
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 purpose of this Act is to:

2 (1) Assign to the Hawaii tourism authority the
3 responsibilities for film, television, digital, and
4 new media development;

5 (2) Repeal the statute that assigns responsibility for
6 film industry activities to the department of
7 business, economic development, and tourism; and

8 (3) Appropriate funds out of the film, television,
9 digital, and new media development special fund to
10 support film, television, digital, and new media
11 development activities.

12 SECTION 2. Chapter 201B, Hawaii Revised Statutes, is
13 amended by adding a new part to be appropriately designated and
14 to read as follows:

15 "PART . FILM, TELEVISION, DIGITAL, AND

16 NEW MEDIA DEVELOPMENT

17 §201B-A Definitions. As used in this part:



1 "Applicant" means a person applying for a grant under this
2 part.

3 "Authority" means the Hawaii tourism authority.

4 "Eligible Hawaii project" or "project" means a film,
5 television, digital, or new media project in which at least
6 seventy-five per cent of the budget for the production costs,
7 excluding salaries and costs for the producer, director, writer,
8 screenplay, and actors in the project, is dedicated for the
9 purchase or lease of goods or services from a vendor or supplier
10 who is located and doing business in the State.

11 "Fund" means the film, television, digital, and new media
12 development special fund.

13 "Hawaii film facility" means a facility with professional
14 stages, television studios, recording studios, film labs,
15 screening rooms, computer facilities, and other infrastructure
16 for film, television, digital, and new media production.

17 **§201B-B Powers and duties.** In addition to any other
18 powers and duties provided in this chapter, the authority shall:

- 19 (1) Coordinate and manage the consolidated permit
20 processing under section 201B-D;
- 21 (2) Work with state and county departments and agencies to
22 review and adjust permitting issues relating to public



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- 1 lands, police and fire department permits, and
2 standardization of county permitting;
- 3 (3) Coordinate the pooling of various funding sources to
4 allow for aggressive marketing and promotion of Hawaii
5 locations to a broad market;
- 6 (4) Have the right to inspect, at reasonable hours, the
7 plant, physical facilities, equipment, premises,
8 books, and records of any applicant under section
9 201B-D in connection with the processing of a grant
10 under section 201B-C(c)(2);
- 11 (5) Register qualified production costs for the motion
12 picture, digital media, and film production income tax
13 credit under section 235-17;
- 14 (6) Establish advisory groups that include persons with a
15 working knowledge of the film, television, digital,
16 and new media industry, the county film commissions,
17 and government departments and agencies controlling
18 resources necessary to support development of the
19 film, television, digital, and new media industry in
20 the State;



- 1 (7) Set and collect rents, fees, charges, or other
- 2 payments for the lease, use, or occupancy of the
- 3 Hawaii film facility without regard to chapter 91;
- 4 (8) Notwithstanding chapter 171, acquire, lease as lessee
- 5 or lessor, own, rent, hold, and dispose of the Hawaii
- 6 film facility in the exercise of its powers and the
- 7 performance of its duties under this part; and
- 8 (9) Acquire by purchase, lease, financing agreement under
- 9 chapter 37D, or otherwise, and develop, construct,
- 10 operate, own, manage, repair, reconstruct, enlarge, or
- 11 otherwise effectuate, directly or through developers,
- 12 a Hawaii film facility.

13 **§201B-C Film, television, digital, and new media**
14 **development special fund.** (a) There is established the film,
15 television, digital, and new media development special fund into
16 which shall be deposited:

- 17 (1) Appropriations by the legislature;
- 18 (2) Revenues from the operations of the Hawaii film
- 19 facility;
- 20 (3) Revenues from proceeds derived from the loan program
- 21 established pursuant to subsection (c);

1 (4) Gifts, grants, and other funds accepted by the
2 authority for the purposes of this part; and

3 (5) All interest and revenues or receipts derived by the
4 authority from any project or project agreements under
5 this part.

