

Congress of the United States
Washington, DC 20515

August 13, 2014

The Honorable Jerry Brown
Governor, State of California
State Capitol, Suite 1173
Sacramento, California 95814

Dear Governor Brown:

As members of the California Congressional Delegation, we write to strongly urge you to approve AB 1839, the California Film and Television Job Retention Promotion Act. For years, our state has lost tens of thousands of middleclass jobs and significant revenue to other states that have more attractive tax incentive programs. A meaningful expanded credit is necessary to bring back these jobs, lost revenue, and support small businesses and vendors all across the Golden State.

The film and television industry is legendary to California. However, productions are being lured away because our tax credit program fails to compete with the more aggressive tax incentives in other states. The California Film Commission's Progress Report recently found that from 2010-2014, we lost near \$2 billion in production spending outside of California because these projects were denied a tax credit due to over demand. But as soon as some productions qualified, they immediately relocated back to California. Therefore, our incentive program has a direct impact on a production company's decision to film in our state.

This is particularly significant because tax incentive programs provide a major source of employment, economic activity, and revenue. The CA Film Commission's report also found that every \$100 million in credits will result in \$770 million in direct production spending, including \$245 million in payroll for below-the-line workers. Since the program's inception in 2009 to the present year, our tax credit program generated an estimated \$5.39 billion in total aggregate direct in-state spending.

At the end of the day, stimulating the film and television industry in California will benefit our many middle-class working craftsmen and women, like the lighting grips, costume designers, and set technicians, who often endure hardships from relocating to other states to find jobs. Many have to move away from their home and families for months at a time.

It is imperative that we sensibly expand our program to meet the demand and be nationally competitive. Among the enhancements would be to substantially increase the overall pot allotted, raise the cap that prevents blockbuster films from competing, and allow 1 hour television dramas regardless of distribution outlet to qualify for the credit.

AB 1839 would be a strong step forward in the right direction. We strongly urge you to sign it into law because the future of our state's economy and cultural identity depends on it.

Sincerely,



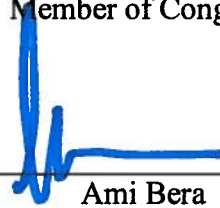
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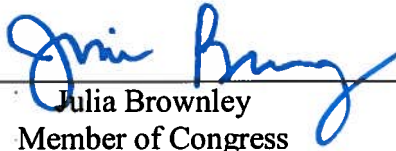
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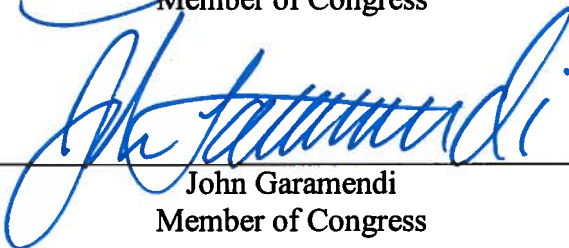
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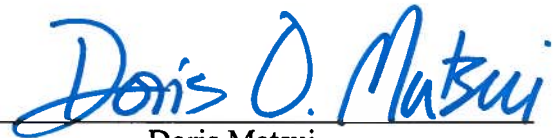
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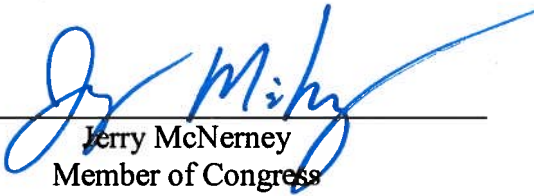
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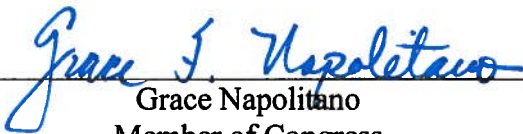
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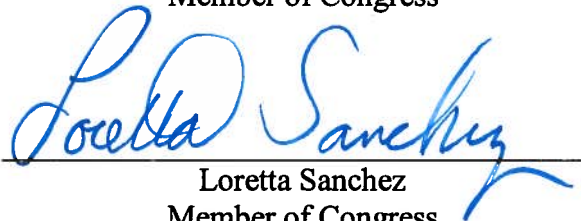
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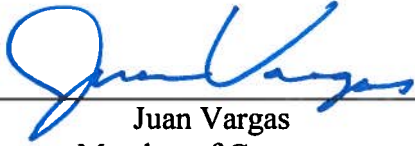
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