

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 1487

(Chair, Ways and Means Committee)(By Request -
Departmental - Commerce)

Ways and Means

Finance

Maryland Entertainment Council - Alterations

This departmental bill codifies the Maryland Entertainment Industry Council as the successor to the uncodified Maryland Entertainment Council, with specified changes to council membership, appointments, powers, and reporting requirements. The council is made permanent, instead of terminating June 30, 2025. Under current law, only the Maryland Department of Commerce must staff the council; under the bill, Commerce and any other agency designated by the Governor must staff the council. **The bill takes effect July 1, 2024.**

Fiscal Summary

State Effect: Commerce can continue to staff the council with existing budgeted resources. Any additional expense reimbursements for additional council members through FY 2025 and for all council members beginning in FY 2026 are assumed to be minimal and likewise absorbable. While not required by the bill, general fund expenditures for Commerce may increase should the council use its new authority to engage consultants in the performance of its duties. Should other agencies (most likely the Maryland Department of Labor and/or the Department of Housing and Community Development) be designated to assist with staffing, they realize operational, and potentially fiscal, impacts; however, the bill does not limit such designation to the agencies represented on the council. Revenues are not affected.

Local Effect: None.

Small Business Effect: Commerce has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

Analysis

Bill Summary: The Maryland Entertainment Industry Council is established as the permanent successor to the uncodified Maryland Entertainment Council, which was of limited duration but is repealed. Additional members are added to the council, as specified, and provisions are established for member terms and reappointments. As under current law, a member of the council may not receive compensation as a member of the council but is entitled to reimbursement for travel expenses. The council is also provided express powers to adopt regulations, enter into contracts and agreements, obtain services, ask other units of the State for assistance and data, accept federal money, and accept gifts, donations, or bequests. Under current law, only Commerce must staff the council; under the bill, Commerce and any other agency designated by the Governor must staff the council. By January 1, 2026, and each January 1 thereafter, the council must submit an annual report to the Governor and the General Assembly.

General activities that the council must undertake (detailed below) are unchanged. The information required in the existing final report is likewise unchanged, although the date by which that report must be submitted is delayed from September 1, 2024, to December 1, 2024.

Current Law: Chapter 452 of 2023 established the Maryland Entertainment Council, consisting of specified membership, and staffed by Commerce. A member of the council may not receive compensation as a member of the council but is entitled to reimbursement for travel expenses. The council must:

- assess Maryland’s existing assets, opportunities, and competitive position within the film, television, and entertainment industry;
- study State, local, and private assets that currently support Maryland’s film, television, and entertainment industry, including key infrastructure, existing workforce, workforce pipelines, scenic profile, emerging specialties, and independent creative communities;
- study existing State programs, agencies, offices, grant programs, and commissions across State agencies that support the film, television, and entertainment industry;
- study models, competitive profiles, methods, and legislation that states have utilized to incentivize necessary infrastructure and workforce to support the film, television, and entertainment industry;
- study industry needs, disruptive trends, and emerging technologies within the film, television, and entertainment industry;
- study complementary industries, aligned businesses, and potential corporate, philanthropic, and other partners for the film, television, and entertainment industry; and

- make recommendations on the development of a coordinated, comprehensive strategic plan to position Maryland as an emerging leader in the film, television, and entertainment industry.

The council was required to submit a [preliminary report](#) by December 1, 2023, to the Governor, the Secretary of Commerce, and the General Assembly that included specified information and recommendations. By September 1, 2024, the council must submit its final report to the Governor, the Secretary of Commerce, and the General Assembly on the matters included in the council’s preliminary report plus additional recommendations, including for additional State investment in the film, television, and entertainment industry.

The council was established in uncodified language. Provisions related to the council terminate June 30, 2025.

Background: Commerce advises that, due to ongoing labor negotiations in 2023, the Maryland Entertainment Council was not appointed and, therefore, not able to begin its work, until early 2024. The delay has caused the need for an extension on the deadline to submit the council’s final report. Additionally, codifying the council and expanding its membership allows it to continue evaluating and making recommendations regarding the State’s competitiveness in the film, television, and entertainment industry, with added expertise.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Department of Commerce; Department of Housing and Community Development; Maryland Department of Labor; Department of Legislative Services

Fiscal Note History: First Reader - March 8, 2024
js/ljm Third Reader - March 27, 2024
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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Maryland Entertainment Council – Alterations

BILL NUMBER: HB1487

PREPARED BY: Jennifer LaHatte

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

X WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

___ WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

This proposal will codify and alter the existing Maryland Entertainment Council, renaming it to the Maryland Entertainment Industry Council. It will expand the size and breadth of expertise on the Council, and will allow them to continue to evaluate and make recommendations regarding Maryland's competitiveness in the film, television and entertainment industry. While the recommendations made by the Council may have an impact on small businesses, the creation of this council specifically will not have an impact on Maryland Small Businesses.