6 (b) Moneys in the film, television, digital, and new media
7 development special fund may be:

8 (1) Placed in interest-bearing accounts; provided that the
9 depository in which the money is deposited furnishes
10 security as provided in section 38-3; or

11 (2) Otherwise invested by the authority until such time as
12 the moneys may be needed; provided that the authority
13 shall invest the moneys only as provided in section
14 36-21.

15 All interest accruing from the investment of these moneys shall
16 be credited to the film, television, digital, and new media
17 development special fund.

18 (c) The fund shall be used by the authority to assist in,
19 and provide incentives for, the production of eligible Hawaii
20 projects that are in compliance with criteria and standards
21 established by the authority in accordance with rules adopted by



1 the authority pursuant to chapter 91. The authority shall adopt
2 rules to provide for:

3 (1) Low interest loans to provide seed money for film,
4 television, digital, and new media production
5 development and to support production that will create
6 jobs, provide training, and enhance the State's
7 visibility for such projects; and

8 (2) A grant program, subject to the following conditions:

9 (A) The grant shall be used exclusively for eligible
10 Hawaii projects;

11 (B) The applicant shall obtain all applicable
12 licenses and permits;

13 (C) The applicant shall indemnify and save harmless
14 the State of Hawaii and its officers, agents, and
15 employees from and against any and all claims
16 arising out of or resulting from activities
17 carried out or projects undertaken with funds
18 provided hereunder, and procure sufficient
19 insurance to provide this indemnification if
20 requested to do so by the authority; and

21 (D) The applicant shall submit reports to the
22 authority that enable the authority to monitor



1 the applicant's compliance with the criteria and
2 standards established by the authority under this
3 part.

4 (d) A portion of the moneys in the fund shall be used for
5 the staffing and operation of the Hawaii film office and the
6 operation and maintenance of the Hawaii film studio.

7 §201B-D Consolidated permit processing. (a) The
8 authority shall consult with state and county agencies to
9 identify sites that may be used for projects under terms and
10 conditions as may be determined by the state or county agency
11 having jurisdiction over the site.

12 (b) The authority may accept an application for a permit
13 from any person who proposes to make a motion picture,
14 television show, television commercial, or other project at one
15 or more sites on state or county lands, whether or not set aside
16 under section 171-11.

17 (c) The applicant shall identify the sites to be covered
18 by the permit and provide other information as may be required
19 by the authority.

20 (d) The authority may approve and issue a permit to film
21 at any of the sites identified by the appropriate state or
22 county agency under subsection (a). If any site requested for



1 use by the applicant is not identified under subsection (a), the
2 authority shall consult with the appropriate state or county
3 agency having jurisdiction over the site to obtain a permit;
4 provided that the authority may refer the applicant to the
5 appropriate state or county agency to obtain a permit.

6 (e) The authority is authorized to make changes to, and
7 extensions of, any approved permits; provided that the changes
8 and extensions do not conflict with the policies, terms, and
9 conditions set forth by the agency having jurisdiction over the
10 site in question.

11 (f) The authority may establish memoranda of agreement or
12 adopt rules pursuant to chapter 91 to implement this part.

13 (g) Nothing in this section shall be construed as waiving
14 the authority of any county or the department of transportation
15 to require a person to obtain a permit from the department of
16 transportation or county where the production takes place on or
17 from a public highway.

18 (h) A vessel engaged in temporary use for production
19 purposes in accordance with a film permit issued by the
20 authority shall not be considered to be a "commercial vessel"
21 within the meaning of section 200-9, 200-10, or 200-39; provided
22 that:



1 (1) The period of temporary use does not exceed fourteen
2 hours per day, five days per week, excluding weekends,
3 and does not exceed thirty calendar days; and

4 (2) The period of temporary use may include weekend use
5 for film production purposes due to inclement weather
6 conditions during the weekday period."

