

1 A JOINT MEMORIAL

2 REQUESTING THE STATE INVESTMENT COUNCIL TO EVALUATE THE NEW
3 MEXICO FILM INCENTIVE PROGRAM AND TO MAKE RECOMMENDATIONS FOR
4 IMPROVEMENTS TO THE APPROPRIATE LEGISLATIVE INTERIM COMMITTEE.
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6 WHEREAS, New Mexico has more than eleven thousand
7 residents employed directly or indirectly in the film and
8 media industry; and

9 WHEREAS, state incentives for film and media have drawn
10 concern about their effectiveness; and

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

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

16 WHEREAS, diversified investment strategies still make
17 sense, particularly when specific loans are guaranteed up
18 front, thus eliminating any downside risk to the state; and

19 WHEREAS, the state investment council should evaluate
20 converting the zero percent loans for film projects to its
21 state market rate; and

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

25 WHEREAS, the state investment council should continue to

1 monitor the New Mexico film incentive program closely, making
2 changes whenever necessary to meet competitive market
3 conditions and in-state demand; and

4 WHEREAS, the New Mexico film incentive program might
5 perform better under the auspices of the New Mexico finance
6 authority, the small business investment corporation or
7 similar entities focused more on economic development;

8 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE
9 STATE OF NEW MEXICO that the state investment council be
10 requested to evaluate the performance of the New Mexico film
11 incentive program, with particular emphasis on the loan
12 component, and make recommendations for improvements and
13 accountability measures to the appropriate legislative
14 interim committee by December 2011; and

15 BE IT FURTHER RESOLVED that a copy of this memorial be
16 transmitted to the state investment council. _____

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