Iowa Legislative Fiscal Bureau

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Update On The Iowa Film Office

ISSUE

A review of the activities and expenditures of the Iowa Film Office of the Department of Economic Development.

AFFECTED AGENCIES

Department of Economic Development

CODE AUTHORITY

Chapter 15, Code of Iowa

BACKGROUND

Between FY 1986 and FY 1994, out-of-state film and commercial production companies have spent \$47.3 million in Iowa. They employed 2,026 Iowans at salaries totaling \$22.7 million. The Department estimates, based on employment and income multipliers provided by the Iowa State University input-output model, that an additional 920 jobs and \$26.3 million in income were generated by the spending of these companies. Using this data in a revenue forecasting model, the Department estimates that \$3.8 million in additional taxes were generated for the State over this period of time.

The General Assembly has appropriated annual funding averaging \$185,000 from FY 1990 through FY 1995. The Film Office estimates that the return on this investment over the past 5 years has ranged between \$9.62 in FY 1990 and \$41.26 in FY 1994 for each dollar of State appropriation. This figure is based on the level of appropriation and the level of total income generated in the State that is directly or indirectly attributable to the production activities. However, if the estimated increase in taxes generated by the production activities were used as the return on investment to the State (State appropriations versus State revenues) the range would be from \$0.66 in FY 1990 to \$3.29 in FY 1994 for each dollar of State appropriation.

CURRENT SITUATION

According to the Film Office its mission is "to effectively market lowa as a desirable location for film, video, and audio productions, thereby creating economic development opportunities for the State of Iowa." The Office works closely with local economic development leaders in the effort to have Iowa locations chosen as sites for various productions.

The Office is often competing for projects with film offices from other states that have greater resources. According to a 1993 survey by the Association of Film Commissioners International, the average operating budget of state film offices is \$321,000 compared to lowa's \$186,000 for FY 1995. Additionally, Iowa has 2.0 FTE positions in the Film Office for FY 1995, while the average in all states' film offices is 4.0 FTE positions. The Iowa Film Office does not have the necessary video equipment to use in developing visual information to send to production companies staff. Iowa is one of only 9 state offices that do not have video equipment.

It is difficult to ascertain the specific impact the efforts of the Film Office have on the decisions of production companies in the selection of lowa as the location for the various projects that the Office has participated in recruiting. As noted above, the Office works closely with local groups to provide support for community efforts and provides information directly to production companies on possible sites when contacted by them in the early stages of site selection. However, the Office made no specific claim that its efforts were solely responsible for the selection of lowa by the companies.

Rather it is viewed as a team effort with the community involved.

The Film Office provided a selected list of projects that have been lensed in Iowa (see Attachment).

ALTERNATIVES

After reviewing the information provided by the Film Office, and responses to a request to provide options that the General Assembly could review to provide a more integrated, effective policy approach in the economic development area, the following three alternatives are presented for legislative consideration.

- Based on feedback from production crews working in Iowa, the State could consider
 adopting legislation similar to that recently enacted in Nevada which provides an exemption
 from certain provisions of motor carrier identification and fuel tax requirement for vehicles
 used in the production of motion pictures.
- Consider establishing a motion picture preparedness certification for use of the Film Office
 in educating lowa communities regarding the needs of the motion picture industry and how
 to capitalize on those needs. This was requested as part of the FY 1994 departmental
 budget request at \$30,000, but was not funded. As a result, funding was not requested for
 FY 1995.
- Provide sufficient funding to allow the Iowa Film Office to administer a public relations and marketing effort related to release of significant productions, such as <u>The Bridges</u> of Madison County. This would involve the public relations and marketing efforts of the Tourism and National Marketing Offices of the Department. The South Dakota Film Office used the film Dances with Wolves to promote that state. It distributed 100,000 South Dakota tourism videos packaged with a random selection of the Dances with Wolves videos at a cost of approximately \$100,000. Additionally, the Montana Film Office did a similar distribution with the movie City Slickers to promote tourism in that state.

BUDGET IMPACT

The Film Office is requesting \$203,000 for FY 1996, which includes \$15,000 for one time expenditures including the purchase of photography or video equipment.

The Department estimates that a motion picture preparedness certification program would cost approximately \$50,000 for an additional FTE position and program support. However this is not included in the FY 1996 request.

The costs of an expansion of the office budget to include significant marketing funds to capitalize on major motion picture releases could substantially increase the costs of the Office and would vary year to year based on the number of major films being released that had been lensed in lowa. This has not been included as part of the FY 1996 departmental budget request.