7 SECTION 3. Chapter 237, Hawaii Revised Statutes, is
8 amended by adding a new section to be appropriately designated
9 and to read as follows:

10 "§237- Hawaii film facility; exemption. This chapter
11 shall not apply to amounts received from:

12 (1) The construction of a Hawaii film facility as defined
13 in section 201B-A under a financing agreement pursuant
14 to chapter 37D; or

15 (2) The operations of a Hawaii film facility constructed
16 under a financing agreement pursuant to chapter 37D."

17 SECTION 4. Section 201-3, Hawaii Revised Statutes, is
18 amended to read as follows:

19 "§201-3 **Specific research and promotional functions of the**
20 **department.** Without prejudice to its general functions and
21 duties, the department of business, economic development, and
22 tourism shall have specific functions in the following areas:



- 1 (1) Industrial development. The department shall:
- 2 (A) Determine through technical and economic surveys
- 3 the profit potential of new or expanded
- 4 industrial undertakings;
- 5 (B) Develop through research projects and other means
- 6 new and improved industrial products and
- 7 processes;
- 8 (C) Promote studies and surveys to determine consumer
- 9 preference as to design and quality and to
- 10 determine the best methods of packaging,
- 11 transporting, and marketing the State's
- 12 industrial products;
- 13 (D) Disseminate information to assist the present
- 14 industries of the State, to attract new
- 15 industries to the State, and to encourage capital
- 16 investment in present and new industries in the
- 17 State;
- 18 (E) Assist associations of producers and distributors
- 19 of industrial products to introduce these
- 20 products to consumers; and
- 21 (F) Make grants or contracts as may be necessary or
- 22 advisable to accomplish the foregoing;



- 1 (2) Land development. The department shall:
 - 2 (A) Encourage the most productive use of all land in
 - 3 the State in accordance with a general plan
 - 4 developed by the department;
 - 5 (B) Encourage the improvement of land tenure
 - 6 practices on leased private lands;
 - 7 (C) Promote an informational program directed to
 - 8 landowners, producers of agricultural and
 - 9 industrial commodities, and the general public
 - 10 regarding the most efficient and most productive
 - 11 use of the lands in the State; and
 - 12 (D) Make grants or contracts as may be necessary or
 - 13 advisable to accomplish the foregoing;
- 14 (3) Credit development. The department shall:
 - 15 (A) Conduct a continuing study of agricultural and
 - 16 industrial credit needs;
 - 17 (B) Encourage the development of additional private
 - 18 and public credit sources for agricultural and
 - 19 industrial enterprises;
 - 20 (C) Promote an informational program to acquaint
 - 21 financial institutions with agricultural and
 - 22 industrial credit needs and the potential for



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1 agricultural and industrial expansion, and inform
2 producers of agricultural and industrial products
3 as to the manner in which to qualify for loans;
4 and

5 (D) Make grants or contracts as may be necessary or
6 advisable to accomplish the foregoing;

7 (4) Promotion. The department shall:

8 (A) Disseminate information developed for or by the
9 department pertaining to economic development to
10 assist present industry in the State;

11 (B) Attract new industry and investments to the
12 State; and

13 (C) Assist new and emerging industry with good growth
14 potential or prospects in jobs, exports, and new
15 products.

16 The industrial and economic promotional activities of
17 the department may include the use of literature,
18 advertising, demonstrations, displays, market testing,
19 lectures, travel, motion picture and slide films, and
20 other promotional and publicity devices as may be
21 appropriate; and



1 (5) Self-sufficiency standard. The department shall
2 establish and update biennially a self-sufficiency
3 standard that shall incorporate existing methods of
4 calculation, and shall reflect, at a minimum, costs
5 relating to housing, food, child care, transportation,
6 health care, clothing and household expenses, federal
7 and state tax obligations, family size, children's
8 ages, geography, and the number of household wage
9 earners. The department shall report to the
10 legislature concerning the self-sufficiency standard
11 no later than twenty days prior to the convening of
12 the regular session of 2009, and every odd-numbered
13 year thereafter. The recommendations shall address,
14 among other things, the use of any federal funding
15 that may be available for the purposes of establishing
16 and updating the self-sufficiency standard.

