



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

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Statement of
RICHARD C. LIM
Director

Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON FINANCE

February 25, 2014
11:15 a.m.

State Capitol, Conference Room 308
in consideration of

HB2253 HD1

RELATING TO FUNDING FOR FILM AND DIGITAL MEDIA DEVELOPMENT.

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

The Department of Business, Economic Development and Tourism (DBEDT) strongly supports HB2253, HD1, which would create the Hawaii Film and Digital Media Development Special Fund, providing a mechanism to capture rental fees from the Hawaii film studio, film permit fees and tax credit application fees.

Film production activity is on course to increase in 2014 and beyond, and with it, the demands on the film studio and office. The costs to support, manage and maintain the statutory programs including the Hawaii film studio exceed the existing allocations.

By providing the ability to deposit and expend film studio rent payments, fees from processing film permits and tax credit applications, the Hawaii Film Office can: 1) better maintain the Hawaii Film Studio facility which is a key asset to Hawaii's film industry and; 2) address increased program costs, including marketing Hawaii as a primary film location.

Thank you for the opportunity to testify on this measure.