

California Production Coalition

March 4, 2025

2025 is a pivotal year to save Hollywood and rebuild entertainment production. An unprecedented coalition of unions, studios, creators, and local business have joined forces to expand and strengthen the Film & Television Tax Credit.

- 200,000 Californians work in the film, television, and streaming.
- Without your urgent intervene Hollywood motion pictures threatens to become the next Pittsburgh steel or Detroit auto.

Even before the devastating LA fires, California suffered from record-high runaway productions for film, television, and streaming content.

- In 2024 LA area shoots fell to the lowest on record outside of the 2020 pandemic.
- Historically low production came in a year free of strikes and before the recent LA fires.
- Productions are fleeing to lower cost jurisdictions with better incentives, taking middle class union jobs with them. Three in four projects rejected by CA program film out-of-state.

Gov Newsom's budget proposal would expand the Film & TV Tax Credit from the current \$330M to \$750M annually.

- 73% of voters statewide support Gov's proposal, per independent poll post Nov election.
- Putting Angelenos back to work is mission critical to State's 'Marshall Plan' to help LA rebuild faster and stronger.
- **The program pays for itself.** Average location film shoot adds \$670,000 and 1,500 jobs per day to local economy. Every tax credit dollar spent increases state's economic activity by \$24.40 and labor income by \$8.60.

More money alone will not make California fully competitive. SB 630 and AB 1138 by Senator Allen and Asm Zbur and Bryan will take on critical programmatic reforms enabling creators and local biz to take full advantage of the program.

We ask the Legislature to:

- Raise the 20% base tax credit rate
- Expand the types of productions that can be eligible for tax credits
- Lift or eliminating the \$100M cap on qualified productions
- Provide for season-over-season increases for TV series that produce stable employment for cast and crew