
A BILL FOR AN ACT

RELATING TO CREATIVE INDUSTRIES.

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

1 SECTION 1. The legislature finds that the creative
2 industries division of the department of business, economic
3 development, and tourism is a vital part of driving the State's
4 creative economy. Its sectors include the arts, culture, music,
5 film, television, digital and new media, and combined, creative
6 industries contributed over \$4,000,000,000 to the State's gross
7 domestic product in 2008 and 2009. The film industry sector
8 generated almost \$60,000,000 in tax revenue since the creation
9 of the motion picture, digital media, and film production income
10 tax credit.

11 The legislature also finds that the creative industries,
12 particularly film and television productions, go to great
13 lengths to hire locally and invest in training and workforce
14 development of island-based personnel. The three television
15 series and one independent feature film that recently filmed in
16 Hawaii in 2004 (North Shore, Hawaii, LOST, and Tides of War) had
17 crews consisting of eighty-five to ninety per cent Hawaii
18 residents. More recent blockbuster productions, such as Tropic



1 Thunder, Pirates of the Caribbean 4, and Hawaii 5-0, also have
2 made use of a significant number of local talent and crew.

3 The legislature further finds that it is desirable to
4 support the film, television, and digital media industries
5 because these industries:

6 (1) Infuse significant amounts of new money into the
7 economy, which is dispersed across many communities
8 and businesses and that benefits a wide array of
9 residents;

10 (2) Create skilled, high-paying jobs;

11 (3) Have a natural dynamic synergy with Hawaii's top
12 industry, tourism, and is used as a destination
13 marketing tool for the visitor industry; and

14 (4) Are a clean, nonpolluting industry that values the
15 natural beauty of Hawaii and its diverse multicultural
16 population and wide array of architecture.

17 Despite the proven benefits of Hawaii's creative
18 industries, and in the face of the Hawaii film industry's most
19 successful year, it is ironic that the creative industries
20 division, of which the film industry branch is a part, was
21 forced to struggle under severe resource cuts in staffing and
22 funding. The division was reduced by more than fifty per cent



1 last year and despite this travesty, the staff conducted
2 themselves in the most professional manner under extreme and
3 trying conditions for the good of the people of Hawaii. Their
4 diligence helped the film industry achieve a record \$400,000,000
5 in direct spending and over \$600,000,000 in economic impact.
6 Over forty-five thousand people in the creative industries rely
7 upon this office to execute, facilitate, and help drive Hawaii's
8 creative economy. It is therefore imperative to restore the
9 funding to the creative industries division and properly staff
10 it.

11 The purpose of this Act is to appropriate moneys to support
12 the growth of the film, television, digital, and creative
13 industries in Hawaii.

14 SECTION 2. The director of finance is authorized to issue
15 general obligation bonds in the sum of \$4,000,000 or so much
16 thereof as may be necessary and the same sum or so much thereof
17 as may be necessary is appropriated for fiscal year 2011-2012
18 for the design and construction of a second film stage on Oahu.

19 The sum appropriated shall be expended by the department of
20 business, economic development, and tourism for the purposes of
21 this Act.



1 SECTION 3. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$245,000 or so much
3 thereof as may be necessary for fiscal year 2011-2012 to the
4 creative industries division of the department of business,
5 economic development, and tourism to establish five full-time
6 equivalent positions, as follows:

- 7 (1) One branch manager;
- 8 (2) One economic development specialist V, for local
9 creative, film, and digimedia industry development;
- 10 (3) One secretary III, for the creative industries
11 division;
- 12 (4) One secretary II, for the film industry branch; and
- 13 (5) One economic development specialist VI, for creative
14 media fund management.

15 The sum appropriated shall be expended by the creative
16 industries division of the department of business, economic
17 development, and tourism for the purposes of this Act.

18 SECTION 4. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$600,000 or so much
20 thereof as may be necessary for fiscal year 2011-2012 to the
21 creative industries division of the department of business,
22 economic development, and tourism to support continued



1 operations and growth of the creative industries division, to be
2 expended as follows:

3 Studio repairs and maintenance \$ 150,000

4 Programs division, arts, culture, film,

5 and digimedia \$ 300,000

6 Digimedia production center and incubator,

7 Phase II \$ 150,000

8 The sum appropriated shall be expended by the creative
9 industries division of the department of business, economic
10 development, and tourism for the purposes of this Act.

11 SECTION 5. There is appropriated out of the general
12 revenues of the State of Hawaii the sum of \$850,000 or so much
13 thereof as may be necessary for fiscal year 2011-2012 for
14 deposit into the Hawaii television and film development special
15 fund established under section 201-113, Hawaii Revised Statutes.

16 SECTION 6. There is appropriated out the Hawaii television
17 and film development special fun the sum of \$850,000 or so much
18 thereof as may be necessary for fiscal years 2011-2012 to be
19 expended for the purposes of section 201-113, Hawaii Revised
20 Statutes.



1 The sum appropriated shall be expended by the Hawaii
2 television and film development board for the purposes of this
3 Act.

4 SECTION 7. This Act shall take effect on July 1, 2011.
5

INTRODUCED BY:

K. O'Neil

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Tom Burr

JAN 26 2011



Report Title:

Creative Industries; Film and Television; Appropriations

Description:

Appropriates moneys to support the growth of the film, television, digital, and creative industries in Hawaii.

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