



March 23, 2021

Representative Paul Marquart
597 State Office Building
St. Paul, MN 55155

Dear Representative Marquart:

On behalf of the 70,000 union construction trades professionals, we are writing in support HF 1975. Creating a new film and television production incentive that will bring more business to Minnesota and generate additional economic activity makes sense for our members, and for the people of our state.

According to the Motion Picture Association of America the film and television industry supports 2.6 million jobs. Approximately 64% of those jobs are in indirect industries such as construction, transportation, retail, and hospitality. Minnesota was once in the top five states for film and television production, but that went away when the state no longer supported a competitive tax incentive.

Massachusetts has a tax incentive for television and film production, and Hulu recently shot the first season of *Castle Rock* on location in the state. According to a regional economic impact study by Industrial Economics, over the course of one year, the show created 1,026 jobs, and saw production money spent in 210 cities and towns. Most importantly, for every \$1 of tax credit issued by Massachusetts related to the production of *Castle Rock*, it generated approximately \$4.73 of economic activity in the state. We believe that similar economic impacts could be made here in Minnesota if the legislature enacts a competitive tax incentive for the film and television industry.

Due to the pandemic, there is a large backlog of productions - projects that were delayed by COVID-19, and many new projects in the pipeline. If Minnesota passes a television and film tax incentive now, we can be ready to compete for that business. An influx of film and television business will help Minnesota build on its post COVID economic recovery and will help keep our members working. We urge you to pass HF 1975.

Sincerely,

A handwritten signature in black ink, appearing to read 'Harry Melander', written over a horizontal line.

Harry Melander
President