

TO: The Honorable Gary D. LeBeau, Senate Chair; The Honorable Jeffrey J. Berger,
House Chair; Members of the Joint Commerce Committee

RE: Raised Bill 176 – An Act Concerning the Film Tax Credit

I am the Connecticut Representative of Local 52 and a Connecticut resident. Studio Mechanics Local 52 IATSE, while centered in New York, has union jurisdiction for most crafts working on sets in Connecticut. We have many state members who must commute elsewhere for employment. The state's program provided an opportunity for local employment and encourage permanent infrastructure. It is working and our membership has grown and is working closer to home.

More states are competing for our industry's business, in fact over 40 states now have film production incentives. Connecticut's incentive is meaningful, competitive and most importantly; reliable. The proposed change in the program to a rebate will only serve to remove the certainty of available incentive funds if there must be an annual appropriation for those rebates. In states where appropriations are required, there is an annual budget fight down to the wire. Future planning is difficult. Production companies must decide locations well in advance of the filming.

The uncertainty of a rebate program tied together with a significant sound stage requirement will cause production companies not to factor Connecticut into their calculations when choosing film locations. New York is the only neighboring state with a studio requirement and that is only 10%. It does seem odd that the film office spends time and effort touting our natural beauty and variety of locations; while, the tax program makes us the inside of a box. Large production builds can be done anywhere.

This program has impacted the film and television industry and should continue to serve as an important catalyst for economic growth and employment well into Connecticut's future. The growth of this industry provides continued employment for residents as well as a welcome and sustainable stimulus for scores of small businesses affiliated with these productions: restaurants, dry cleaners, lumber yards, hardware stores, equipment rental companies to name a few.

On behalf of our Local 52 members and future members for the next 50 years, I respectfully urge your rejection of this proposal, which would eliminate a continued stimulus that creates well-paying union jobs and helps fuel the Connecticut economy.

Thank you Chairman and members of the committee.

A handwritten signature in black ink, appearing to be "J. LeBeau", written over a horizontal line.