
A BILL FOR AN ACT

RELATING TO THE CREATIVE MEDIA INDUSTRY.

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

1 SECTION 1. The legislature finds that the State must
2 diversify its economy in order to further economic
3 sustainability. While tourism is the pillar of Hawaii's economy
4 and agriculture is a resurging industry, the creative media
5 industry has been a boon to Hawaii's economy. For example, the
6 industry generated \$180,000,000 in revenue from January to
7 October 2011 and \$400,000,000 in revenue in 2010 as a result of
8 film production in the State. The film industry has also
9 generated numerous jobs for Hawaii residents.

10 Fostering the growth of the creative media industry will
11 further help to sustain and strengthen Hawaii's economy. One
12 economically feasible way to support the creative media industry
13 is to lease public land to develop film studio and production
14 facilities. The legislature finds that this serves a public
15 purpose by promoting the economic development of the State
16 through job creation and revenue generation.



1 The purpose of this Act is to authorize the department of
2 land and natural resources to lease public land for purposes of
3 developing creative media facilities.

4 SECTION 2. Chapter 171, Hawaii Revised Statutes, is
5 amended by adding a new section to be appropriately designated
6 and to read as follows:

7 "§171- Creative media industry leases. (a) The
8 department may lease public lands by direct negotiation and
9 without recourse to public auction for purposes of developing
10 creative media facilities.

11 (b) In addition to the restrictions provided under section
12 171-36(a), the following restrictions shall apply to all leases
13 under this section:

14 (1) A facility constructed on one parcel of land shall be
15 a minimum of one hundred thousand square feet;

16 (2) The initial lease term shall not be longer than fifty
17 years;

18 (3) An initial lease term may be renewed or extended at
19 the discretion of the department; and

20 (4) The department shall determine the lease rent, which
21 may include a percentage of revenues generated;

22 provided that the lease rent shall be less than the



1 appraisal value; and provided further that when
2 determining lease rent, the department shall consider
3 the returns resulting from the presence of the lessee,
4 including employment created and revenues generated.

5 (c) The department shall adopt rules pursuant to chapter
6 91 for purposes of this section.

7 (d) As used in this section:

8 "Creative media" means any and all aspects of audio visual
9 arts, including cinema, film, television, digital media,
10 computer-generated and hand-drawn animation, 2D flash, 3D visual
11 effects, post-production, web-series distribution via the
12 Internet, video games, massive multi-player internet games,
13 internet, and streaming.

14 "Creative media facilities" means facilities used for the
15 total or partial production of creative media.

16 "Post-production" means production activities and services
17 conducted after principal photography is completed, including
18 but not limited to editing, film and video transfers,
19 duplication, transcoding, dubbing, subtitling, credits, closed
20 captioning, audio production, visual and auditory special
21 effects, graphics, and animation.



1 "Production" means a series of activities that are directly
2 related to the creation of visual and cinematic imagery to be
3 delivered via film, videotape, or digital media and to be sold,
4 distributed, or displayed as entertainment or the advertisement
5 of products for mass consumption, including scripting, casting,
6 set design and construction, transportation, videography,
7 photography, sound recording, interactive game design, and post-
8 production."

9 SECTION 3. The department of land and natural resources
10 shall adopt administrative rules pursuant to chapter 91 to
11 effectuate the purposes of this Act before issuing any lease
12 authorized by this Act.

13 SECTION 4. New statutory material is underscored.

14 SECTION 5. This Act shall take effect on July 1, 2020.



Report Title:

Creative Media; Negotiated Public Land Leases

Description:

Authorizes the Department of Land and Natural Resources to lease public lands for purposes of developing creative media production and post-production facilities by negotiation, without public auction. Effective July 1, 2020. (HB2338 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

