
A BILL FOR AN ACT

RELATING TO GOVERNMENT.

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

1

PART I

2 SECTION 1. Chapter 28, Hawaii Revised Statutes, is amended
3 as follows:

4 1. By amending the title of section 28-8, Hawaii Revised
5 Statutes, to read:

6 "§28-8 [~~First deputy attorney general; other deputies.~~]
7 Deputies."

8 2. By amending subsection (a) of section 28-8, Hawaii
9 Revised Statutes, to read:

10 "(a) The attorney general shall appoint, and at the
11 attorney general's pleasure remove, [~~a first deputy attorney
12 general and other~~] deputies and law clerks as the exigencies of
13 the public service may require, and shall be responsible for all
14 of the acts of the [~~first deputy attorney general, other~~]
15 deputies[~~7~~] and law clerks. They shall act under the direction
16 of the attorney general and shall perform duties as the attorney
17 general may require regardless of the source of funding for
18 their compensation and notwithstanding any law to the contrary,



1 except that the attorney general shall not require the
2 performance of duties that would violate the terms of an
3 applicable funding source or that would be in contravention of a
4 federal requirement, restriction, or condition. The [~~first~~
5 ~~deputy attorney general and other~~] deputies, subject to the
6 attorney general's directions, may perform or exercise any and
7 all duties or powers by law required of or conferred upon the
8 attorney general."

9 3. By amending section 28-10, Hawaii Revised Statutes, to
10 read:

11 "**§28-10 Prohibition on private practice of law by the**
12 **attorney general**[~~, first deputy,~~] **and** [~~other~~] **deputies.** The
13 attorney general[~~, the attorney general's first deputy,~~] and
14 [~~other~~] deputies shall devote their entire time and attention to
15 the duties of their respective offices. They shall not engage
16 in the private practice of law, nor accept any fees or
17 emoluments other than their official salaries for any legal
18 services. This section shall not apply to any special deputy
19 employed on a part-time basis for a limited period."

20 4. By repealing section 28-7.5, Hawaii Revised Statutes.

21 ["~~§28-7.5 Administrative services manager; appointment~~
22 ~~and duties.~~ The attorney general may appoint and, at the



1 ~~attorney general's pleasure, dismiss an administrative services~~
2 ~~manager of the department of the attorney general who shall~~
3 ~~generally assist the attorney general, as the attorney general~~
4 ~~may require, in the performance of the administrative and~~
5 ~~managerial duties of the attorney general that are not required~~
6 ~~to be performed by an attorney. The administrative services~~
7 ~~manager shall be appointed without regard to chapter 76, need~~
8 ~~not be an attorney, and shall hold no other public or private~~
9 ~~office or employment. Section 26-53 shall not apply to the~~
10 ~~administrative services manager of the department of the~~
11 ~~attorney general."]~~

12 5. By repealing section 28-8.5, Hawaii Revised Statutes.

13 ~~["**[§28-8.5] Special assistant to the attorney general;**~~
14 ~~**appointment and duties; secretary.** The attorney general may~~
15 ~~appoint, and at the attorney general's pleasure dismiss, a~~
16 ~~special assistant to the attorney general who shall generally~~
17 ~~assist the attorney general, as the attorney general may~~
18 ~~require, in the initiation, direction, or monitoring of~~
19 ~~administrative or managerial special projects that the attorney~~
20 ~~general has determined to be necessary. In addition, the~~
21 ~~special assistant shall, as the attorney general may direct,~~
22 ~~serve as the attorney general's representative to, and monitor~~



1 ~~and apprise the attorney general of the activities of, the~~
2 ~~various national, regional, state, and local organizations and~~
3 ~~committees in which the attorney general has membership,~~
4 ~~participation, or interest. The special assistant to the~~
5 ~~attorney general shall be appointed without regard to chapter~~
6 ~~76, need not be an attorney, and shall hold no other public or~~
7 ~~private office or employment. Section 26-53 shall not be~~
8 ~~applicable to the special assistant to the attorney general.~~
9 ~~The attorney general may also appoint, without regard to chapter~~
10 ~~76, one secretary for the special assistant to the attorney~~
11 ~~general."]~~

12 SECTION 2. Section 76-16, Hawaii Revised Statutes, is
13 amended by amending subsection (b) to read as follows:

14 "(b) The civil service to which this chapter applies shall
15 comprise all positions in the State now existing or hereafter
16 established and embrace all personal services performed for the
17 State, except the following:

18 (1) Commissioned and enlisted personnel of the Hawaii
19 national guard as such, and positions in the Hawaii
20 national guard that are required by state or federal
21 laws or regulations or orders of the national guard to



1 be filled from those commissioned or enlisted
2 personnel;

3 (2) Positions filled by persons employed by contract where
4 the director of human resources development has
5 certified that the service is special or unique or is
6 essential to the public interest and that, because of
7 circumstances surrounding its fulfillment, personnel
8 to perform the service cannot be obtained through
9 normal civil service recruitment procedures. Any such
10 contract may be for any period not exceeding one year;

11 (3) Positions that must be filled without delay to comply
12 with a court order or decree if the director
13 determines that recruitment through normal recruitment
14 civil service procedures would result in delay or
15 noncompliance, such as the Felix-Cayetano consent
16 decree;

17 (4) Positions filled by the legislature or by either house
18 or any committee thereof;

