



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

NEIL ABERCROMBIE
GOVERNOR

RICHARD C. LIM
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
RICHARD C. LIM
Director

Department of Business, Economic Development and Tourism
before the



HOUSE COMMITTEE ON FINANCE

Monday, April 1, 2013
2:00 p.m.
State Capitol, Conference Room 308
in consideration of

SB750, SD2 HD1

RELATING TO DIGITAL MEDIA INFRASTRUCTURE.

Chairs Luke, Vice Chair Nishimoto and Members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) offers comments on SB750, SD 2 HD1 which introduces a new non-refundable credit equal to 25 percent of the qualified costs for qualified digital media infrastructure projects, specifically in West Oahu or the most populous island in a county with a population of 100,000 to 175,000. The measure also provides for recapture of the media infrastructure project tax credit in certain circumstances.

We support the intent of a new infrastructure credit but would recommend eliminating the geographic restriction. The department requests your consideration depositing application fees into a Hawaii Film Office special fund, incorporating the language from SB463 SD2, page 17, section (i), but further amending to designate DBEDT instead of the Department of Taxation to administer the fund.

DBEDT calls to your attention that should any measures regarding infrastructure tax credits pass this session, the department will require additional staffing to manage the program.

Thank you for the opportunity to testify on this measure.