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A SELECTED HISTORY OF PROJECTS

YEAR	TYPE	TITLE	LOCATION
1968	F	"The Warden"	Fort Madison Prison
1968	F	"Fever Heat"	Stuart
1968	F	"Cold Turkey"	Winterset/Greenfield
1969	F	"Gaily Gaily"	Dubuque
1971	F	"Thief in the Night"	Des Moines
1973	TV	"Apples Way"	Western Iowa
1975	F	"Huckleberry Finn"	Mississippi River
1975	F	"All the King's Horses"	Des Moines
1976	F	"Distant Thunder"	Des Moines
1977	F	"F.I.S.T."	Dubuque
1978	F	"Scoring"	Des Moines/Dubuque
1978	F	"Heaven's Heroes"	Des Moines
1979	F	"Whitcomb's War"	Jefferson
1979	F	"Image of the Beast"	Des Moines
1980	F	"Take This Job and Shove It"	Dubuque
1980	F	"Home Safe"	Des Moines
1980	TV	"America/Kenny Rogers"	Cedar Rapids
1981	F	"Pennies from Heaven"	Dubuque
1981	F	"Prodigal Planet"	Des Moines
1981	F	"The Shepherd"	Des Moines
1982	TV	"Mississippi"	Dubuque
1983	TV	"Two Marriages"	Des Moines
1983	TVF	"The Ron Le Floure Story"	Clinton
1983	F	"Country"	Waterloo
1983	, F	"Children of the Corn"	Whiting
1983	TV	"Portrait of America"	Sioux City
1984	F	"Starman"	Cedar Rapids
1985	, F	"Echoes of War"	Des Moines
1985	F	"Rites of Passage"	Des Moines/Adel
1985	, F	"Miracle Man"	Des Moines
1985	TV	"West of the Imagination"	
1986	TV	"Rivers of the World"	Sioux City Fort Madison
1987	F	"Miles from Home"	
1987		"The Greek"	Cedar Rapids
	F F	"Zadar, Cow From Hell"	Quad Cities
1988 1988	F	"Field of Dreams"	lowa City
		"Coach"	Dubuque
1988	TV		lowa City
1988	TV	"Real Crime"	Sioux City
1988	TV	"Unsolved Mysteries"	Waterloo
1988	TV	"Crimes of Passion"	Davenport
1988	TV	"Nick at Nite"	Eldora
1988	MV	"The Scorpions"	Cedar Rapids
1988	TV	"Disney Music Variety"	Waterloo
1989	TV	"Trucking U.S.A."	Mason City
1989	TV	"Coach"	lowa City
1989	TV	"Crimes of Passion"	Cedar Rapids/Davenport
1989	TV	"Scandals"	Quad Cities

A SELECTED HISTORY OF PROJECTS

YEAR	TYPE	TITLE	LOCATION
1989	TV	"Diet America Challenge"	Sac City
1989	TV	"MTV Remote Control"	Ames
1989	F	"Finest Hours"	Fairfield
1990	TV	"Poor Jennifer"	Des Moines
1990	F	"Where the Night Begins"	Davenport
1990	F	"BiX"	Davenport
1990	F	"Indian Runner"	Council Bluffs
1990	MV	"MTV's Remote Control"	Ames
1990	TV	"Entertainment Tonight"	Dyersville
1990	TV	"Fuji TV Grand Kubuki Documentary"	Des Moines
1990	TV	"Hard Copy"	Des Moines
1990	TV	"Hard Copy"	Des Moines
1990	TV	"Unsolved Mysteries"	Maquoketa
1990	TV	"A Current Affair"	Mason City
1990	TV	"Yorkshire TV Ltd."	Des Moines
1991	TVF	"In the Best Interest of Children"	Cedar Rapids
1991	F	"An American Love"	Davenport
1991	F	"Brothers and Sisters"	Davenport
1991	F	"Noises Off"	Des Moines
1991	TVF	"A Thousand Heroes"	Sioux City
1992	TVF	"The Woman Who Loved Elvis"	Ottumwa
1992	F	"Shimmer"	Toledo
1993	F	"The Childhood Friend"	Davenport
1993	F	"The Room Next Door"	Davenport
1993	MV	"Madison County Waltz"	Winterset
1993	TV	"Farm Aid VI"	Ames
1993	TV	"Oprah Winfrey Show"	Winterset
1993	TV	"Dateline NBC"	Des Moines
1993	TV	"Today Show"	Des Moines
1993	TV	"48 Hours"	Des Moines
1993	TV	"Good Morning America"	Des Moines
1993	TV	"Alone In The Dark"	Adel
1994	TV	"Rescue 911"	Ackworth
1994	F	"Puppetmasters"	Des Moines
1994	F	"The Bridges of Madison County"	Winterset

F = Feature Film

TV = Television

MV = Music Video

TVF = Television Feature Film

SOURCE: lowa Film Office