

# History of Legislation for the Nebraska Film and Media Industry

Prepared

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# LB 1099, 2000

- 2000 – LB 1099
- A bill introduced by Senator Landis to help make Nebraska “film friendly”
- Allowed qualified production to apply for a refund of all state and city sales tax
- Minimum spend of \$100,000
- After threshold met, refund would be allowed on all purchases subject to the tax
- Applicant would register project with the Nebraska Film Office
- Project criteria review with producers and Film Office
- State Tax Commissioner would administer the refund process
- LB was shelved in Revenue Committee

# LB 728, 2003

- LB 728 introduced by Senator Connealy to Revenue Committee
- Called “The Nebraska Film Enhancement Rebate Act”
- Creates fund that would give 15% rebate of documented production costs
- Costs must be incurred in Nebraska and directly attributable to a long form narrative film or television production
- Costs include wages or salaries of persons who are residents of Nebraska who have earned income working on a film in Nebraska; cost of construction and wardrobe; rental of facilities and equipment; and, other direct costs of producing a film
- Administered by the Department of Economic Development
- Rebates would be administered by the Tax Commissioner and total payments in one fiscal year would not exceed one million dollars

# LB 235, 2007

- LB 235 introduced by Senator Nantkes to Revenue Committee
  - Creates the **Nebraska Film and Music Production Program**
  - \*Nebraska Film and Music Office is created within the Nebraska Game and Parks Commission
  - \*Provides a rebate of up to 15% of Nebraska production expenditures to companies filming in the state
  - Capped at \$5 million per year
  - Minimum budget of \$2M and spend \$1.25M in Nebraska, cumulative – for a company producing multiple projects in a fiscal year with a minimum budget of \$300,000 and totaling at \$2M
  - Must employ at least 50% Nebraska crew below-the-line for 15% rebate; 10% rebate for employ up to 24%; 10% rebate for companies who employ 25% to 49%; if budget is \$30M or higher, this requirement is waived
  - Company must provide proof of complete financing prior to commencement of principal photography
  - Film must be bonded, all crew and vendors paid and no liens against company
  - Must have general liability insurance minimum coverage of \$1M and worker's compensation pursuant to state law
  - Rebate fund may include any public or private donations, contributions and gifts received for the benefit of the fund
  - Production company must provide evidence of recognizable domestic or foreign distribution agreement within one year from the end of principal photography
  - Production company is required to apply for and will be granted a no-cost filming permit by the Nebraska Film & Music Office
- \*Provides a tax credit for construction of Nebraska Film and Music facilities ranging from 10% on a minimum \$500,000 construction project to 25% for projects over one million.
- \*Provides a 25% tax credit on profits to state taxpayers who invest in film and music projects produced in Nebraska when those profits are reinvested in another film or music production produced in Nebraska.

# LB 282, 2009

- LB 282 introduced by Senator Mello to Revenue Committee
- LB 282 would create the **Act** to provide income tax incentives for companies producing films in Nebraska.
- A production company would be eligible for a refundable income tax credit for a single projector multiple projects that spends at least one million twenty five hundred dollars here in the state of Nebraska.
- This refundable income tax credit would be in the amount of up to twenty-five percent of documented production costs incurred.
- To qualify for such tax credits a company would have to provide documentation that they employed Nebraska residents in the production of the film, documentation of other production costs that occurred in Nebraska, and would have to file a Nebraska income tax return.
- The income tax credits put in place by LB 282 would be set on a sliding scale that would depend on the amount of investment in the state; specifically, the percentage of Nebraska residents a project employs.
- LB 282 would also create a Film Office in the Department of Economic Development that would be responsible for the administration of this Act.

