

APR 01 2011



29 March 2011

Representative Kurt Olson
Chair House Labor and Commerce
State Capitol, Room 24
Juneau, AK 99801-1182

RE: House Bill 67 and Senate Bill 23 Film Production Tax Credit

Kurt:

On behalf of Alaska Film Group and myself, I would like to offer our support for Senate Bill 23, the extension of the Alaska Film Production Tax Incentive Program.

As the energy sector is still mired in paper work and market forces that have prevented energy projects, exploration and the resulting economic impacts from reviving that sector of the economy. It behooves us to look at other industries to continue the diversification of the Alaskan economy.

Since its inception in 2008, the Film Production Tax Incentive program has created jobs for Alaskans and economic opportunities for Alaska businesses small and large. Film and television projects offer invaluable marketing and promotion for Alaska tourism, products and businesses. Continuing and extending this program offers a clear signal to the multi-billion dollar film and television industry that Alaska is open for business

The fact is, financial incentives have changed the way filming decisions are made. Across the U.S. forty-five states currently have incentive programs of some type in place; demonstrating recognition by those states of the economic benefit this industry offers its labor force, area businesses and communities. Internationally, Alaska faces aggressive and long established film incentives from provincial and federal governments in Canada and around the globe. In order to stay competitive in this global industry Alaska needs to send a clear message.

Mary and I as well as the Alaska Film Group support the extension of the Alaska Film Production Tax Incentive program for ten years with \$100 million available in incentives during the first five years and \$100 million in incentives for the final five years. Senate Bill 23 will continue the successful economic diversification and development it has already shown while providing Alaska businesses opportunities to properly plan for and capitalize on Alaska's newest multi-million dollar industry.

For all of these reasons, I am asking you to fully support the Film Credit Tax Credit Bill and thank you and the rest of the Alaska State Legislature for working towards a more prosperous Alaska.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Thomas R. Daly", is written over a stylized, decorative flourish.

Thomas R. Daly, HiSpeed Gear Inc.