17 ~~[The department shall be the central agency to coordinate~~
18 ~~film permit activities in the State.] "~~

19 SECTION 5. Section 235-17, Hawaii Revised Statutes, is
20 amended as follows:

21 1. By amending subsection (f) to read:



1 "(f) To receive the tax credit, the taxpayer shall first
2 prequalify the production for the credit by registering with the
3 [~~department of business, economic development, and tourism~~]
4 Hawaii tourism authority during the development or preproduction
5 stage. Failure to comply with this provision may constitute a
6 waiver of the right to claim the credit."

7 2. By amending subsections (h) and (i) to read:

8 "(h) Every taxpayer claiming a tax credit under this
9 section for a qualified production shall, no later than ninety
10 days following the end of each taxable year in which qualified
11 production costs were expended, submit a written, sworn
12 statement to the [~~department of business, economic development,~~
13 ~~and tourism,~~] Hawaii tourism authority identifying:

- 14 (1) All qualified production costs as provided by
15 subsection (a), if any, incurred in the previous
16 taxable year;
- 17 (2) The amount of tax credits claimed pursuant to this
18 section, if any, in the previous taxable year; and
- 19 (3) The number of total hires versus the number of local
20 hires by category and by county.

21 This information may be reported from the [~~department of~~
22 ~~business, economic development, and tourism~~] Hawaii tourism



1 authority to the legislature in redacted form pursuant to
2 subsection (i)(4).

3 (i) The [~~department of business, economic development, and~~
4 ~~tourism~~] Hawaii tourism authority shall:

5 (1) Maintain records of the names of the taxpayers and
6 qualified productions thereof claiming the tax credits
7 under subsection (a);

8 (2) Obtain and total the aggregate amounts of all
9 qualified production costs per qualified production
10 and per qualified production per taxable year;

11 (3) Provide a letter to the director of taxation
12 specifying the amount of the tax credit per qualified
13 production for each taxable year that a tax credit is
14 claimed and the cumulative amount of the tax credit
15 for all years claimed; and

16 (4) Submit a report to the legislature no later than
17 twenty days prior to the convening of each regular
18 session detailing the non-aggregated qualified
19 production costs that form the basis of the tax credit
20 claims and expenditures, itemized by taxpayer, in a
21 redacted format to preserve the confidentiality of the
22 taxpayers claiming the credit.



1 Upon each determination required under this subsection, the
2 ~~[department of business, economic development, and tourism]~~
3 Hawaii tourism authority shall issue a letter to the taxpayer,
4 regarding the qualified production, specifying the qualified
5 production costs and the tax credit amount qualified for in each
6 taxable year a tax credit is claimed. The taxpayer for each
7 qualified production shall file the letter with the taxpayer's
8 tax return for the qualified production to the department of
9 taxation. Notwithstanding the authority of the ~~[department of~~
10 ~~business, economic development, and tourism]~~ Hawaii tourism
11 authority under this section, the director of taxation may audit
12 and adjust the tax credit amount to conform to the information
13 filed by the taxpayer."

14 3. By amending subsection (1) to read:

15 "(1) For the purposes of this section:

16 "Commercial":

17 (1) Means an advertising message that is filmed using
18 film, videotape, or digital media, for dissemination
19 via television broadcast or theatrical distribution;

20 (2) Includes a series of advertising messages if all parts
21 are produced at the same time over the course of six
22 consecutive weeks; and



1 (3) Does not include an advertising message with
2 Internet-only distribution.

3 "Digital media" means production methods and platforms
4 directly related to the creation of cinematic imagery and
5 content, specifically using digital means, including but not
6 limited to digital cameras, digital sound equipment, and
7 computers, to be delivered via film, videotape, interactive game
8 platform, or other digital distribution media.

9 "Post-production" means production activities and services
10 conducted after principal photography is completed, including
11 but not limited to editing, film and video transfers,
12 duplication, transcoding, dubbing, subtitling, credits, closed
13 captioning, audio production, special effects (visual and
14 sound), graphics, and animation.

