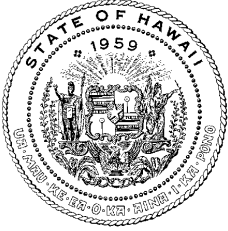


SB 1132

EDT



NEIL ABERCROMBIE
GOVERNOR

RICHARD C. LIM
INTERIM DIRECTOR

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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STATEMENT OF

RICHARD C. LIM, INTERIM DIRECTOR
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM

BEFORE THE

SENATE COMMITTEES ON ECONOMIC DEVELOPMENT AND TECHNOLOGY,
AND EDUCATION

Friday, February 11, 2011

2:45 p.m.

State Capitol, Conference Room 016
in consideration of

SB1132
RELATING TO DIGITAL MEDIA

Chairs Fukunaga, and Tokuda, Vice Chairs Wakai, and Kidani, and Members of the Committee.

The Department of Business, Economic Development, and Tourism (DBEDT) offers the following comments and recommendations regarding SB1132. The measure proposes the establishment of a new digital media enterprise subzone in HRS 209E, and includes a workforce development tax credit, and the creation of a Hawaii Film Office special fund.

We agree that Hawaii's creative sectors in digital media are at a juncture where a commitment of resources will help to strengthen and grow this industry, furthering the development of Hawaii's digital infrastructure in a sector seen increased workforce growth of 16% since 2002, according to DBEDT's 2010 Hawaii's Creative Industries Report.

We do bring to your attention that, should this measure pass, additional staffing in the film office may be required to handle the oversight and management of the credit in collaboration with the current Enterprise Zone program. The creation of the Film Office Special Fund establishes a mechanism and identifies additional revenue streams and use of for programs – grants and venture capital investments

In relation to the potential co-management of the workforce development component of SB1132, we defer to Department of Labor and Industrial Relations as to any staffing and resource impacts, and to Department of Taxation as to the fiscal impacts of the proposed measure.

Thank you for the opportunity to provide these comments.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony presented before the
Senate Committee on Economic Development and Technology and
Senate Committee on Education
February 11 2011 at 2:45 p.m.

By Linda K. Johnsrud
Executive Vice President for Academic Affairs and Provost, University of Hawai'i

SB 1132: RELATING TO DIGITAL MEDIA

Chairs Fukunaga and Tokuda, Vice Chairs Wakai and Kidani and members of the Senate Committees on Economic Development and Technology and Education:

Thank you very much for this opportunity to testify on Senate Bill 1132 that establishes a workforce development tax credit for digital media businesses located in digital media enterprise subzones, defined in the bill as geographic areas around a University of Hawai'i campus, and specifically limited to University of Hawai'i (UH) West O'ahu subzones from July 1, 2011 to June 30, 2013.

The University of Hawai'i intends to extend digital media programs to UH West O'ahu and supports the effort of this bill to assist the campus in its development. While we are not in a position to comment on the implications of the tax credit proposal, we have recognized a need to expand the University's digital media programs to include the establishment of an applied baccalaureate degree in this area at UH West O'ahu. In the past year the UH system and campuses have held a series of systemwide academic planning meetings around the development of program pathways tied to creative media.

Thank you very much for the opportunity to testify.

TESTIMONY OF WILLIAM G. MEYER, III

HEARING DATE/TIME: Friday, February 11, 2011
2:45 p.m. in Conference Room 016

TO: Senate Committee on Economic Development and Technology

RE: Testimony in Support of SB1132 and SB1133

Dear Chair, Vice-Chair and Committee Members:

My name is William G. Meyer, III. I am an intellectual property and entertainment attorney who has been practicing law in Honolulu for over 30 years. Among others, I represent both locally based and national and international motion picture and television production companies.

I support both SB1132 and SB1133 which, collectively, will create reasonable and measured incentives to build our digital media infrastructure and further develop our local creative media workforce so that Hawaii's talented students and other members of our creative community can study, and thereafter find jobs, in Hawaii. In this regard, creative media productions, in all its forms, including motion pictures, television, software, video games, internet multi-player games, animation, music, and visual effects continue to be Hawaii's best choice to mitigate the cyclical impacts of our current tourism/aviation fuel-based economy.

Accordingly, I support the letter, spirit and intent of both SB1132 and SB1133.

Respectfully submitted,

/s/ William G. Meyer, III

William G. Meyer, III