# LR 173, 2009

- LR 173 introduced by Senator Mello to Revenue committee.
- LR 173, an Interim Study
- The purpose of this interim study is to examine the film industry in Nebraska and whether tax incentives could be used to encourage future economic growth in this area.
- The study shall include, but not be limited to, an examination of the types and numbers of jobs in Nebraska created by the film industry, the amount of revenue generated in Nebraska by the film industry, the tax incentives other states are offering to attract the film industry, and the tax incentives Nebraska could offer to attract the film industry.
- The primary focus of the study will be to find ways to encourage future job growth and economic development in Nebraska's film industry.

# LB 1073, 2010

- LB 1073 introduced by Senator Mello to Revenue Committee
- LB 1073 establishes the **Building Nebraska's Creative Economy Act**.
- Through this bill the state would offer film production tax credit programs for qualifying film and television project expenditures spent in the state of Nebraska.
- All credits contained within LB 1073 are on a “pay to play” eligibility basis, meaning the production company must provide evidence of financing for the production prior to beginning to film.
- The intent of this legislation is to provide more jobs for talented Nebraskans, generate dollars for local businesses and to increase the state's nationwide image through the mediums of film and television.

# LB 863, 2012

- LB 863 introduced by Senator Coash to Urban Affairs Committee
- LB 863 makes explicit the eligibility of businesses which produce films, commercials and television programs for consideration under the Local Option Municipal Economic Development Act (LB840, 1991).
- In effect, the 55 communities which have established LOMED programs could consider distributing their LOMED dollars (commonly known as "LB 840 funds") to these types of businesses for the purposes of economic development of their communities.
- The passage of the Bill codified the language of LB840 to include the Film Industry.

This is the only successful legislation for Film Production support and was passed signed into law in 2012. Before it became a law, to be adapted by those communities who utilize LB840, this fund was used by the community of Valentine for a feature project. It was used locally as a grant to various local vendors who gave a discount to the production while in their community.



# LB 1018, 2016

- One Hundred Fourth Legislature - Second Session – 2016
- Chairperson: Senator Heath Mello
- Committee: Appropriations
- Date of Hearing: February 11, 2016
- The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:
- LB1018 is a bill to appropriate \$250,000 annually to Program 327 of the Nebraska Arts Council for the purposes of establishing and funding a grant program to support Nebraska economic development in communities for the purpose of film production.
- The Nebraska Arts Council will provide an annual report to the Appropriations Committee of the Legislature on the status of the grant program created by LB1018.

# LB 1002, 2018

- LB 1002 – Create the Nebraska Film Office Fund  
<https://nebraskalegislature.gov/FloorDocs/105/PDF/IntroLB1002.pdf>
- Introduced by **Senator Wishart**
- Date of Hearing: February 15, 2018
- Appropriations Committee
- Chair: **Senator Stinner**
- LB 1002 creates the Nebraska Film Office Fund. This fund could be used for future appropriations, grant funding, or gifts to promote film production in Nebraska.
- Fiscal Note:  
[https://nebraskalegislature.gov/FloorDocs/105/PDF/FN/LB1002\\_20180214-140451.pdf](https://nebraskalegislature.gov/FloorDocs/105/PDF/FN/LB1002_20180214-140451.pdf)
- The Speaker of the House re-introduced the bill as part of LB945 and it became the Nebraska Film Office Fund.  
[https://nebraskalegislature.gov/bills/view\\_bill.php?DocumentID=34303](https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=34303)
- (See Item #8.)  
<https://nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB945.pdf>

# 2021

- Creation of the Film Office Grant, 20% of \$1mm minimum qualified spend.
- The NFO Grant is funded through the NFO Fund. These grants are intended to benefit the State of Nebraska through marketing of the state as well as job creation and economic development. Applications for these grants will be accepted on an open cycle basis. This is a complete grant, and DED shall have sole discretion of awarding these grants, in furtherance of the best interest of the State of Nebraska.
- <https://film.nebraska.gov/incentives/>
- Contact: Laura Linden, DED Incentives Division, 402-471-1466, [laura.linden@nebraska.gov](mailto:laura.linden@nebraska.gov)