Title 130 WAC
COMMERCCE,
DEPARTMENT OF
(TRADE AND ECONOMIC
DEVELOPMENT)
(Formerly: CTED (Trade and Economic Develop-
ment))

Chapters
130-20 Washington motion picture competitiv-
eness program.

Chapter 130-20 WAC
WASHINGTON MOTION PICTURE
COMPETITIVENESS PROGRAM

WAC 130-20-010 Definitions. The following defini-
tions apply to this chapter, unless the context clearly requires otherwise:

(1) "Applicant" means a television, film or commercial
production company intending to produce a qualified produc-
tion in Washington state.

(2) "Motion picture competitiveness program" means an
approved program that is a 501 (c)(6) nonprofit organization
with the primary purpose of revitalizing the state's standing in
the film production marketplace through recommending and
awarding financial assistance to qualified productions.

(3) "Costs" mean actual expenses of preproduction, pro-
duction and postproduction expended in Washington state for
the production of motion pictures, including but not limited
to payments made for salaries, wages, and health insurance
and retirement benefits, the rental/lease costs of machinery,
and any other expenses. Costs do not include wages, salaries or other compensation for ser-
vice purchased, leased or employed from a legal resident of
this state, or a vendor or supplier who is located and doing
business in this state for one year. Qualified expenditures do
not include wages, salaries or other compensation for ser-
vice of nonresident production personnel.

(4) "Department" means the department of commerce.

(5) "Motion picture" means a recorded audio-visual pro-
duction intended for distribution to theaters, DVD, video, or
the internet, or television, or one or more episodes of a single
television series, television pilot or television commercials.

(6) "Funding assistance" means financial assistance from
a motion picture competitiveness program.

(7) "Person" means the same as defined in RCW 82.04.-
030.

(8) "Qualified production" is a production that has been
certified by the motion picture competitiveness program as
fully meeting the requirements for funding assistance.

(9) "Qualified expenditures" include production costs for
wages and benefits provided to residents of Washington state
for services performed in Washington state, goods and ser-
VICES purchased, leased or employed from a legal resident of
this state, or a vendor or supplier who is located and doing
business in this state for one year. Qualified expenditures do
not include wages, salaries or other compensation for ser-
vice of nonresident production personnel.

(10) "Motion picture competitiveness board" means a
board appointed by the governor that administers the motion
picture competitiveness program. The board evaluates and
awards funding assistance to motion picture projects pursuant
to the guidelines of this chapter.

Statutory Authority: RCW 43.365.020. 09-17-015, § 130-20-010, filed
8/6/09, effective 9/6/09; 09-03-033, § 130-20-010, filed 1/12/09, effective
2/12/09; 07-03-015, § 130-20-010, filed 1/4/07, effective 2/4/07.

WAC 130-20-020 Eligibility criteria and guidelines.
(1) To qualify for funding assistance, the applicant must:

(a) Certify that it is not engaged, to any extent, in the pro-
duction of erotic material, as defined in RCW 9.68.050.

(b) The end credits of a film production must acknowl-
edge that the production was filmed in Washington state. The
type and style of acknowledgment shall be negotiated
between the motion picture competitiveness board and the
production company.

(c) Agree to pay all obligations the film production com-
pany incurs in Washington state.

(d) Complete a survey as required in WAC 130-20-060
and file it with the department following the completion of
the part of the project covered by the contract with the com-
petitiveness board and before distribution of the funding
assistance.

(e) Make every effort to maximize the hiring of local
local, cast, crew and support services.

(f) Make industry standard payments for health insur-
ance and a retirement plan for those positions typically cov-
ered by a collective bargaining agreement; and

(g) Enter into a contract with the motion picture compet-
itiveness program accepting the terms above.

(2) The following activities are considered, but not lim-
ited to, qualified expenditures, provided the expenditure
occurs in Washington state:

(a) Production costs include costs for preproduction, pro-
duction and postproduction.

(b) Salaries of Washington state residents who are cast
and crew, including wages and payments for health insurance
and retirement plans, or fees of Washington state residents to
include talent, management and labor.

