

PROPOSED

THE SENATE
TWENTY-FOURTH LEGISLATURE, 2007
STATE OF HAWAII

S.B. NO. 1922
S.D. 1

A BILL FOR AN ACT

RELATING TO CREATIVE MEDIA.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

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PART I

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SECTION 1. The legislature finds that in 2007, emerging

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creative media programs at the University of Hawaii academy for

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creative media, at Waianae high school, or within a broad range

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of multidisciplinary programs like Honolulu community college's

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proposed music and enterprise learning experience (MELE) program

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and Project EAST on the neighbor islands have now achieved a

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specific level of achievements to evaluate their performance in

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the context of what a globally-integrated economy requires. As

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pointed out by New York Times columnist, Thomas Friedman, in his

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recent op-ed commentary endorsing the National Center on

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Education and the Economy's report: "We need to radically

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overhaul . . . an education system designed in the 1900's for

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people to do 'routine work' and refocus it on producing people

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who can imagine things that have never been available before,

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who can create ingenious marketing and sales campaigns, write

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books, build furniture, make movies and design software that



1 will capture people's imaginations and become indispensable for
2 millions" (December 13, 2006, *New York Times*).

3 Just as Waianae Searider Productions has demonstrated the
4 transformational power of multi-media literacy to engage our
5 most at-risk students, and Project EAST students have
6 distinguished themselves in national competitions with their
7 homegrown science/technology and multimedia skills, Hawaii has
8 the opportunity to establish itself as a true "crossroads of the
9 Pacific" for digital and musical education. It is time for
10 Hawaii to take full advantage of its natural constituency with
11 the countries of the Pacific rim and the rising tide of global
12 popular culture in all its forms (including video games,
13 animation, indigenous film, and music) leveraging Hawaii's
14 inherent strengths.

15 The purpose of this Act is to provide financial incentives
16 and appropriate funds for the growth of Hawaii's creative media.

17 **PART II**

18 SECTION 2. Since being approved by the University of
19 Hawaii board of regents three years ago, the academy for
20 creative media is the fastest growing program at the University
21 of Hawaii. With two hundred seventy enrolled students
22 (including forty-five majors) who fill two hundred fifty-three



1 seats in twenty-nine courses in film production, screenwriting,
2 indigenous filmmaking, computer animation, critical studies, and
3 video game design. More than three hundred fifty original short
4 films and video games have been written, directed, and produced
5 by students that reflect their unique diversity and backgrounds.
6 Over forty student films were screened at film festivals from
7 Atlanta to Shanghai, including the Hawaii International Film
8 Festival 2004-2006. Students are offered internship
9 opportunities with major motion picture productions (*Superman*
10 *Returns*) and television shows (*LOST* and local morning news
11 shows), and have opportunities to showcase their work on local
12 television, such as commercials for Toyota/Scion of Hawaii,
13 which were entirely produced by students.

14 The school recently received a total of \$795,600 that was
15 privately raised or gifts from generous donors and supporters to
16 build, expand, and install the school's Animation RenderFarm at
17 Leeward community college. The Animation RenderFarm will
18 provide system-wide animation computing power, via the Internet,
19 to digital media programs on all of the University of Hawaii
20 campuses and Hawaii schools. Furthermore, a \$500,000 federal
21 grant was received for the school to produce an original
22 documentary on statehood, which is currently in post-production.



1 The purpose of this part is to:

2 (1) Authorize the academy for creative media to utilize
3 applicable tax credits for the financing,
4 construction, and equipping of the academy for
5 creative media at the University of Hawaii; and

6 (2) Appropriate funds for the planning, design, and
7 construction for a permanent facility for the academy
8 of creative media.

9 SECTION 3. Notwithstanding any law to the contrary,
10 including any law that may either limit or disqualify the costs
11 associated with the planning, design, and construction of a
12 permanent facility for the academy for creative media at the
13 University of Hawaii from utilizing the tax credits available
14 under Act 221, Session Laws of Hawaii 2001, or any other tax
15 credit provisions that may apply, any applicable tax credit
16 relating to digital media, film, television, or new market
17 development, or any combination of general funds and tax credits
18 may be utilized for the financing of the construction and
19 equipping of the academy for creative media at the University of
20 Hawaii.

21 SECTION 4. There is appropriated out of the general
22 revenues of the State of Hawaii the sum of \$, or so



1 much thereof as may be necessary for fiscal year 2007-2008, and
2 the same sum, or so much thereof as may be necessary for fiscal
3 year 2008-2009, for the planning, design, and construction of a
4 permanent facility for the academy for creative media at the
5 University of Hawaii.

6 **PART III**

7 SECTION 5. The legislature finds that as one of the
8 fastest growing industries in Hawaii, the digital media industry
9 requires a local incubator facility to provide a cohesive and
10 integrated site for developing the infrastructure for film and
11 television productions and interactive game development. This
12 incubator would be a state-of-the-art mixed use facility that
13 combines industry, government, and academic entities. In
14 addition to providing a collaborative learning environment for
15 students, faculty, and professionals in the field, the facility
16 would serve as an incubator for digital media businesses and as
17 a research and development lab for the creation of intellectual
18 property.

