in the Hunter Training Act, Sections 17-2-33 to 17-2-36 NMSA 1978. Film companies that do not meet this requirement on an annual basis will not receive Film Production Tax credits for the calendar year in which the violation occurred.

SB188 was likely written in response to the accidental shooting on the “Rust” movie set.

FISCAL IMPLICATIONS

EDD states: “[s]hould the bill be enacted, there could be immense fiscal implications including the cost of training for potentially thousands of people per year, the administration and execution of training and renewal, the enforcement of such training and of permitting and ensuring compliance. These costs would include necessary additional FTE at the EDD Film Division, the film tax credit unit of TRD, and the New Mexico Department of Game and Fish.

With such a broad and general requirement of “all individuals” working for a film production utilizing firearms to take hunter safety training (which is approximately a 2-day course), the bill adds a significant layer of bureaucracy to producing film and television in New Mexico, and this would create a disincentive for filmmaking in New Mexico, resulting in declining production spend, economic impact and jobs. All of this would result in less gross receipts tax, personal income tax and corporate income tax revenue to the state and local governments.”

The effective date of this bill is January 1, 2023.

SIGNIFICANT ISSUES

EDD states: “[t]he “Rust” incident is still under investigation; thus this bill is premature. Proposing legislation in an attempt to address or remedy presumed/assumed deficiencies around film set safety, without all of the facts and data surrounding this unique incident, is reckless, wasteful, and will create confusion and media sensationalism without effectively addressing any yet-to-be determined issues, if any do exist.

It would be in the best interest of New Mexico, the film industry, our workforce and all people involved to take a thoughtful, strategic approach upon the conclusion of the investigation to ensure, if necessary, the proper strategy be implemented.”

EDD views the training mandate as being: “unreasonably broad”; and “tied to training and permitting for hunters, not industry safety standards for filmmaking”. EDD does not agree with delegating the training responsibility to NMDGF rather than film industry experts.

EDD states: “Enforcement of such training and permitting could be a significant issue.”

OTHER SUBSTANTIVE ISSUES

The passage of SB188 could result in a significant cost to the state without an appropriation to meet these costs.

ALTERNATIVES

EDD recommends waiting until the 2023 60-day session in order to allow the film industry to: “research and draft thoughtful proposals for what changes could potentially be proposed and codified, pending the conclusion of the [“Rust”] investigation.”

JT/al/acv