



## MEMORANDUM IN SUPPORT

### S.4107-A (Breslin) / A.9194 (McDonald)

**AN ACT** to amend the tax law and the economic development law, in relation to the creation of the empire state digital gaming media production credit; and providing for the repeal of certain provisions upon expiration thereof

The Capital Region Chamber, representing 2,800 businesses and organizations from throughout the Capital Region that employ more than 160,000 area residents, strongly supports S.4107-A /A.9194, which would remake the digital media gaming credit into a "below-the-line" production credit. This will allow the industry to accurately calculate the benefits of the programs, allow the State to better monitor the credits, and to ease access to the incentives.

The U.S. digital gaming market generates \$43 billion and will grow significantly in the next few years. However, New York State's digital gaming market only generates a small fraction of this amount. To increase New York State's market share of this growing industry and realize substantial economic impact, the state must provide meaningful incentives. The digital gaming industry has great growth potential. It would be a missed opportunity if the state does not ensure that this growth occurs here in New York State.

New York State is home to some of the most creative talent in the digital gaming industry and our community colleges, colleges and universities are graduating students capable of thriving in and advancing this industry. Importantly, New York State has some of the most diverse and inclusive communities in the country. This is a crucial factor to those working within this creative industry. The proposed legislation would assist the state in capitalizing on its diversity and inclusiveness and would ensure that this industry grows in New York State, as well as attracting and retaining those that work within this industry.

To be sure, the digital gaming industry has grown in New York State. The Capital Region has seen growth in the industry. The region's game development cluster has grown to include several prominent studios. This cluster has a broad, diverse, and vibrant ecosystem of independent studios and startups. It also has a robust talent pipeline that includes Rensselaer Polytechnic Institute's nationally recognized Games and Simulation Arts and Sciences program as well as a game design A.S. degree program at SUNY Schenectady. However, as with other regions of the state, the growth potential of the digital gaming industry within the Capital Region cannot be fully realized without meaningful and accessible incentives from New York State.

The state must set policies that are supportive of this industry and ensure that New York State captures a larger share of the digital gaming market. Thankfully, the sponsors of this bill have drafted a balanced approach which is focused on boosting employees at the middle-income level while at the same time providing strict accountability of those that avail themselves of the credit.

For these stated reasons, the Capital Region Chamber recommends the passage of this legislation.

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