(c) Cost of set construction and operations, wardrobe,
making, accessories, location fees and related services.

(d) Costs associated with photography, sound synchroni-
zation, lighting and related services and materials.

(e) Renting or leasing vehicles, equipment or facilities.

(f) In-state food, lodging, and per diems.

(g) Agency fees for insurance coverage and bonding if
purchased from Washington state-based insurance agent.

(h) Postproduction expenditures directly attributable to
the production of a motion picture or commercial for services
including, but not limited to: Editing and related services,
film processing, transfers of film to tape or digital format,
sound mixing, computer graphics services, special effects,
animation services, and music.

[2010 WAC Supp—page 1]
(i) Legal and accounting fees and expenses related to the production’s activities in Washington state, provided such services are performed by Washington state licensed attorneys or accountants.

(j) "Preproduction" means costs for standard activities directly related to the production, which are incurred prior to the first day of principal photography for a motion picture.

(k) Other direct or indirect costs of producing a film in accordance with the generally accepted entertainment industry practices if expenditures occurred in the state of Washington.

(l) Other costs the competitiveness program believes add economic benefit to the state of Washington.

(3) The board is encouraged to consider the following when considering certifying a production for funding assistance:

(a) The additional income and tax revenue to be retained in the state for general purposes.

(b) Creation and retention of family wage jobs that provide health insurance and payments into a retirement plan.

(c) The impact of projects to maximize in-state labor and use of in-state film production and film postproduction companies.

(d) The impact on the local economy and the state economy as a whole.

[Statutory Authority: RCW 43.365.020. 09-17-015, § 130-20-030, filed 8/6/09, effective 9/6/09; 09-03-033, § 130-20-030, filed 1/12/09, effective 2/12/09; 07-03-015, § 130-20-030, filed 1/4/07, effective 2/4/07.]

WAC 130-20-030 Funding assistance limits. (1) Maximum funding assistance from a motion picture competitiveness program is subject to the limitations as specified in RCW 43.365.020.

(2) Funding assistance is subject to the amount available in the account managed by the motion picture competitiveness program.

[Statutory Authority: RCW 43.365.020. 09-17-015, § 130-20-030, filed 8/6/09, effective 9/6/09; 09-03-033, § 130-20-030, filed 1/12/09, effective 2/12/09; 07-03-015, § 130-20-030, filed 1/4/07, effective 2/4/07.]

WAC 130-20-060 Survey requirement. In order to recognize the accountability and effectiveness of tax policy, the legislature requires that each production receiving funding assistance from the motion picture competitiveness program shall report information to the department through a survey.

(1) The motion picture competitiveness program shall ensure that no funds are disbursed until an applicant submits answers to a survey developed by the department.

(2) The department will make available on its web site a survey template.

(3) The motion picture competitiveness program may extend the due date for timely filing of the survey if failure to file was the result of circumstances beyond the control of the motion picture production receiving the funding assistance.

(4) Surveys shall include the following information:

(a) The amount of funding assistance requested.

(b) The total amount of preproduction, production and postproduction spending made in the state.

(c) The number of total employment positions.

(d) The number of full-time and part-time/temporary employment positions as a percent of total employment.

(i) Full-time employment is forty hours or more per week, or positions held for the full shooting schedule;

(ii) Part-time/temporary employment is for positions held for less than the full shooting schedule.

(e) The number of jobs at the wage bands of less than thirty thousand dollars, thirty thousand to sixty thousand dollars, and sixty thousand dollars and greater per production.

(f) The number of jobs that have employer-provided health insurance and payments into a retirement plan by each wage band.

(g) Additional information as requested by the department.

(5) The department shall submit a summary of descriptive statistics based on information from the survey by September 1 of even-numbered years.

(6) The department shall provide the complete surveys to the joint legislative audit and review committee each year by September 1.

[Statutory Authority: RCW 43.365.020. 09-17-015, § 130-20-060, filed 8/6/09, effective 9/6/09; 09-03-033, § 130-20-060, filed 1/12/09, effective 2/12/09; 07-03-015, § 130-20-060, filed 1/4/07, effective 2/4/07.]