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House Bill 5852 (Substitute H-1 as reported with amendment) House Bill 5853 (Substitute H-1 as reported without amendment) House Bill 5854 (Substitute H-1 as reported with amendment) Sponsor: Representative Dave Hildenbrand (H.B. 5852)

> Representative Kathleen Law (H.B. 5853) Representative Ed Clemente (H.B. 5854)

House Committee: Commerce

Senate Committee: Commerce and Tourism

CONTENT

The bills would amend various statutes to provide for State officials to authorize the use of State property without charge for the purpose of producing a film.

<u>House Bill 5852 (H-1)</u> would amend the Michigan Military Act; <u>House Bill 5853 (H-1)</u> would amend the Natural Resources and Environmental Protection Act; and <u>House Bill 5854 (H-1)</u> would amend Public Act 286 of 1964, which provides for the organization, powers, and duties of the State Transportation Commission and the Michigan Department of Transportation (MDOT).

The bills would allow certain State officials to authorize a person engaged in the production of a film in Michigan to use, without charge, property owned by or under the control of the official's department or commission for the purpose of producing a film under terms and conditions established by the official. The economic and other benefits to the State of film production located in Michigan would be considered to be the value received by the State in exchange for the use of property. The Departments and the Commission would have to cooperate with the Michigan Film Office by giving it information about potential film locations owned by or under the control of the Department or Commission and the use of such property.

House Bill 5852 (H-1) would apply to the Adjutant General (the Director of the Department of Military and Veterans Affairs), who could authorize the use of property owned by or under the control of that Department. House Bill 5853 (H-1) would apply to the Director of the Department of Natural Resources, who could authorize the use of property owned by or under control of the DNR. House Bill 5854 (H-1) would apply to the MDOT Director and the Transportation Commission, either of whom could authorize the use of property owned by or under the control of the Commission.

The Department Directors or Transportation Commission could not authorize the use of property owned by or under the control of the Departments or Commission for the production of a film that included obscene matter or an obscene performance, or for a production for which records are required to be maintained with respect to any performer under 18 USC 2257 (which pertains to visual depictions of actual sexual conduct).

Proposed MCL 32.837 (H.B. 5852) Proposed MCL 324.512 (H.B. 5853) Proposed MCL 247.806b (H.B. 5854)

FISCAL IMPACT

<u>House Bill 5852 (H-1)</u> would have an indeterminate, though potentially significant, fiscal impact on the Department of Military and Veterans Affairs. The potential costs to the Department could vary widely, and would depend upon whether the Adjutant General chose to allow a filmmaker to use Department property, and upon the nature of the property requested by the filmmaker.

The bill would have a significant fiscal impact on the Department if the Adjutant General allowed a filmmaker to use Department property that included sophisticated and costly military equipment such as helicopters or other similar military equipment. In the case of a helicopter, for example, the cost for the Department to operate a Blackhawk helicopter is \$4,578.88 per hour; for a Chinook helicopter, \$8,546.13. Under the bill, should the Adjutant General allow the use of such equipment, the Department would be required to absorb the cost.

<u>House Bill 5853 (H-1)</u> would result in a small and indeterminate loss of restricted funds for the State. If the Director of the Department of Natural Resources chose to waive the land user charges for films produced in State parks or forests, the Park Improvement Fund or the Forest Land User Fund would experience foregone revenue depending on the number of films produced and the length of time used for filming.

House Bill 5854 (H-1) would have a minimal to nonexistent fiscal impact.

Date Completed: 3-19-08 Fiscal Analyst: Bruce Baker

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.