

Senator Johnny Ellis
Chair Senate Rules Committee
State Capitol, 119
Juneau, AK 99801-1182

15 February 2011

RE: Senate Bill 23 Film Production Tax Credit

Dear Senator Ellis:

On behalf of **Ascending Path and Glacier Productions LLC**, I would like to offer our support for Senate Bill 23, the extension of the Alaska Film Production Tax Incentive Program.

As a board member of the Alaska Film Group and the owner of a company which received a lucrative contract with Icebreaker Films/"Everybody Loves Whales", I personally experienced the benefit of this valuable incentive program. In 2010 my wife and I put 3 Alaskan employees on salary to run our small tourism business while she and I dedicated our time to *Whales*.

Because of the Film Incentive Program, my small Alaskan company was able to negotiate a licensing agreement with a LA based entertainment services company so Alaska can provide the accounting and payroll services that Hollywood producers are accustomed. Alaska has some growing pains in order to become a financially sustainable location for feature films, but I have confidence in the private sectors ability to accommodate, if the State commits to this Incentive.

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.

We 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, **Ascending Path and Glacier Productions LLC** fully supports the Film Credit Tax Credit Bill and thanks the Alaska State Legislature for working towards a more prosperous Alaska.

Sincerely,

Matt Szundy

Owner

Ascending Path and Glacier Productions LLC