



New Mexico Governor Sounds Off on the Benefits of State's Production Incentive Program

Steven Gaydos • Vice President, Executive Editor • 14 August 2014

In April 2013, New Mexico Gov. Susana Martinez signed the so-called "Breaking Bad" bill to increase the state's incentives for film and television production.

The action erased what had been a partial interruption in the state's longstanding and generous incentive program and restored New Mexico's status as a go-to destination for major Hollywood productions.

The new provisions, included as part of a tax reform bill dubbed the New Mexico Jobs Package, increased the state's rebate for series TV production to 30% from 25% of a producer's total qualified spend in New Mexico. Feature films also became eligible for a 30% rebate on resident labor if they use a qualified production facility and for a 25% rebate on other expenses.

The bill was passed only after Martinez and New Mexico legislators were able to work out a deal last-minute for a package of tax cuts

after Martinez said she could not give tax cuts to only the film industry. The legislation was dubbed the "Breaking Bad" bill because the popular AMC series was filmed almost entirely in New Mexico.

Variety: New Mexico was one of the first states outside of California and New York to really pursue the film industry. But now a lot of other states and even some countries offer incentive programs. What sets New Mexico apart from the competition?

Martinez: I think New Mexico stays ahead of the curve because we realize that it's not just about incentives. We've worked hard in training our local crew base, which is now one of largest and most experienced in the world. We have world-class production facilities, including state-of-the-art soundstages and post-production houses.

And let's not forget New Mexico's stunning and unique landscapes. Everything from forested mountains,



vast plains, deserts, urban environments and small-town America. The only thing we don't have is an ocean — although Elephant Butte Lake might do in a pinch! And when you realize we're only an hour and 40-minute flight from Los Angeles, it's an easy commute.

From a production's perspective, you can really find everything you need right here. You add it all up along with our production incentives, and you'll find that New Mexico is hard to beat.

New Mexico's incentive programs have been held out as a model for other states, many of which have tried to copy you with greater or lesser success both in terms of efficacy and its efficiency. Why is that?

Again, because we've spent so much effort developing in-state resources, productions don't have to bring much from out-of-state. Not only does that make it easier and less expensive for them, it also means we capture the maximum amount of job opportunities and economic benefit for New Mexicans. By supporting our local production community, we make a greater impact and have a greater return on our incentive dollar than other states that may not do the same.

How pleased are you with the growth of jobs in the film and television sector of New Mexico since you signed the "Breaking Bad" bill into law?

Very pleased. We have five major television series and a number of films in production here as we speak, so the benefit to film and TV has been great. We like television, as they tend to stay longer and span a number of years. An added plus for me is that I'm a big fan of "Breaking Bad" and I'm looking forward to reuniting with those characters when "Better Call Saul" premieres.

I think it's also important to note that the benefit was not only for the film and television sector, but for all business sectors, as this bill included major tax reforms across the board.

So yes, I'm very pleased for film, television and all small businesses across New Mexico that benefited from this tax reform.

What improvements do you envision for the State's incentive program in the future, now that the industry has come back so strong and the State has again become a billion-dollar location for film and television production?

We're always open to improving and streamlining the incentive program and processes. The key going forward is that we as a state have budget predictability and that the industry itself has certainty and predictability in the program.

Would you encourage the youth of New Mexico to consider a future in the film and television industry, given the strong job growth the state has seen lately in this sector of the economy?

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Absolutely. When I'm traveling around the state, I hear from young people who are excited about the chance to work in film and television right here in their backyard. And the opportunities are growing with digital media, games and apps. It's our task to create good, well-paying jobs for them when they leave school and I think we've done so with this industry.

We understand that there are over 20 educational programs focused on media arts now offered at New Mexico's high schools and colleges: Do you see further growth in those programs in the future?

Education has been one of my top priorities and to see the growth in these programs is fantastic. This fall our Film Office will host a film and media education summit that will bring together educators from our local high schools and colleges to discuss this very thing.

Film and television tourism is now a growing business in New Mexico: How is your administration expanding on this opportunity for job growth in the State?

Last year we kicked off our film tourism program. With tourism being one of our largest industries, I see tremendous opportunity. Our Tourism Department and Film Office have been working to develop programs to capitalize on the incredible filmography New Mexico has amassed (over the decades). It's another way we can maximize the benefit of the industry's long history here.

Do you see New Mexico continuing to be one of the leaders of film and television production in the years to come?

Yes, for all the reasons I've mentioned. Film and television is very important to our state as we look to diversify our economy. Not only do we have a strong and competitive incentive program, we also have other unique resources that all the money in the world couldn't buy.

Would you consider a "cameo" in one of the films being shot in New Mexico today?

You know, I would certainly consider it under one condition: I would have to play the role of a tough prosecutor putting bad guys away. I think that'd be a blast.

Martinez, a Republican, was sworn in as governor in Jan. 2011, succeeding Democrat Bill Richardson. She spoke to Variety VP/executive editor Steven Gaydos.