

2.1 than those of any other creditor or investor and that AMMP will have preferred position
2.2 financing for each film or television series;

2.3 (2) specify the schedule and method for AMMP to repay money to the commissioner
2.4 of management and budget;

2.5 (3) provide that after the state's investment in a film or television series has been repaid
2.6 to the commissioner of management and budget, at least 50 percent of the revenue from the
2.7 film or television series received by AMMP is returned to the general fund; and

2.8 (4) specify that AMMP will provide an annual accounting to the commissioner of
2.9 employment and economic development of spending and investment of arts and cultural
2.10 heritage funds.

2.11 (c) A film or television series may receive funding under this section only if:

2.12 (1) the project has a final shooting script, final budget, and final schedule, with a producer,
2.13 a director, and the principal cast under contract;

2.14 (2) all funding for the project, other than funding to be provided under this section, is
2.15 in place and documented;

2.16 (3) the amount of funding requested under this section is not more than 50 percent of
2.17 the total direct budget for the project;

2.18 (4) the project has a documented distribution agreement in place, through a distributor
2.19 that AMMP determines is well-known and well respected in the motion picture industry;

2.20 (5) the applicant documents the Minnesota-based personnel, businesses, locations, and
2.21 other related activities that will be used in production;

2.22 (6) the applicant guarantees credits on the project and on all relevant publicity relating
2.23 to the project that acknowledges funding from the arts and cultural heritage fund;

2.24 (7) no more than six percent of the amount provided to AMMP under this section each
2.25 fiscal year is spent by AMMP for its administrative costs; and

2.26 (8) AMMP ensures that a majority of the funds allocated for each project is spent in the
2.27 state of Minnesota.

2.28 (d) Notwithstanding section 129D.17, subdivision 2, paragraph (f), AMMP may use
2.29 money appropriated from the arts and cultural heritage fund for projects and activities
2.30 necessary to the mission of AMMP outside of Minnesota.

3.1 Sec. 2. **APPROPRIATION.**

3.2 \$..... in fiscal year 2018 is appropriated from the arts and cultural heritage fund to the
3.3 commissioner of employment and economic development for a grant to the motion-picture
3.4 production investment incentive program under Minnesota Statutes, section 116J.999. The
3.5 commissioner must transfer the appropriation to AMMP pursuant to Minnesota Statutes,
3.6 section 116J.999, once an agreement has been signed.