

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL DRS35132-NI-100

Short Title: Film and Entertainment Grant Fund Mods. (Public)

Sponsors: Senators Lowe and Robinson (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED
AN ACT TO MODIFY THE FILM AND ENTERTAINMENT GRANT FUND.
The General Assembly of North Carolina enacts:

SECTION 1. G.S. 143B-437.02A reads as rewritten:
"§ 143B-437.02A. The Film and Entertainment Grant Fund.

(a) Creation and Purpose of Fund. – There is created in the Department of Commerce a special, nonreverting account to be known as the Film and Entertainment Grant Fund to provide funds to encourage the production of motion pictures, television shows, movies for television, productions intended for on-line distribution, and commercials and to develop the filmmaking industry within the State. The Department of Commerce shall adopt guidelines providing for the administration of the program. Those guidelines may provide for the Secretary to award the grant proceeds over a period of time, not to exceed three years. Those guidelines shall include the following provisions, which shall apply to each grant from the account:

- (1) The funds are reserved for a production on which the production company has qualifying expenses of at least the following:
 - a. For a feature-length film:
 1. One million five hundred thousand dollars (\$1,500,000), if for theatrical viewing.
 2. Five hundred thousand dollars (\$500,000), if a movie for television.
 - b. For a television series, five hundred thousand dollars (\$500,000) per episode.
 - c. For a commercial for theatrical or television viewing or on-line distribution, two hundred fifty thousand dollars (\$250,000).
 - d. For an independent film, two hundred thousand dollars (\$200,000).
- (2) The funds are not used to provide a grant in excess of any of the following:
 - a. An amount more than thirty-five percent (35%) of the qualifying expenses of the production for productions occurring primarily in development tier one or tier two areas, as defined in G.S. 143B-437.08, or an amount more than twenty-five percent (25%) of the qualifying expenses for the production-productions occurring primarily in development tier three areas.
 - b. An amount more than ~~seven-twelve million dollars (\$7,000,000)~~ (\$12,000,000) for a feature-length film, more than ~~fifteen-twenty million dollars (\$15,000,000)~~ (\$20,000,000) for a single season of a television series, or ~~two-four hundred forty thousand dollars (\$250,000)~~



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1 (\$450,000) for a commercial for theatrical or television viewing or
2 on-line ~~distribution~~, distribution, or two million dollars (\$2,000,000)
3 for an independent film.

4 ...

5 (5) Priority for the use of funds shall be given to productions that are reasonably
6 anticipated to maximize the benefit to the State, in consideration of at least the
7 following factors:

8 a. Percentage of employees that are permanent residents in the State.

9 b. The extent to which the production features identifiable attractions or
10 State ~~locales~~-locales, especially those emphasizing the State's diverse
11 geographical landscapes and historical landmarks, in a manner that
12 would be reasonably expected to induce visitation by nonresidents of
13 the State to the attraction or locale.

14 ...

15 (b) Definitions. – The following definitions apply in this section:

16 ...

17 (5) Production. – Any of the following:

18 a. A motion picture intended for commercial distribution to a motion
19 picture theater or directly to the consumer viewing market that has a
20 running time of at least 75 minutes. A motion picture under this
21 sub-subdivision does not include independent films.

22 b. A television series or a commercial for theatrical or television viewing,
23 made-for-television movie, or production intended for on-line
24 distribution. For video and television series, a production is all of the
25 episodes of the series produced for a single season.

26 c. An independent film. For purposes of this subdivision, an independent
27 film is a motion picture with a maximum budget of two million five
28 hundred thousand dollars (\$2,500,000) that is produced by a company
29 that is not publicly traded and publicly traded companies do not own,
30 directly or indirectly, more than twenty-five percent (25%) of the
31 production company.

32 "

33 **SECTION 2.** This act is effective when it becomes law and applies to grants awarded
34 on or after that date.