



**TESTIMONY BY
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**TO THE JOINT LEGISLATIVE BUDGET HEARING
ON ECONOMIC DEVELOPMENT**

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Good morning, Chairwoman Krueger, Chairwoman Weinstein, and distinguished members of the New York State Senate Finance Committee and the Assembly Ways and Means Committee. My name is Jennifer Myers, and I am Field Representative of the Motion Picture Editors Guild, IATSE Local 700, and I present this testimony today on behalf of both Local 700, which represents post-production professionals, and the Post New York Alliance (“PNYA”), which represents over 60 post-production facilities and individuals working in the post-production sector. Thank you for your long standing support for our industry, and for this opportunity to provide testimony in support of the Governor’s proposal to enhance and extend the Empire State Film Post Production tax credit.

The Post Production Credit is a \$25 million sub-allocation of the larger Empire State Film Production Credit. This framework divides the overall post production program into two components: a production tax credit that provides an incentive for productions that site in New York, including subsequent in-state expenses on post production; and a separate post production tax program that incentivizes additional productions sited outside New York to conduct their

subsequent post production work, including an incentive for the burgeoning visual effects (“VFX”) and animation fields, in New York.

The success of this bifurcated program is unparalleled, with the post production sector seeing explosive growth since enactment of the separate post production incentive, allowing domestic productions to bring scores of editorial work to New York. A mere ten years ago, NY had very little of the nation’s editorial work. As a result of the post production suballocation of the empire state film production credit, New York is now the second largest venue, after California, for domestic post production work. The credit has even allowed New York to compete with Canada and the UK, with incentives of their own, and New York’s incentive has even succeeded in repatriating jobs that were based in China and India. As an example of this growth, Local 700 members in New York logged approximately 299 thousand hours worked in 2011. By comparison, though Local 700 doesn’t have final audited numbers for 2022, it’s safe to say our members will have recorded approximately 900 thousand hours worked.

This success translates into serious economic activity. The Post Production sector is working with HR&A on an industry study, but we can tentatively report that, thanks to the incentive, the post-production ecosystem directly employed 14,000 people in 2022, leading to the indirect creation of 15,000 jobs, supporting a total of 29,000 jobs in total. Collectively, this represents \$2.43 billion in labor income and \$7.24 billion in economic output. And in return, the post-production ecosystem generates approximately \$156 million in tax revenues annually back to New York state.

As a practical matter, jobs in Post Production are coveted career tracks. To be clear, anyone entering into picture, sound, music editorial, VFX, or animation work has entered into a world with great salaries and benefits, and an opportunity to work with innovative technology. Post

production workers earn an average of \$95K, which is significantly higher than the average salary for all industries statewide. Local 700 and the PNYA are constantly working with our public and private partners to build out a workforce pipeline that reflects the diversity of New York. These programs have emphasized creating opportunities for underrepresented communities and assisting in diversifying the post production workforce.

In summation, post production is an important economic development driver and a home for well-paying careers. And all film and television, regardless of production location, requires post-production work. The question at hand is: who should be doing that work? Due to the incentive, New York has gone from a post-production outpost to a true international hub, where award winning artists, editors, and engineers make their home. Adopting the Governor's proposed enhancements to the program will instill confidence that New York continues to robustly support our sector in light of today's ever-growing competition for post production work and the many benefits that follow.

I thank you for this opportunity to testify on behalf of the post production sector, and I look forward to answering any questions the panel may have.