

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state, or federal government body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, film and television production has been California's signature industry for over 100 years, and in 2021 that industry provided California with 180,000 jobs; and

WHEREAS, in recent decades, other states and countries have lured production away from California with lucrative initiatives such as tax credits and rebates, a phenomenon known as runaway production; and

WHEREAS, in 2009, California took its first major step to fight back against runaway production by enacting ABX3 15 (Krekorian), which created the California Film and Television Tax Credit Program, and the program has been renewed and expanded since that time; and

WHEREAS, the Los Angeles County Economic Development Corporation (LAEDC) recently conducted an analysis of the economic impacts of the California Film and Television Tax Credit Program, and it found that, between between 2015 and 2020, the program supported productions that created over \$21.8 billion in local economic activity; and

WHEREAS, this analysis also concluded that each tax credit dollar generated \$24.40 in economic output and increased the total amount workers earned by \$8.60, showing that this tax credit has cost-effectively saved California jobs; and

WHEREAS, the Governor's proposed 2023-24 state budget extends funding to the Film and Television Tax Credit Program for five more years and proposes making the credits refundable; and

WHEREAS, changing the program to make the tax credits refundable would greatly support small productions that often have tight margins and so do not currently receive the entire nonrefundable tax credit; and

WHEREAS, the economy and workforce of Los Angeles will greatly benefit from the proposed continuance and improvement of this effective tool to maintain and expand the film and television industry in California;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2023-2024 State Legislative Program SUPPORT for the Governor's 2023-24 state budget proposal to extend funding to the Film and Television Tax Credit Program for five more years and make the tax credits refundable.

PRESENTED BY: 
PAUL KREKORIAN
Councilmember, 2nd District

SECONDED BY: 



ORIGINAL

JAN 27 2023