

**DIVISION 007**  
**OREGON PRODUCTION INVESTMENT FUND**  
**PRODUCTION SPENDING REIMBURSEMENTS**  
**FOR REGIONAL PRODUCTION**

**951-007-0000**

**Purpose**

The purpose of these rules is to provide guidance for the administration of the portion of the Oregon Production Investment Fund that is to be used for film and television production expense reimbursement for regional production work as authorized by ORS284.368(4).

Stat. Auth:

Stats. Implemented:

**951-007-0001**

**Definitions**

(1) “Qualifying film or television production” means a movie produced for release to theaters, video or the Internet or a television movie or one or more episodes of a single television series, or a local media production services project produced by a local media production services company, the production of which will result in the spending of at least \$75,000.00 of Actual Oregon Expenses (as defined in 951-007-0001[12] below). “Qualifying film or television production” does not include the production of a commercial or one or more segments of a newscast or sporting event.

(2) “OPIF” means Oregon Production Investment Fund created by ORS 284.367.

(3) “iOPIF” means the part of the Oregon Production Investment Fund created by ORS 284.367 that is to be used to provide expense reimbursement for local film makers and local media production services companies pursuant to ORS 284.367(4).

(4) “Portland Metropolitan Zone” means the area within a 30 mile circular radius drawn from the center of Burnside Bridge.

(5) “Overnight Location” means a production location which requires cast & crew to be housed on an overnight basis due to the distance from the filmmaker’s production office in the Portland Metropolitan Zone.

(6) “rOPIF” means the part of the Oregon Production Investment Fund created by ORS 284.368(4) that is to be used to provide expense reimbursement for filmmakers, local filmmakers and local media production services companies pursuant to ORS 284.368(4) used to provide expense reimbursement for a qualifying film or television production by

a filmmaker or local filmmaker doing production work outside of the Portland Metropolitan Zone pursuant to ORS284.368(4) .

(7) “Filmmaker” means a person who owns a television or film production company.

(8) “Local filmmaker” means a person who owns a television or film production company or a local media production services company that has its principal place of business in this state.

(9) “Local media production services company” means a media production services company that has its principal place of business in this state.

(10) “Media production services” includes postproduction services and interactive video game development. “Media production services” does not include the production of a commercial or one or more segments of a newscast or sporting event.

(11) “Production Office” means the filmmaker or local filmmaker’s principal coordinating office for all production activities within the state of Oregon.

(12) “Principal Shooting Unit” means the “first” or “main” production unit, crew, and actors of a filmmaker or local filmmaker’s qualifying film or television production (as opposed to a “second” or “additional” unit, as is understood in the industry) which includes, but is not limited to, the principal director and cast of the qualifying film or television production.

(13) “Actual Oregon Expenses” means costs paid in Oregon for principal photography, production or postproduction in Oregon of a film, or for media production services, including but not limited to the purchase or rental cost of equipment, food, lodging, real property and permits and payments made for salaries, wages and benefits for work in Oregon.

(14) “OFVO” means the Oregon Film & Video Office created by ORS 284.305.

Stat. Auth:

Stats. Implemented:

### **951-007-0005**

#### **Program Application**

A filmmaker or local filmmaker proposing to produce a qualifying film or television production or a local media production services company that wishes to receive reimbursement for production spending from rOPIF with respect to the production shall submit an application to the OFVO for an eligibility determination. Unless otherwise permitted by the OFVO, the application must be submitted prior to the commencement of production. Incomplete applications will not be accepted.

Stat. Auth:

Stats. Implemented:

## **951-007-0010**

### **Eligibility Determination**

(1) Except as set forth in sections (2), (3) and (4), the OFVO will approve the applications for eligibility for productions that satisfy the following requirements:

- (a) The production satisfies the non-monetary portions of the “qualifying film or television production” definition.
- (b) If Actual Oregon Expenses are reasonably anticipated to equal but not less than \$75,000.
- (c) The project is reasonably anticipated to be eligible for OPIF or iOPIF funds per 951-002-0010 & 951-006-0010.
- (d) The filmmaker or local filmmaker includes, with its application, a letter to the OFVO stating its intent for and details of a production or a portion of a production to take place in Oregon outside of the Portland Metropolitan Zone and its willingness and ability to enter into a contract with the OFVO setting forth the terms and conditions of reimbursement.
- (e) For filmmakers or local filmmakers who’s production office is located within the Portland Metropolitan Zone all the following conditions must be satisfied in order to qualify for rOPIF funds:
  - i. At least one full day of principal shooting unit production work (from principal shooting crew call time to principal shooting unit camera wrap) must be done completely outside of the Portland Metropolitan Zone.
  - ii. Qualifying film or television production work must occur in the state no earlier than July 1, 2017.
- (f) For filmmakers or local filmmakers who’s production office is located outside of the Portland Metropolitan Zone all the following conditions must be satisfied in order to qualify for rOPIF funds:
  - i. At least fifty percent (50%) plus one day of the principal shooting unit’s production work in the state of Oregon must be done completely outside of the Portland metropolitan zone.
  - ii. At least six (6) principal shooting unit production days must be shot within the state of Oregon.
  - iii. Qualifying film or television production work must occur in the state no earlier than July 1, 2017.

