



THE SENATE
THE TWENTY-SEVENTH LEGISLATURE
REGULAR SESSION 2013

COMMITTEE ON ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS & HOUSING

Senator Donovan M. Dela Cruz, Chair

Senator Sam Slom, Vice Chair

COMMITTEE ON TECHNOLOGY & THE ARTS

Senator Glenn Wakai, Chair

Senator Clarence K. Nishihara, Vice Chair

HOUSE BILL 726, HD1, SD1
RELATING TO FILM AND DIGITAL MEDIA INDUSTRY DEVELOPMENT

The film industry unions, SAG-AFTRA, the International Alliance of Theatrical Stage Employees (IATSE) Mixed Local 665, the American Federation of Musicians (AFM) Local 677 and the Hawaii Teamsters Local 996, collectively represent over 2,500 union members who work in the film, television, digital and new media industry.

We **support** the intent of HB 726, HD, SD1 as it would repeal the \$8 million cap and extend the sunset date from 2016 to 2023, and it amends the current application of Act 88 to exclude advertising messages for internet distribution only. We suggest that if there is an increase to the tax credit, that any amount above the current 15% and 20% tax credit be applied specifically to local labor hires with respect to the application of Act 88 as it will ensure that rebated revenues would remain in the State.

We **do not support** portions the bill, specifically "Part III" as it includes language for a media infrastructure project tax credit that we have concerns with:

- The proposed HB 726, HD1, SD1 language restricts the development of a media infrastructure project to particular locations and excludes other areas within the State that could be feasible and suitable;
- The proposal of a special fund to manage and expend the infrastructure project tax credits is too vague and needs careful structural and accountability considerations;



**SAG-AFTRA HAWAII LOCAL
FAX COVER**

Date: 3/15/13 ♦ Time: 6:45 pm ♦ No. of pages including cover: 3

♦ URGENT _____ ♦ PLEASE RESPOND _____

TO: Comm. on Economic Dev., Govt Operations & Housing - ⁵⁸⁶⁻⁶⁰⁹¹~~586-6091~~

FIRM: The Senate

FROM: Brenda Ching

SUBJECT: Testimony for HB 726, HD1, SD1

Aloha,

I am faxing our testimony for the Committee on Economic Development, Government Operations & Housing hearing on Monday, March 18, 2013 at 2:45 p.m. in Conference Room 016. Thank you.

--Aloha, Brenda

PLEASE FORWARD THIS TRANSMISSION TO THE PERSON NAMED ABOVE AS SOON AS POSSIBLE. THIS MESSAGE IS INTENDED ONLY FOR THE USE OF THE ADDRESSEE AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED AND CONFIDENTIAL. IF YOU ARE NOT THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS INFORMATION IN ERROR, PLEASE NOTIFY US IMMEDIATELY BY TELEPHONE. THANK YOU.

949 Kapi'olani Blvd. ★ Suite 105 ★ Honolulu, HI 96814
PH: (808) 596-0388 ★ FAX: (808) 593-2636, (800) 305-8146 outside of Oahu