



18 APRIL 2014

HB306

Dear Senators,

My name is D.K. Johnston and I have been working full time in film and television production here in Alaska for the past five years. I am a graduate of the UAA Journalism Program and have an MFA in Film Production from the New York Film Academy. I have worked on most of the feature films, TV series coming into Alaska as well as numerous local, national and international commercials. I am the owner and operator of Tri-Seven Pictures and founder of the Alaska Filmmakers website and social network.

I am writing you today to express my displeasure regarding specific language in HB306. Mainly the language that would sunset the current Film Incentive Program in 2016. If this bill is passed, with this language, the legislature will be burning down years of hard work and financial investment which many Alaskans, like myself, have made to build a solid foundation and infrastructure for this industry.

The program was given a 10-year extension in 2012, because the facts on the table showed the initial program, introduced in 2008, proved to be beneficial to the state. The program was analyzed and modified to better benefit the state, and was then approved by this legislature and signed into law until 2023.

I believe any arguments made against the program now are based on poorly accumulated data. Since the revised program was only recently put into practice I fail to see where any data supporting the failure of this newly enacted law can be found. If there was any slow down in incoming productions or industry development you can surely attribute it to the introduction of bills like HB306. However, I can tell you from first-hand experience that our industry is very busy, and is working daily to bring more business to the state. This program is creating new companies, new jobs, more education and more opportunities for Alaskan's.

Alaska is one of many states benefiting from these types of incentives. Those successful state's that have rolled back their incentives did so only after allowing their program to establish an infrastructure and sustainability. They built a strong house, and only after it was complete did they make modifications to better fit their needs.

HB306 is a bill that makes no sense when it comes to film. If you read the transcripts from the hearings I believe the unclear nature of the bill was highlighted during the hearings as the committee questioned many of its attributes and language. The Department of Revenue has control of the tax credits and is already working to strictly regulate their distribution. If HB306 is allowed

to pass as it currently stands it will put a stop to any current investments in the state, and effectively kill the industry. This in turn will force many Alaskans, some born and raised here, to leave the state they love in order to support their careers and families.

This legislative body put their weight behind this law, and made a commitment to its residence to allow this industry to grow. It encouraged local investment and gave our community a feeling of confidence in our elected officials. Supporting the repeal of a law, that has barely gotten its foot out the door, shakes that confidence, and breaks a very costly promise and commitment to the constituents you all represent.

We are working to build a unique production environment suitable for Alaskan stories as well as stories from around the world. We are working to build a sustainable industry to help support Alaska, but we can't build the house if someone keeps setting fire to the wood. I hope that you will take a very strong look at HB306, and speak with you constituents before making your final decision. Thank you again for your time and service.

Sincerely,

*D.K. Johnston
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