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Before the Joint Hearing of the  
California Assembly Committees on  
Revenue & Tax and Arts, Entertainment, Sports, Tourism & Internet Media  
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Good afternoon, Assembly members Chu and Ridley-Thomas and members of the Committees on Revenue and Tax and Arts & Entertainment. My name is Angela Miele; I am Vice President for State Government Affairs and Tax Policy for the MPAA. As you know the Motion Picture Association is the trade association for the leading producers and distributors of filmed entertainment content across all platforms, from motion picture theatres to home entertainment to television, cable and satellite and Internet services. Our member companies are: The Walt Disney Studios Motion Pictures; Paramount Pictures Corporation; Sony Pictures Entertainment Inc.; Twentieth Century Fox Film Corporation; Universal Studios LLC; and Warner Bros. Entertainment Inc. CBS Corporation is an associate member. And HBO is a sister company to Warner Bros.

Thank you for the opportunity to speak today on California's Film and Television Tax Credit Program, as well as diversity. This program is a great success. As California's Film Commissioner, Amy Lemisch, has reviewed with you, the program has brought billions of dollars [2.8] in direct spending to California, with over 15,000 Californians employed behind the camera and thousands more in front of the camera.

I will highlight just a few of the projects MPAA member companies are filming in California as a result of the new tax credit program.

**The Walt Disney Studios'** feature *A Wrinkle in Time*, helmed by Ava DuVernay and budgeted at over \$100M, employed a cross section of Californians with 485 crew members. The production filmed in locations across California including Humboldt County, Santa Clarita, the Historic West Adams District in Los Angeles, and even Crenshaw High School.

**Paramount's** "God Particle" a new film from producer J.J. Abrams spent approximately \$24 million in California, including wages paid to 765 cast and crew members.

**HBO's** "Westworld" spent more than \$74 million on its first season of 10 episodes. That includes over \$32 million paid in wages to over 200 full time actors and crew members, as well as over 1200 part time crew and over 4800 background actors.

**20<sup>th</sup> Century Fox's** "American Horror Story" relocated from Louisiana to California for its fifth season, spending approximately \$39 million in qualified expenditures on 12 episodes. Over 600 California businesses sold or leased goods or services to the production.

**NBCUniversal's** television drama "Pure Genius" has spent over \$14 million on qualified wages which includes 187 full time positions and an additional \$16.6 million with 400 California businesses.

The feature film, "CHIPS" is produced by **Warner Bros.**; the production filmed throughout southern California for 45 days and employed over 700 Californians in cast and crew positions, spending over \$13 million in wages. The movie, starring Michael Pena (Pen-ya) and Dax Sheppard opens next month!

Though still in its infancy, this program is achieving its goal –to return more film and TV production to California and keep California competitive for attracting these well-paying jobs that are a hallmark of California's economy. In addition to the examples of these projects, we know that filming has increased in the Los Angeles area, as measured by the permits issued by FilmLA, the Los Angeles permit office. Feature filming increased by 8% in the first half of 2016, as compared to the first half of 2015, before the Film and Television Tax Credit took effect.

On behalf of our member companies, I want to reiterate our appreciation to the legislature and Governor for enacting and extending the Film and Television Production Incentive Program.

I would like to turn now to the issue of diversity. MPAA and our member companies are engaged and committed to ensuring that motion picture and television production provides opportunities to Californians from diverse

backgrounds, both in employment and in business transactions. Here are just a few examples of the many programs the studios have developed:

- Disney | ABC Television Group is a sponsor of the annual NLMC/NHMC Latino Television Writers Program. NHMC is a non-profit, media advocacy organization established in 1986 in Los Angeles, California. Along with the NLMC, which began in 1999, NHMC has strived to: improve the image of American Latinos as portrayed by the media; increase the number of American Latinos employed in all facets of the media industry; and advocate media/telecommunications policies that benefit the Latino community.
- HBO sponsors Digital Dove, an award-winning filmmaking and video-arts program headquartered at the Los Angeles campus of Covenant House of California. This program, built on the philosophy that creativity is a valuable personal and professional asset, Digital Dove now offers year-round classes in video arts and media advocacy, and employment training and sponsorship.
- NBCUniversal has numerous career pathway and talent infusion programs for actors, writers and directors. As an example, the Universal Pictures' Emerging Writers Fellowship focuses on identifying talented screenwriters who do not have access to or visibility within the entertainment industry. The fellowship program was launched in 2014 and has graduated 2 classes of fellows, most of whom have secured representation. In addition, Universal recently created a Global Talent Development and Inclusion Program to bolster the studio's diversity initiatives.
- Paramount works directly with Viacom's Office of Global Inclusion to maintain a culture that value all perspectives and backgrounds. The Senior Strategy group meets quarterly to map out the company's diversity and inclusion priorities for the year. Paramount's eight active employee resource groups operate globally and lead activities around career development and outreach to the community, including a 2016 session with Ava Duvernay, Director of *Selma*. Additionally, Paramount's recruiting team partners with such organizations as The Posse Foundation, The T. Howard Foundation, Determined to Succeed and South Central Scholars, to bring the next generation of diverse talent into the workforce.
- Sony Pictures, through its Spectrum program, offers a variety of programs and resources for current and aspiring employees of all backgrounds, including Diverse Directors Program, launched in 2014. This program provides opportunities for highly qualified candidates to shadow established TV directors on episodes of various hour and half-hour scripted Sony Pictures Television series.
- 21<sup>st</sup> Century Fox - FOX Inclusion is a cross-divisional department whose mission is to further the company's goals to create content that reflects the company's broad audience, attract diverse storytellers, and position the film and television studios and the networks as the home for diverse, innovative storytelling. The FOX Inclusion Department is responsible for overseeing and continuing to develop programs such as the Fox Writers Lab, the Fox Directors Lab and the Fox Filmmakers Lab.
  1. The Fox Filmmakers Lab aims to increase the number of women directing major films by giving 25 alumnae from the AFI Directing Workshop for Women the opportunity to

learn about the studio system, network with executives, and pitch on the film studio's franchise and other titles.

2. The Fox Writers Lab nurtures experienced writers with diverse voices, backgrounds and life experiences to create a strong pipeline of well-rounded talent for potential staffing on Fox productions. After completing a training program, the writers are prepared to be staffed on productions.
  3. The Fox Television Directors Lab nurtures emerging and established episodic television directors with diverse voices, backgrounds and life experiences by putting the directors through a lab, followed by shadowing opportunities that have led to hiring.
- Warner Bros. has joined with the IA and Hollywood CPR to create a pipeline for job placement opportunities. The IA and Hollywood CPR's partnership with West Los Angeles College and Brotherhood Crusade offers vocational training in the trades and skills required for careers in the crafts and technical trades of the entertainment industry to primarily underserved and under-represented populations.

In addition to the programs of our member companies, MPAA Chairman and CEO Senator Chris Dodd established the MPAA's Inclusion and Multicultural Outreach program. Since the 2012 launch, MPAA has collaborated and partnered with more than 20 national civil rights organizations and multicultural groups, such as the Multicultural Media, Telecom and Internet Council; the American Black Film Festival; the National Association of Latino Independent Producers; and Women in Film. The program, managed by my colleague John Gibson, in our D.C. office, includes sponsorship of inclusion and diversity-themed events, film screenings, and programming at festivals. As a part of the public record, I have included a list of the work and activities of our Inclusion and Multicultural Outreach program.

The question this hearing raises – is diversity in the film and TV industry increased because of California's Film and Television Tax Credit program – can be answered with a YES. The tax credit program has returned many jobs to California and is driving employment capacity, especially in below-the-line positions. With the increased level of employment comes more opportunities for more Californians from diverse backgrounds to join this workforce. We are committed to building on the momentum created by the tax incentive program. We have not achieved all that is possible with regard to diversity, but the story so far is one of improvement and growth of opportunity.

Thank you.