2025-2026 General Assembly

SENATE BILL 257: 2026 Appropriations Act, Section 11.4: Film and Entertainment Grant Fund Modifications

Analysis of: S.L. 2026-41, Section 11.4

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Section 11.4 of S.L. 2026-41 (Senate Bill 257) makes the following modifications to the Film and Entertainment Grant Fund (Fund):

- Includes scripted or non-scripted productions consisting of a series of episodes intended for online distribution as a qualifying expense of a production company for which grants from the Fund can be used.
- Modifies the monetary cap and criteria for which grants from the Fund can be used. Monies from the Fund cannot be used to provide a grant in excess of (i) $20,000,000 for a feature-length film or a single season of a non-scripted production consisting of a series of episodes intended for online distribution or (ii) $25,000,000 for a single season of a scripted production consisting of a series of episodes intended for online distribution or a single season of a television series.
- Clarifies that monies from the Fund cannot be used to provide a grant for a production that is a talk show, recorded concert or other live performance event for theatrical or other release.
- Modifies the definition of a "highly compensated individual" to mean an individual who directly or indirectly receives compensation in excess of $4,000,000 for personal services with respect to a single production.
- Modifies the definition of "production" to include a scripted production intended for online distribution.
- Adds "non-scripted production" to the definition of "production." For a "non-scripted production" that is intended for online distribution, the production must be all of the episodes produced for a single calendar year if there area at least six episodes with an average running time of at least 20 minutes.
- Modifies the definition of a "production company" to "a person engaged in the business of making original motion pictures or video contact for theatrical, commercial, advertising, or educational purposes."
- Changes the definition of "qualifying expenses" to be the sum of specified amounts that are spent in this State by a production company in connection with a production, subtracting any amount above $4,000,000 paid to a highly compensated individual. The prior cap for payment to a highly paid individual was $1,000,000.
- Clarifies that, for game shows and productions that document unscripted real-life situations do do not use professional actors, the following are excluded from the definition of "goods and services":

    - The costs for and the value of prizes awarded.
    - The fair market value of any item in the show intentionally or negligently used or destroyed for entertainment purposes immediately prior to its destruction or use.
- Allows for a bonus for "multi-production." The amount of a grant allowed for the following additional productions must be increased by five percent if the following criteria are met by a production company:
    - Making two or more qualifying productions which have an aggregated final verified amount of qualified expenses of at least $80,000,000.
    - Making one or more additional productions within 24 months of the last release of grant funds for the qualifying productions.

This section became effective July 1, 2026, and applies to grants made on or after that date.