19 (5) Employees in the office of the governor and office of
20 the lieutenant governor, and household employees at
21 Washington Place;

22 (6) Positions filled by popular vote;



- 1 (7) Department heads, officers, and members of any board,
2 commission, or other state agency whose appointments
3 are made by the governor or are required by law to be
4 confirmed by the senate;
- 5 (8) Judges, referees, receivers, masters, jurors, notaries
6 public, land court examiners, court commissioners, and
7 attorneys appointed by a state court for a special
8 temporary service;
- 9 (9) One bailiff for the chief justice of the supreme court
10 who shall have the powers and duties of a court
11 officer and bailiff under section 606-14; one
12 secretary or clerk for each justice of the supreme
13 court, each judge of the intermediate appellate court,
14 and each judge of the circuit court; one secretary for
15 the judicial council; one deputy administrative
16 director of the courts; three law clerks for the chief
17 justice of the supreme court, two law clerks for each
18 associate justice of the supreme court and each judge
19 of the intermediate appellate court, one law clerk for
20 each judge of the circuit court, two additional law
21 clerks for the civil administrative judge of the
22 circuit court of the first circuit, two additional law



1 clerks for the criminal administrative judge of the
2 circuit court of the first circuit, one additional law
3 clerk for the senior judge of the family court of the
4 first circuit, two additional law clerks for the civil
5 motions judge of the circuit court of the first
6 circuit, two additional law clerks for the criminal
7 motions judge of the circuit court of the first
8 circuit, and two law clerks for the administrative
9 judge of the district court of the first circuit; and
10 one private secretary for the administrative director
11 of the courts, the deputy administrative director of
12 the courts, each department head, each deputy or first
13 assistant, and each additional deputy, or assistant
14 deputy, or assistant defined in paragraph (16);

15 (10) [~~First deputy and deputy~~] Deputy attorneys general,
16 [~~the administrative services manager of the department~~
17 ~~of the attorney general, one secretary for the~~
18 ~~administrative services manager,~~] an administrator and
19 any support staff for the criminal and juvenile
20 justice resources coordination functions, and law
21 clerks;



- 1 (11) (A) Teachers, principals, vice-principals, complex
2 area superintendents, deputy and assistant
3 superintendents, other certificated personnel,
4 not more than twenty noncertificated
5 administrative, professional, and technical
6 personnel not engaged in instructional work;
- 7 (B) Effective July 1, 2003, teaching assistants,
8 educational assistants, bilingual/bicultural
9 school-home assistants, school psychologists,
10 psychological examiners, speech pathologists,
11 athletic health care trainers, alternative school
12 work study assistants, alternative school
13 educational/supportive services specialists,
14 alternative school project coordinators, and
15 communications aides in the department of
16 education;
- 17 (C) The special assistant to the state librarian and
18 one secretary for the special assistant to the
19 state librarian; and
- 20 (D) Members of the faculty of the University of
21 Hawaii, including research workers, extension
22 agents, personnel engaged in instructional work,



1 and administrative, professional, and technical
2 personnel of the university;

3 (12) Employees engaged in special, research, or
4 demonstration projects approved by the governor;

5 (13) Positions filled by inmates, kokuas, patients of state
6 institutions, persons with severe physical or mental
7 handicaps participating in the work experience
8 training programs, and students and positions filled
9 through federally funded programs that provide
10 temporary public service employment such as the
11 federal Comprehensive Employment and Training Act of
12 1973;

13 (14) A custodian or guide at Iolani Palace, the Royal
14 Mausoleum, and Hulihee Palace;

15 (15) Positions filled by persons employed on a fee,
16 contract, or piecework basis, who may lawfully perform
17 their duties concurrently with their private business
18 or profession or other private employment and whose
19 duties require only a portion of their time, if it is
20 impracticable to ascertain or anticipate the portion
21 of time to be devoted to the service of the State;



- 1 (16) Positions of first deputies or first assistants of
2 each department head appointed under or in the manner
3 provided in section 6, Article V, of the State
4 Constitution; three additional deputies or assistants
5 either in charge of the highways, harbors, and
6 airports divisions or other functions within the
7 department of transportation as may be assigned by the
8 director of transportation, with the approval of the
9 governor; four additional deputies in the department
10 of health, each in charge of one of the following:
11 behavioral health, environmental health, hospitals,
12 and health resources administration, including other
13 functions within the department as may be assigned by
14 the director of health, with the approval of the
15 governor; an administrative assistant to the state
16 librarian; and an administrative assistant to the
17 superintendent of education;
- 18 (17) Positions specifically exempted from this part by any
19 other law; provided that all of the positions defined
20 by paragraph (9) shall be included in the position
21 classification plan;



- 1 (18) Positions in the state foster grandparent program and
2 positions for temporary employment of senior citizens
3 in occupations in which there is a severe personnel
4 shortage or in special projects;
- 5 (19) Household employees at the official residence of the
6 president of the University of Hawaii;
- 7 (20) Employees in the department of education engaged in
8 the supervision of students during meal periods in the
9 distribution, collection, and counting of meal
10 tickets, and in the cleaning of classrooms after
11 school hours on a less than half-time basis;
- 12 (21) Employees hired under the tenant hire program of the
13 Hawaii public housing authority; provided that not
14 more than twenty-six per cent of the authority's work
15 force in any housing project maintained or operated by
16 the authority shall be hired under the tenant hire
17 program;
- 18 (22) Positions of the federally funded expanded food and
19 nutrition program of the University of Hawaii that
20 require the hiring of nutrition program assistants who
21 live in the areas they serve;



1 (23) Positions filled by severely handicapped persons who
2 are certified by the state vocational rehabilitation
3 office that they are able to perform safely the duties
4 of the positions;

5 (24) One public high school student to be selected by the
6 Hawaii state student council as a nonvoting member on
7 the board of education as authorized by the State
8 Constitution;

9 (25) Sheriff, first deputy sheriff, and second deputy
10 sheriff;

11 (26) A gender and other fairness coordinator hired by the
12 judiciary; and

13 (27) Positions in the Hawaii national guard youth and adult
14 education programs.

15 The director shall determine the applicability of this
16 section to specific positions.

17 Nothing in this section shall be deemed to affect the civil
18 service status of any incumbent as it existed on July 1, 1955."

19 SECTION 3. Section 84-17, Hawaii Revised Statutes, is
20 amended by amending subsection (d) to read as follows:



1 "(d) The financial disclosure statements of the following
2 persons shall be public records and available for inspection and
3 duplication:

4 (1) The governor, the lieutenant governor, the members of
5 the legislature, candidates for and delegates to the
6 constitutional convention, the members of the board of
7 education, the trustees of the office of Hawaiian
8 affairs, and candidates for state elective offices;

9 (2) The directors of the state departments and their
10 deputies, regardless of the titles by which the
11 foregoing persons are designated; provided that with
12 respect to the department of the attorney general, the
13 foregoing shall apply only to the attorney general
14 [~~and the first deputy attorney general~~];

15 (3) The administrative director of the State;

16 (4) The president, the vice presidents, the assistant vice
17 presidents, the chancellors, and the provosts of the
18 University of Hawaii;

19 (5) The superintendent, the deputy superintendent, the
20 state librarian, and the deputy state librarian of the
21 department of education;



- 1 (6) The administrative director and the deputy director of
- 2 the courts; and
- 3 (7) The administrator and the assistant administrator of
- 4 the office of Hawaiian affairs."

PART II

6 SECTION 4. The purpose of this part is to assign
7 television and film industry activities to the Hawaii tourism
8 authority.

9 SECTION 5. Chapter 201B, Hawaii Revised Statutes, is
10 amended by adding a new part to be appropriately designated and
11 to read as follows:

"PART . HAWAII FILM OFFICE

13 **§201B-A Definitions.** As used in this part:

14 "Applicant" means a person who proposes to make a motion
15 picture, television show, television commercial, or other
16 visually recorded production at one or more sites on state or
17 county lands.

18 "Authority" means the Hawaii tourism authority.

19 "Office" means the Hawaii film office.

20 **§201B-B Hawaii film office; consolidated film permit**

21 **processing.** (a) There is established in the authority a Hawaii
22 film office that shall be the central agency to coordinate film



1 permit activities in the State. The office shall consult with
2 state and county agencies to identify sites that can be used for
3 making visually recorded productions under terms and conditions
4 as may be determined by the state or county agency having
5 jurisdiction over the sites.

6 (b) The office may accept an application from any person
7 who proposes to make a motion picture, television show,
8 television commercial, or other visually recorded production at
9 one or more sites on state or county lands, whether or not set
10 aside under section 171-11.

11 (c) The applicant shall identify the sites to be covered
12 by the permit and provide other information as may be required
13 by the office.

14 (d) The office may approve and issue a permit to film at
15 any of the sites identified by the appropriate state or county
16 agency under subsection (a). If any site requested for use by
17 the applicant is not identified in accordance with subsection
18 (a), the office shall consult with the appropriate state or
19 county agency having jurisdiction over the site to obtain a
20 permit. If the matter of a permit cannot be resolved in this
21 manner, the office shall refer the application to the
22 appropriate state or county agency to obtain a permit.



1 (e) The office is authorized to make changes to, and
2 extensions of, any approved permits so long as the changes and
3 extensions do not conflict with the policies, terms, and
4 conditions set forth by the agency having jurisdiction over the
5 site in question.

6 (f) Nothing in this section shall be construed as waiving
7 the authority of any county or the department of transportation
8 of the State to require a person to obtain a permit from the
9 department of transportation or the county, where the production
10 takes place on or from a public highway.

11 (g) A vessel engaged in temporary use for film production
12 purposes in accordance with a film permit issued by the office
13 shall not be considered to be a "commercial vessel" within the
14 meaning of section 200-9, 200-10, or 200-39; provided that:

15 (1) The period of temporary use does not exceed fourteen
16 hours per day, five days per week, excluding weekends,
17 and for a period not to exceed thirty calendar days;
18 and

19 (2) The office may make allowances to include weekends for
20 film production purposes due to inclement weather
21 conditions during the weekday period.



1 **§201B-C Hawaii film office special fund.** (a) There is
2 established in the state treasury the Hawaii film office special
3 fund, into which shall be deposited:

- 4 (1) Appropriations by the legislature;
- 5 (2) Rents from usage of the Hawaii film studio operated by
6 the Hawaii film office;
- 7 (3) Fees collected by the authority for processing
8 taxpayer letters pursuant to section 235-17;
- 9 (4) Any other fees for processing certifications for tax
10 credits authorized by the legislature;
- 11 (5) Donations and contributions made by private
12 individuals or organizations for deposit into the
13 fund; and
- 14 (6) Grants provided by governmental agencies or any other
15 source.

16 (b) Moneys in the fund shall be used for the operations of
17 the Hawaii film office, including the costs of processing
18 taxpayer letters pursuant to section 235-17.

19 (c) For purposes of this section, the Hawaii tourism
20 authority shall report annually to the legislature, beginning
21 January 1, 2011, on the deposits, appropriations, and balance in
22 the Hawaii film office special fund."



1 SECTION 6. Section 201-3, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§201-3 **Specific research and promotional functions of the**
4 **department.** Without prejudice to its general functions and
5 duties, the department of business, economic development, and
6 tourism shall have specific functions in the following areas:

- 7 (1) Industrial development. The department shall:
- 8 (A) Determine through technical and economic surveys
9 the profit potential of new or expanded
10 industrial undertakings;
 - 11 (B) Develop through research projects and other means
12 new and improved industrial products and
13 processes;
 - 14 (C) Promote studies and surveys to determine consumer
15 preference as to design and quality and to
16 determine the best methods of packaging,
17 transporting, and marketing the State's
18 industrial products;
 - 19 (D) Disseminate information to assist the present
20 industries of the State, to attract new
21 industries to the State, and to encourage capital



- 1 investment in present and new industries in the
2 State;
- 3 (E) Assist associations of producers and distributors
4 of industrial products to introduce these
5 products to consumers; and
- 6 (F) Make grants or contracts as may be necessary or
7 advisable to accomplish the foregoing;
- 8 (2) Land development. The department shall:
- 9 (A) Encourage the most productive use of all land in
10 the State in accordance with a general plan
11 developed by the department;
- 12 (B) Encourage the improvement of land tenure
13 practices on leased private lands;
- 14 (C) Promote an informational program directed to
15 landowners, producers of agricultural and
16 industrial commodities, and the general public
17 regarding the most efficient and most productive
18 use of the lands in the State; and
- 19 (D) Make grants or contracts as may be necessary or
20 advisable to accomplish the foregoing;
- 21 (3) Credit development. The department shall:



- 1 (A) Conduct a continuing study of agricultural and
- 2 industrial credit needs;
- 3 (B) Encourage the development of additional private
- 4 and public credit sources for agricultural and
- 5 industrial enterprises;
- 6 (C) Promote an informational program to acquaint
- 7 financial institutions with agricultural and
- 8 industrial credit needs and the potential for
- 9 agricultural and industrial expansion, and inform
- 10 producers of agricultural and industrial products
- 11 as to the manner in which to qualify for loans;
- 12 and
- 13 (D) Make grants or contracts as may be necessary or
- 14 advisable to accomplish the foregoing;
- 15 (4) Promotion. The department shall:
- 16 (A) Disseminate information developed for or by the
- 17 department pertaining to economic development to
- 18 assist present industry in the State;
- 19 (B) Attract new industry and investments to the
- 20 State; and



1 (C) Assist new and emerging industry with good growth
2 potential or prospects in jobs, exports, and new
3 products.

4 The industrial and economic promotional activities of
5 the department may include the use of literature,
6 advertising, demonstrations, displays, market testing,
7 lectures, travel, motion picture and slide films, and
8 other promotional and publicity devices as may be
9 appropriate; and

10 (5) Self-sufficiency standard. The department shall
11 establish and update biennially a self-sufficiency
12 standard that shall incorporate existing methods of
13 calculation, and shall reflect, at a minimum, costs
14 relating to housing, food, child care, transportation,
15 health care, clothing and household expenses, federal
16 and state tax obligations, family size, children's
17 ages, geography, and the number of household wage
18 earners. The department shall report to the
19 legislature concerning the self-sufficiency standard
20 no later than twenty days prior to the convening of
21 the regular session of 2009, and every odd-numbered
22 year thereafter. The recommendations shall address,



1 among other things, the use of any federal funding
2 that may be available for the purposes of establishing
3 and updating the self-sufficiency standard.

4 ~~[The department shall be the central agency to coordinate~~
5 ~~film permit activities in the State.]"~~

6 SECTION 7. Section 235-17, Hawaii Revised Statutes, is
7 amended as follows:

8 1. By amending subsection (f) to read:

9 "(f) To receive the tax credit, the taxpayer shall first
10 prequalify the production for the credit by registering with the
11 ~~[department of business, economic development, and tourism]~~
12 Hawaii film office during the development or preproduction
13 stage. Failure to comply with this provision may constitute a
14 waiver of the right to claim the credit."

15 2. By amending subsections (h) and (i) to read:

16 "(h) Every taxpayer claiming a tax credit under this
17 section for a qualified production shall, no later than ninety
18 days following the end of each taxable year in which qualified
19 production costs were expended, submit a written, sworn
20 statement to the ~~[department of business, economic development,~~
21 ~~and tourism,]~~ Hawaii film office, identifying:



- 1 (1) All qualified production costs as provided by
2 subsection (a), if any, incurred in the previous
3 taxable year;
- 4 (2) The amount of tax credits claimed pursuant to this
5 section, if any, in the previous taxable year; and
- 6 (3) The number of total hires versus the number of local
7 hires by category (i.e., department) and by county.
- 8 (i) The [~~department of business, economic development, and~~
9 ~~tourism~~] Hawaii film office shall:
- 10 (1) Maintain records of the names of the taxpayers and
11 qualified productions thereof claiming the tax credits
12 under subsection (a);
- 13 (2) Obtain and total the aggregate amounts of all
14 qualified production costs per qualified production
15 and per qualified production per taxable year; and
- 16 (3) Provide a letter to the director of taxation
17 specifying the amount of the tax credit per qualified
18 production for each taxable year that a tax credit is
19 claimed and the cumulative amount of the tax credit
20 for all years claimed.

21 Upon each determination required under this subsection, the
22 [~~department of business, economic development, and tourism~~]



1 Hawaii film office shall issue a letter to the taxpayer,
2 regarding the qualified production, specifying the qualified
3 production costs and the tax credit amount qualified for in each
4 taxable year a tax credit is claimed. The taxpayer for each
5 qualified production shall file the letter with the taxpayer's
6 tax return for the qualified production to the department of
7 taxation. Notwithstanding the authority of the [~~department of~~
8 ~~business, economic development, and tourism~~] Hawaii film office
9 under this section, the director of taxation may audit and
10 adjust the tax credit amount to conform to the information filed
11 by the taxpayer."

12 3. By amending subsection (1) to read:

13 "(1) For the purposes of this section:

14 "Commercial":

15 (1) Means an advertising message that is filmed using

16 film, videotape, or digital media, for dissemination

17 via television broadcast or theatrical distribution;

18 (2) Includes a series of advertising messages if all parts

19 are produced at the same time over the course of six

20 consecutive weeks; and

21 (3) Does not include an advertising message with

22 Internet-only distribution.



1 "Digital media" means production methods and platforms
2 directly related to the creation of cinematic imagery and
3 content, specifically using digital means, including but not
4 limited to digital cameras, digital sound equipment, and
5 computers, to be delivered via film, videotape, interactive game
6 platform, or other digital distribution media (excluding
7 Internet-only distribution).

8 "Post production" means production activities and services
9 conducted after principal photography is completed, including
10 but not limited to editing, film and video transfers,
11 duplication, transcoding, dubbing, subtitling, credits, closed
12 captioning, audio production, special effects (visual and
13 sound), graphics, and animation.

14 "Production" means a series of activities that are directly
15 related to the creation of visual and cinematic imagery to be
16 delivered via film, videotape, or digital media and to be sold,
17 distributed, or displayed as entertainment or the advertisement
18 of products for mass public consumption, including but not
19 limited to scripting, casting, set design and construction,
20 transportation, videography, photography, sound recording,
21 interactive game design, and post production.

22 "Qualified production":



- 1 (1) Means a production, with expenditures in the State,
2 for the total or partial production of a feature-
3 length motion picture, short film, made-for-television
4 movie, commercial, music video, interactive game,
5 television series pilot, single season (up to
6 twenty-two episodes) of a television series regularly
7 filmed in the State (if the number of episodes per
8 single season exceeds twenty-two, additional episodes
9 for the same season shall constitute a separate
10 qualified production), television special, single
11 television episode that is not part of a television
12 series regularly filmed or based in the State,
13 national magazine show, or national talk show. For
14 the purposes of subsections (d) and (j), each of the
15 aforementioned qualified production categories shall
16 constitute separate, individual qualified productions;
17 and
- 18 (2) Does not include: daily news; public affairs programs;
19 non-national magazine or talk shows; televised
20 sporting events or activities; productions that
21 solicit funds; productions produced primarily for
22 industrial, corporate, institutional, or other private



1 purposes; and productions that include any material or
2 performance prohibited by chapter 712.

3 "Qualified production costs" means the costs incurred by a
4 qualified production within the State that are subject to the
5 general excise tax under chapter 237 or income tax under this
6 chapter and that have not been financed by any investments for
7 which a credit was or will be claimed pursuant to section
8 235-110.9. Qualified production costs include but are not
9 limited to:

- 10 (1) Costs incurred during preproduction such as location
11 scouting and related services;
- 12 (2) Costs of set construction and operations, purchases or
13 rentals of wardrobe, props, accessories, food, office
14 supplies, transportation, equipment, and related
15 services;
- 16 (3) Wages or salaries of cast, crew, and musicians;
- 17 (4) Costs of photography, sound synchronization, lighting,
18 and related services;
- 19 (5) Costs of editing, visual effects, music, other post-
20 production, and related services;
- 21 (6) Rentals and fees for use of local facilities and
22 locations;



- 1 (7) Rentals of vehicles and lodging for cast and crew;
- 2 (8) Airfare for flights to or from Hawaii, and interisland
3 flights;
- 4 (9) Insurance and bonding;
- 5 (10) Shipping of equipment and supplies to or from Hawaii,
6 and interisland shipments; and
- 7 (11) Other direct production costs specified by the
8 department in consultation with the [~~department of~~
9 ~~business, economic development, and tourism.~~] Hawaii
10 film office."