(2) The following productions are not eligible:

- (a) A production with respect to which the filmmaker or local filmmaker withdraws its application for eligibility determination.
- (b) A production which is otherwise ineligible for OPIF or iOPIF funds per 951-002-0010 & 951-006-0010.

(3) If the OFVO receives multiple relatively concurrent applications for eligibility determinations and there are not sufficient funds available in the rOPIF to pay the anticipated reimbursements with respect to all of the productions, the OFVO will determine which applications to approve and which to deny based on the following factors:

- (a) satisfaction of requirements of section (1)
- (b) chronological order of receipt of application
- (c) amount of Actual Oregon Expenses
- (d) number of production workers expected to be hired
- (e) experience level of filmmaker or local filmmaker
- (f) reputation of the filmmaker or local filmmaker and its principals
- (g) estimated production start date
- (h) other benefits to Oregon, including but not limited to shooting location outside of the Portland metropolitan zone, promotional value, long-term financial benefits, contribution to development of Oregon's crew and talent base or production industry infrastructure.
- (i) Whether the filmmaker or local filmmaker intends to pay prevailing industry rates and provide health, retirement and other benefits.

(4) Upon approval of an application for eligibility with respect to a production, the filmmaker or local filmmaker must enter into a contract with OFVO stipulating its intent to undertake production spending entirely or in part outside of the Portland Metropolitan Zone, and setting forth the terms and conditions of the reimbursement. If the filmmaker or local filmmaker and the OFVO have not entered into the contract within 30 days of its eligibility approval, the filmmaker or local filmmaker's eligibility will be automatically revoked unless the OFVO, in its discretion, extends the deadline for contract execution.

(5) rOPIF funds will not be available for reimbursement unless and until the later date of full funding of the FY 2017-2018 OPIF program or July 1, 2017.

Stat. Auth:

Stats. Implemented:

### **951-007-0020**

#### **Payment of reimbursements**

(1) Regardless of whether the production is otherwise a qualifying film or television production or whether the OFVO determined the production eligible, reimbursement of expenses from the rOPIF will only be paid pursuant to and upon the terms and conditions of a contract entered into between the OFVO and the filmmaker or local filmmaker pursuant to OAR 951-007-0010(5). If the filmmaker or local filmmaker does not enter into a contract with OFVO, the filmmaker or local filmmaker will not receive any reimbursement of expenses from rOPIF or OFVO.

(2) In addition to any other terms and conditions that the OFVO considers necessary or desirable, contracts for rOPIF reimbursements will usually include the following provisions:

(a) The filmmaker or local filmmaker must submit to the OFVO, after completion of the production work in Oregon, financial and other records sufficient to verify that the production satisfied the expenditure requirement for rOPIF reimbursement.

(i) For productions qualifying for reimbursement under 951-007-0010 #1(e) above (i.e. productions whose production office is located within the Portland metropolitan zone) those financial and other records include, but are not limited to, call sheets, production reports, location agreements, additional overtime payments, additional per diem payments, additional mileage reports and overnight accommodation receipts pertaining to the work done on an overnight location.

(ii) For productions qualifying for reimbursement under 951-007-0010 #1(f) above (i.e. production whose production office is located outside of the Portland metropolitan zone) those financial and other records include, but are not limited to, call sheets, production reports and location agreements pertaining to the work done outside of the Portland metropolitan zone.

(b) Authorization for the OFVO to deduct from the rOPIF reimbursement the costs reasonably incurred by the OFVO in verifying the production expenditures in Oregon, including but not limited to, the costs incurred by OFVO in obtaining an outside accounting review, audit, or both, of the financial and other records

evidencing the expenditures. The OFVO will usually submit the expenditure documentation to an outside accounting firm for a review after the OFVO has completed its review. Based on the advice of the outside accounting firm, the OFVO may require an audit of the production's financial records.

(c) OFVO's obligation to make any reimbursement of expenses is conditioned on  
(i) availability of funds in the rOPIF to pay for the requested reimbursement and

(ii) compliance by the filmmaker or local filmmaker with the terms of the contract and satisfactory verification of production spending in Oregon of at least US \$75,000 for the iOPIF program and US \$1million for the OPIF program.

(d) The filmmaker or local filmmaker must provide to OFVO vendor lists locations outside of the Portland metropolitan zone with final accounting.

Stat. Auth: ORS284.368(4)

Stats. Implemented: