

# Legislative Analysis



## **TRANSFER OF MICHIGAN FILM PROMOTION FUND TO GENERAL FUND**

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**Senate Bill 1066 as passed by the Senate**  
**Sponsor: Sen. Jon Bumstead**  
**House Committee: Appropriations**  
**Senate Committee: Appropriations**  
**Complete to 9-11-20**

Analysis available at  
<http://www.legislature.mi.gov>

### **SUMMARY:**

Senate Bill 1066 would amend the Michigan Strategic Fund Act to transfer \$37,126,100 from the Michigan Film Promotion Fund to the state's general fund for FY 2019-20.

MCL 125.2029d

### **BACKGROUND:**

The Michigan Film Promotion Fund was created primarily to provide support for the functions of the Michigan Film Office and the Film and Digital Media Production Assistance Program. Film incentives were first structured as tax credits, and the Michigan Film Promotion Fund served as the repository for credit application redemption fees that financed administration of the film tax credit program. When film incentives moved from a tax credit to a cash grant program, the Michigan Film Promotion Fund was modified to serve as a repository for legislative film incentive appropriations. The fund balance grew due to unused film incentive appropriations, mainly from incentives not being fully utilized. An additional \$1.0 million was made available due to a lapse of an existing Michigan Film Promotion Fund work project as part of the FY 2019-20 budget balancing agreement. Pursuant to statute, funds remaining in the Michigan Film Promotion Fund at the close of the fiscal year remain in the fund.

### **FISCAL IMPACT:**

The bill would increase the state's general fund revenues by \$37,126,100 and reduce the Michigan Film Promotion Fund balance by a corresponding amount. This transfer was agreed to as part of a FY 2019-20 budget balancing agreement. There are no FY 2019-20 appropriations supported by the Michigan Film Promotion Fund.

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