11 SECTION 8. Section 201-14, Hawaii Revised Statutes, is
12 repealed.

13 [~~§201-14 Consolidated film permit processing.~~ (a) ~~The~~
14 ~~department shall consult with state and county agencies in order~~
15 ~~to identify sites that can be used for making visually recorded~~
16 ~~productions under terms and conditions as may be determined by~~
17 ~~the state or county agency having jurisdiction over the sites.~~

18 (b) ~~The department may accept an application from any~~
19 ~~person who proposes to make a motion picture, television show,~~
20 ~~television commercial, or other visually recorded production at~~
21 ~~one or more sites on state or county lands, whether or not set~~
22 ~~aside under section 171-11.~~



1 ~~(c) The applicant shall identify the sites to be covered~~
2 ~~by the permit and provide other information as may be required~~
3 ~~by the department.~~

4 ~~(d) The department may approve and issue a permit to film~~
5 ~~at any of the sites identified by the appropriate state or~~
6 ~~county agency under subsection (a). If any site requested for~~
7 ~~use by the applicant is not identified under subsection (a), the~~
8 ~~department shall consult with the appropriate state or county~~
9 ~~agency having jurisdiction over the site to obtain a permit. If~~
10 ~~the matter of a permit cannot be resolved in this manner, the~~
11 ~~department shall refer the application to the appropriate state~~
12 ~~or county agency to obtain a permit.~~

13 ~~(e) The department is authorized to make changes to, and~~
14 ~~extensions of, any approved permits so long as the changes and~~
15 ~~extensions do not conflict with the policies, terms, and~~
16 ~~conditions set forth by the agency having jurisdiction over the~~
17 ~~site in question.~~

18 ~~(f) The department may establish memoranda of agreement or~~
19 ~~adopt rules to implement the intent and purposes of this~~
20 ~~section.~~

21 ~~(g) Nothing in this section shall be construed as waiving~~
22 ~~the authority of any county or the department of transportation~~



1 ~~of the State to require a person to obtain a permit from the~~
2 ~~department or county where the production takes place on or from~~
3 ~~a public highway.~~

4 ~~(h) A vessel engaged in temporary use for film production~~
5 ~~purposes in accordance with a film permit issued by the~~
6 ~~department shall not be considered to be a "commercial vessel"~~
7 ~~within the meaning of section 200-9, 200-10, or 200-39; provided~~
8 ~~that:~~

9 ~~(1) The period of temporary use does not exceed fourteen~~
10 ~~hours per day, five days per week, excluding weekends,~~
11 ~~and for a period not to exceed thirty calendar days;~~
12 ~~and~~

13 ~~(2) The department may make allowances to include weekends~~
14 ~~for film production purposes due to inclement weather~~
15 ~~conditions during the weekday period."]~~

16 SECTION 9. Part IX of chapter 201, Hawaii Revised
17 Statutes, is repealed.

18 SECTION 10. All rights, powers, functions, and duties
19 related to Hawaii television and film development are
20 transferred from the department of business, economic
21 development, and tourism to the Hawaii tourism authority.



1 All officers and employees whose functions are transferred
2 by this part shall be transferred with their functions and shall
3 continue to perform their regular duties upon their transfer;
4 provided that the transferred officers and employees shall be
5 subject to the provisions of section 201B-3(a)(7), Hawaii
6 Revised Statutes.

7 No officer or employee of the State having tenure shall
8 suffer any loss of salary, seniority, prior service credit,
9 vacation, sick leave, or other employee benefit or privilege as
10 a consequence of this part; provided that no break in service
11 has occurred.

12 If an office or position held by an officer or employee
13 having tenure is abolished, the officer or employee shall not
14 thereby be separated from public employment, but shall remain in
15 the employment of the State with the same pay and classification
16 and shall be transferred to some other office or position for
17 which the officer or employee is eligible under the personnel
18 laws of the State as determined by the head of the department or
19 the governor.

20 SECTION 11. All appropriations, records, equipment,
21 machines, files, supplies, contracts, memoranda of agreement in
22 existence prior to the effective date of this Act, books,



1 papers, documents, maps, and other personal property heretofore
2 made, used, acquired, or held by the department of business,
3 economic development, and tourism relating to the functions
4 transferred to the Hawaii tourism authority shall be transferred
5 with the functions to which they relate.

6 SECTION 12. There is appropriated out of the general
7 revenues of the State of Hawaii the sum of \$400,000 or so much
8 thereof as may be necessary for fiscal year 2010-2011 for
9 deposit into the Hawaii film office special fund.

10 SECTION 13. There is appropriated out of the Hawaii film
11 office special fund the sum of \$400,000 or so much thereof as
12 may be necessary for fiscal year 2010-2011 for the activities of
13 the Hawaii film office.

14 The sum appropriated shall be expended by the Hawaii
15 tourism authority for the purposes of this part.

16 **PART III**

17 SECTION 14. Act 51, Session Laws of Hawaii 2004, is
18 amended by amending section 12 to read as follows:

19 "SECTION 12. The department of education, with the invited
20 participation of the exclusive bargaining agent of educational
21 officers of the department of education, shall propose salary
22 schedules and other terms and conditions of employment of



1 principals and vice principals based upon a [~~twelve-month~~
2 ten-month term of service. The department of education shall
3 submit their findings to the legislature no later than twenty
4 days prior to the convening of the regular session of 2005."

