

1 SENATE JOINT MEMORIAL 16

2 **50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011**

3 INTRODUCED BY

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10 A JOINT MEMORIAL

11 REQUESTING THE STATE INVESTMENT COUNCIL TO EVALUATE THE NEW
12 MEXICO FILM INCENTIVE PROGRAM AND TO MAKE RECOMMENDATIONS FOR
13 IMPROVEMENTS TO THE APPROPRIATE LEGISLATIVE INTERIM COMMITTEE.

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15 WHEREAS, New Mexico has more than eleven thousand
16 residents employed directly or indirectly in the film and media
17 industry; and

18 WHEREAS, state incentives for film and media have drawn
19 concern about their effectiveness; and

20 WHEREAS, the current market has changed dramatically, and
21 borrowing money is now cheap but tough to get, when it used to
22 be expensive but easy to get; and

23 WHEREAS, the state's market rate for money is still less
24 than the commercial market rate; and

25 WHEREAS, diversified investment strategies still make

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1 sense, particularly when specific loans are guaranteed up
2 front, thus eliminating any downside risk to the state; and

3 WHEREAS, the state investment council should evaluate
4 converting the zero percent loans for film projects to its
5 state market rate; and

6 WHEREAS, the state investment council should evaluate
7 benefits of additional incentives or favorable terms for local,
8 in-state productions, particularly in rural areas; and

9 WHEREAS, the state investment council should continue to
10 monitor the New Mexico film incentive program closely, making
11 changes whenever necessary to meet competitive market
12 conditions and in-state demand; and

13 WHEREAS, the New Mexico film incentive program might
14 perform better under the auspices of the New Mexico finance
15 authority, the small business investment corporation or similar
16 entities focused more on economic development;

17 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE
18 STATE OF NEW MEXICO that the state investment council be
19 requested to evaluate the performance of the New Mexico film
20 incentive program, with particular emphasis on the loan
21 component, and make recommendations for improvements and
22 accountability measures to the appropriate legislative interim
23 committee by December 2011; and

24 BE IT FURTHER RESOLVED that a copy of this memorial be
25 transmitted to the state investment council.

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