19 The purpose of this part is to establish and fund a digital
20 media incubator facility.

21 SECTION 6. The department of business, economic
22 development, and tourism, in coordination with the University of



1 Hawaii, shall oversee the leasing, operating, and maintenance of
2 a digital media incubator facility. The department may enter
3 into contracts with other government agencies, the county
4 economic development boards, other nonprofit organizations, or
5 for-profit firms for the purpose of the program.

6 The facility shall be leased to a mix of anchor tenants,
7 virtual tenants, and project-based tenants. For the purposes of
8 this Act:

9 (1) Anchor tenants are digital media companies with a
10 regular cash flow that need a fixed address and would
11 benefit from sharing a common environment with other
12 digital media companies;

13 (2) Virtual tenants may be less developed companies with
14 uneven cash flow that are just starting out and may
15 need a place to do business from time to time; and

16 (3) Project-based tenants are television and film
17 production teams that need to lease space for a finite
18 amount of time to complete a particular project.

19 The facility may contain a mix of workstations, conference
20 rooms, private offices, a common lounge and kitchen area, a
21 reception area, secure air-conditioned server rooms, and
22 possibly a small soundstage for stop-motion animation, three



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1 dimensional modeling and printing center, and other more
2 spatially dependent projects.

3 SECTION 7. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$956,000, or so much
5 thereof as may be necessary, for fiscal year 2007-2008 and the
6 sum of \$436,300, or so much thereof as may be necessary, for
7 fiscal year 2008-2009, for the purpose of facility improvements,
8 equipment purchase, leasing, operating, and maintaining a
9 digital media incubator facility.

10 Of the sums appropriated, \$599,000 in fiscal year
11 2007-2008, and \$380,300 in fiscal year 2008-2009, shall be
12 expended by the department of business, economic development,
13 and tourism for the purposes of this Act.

14 Of the sums appropriated, \$357,000 in fiscal year
15 2007-2008, and \$56,000 in fiscal year 2008-2009, shall be
16 expended by the University of Hawaii-Honolulu community college
17 for the purposes of this Act.

18 **PART IV**

19 SECTION 8. The legislature further finds that Hawaii's
20 music industry is an established segment of Hawaii's creative
21 media industries sector, with a growing popularity reaching far
22 beyond the shores of our island state. Full recognition of the



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1 merits of Hawaiian music came in 2005 when the National Academy
2 of Recording Arts and Sciences announced the creation of a
3 Hawaiian music category in its annual Grammy Awards, the world's
4 most prestigious music awards program.

5 While Hawaii has an unusually high concentration of raw
6 musical talent and industry professionals, it lacks the
7 technical support infrastructure to assist individuals in the
8 progression of their careers and businesses.

9 The University of Hawaii, Honolulu community college, has
10 been working to build alliances with national and local members
11 of the entertainment industry for the music and enterprise
12 learning experience program. The music and enterprise learning
13 experience (MELE) program combines short-term professional
14 training workshops, songwriter seminars, an associate degree
15 program in music business and production, and a transfer program
16 that allows students to matriculate in Belmont University's
17 music and entertainment management programs. Belmont
18 University, located in Nashville, Tennessee, is one of the
19 premier music and entertainment educational programs in the
20 nation.

21 The purpose of this part is to establish a music and
22 enterprise learning experience program at the University of



1 Hawaii-Honolulu community college to develop the technical
2 business skills required by Hawaii's music artists and music
3 industry.

4 SECTION 9. There is established at the University of
5 Hawaii-Honolulu community college campus the music and
6 enterprise learning experience program to expand the existing
7 industry capacity, and to create new technological,
8 intercultural, and genre-bending forms of music through
9 creativity and professional business expertise. The program
10 will be developed around three primary components:

- 11 (1) Artist creativity;
- 12 (2) Entertainment business expertise; and
- 13 (3) Technical production skills.

14 The program will collaborate with Belmont University of
15 Nashville, Tennessee, on the joint use of Belmont's curriculum,
16 technical facilities and equipment specifications, training,
17 dual credit course offerings, and will also offer internships in
18 some of the most varied music environments in the world.

19 The program will be seeded through a title III Developing
20 Institutions grant that has been awarded to Honolulu community
21 college native Hawaiian center, and will provide for some basic



1 program development of course offerings in coordination with
2 Belmont University of Nashville, Tennessee.

3 SECTION 10. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$2,425,500, or so
5 much thereof as may be necessary for fiscal year 2007-2008, and
6 the sum of \$240,000, or so much thereof as may be necessary for
7 fiscal year 2008-2009, to carry out the purposes of leasing,
8 operating, and maintaining a music and entertainment business
9 training center.

10 The sums appropriated shall be expended by the University
11 of Hawaii-Honolulu community college for the purposes of this
12 Act.

13 SECTION 11. This Act shall take effect on July 1, 2007.



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Report Title:

Creative Media; Appropriations

Description:

Creates financial incentives for and appropriates funds to the academy for creative media at the University of Hawaii to develop plans for a permanent facility in Hawaii; appropriates funds for a digital media incubator facility; establishes and appropriates funds for the music and enterprise learning experience program at the University of Hawaii-Honolulu Community College to develop the technical business skills required by Hawaii's music artists and music industry. (SD1)

