
A BILL FOR AN ACT

RELATING TO TELEVISION AND FILM PRODUCTION.

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

1 SECTION 1. Section 201-14, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§201-14 Consolidated film permit processing.** (a) The
4 department shall consult with state and county agencies in order
5 to identify sites that can be used for making visually recorded
6 productions under terms and conditions as may be determined by
7 the state or county agency having jurisdiction over the sites.

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

13 (c) The applicant shall identify the sites to be covered
14 by the permit and provide other information as may be required
15 by the department.

16 (d) The department may approve and issue a permit to film
17 at any of the sites identified by the appropriate state or
18 county agency under subsection (a). If any site requested for



1 use by the applicant is not identified under subsection (a), the
2 department shall consult with the appropriate state or county
3 agency having jurisdiction over the site to obtain a permit. If
4 the matter of a permit cannot be resolved in this manner, the
5 department shall refer the application to the appropriate state
6 or county agency to obtain a permit.

7 (e) The department is authorized to make changes to, and
8 extensions of, any approved permits so long as the changes and
9 extensions do not conflict with the policies, terms, and
10 conditions set forth by the agency having jurisdiction over the
11 site in question.

12 (f) The department may establish memoranda of agreement or
13 adopt rules to implement the intent and purposes of this
14 section.

15 (g) Nothing in this section shall be construed as waiving
16 the authority of any county or the department of transportation
17 of the State to require a person to obtain a permit from the
18 department or county where the production takes place on or from
19 a public highway.

20 (h) A vessel engaged in temporary use for film production
21 purposes in accordance with a film permit issued by the
22 department shall not be considered to be a "commercial vessel"



1 within the meaning of section 200-9, 200-10, or 200-39; provided
2 that:

3 (1) The period of temporary use does not exceed fourteen
4 hours per day, five days per week, excluding weekends,
5 and for a period not to exceed thirty calendar days;
6 and

7 (2) The department may make allowances to include weekends
8 for film production purposes due to inclement weather
9 conditions during the weekday period.

10 (i) The department shall establish and collect a surcharge
11 of \$ on each film permit it approves and issues. The
12 revenues received from the surcharge shall be deposited into the
13 Hawaii television and film development special fund pursuant to
14 section 201-113."

15 SECTION 2. Section 201-113, Hawaii Revised Statutes, is
16 amended to read as follows:

17 "[+]§201-113[+] **Hawaii television and film development**
18 **special fund.** (a) There is established in the state treasury
19 the Hawaii television and film development special fund into
20 which shall be deposited:

21 (1) Appropriations by the legislature;



- 1 (2) Donations and contributions made by private
- 2 individuals or organizations for deposit into the
- 3 fund;
- 4 (3) Grants provided by governmental agencies or any other
- 5 source; [~~and~~]
- 6 (4) Any profits or other amounts received from venture
- 7 capital investments[~~-~~]; and
- 8 (5) Revenues collected by the department for film permit
- 9 surcharges assessed under section 201-14.

10 (b) The fund shall be used by the board to assist in, and
11 provide incentives for, the production of eligible Hawaii
12 projects that are in compliance with criteria and standards
13 established by the board in accordance with rules adopted by the
14 board pursuant to chapter 91. In particular, the board shall
15 adopt rules to provide for the implementation of the following
16 programs:

- 17 (1) A grant program. The board shall adopt rules pursuant
- 18 to chapter 91 to provide conditions and qualifications
- 19 for grants. Applications for grants shall be made to
- 20 the board and shall contain such information as the
- 21 board shall require by rules adopted pursuant to

1 chapter 91. At a minimum, the applicant shall agree
2 to the following conditions:

3 (A) The grant shall be used exclusively for eligible
4 Hawaii projects;

5 (B) The applicant shall have applied for or received
6 all applicable licenses and permits;

7 (C) The applicant shall comply with applicable
8 federal and state laws prohibiting discrimination
9 against any person on the basis of race, color,
10 national origin, religion, creed, sex, age, or
11 physical handicap;

12 (D) The applicant shall comply with other
13 requirements as the board may prescribe;

14 (E) All activities undertaken with funds received
15 shall comply with all applicable federal, state,
16 and county statutes and ordinances;

17 (F) The applicant shall indemnify and save harmless
18 the State of Hawaii and its officers, agents, and
19 employees from and against any and all claims
20 arising out of or resulting from activities
21 carried out or projects undertaken with funds
22 provided hereunder, and procure sufficient



1 insurance to provide this indemnification if
2 requested to do so by the department;

3 (G) The applicant shall make available to the board
4 all records the applicant may have relating to
5 the project, to allow the board to monitor the
6 applicant's compliance with the purpose of this
7 chapter; and

8 (H) The applicant, to the satisfaction of the board,
9 shall establish that sufficient funds are
10 available for the completion of the project for
11 the purpose for which the grant is awarded; and

12 (2) A venture capital program. The board shall adopt
13 rules pursuant to chapter 91 to provide conditions and
14 qualifications for venture capital investments in
15 eligible Hawaii projects. The program may include a
16 written agreement between the borrower and the board,
17 as the representative of the State, that as
18 consideration for the venture capital investment made
19 under this part, the borrower shall share any
20 royalties, licenses, titles, rights, or any other
21 monetary benefits that may accrue to the borrower
22 pursuant to terms and conditions established by the



1 board by rule pursuant to chapter 91. Venture capital
 2 investments may be made on such terms and conditions
 3 as the board shall determine to be reasonable,
 4 appropriate, and consistent with the purposes and
 5 objectives of this part.

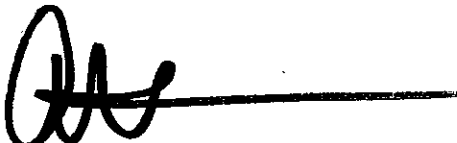
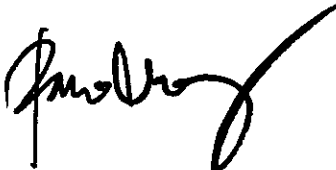
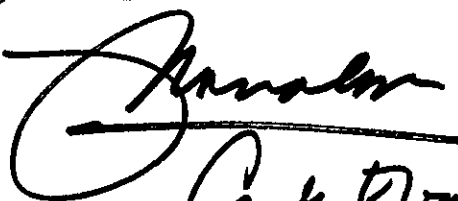
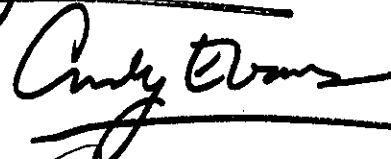

6 (c) Revenues from the film permit surcharge collected by
 7 the department pursuant to section 201-14 and deposited into the
 8 fund shall be used to fund the department's creative industries
 9 division; provided that revenues generated from the film permit
 10 surcharge shall not supplant general funds appropriated by the
 11 legislature and allocated to the creative industries division by
 12 the department."

13 SECTION 3. Statutory material to be repealed is bracketed
 14 and stricken. New statutory material is underscored.

15 SECTION 4. This Act shall take effect on July 1, 2011.

16

INTRODUCED BY:



Report Title:

Film Permits; Surcharge; Creative Industries Division

Description:

Requires DBEDT to establish a surcharge for each permit processed and issued by the department. Appropriates fees generated to the creative industries division of DBEDT.

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