5 SECTION 15. Section 302A-636, Hawaii Revised Statutes, is
6 amended to read as follows:

7 "**§302A-636 Cafeteria managers.** All cafeteria managers
8 employed in the department shall be employed and have their
9 salaries fixed in accordance with chapter 76 and the appropriate
10 collective bargaining agreement, executive order, executive
11 directive, or rule, and the monthly rates of basic compensation
12 so determined shall be payable over a [~~twelve-month~~] ten-month
13 period without proration or deduction for periods when school is
14 not in session. Cafeteria managers shall have the same vacation
15 and sick leave allowances as school teachers and principals."

16 SECTION 16. Section 302A-637, Hawaii Revised Statutes, is
17 amended to read as follows:

18 "**§302A-637 Cafeteria workers.** All cafeteria workers
19 employed in the department shall be employed and have their
20 compensation adjusted in accordance with chapter 76 and the
21 appropriate collective bargaining agreement, executive order,
22 executive directive, or rule, and the monthly rates of basic



1 compensation so determined shall be payable for employment over
 2 a [~~twelve-month~~] ten-month period. All cafeteria workers shall
 3 be employed on a full-time basis, except that a limited number
 4 of part-time workers may be employed by the department. No
 5 cafeteria worker employed on a part-time basis shall work less
 6 than twenty hours per week. The department shall establish a
 7 schedule, based on factors that determine the need for part-time
 8 workers, fixing the number of part-time workers that may be
 9 employed by the department."

10 **PART IV**

11 SECTION 17. Section 87A-17, Hawaii Revised Statutes, is
 12 amended to read as follows:

13 "[~~§~~87A-17[~~]~~] **Group life insurance benefits or group life**
 14 **insurance program.** The board may provide benefits under a group
 15 life insurance benefits program or group life insurance program
 16 to employees[~~]~~; provided that the program is at no cost to the
 17 employers and the State and counties shall not make any
 18 contributions for the program."

19 SECTION 18. Section 87A-31, Hawaii Revised Statutes, is
 20 amended by amending subsection (c) to read as follows:

21 "(c) The fund may be used to provide group life insurance
 22 benefits to employees [~~to the extent that contributions are~~]



1 ~~provided for group life insurance benefits in sections 87A-32~~
2 ~~and 87A-37.];~~ provided that the group life insurance program
3 shall be at no cost to the employers and the State and counties
4 shall make no contributions for the program."

5 SECTION 19. Section 87A-32, Hawaii Revised Statutes, is
6 amended to read as follows:

7 "[~~+~~]**§87A-32**[~~+~~] **State and county contributions; active**
8 **employees.** [~~a~~] The State, through the department of budget
9 and finance, and the counties, through their respective
10 departments of finance, shall pay to the fund a monthly
11 contribution equal to the amount established under chapter 89C
12 or specified in the applicable public sector collective
13 bargaining agreements, whichever is appropriate, for each of
14 their respective employee-beneficiaries and employee-
15 beneficiaries with dependent-beneficiaries, which shall be used
16 toward the payment of costs of a health benefits plan; provided
17 that:

- 18 (1) The monthly contribution shall be a specified dollar
19 amount;
- 20 (2) The monthly contribution shall not exceed the actual
21 cost of a health benefits plan;



1 (3) If both husband and wife are employee-beneficiaries,
2 the total contribution by the State or the county
3 shall not exceed the monthly contribution for a family
4 plan; and

5 (4) If the State or any of the counties establish
6 cafeteria plans in accordance with Title 26, United
7 States Code section 125, the Internal Revenue Code of
8 1986, as amended, and part II of chapter 78, the
9 monthly contribution for those employee-beneficiaries
10 who participate in a cafeteria plan shall be made
11 through the cafeteria plan, and the payments made by
12 the State or counties shall include their respective
13 contributions to the fund and their employee-
14 beneficiary's share of the cost of the employee-
15 beneficiary's health benefits plan.

16 ~~[(b) The State, through the department of budget and~~
17 ~~finance, and the counties, through their respective departments~~
18 ~~of finance, shall pay to the fund a monthly contribution equal~~
19 ~~to the amount established under chapter 89C or specified in the~~
20 ~~applicable public sector collective bargaining agreement,~~
21 ~~whichever is applicable, for each of their respective employees,~~



1 ~~to be used toward the payment of group life insurance benefits~~
2 ~~for each employee.] "~~

3 SECTION 20. Section 87A-37, Hawaii Revised Statutes, is
4 amended to read as follows:

5 " ~~[f]§87A-37[]—Group~~ Employee contributions; group life
6 insurance benefits plans ~~[for retired employees; contributions]~~ .

7 ~~[(a) The State, through the department of budget and finance,~~
8 ~~and the counties, through their respective departments of~~
9 ~~finance, shall pay to the fund a base monthly contribution as~~
10 ~~set forth in subsection (b) for each retired employee enrolled~~
11 ~~in the fund's group life insurance benefits plan under section~~
12 ~~87A-34, 87A-35, and 87A-36.~~

13 ~~(b) Effective July 1, 2003, there is established a base~~
14 ~~monthly contribution of \$4.16 for each retired employee enrolled~~
15 ~~in a group life insurance plan; provided that the monthly~~
16 ~~contribution shall not exceed the actual cost of the group life~~
17 ~~insurance benefits plan. The base composite monthly~~
18 ~~contribution shall be adjusted annually beginning July 1, 2004.~~
19 ~~The adjusted base composite monthly contribution for each new~~
20 ~~plan year shall be calculated by increasing or decreasing the~~
21 ~~base composite monthly contribution in effect through the end of~~
22 ~~the previous plan year by the percentage increase or decrease in~~



