14-0002-518

COMMITTEES:

Chair

Education & Neighborhoods

Vice Chair

Jobs & Business Development

Member

Coliseum Commission

Transportation

Southern California Association of Governments

Los Angeles City Council



BERNARD C. PARKS

Councilmember, Eighth District

CONTACT INFORMATION:

City Hall Office

200 North Spring Street Room 460 Los Angeles, CA 90012-4873 (913) 473-700B (213) 485-7683 fax TDD: (213) 473-6991

Constituent Service Center 8475 S. Vermont Ave. Los Angeles, CA 90044-3424 (213) 485-7616

(Q13) 485-8156 fax TDD: (323) 789-2758

Crenshaw Office

3847 S. Crenshaw Blvd. Los Angeles, CA 90008 (323) 293-9467 (393) 993-3696 fax

May 30, 2014

Dear Assemblymember Bocanegra:

Congratulations on the recent unanimous passage of Assembly Bill 1839 by the State Assembly. This important legislation will help California to be more competitive with other jurisdictions that offer generous incentives to the entertainment industry.

AB 1839 will extend and increase the existing tax credit program to film and television projects however it can be improved. Therefore, I am requesting that the bill be strengthened by amending the language to:

- Ensure the incentive covers post production work. Runaway production must be halted. Currently, California is losing both scoring and post production to other states as well as nations.
- Enhance the current return on investment. The UCLA Institute for Research on Labor and Employment found that the state may recoup up to \$1.04 for every tax credit dollar allocated. The Legislative Analyst's Office states this program would earn less than \$1.00 per tax credit dollar.
- Prohibit the sale of incentive funds to non-profit organizations. This provision speeds up funding to movie production companies and provides non-profits with tax breaks however it results in the reduction of incentive funds available to movie projects.

Consequently, I encourage you to amend the language of AB 1839 in order to further boost the State of California's economy.

Respectfulf

Bernard C. Parks

Councilmember, 8th District