1 ~~the medicare part B premium rate for those years. The~~
2 ~~percentage shall be calculated by dividing the medicare part B~~
3 ~~premium rate in effect at the beginning of the new plan year by~~
4 ~~the rate in effect through the end of the previous plan year.~~

5 ~~As used in this subsection, "medicare part B premium rate"~~
6 ~~means the rate published in the Federal Register each year on~~
7 ~~November 1 or on the business day closest to November 1 of each~~
8 ~~year after the medicare part B premium rate has been established~~
9 ~~by the Secretary of Health and Human Services and approved by~~
10 ~~the United States Congress.] During the period the group life~~
11 ~~insurance benefits plans are in effect, the employee, if allowed~~
12 ~~by law, shall authorize the employee's contribution to be~~
13 ~~withheld and transmitted to the fund monthly by the comptroller,~~
14 ~~employees' retirement system, or finance officer who disburses~~
15 ~~the employee's compensation, pension, or retirement pay. If an~~
16 ~~employee-beneficiary's monthly contribution to the fund is not~~
17 ~~withheld and transmitted to the fund, the employee shall pay the~~
18 ~~monthly contribution directly to the board's designated carrier~~
19 ~~or third-party administrator as specified by the board."~~

20

PART V

1 SECTION 21. Act 85, Session Laws of Hawaii 2009, is
2 amended by amending subsections (a) and (b) of section 2 to read
3 as follows:

4 "(a) Notwithstanding any law to the contrary and
5 notwithstanding the recommendations of the commission on
6 salaries for salary increases, beginning July 1, 2009, and until
7 June 30, [~~2011~~] 2010, the annual salaries of the governor, the
8 lieutenant governor, the justices and judges of all state
9 courts, the administrative director of the State or an
10 equivalent position, and the department heads or executive
11 officers and the deputies or assistants to the department heads
12 or executive officers of the departments of:

- 13 (1) Accounting and general services;
- 14 (2) Agriculture;
- 15 (3) The attorney general;
- 16 (4) Budget and finance;
- 17 (5) Business, economic development, and tourism;
- 18 (6) Commerce and consumer affairs;
- 19 (7) Defense;
- 20 (8) Hawaiian home lands;
- 21 (9) Health;
- 22 (10) Human resources development;



- 1 (11) Human services;
- 2 (12) Labor and industrial relations;
- 3 (13) Land and natural resources;
- 4 (14) Public safety;
- 5 (15) Taxation; and
- 6 (16) Transportation,

7 shall be reduced by five per cent from what the salary is as of
8 June 30, 2009, and beginning July 1, 2010, the annual salaries
9 shall be reduced by 8.07 per cent from what the salary is as of
10 June 30, 2009, and shall remain at that salary rate until June
11 30, 2011; provided that on July 1, 2011, the salaries of these
12 positions shall be restored to the level [~~they~~] that each salary
13 would have been on July 1, 2009, without the salary decrease
14 under this Act; provided further that the recommendations of the
15 commission on salaries for salary increases for these positions
16 effective July 1, 2012, shall become effective on that date in
17 accordance with the recommendations.

18 (b) Notwithstanding any law to the contrary and
19 notwithstanding the recommendations of the commission on
20 salaries for salary increases, beginning July 1, 2009, and until
21 June 30, [~~2011,~~] 2010, the annual salaries of members of the
22 legislature shall be reduced by five per cent from what the



1 salary is as of June 30, 2009[+], and beginning July 1, 2010,
2 the annual salaries of members of the legislature shall be
3 reduced by 8.07 per cent from what the salary is as of June 30,
4 2009; provided that on July 1, 2011, the salaries of the
5 legislators shall be restored to the level [~~it~~] that each salary
6 would have been on July 1, 2009, without the salary decrease
7 under this Act; provided further that the recommendations of the
8 commission on salaries for salary increases for legislators
9 effective January 1, 2012, shall become effective on that date
10 in accordance with the recommendations."

11 **PART VI**

12 SECTION 22. This Act does not apply to any collective
13 bargaining agreement in existence on the effective date of the
14 Act.

15 SECTION 23. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 24. This Act shall take effect on July 1, 2010;
18 provided that sections 15 and 16 shall take effect on July 1,
19 2011.



Report Title:

State Operations; Attorney General Positions; Television and Film Functions of the State; Principals and Vice Principal Contracts; Cafeteria Managers and Workers; Employer-Union Health Benefits Trust Fund; Legislator Salary Reductions

Description:

Part I repeals certain statutorily established positions within the department of the attorney general; Part II transfers the television and film industry activities and responsibilities and special fund under the department of business, economic development, and tourism to the Hawaii tourism authority and establishes the Hawaii film office under the authority; requires the Hawaii film office to administer the tax credits under section 235-17, Hawaii Revised Statutes; deletes unnecessary provisions; makes an appropriation for the Hawaii film office; part III changes the terms of service for principals, vice principals, cafeteria managers, and workers from 12 months to 10 months; part IV prohibits employer contributions for active and retiree life insurance premiums beginning July 1, 2010; part V increases the salary reduction for the governor, the lieutenant governor, justices and judges, administrative director of the State, executive department heads and deputies, and legislators from 5% to 8.07% for fiscal year 2010-2011.

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