15 "Production" means a series of activities that are directly
16 related to the creation of visual and cinematic imagery to be
17 delivered via film, videotape, or digital media and to be sold,
18 distributed, or displayed as entertainment or the advertisement
19 of products for mass public consumption, including but not
20 limited to scripting, casting, set design and construction,
21 transportation, videography, photography, sound recording,
22 interactive game design, and post-production.



1 "Qualified production":

2 (1) Means a production, with expenditures in the State,
3 for the total or partial production of a feature-
4 length motion picture, short film, made-for-television
5 movie, commercial, music video, interactive game,
6 television series pilot, single season (up to
7 twenty-two episodes) of a television series regularly
8 filmed in the State (if the number of episodes per
9 single season exceeds twenty-two, additional episodes
10 for the same season shall constitute a separate
11 qualified production), television special, single
12 television episode that is not part of a television
13 series regularly filmed or based in the State,
14 national magazine show, or national talk show. For
15 the purposes of subsections (d) and (j), each of the
16 aforementioned qualified production categories shall
17 constitute separate, individual qualified productions;
18 and

19 (2) Does not include:

20 (A) News;

21 (B) Public affairs programs;

22 (C) Non-national magazine or talk shows;



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- 1 (D) Televised sporting events or activities;
- 2 (E) Productions that solicit funds;
- 3 (F) Productions produced primarily for industrial,
- 4 corporate, institutional, or other private
- 5 purposes; and
- 6 (G) Productions that include any material or
- 7 performance prohibited by chapter 712.

8 "Qualified production costs" means the costs incurred by a
9 qualified production within the State that are subject to the
10 general excise tax under chapter 237 or income tax under this
11 chapter and that have not been financed by any investments for
12 which a credit was or will be claimed pursuant to section
13 235-110.9. Qualified production costs include but are not
14 limited to:

- 15 (1) Costs incurred during preproduction such as location
- 16 scouting and related services;
- 17 (2) Costs of set construction and operations, purchases or
- 18 rentals of wardrobe, props, accessories, food, office
- 19 supplies, transportation, equipment, and related
- 20 services;
- 21 (3) Wages or salaries of cast, crew, and musicians;



- 1 (4) Costs of photography, sound synchronization, lighting,
2 and related services;
 - 3 (5) Costs of editing, visual effects, music, other post-
4 production, and related services;
 - 5 (6) Rentals and fees for use of local facilities and
6 locations, including rentals and fees for use of state
7 and county facilities and locations that are not
8 subject to general excise tax under chapter 237 or
9 income tax under this chapter;
 - 10 (7) Rentals of vehicles and lodging for cast and crew;
 - 11 (8) Airfare for flights to or from Hawaii, and interisland
12 flights;
 - 13 (9) Insurance and bonding;
 - 14 (10) Shipping of equipment and supplies to or from Hawaii,
15 and interisland shipments; and
 - 16 (11) Other direct production costs specified by the
17 department in consultation with the [~~department of~~
18 ~~business, economic development, and tourism,~~] Hawaii
19 tourism authority;
- 20 provided that any government-imposed fines, penalties, or
21 interest that are incurred by a qualified production within the
22 State shall not be "qualified production costs".



1 SECTION 6. Section 238-1, Hawaii Revised Statutes, is
2 amended by amending the definition of "use" to read as follows:

3 "Use" (and any nounal, verbal, adjectival, adverbial, and
4 other equivalent form of the term) herein used interchangeably
5 means any use, whether the use is of such nature as to cause the
6 property, services, or contracting to be appreciably consumed or
7 not, or the keeping of the property or services for such use or
8 for sale, the exercise of any right or power over tangible or
9 intangible personal property incident to the ownership of that
10 property, and shall include control over tangible or intangible
11 property by a seller who is licensed or who should be licensed
12 under chapter 237, who directs the importation of the property
13 into the State for sale and delivery to a purchaser in the
14 State, liability and free on board (FOB) to the contrary
15 notwithstanding, regardless of where title passes, but the term
16 "use" shall not include:

- 17 (1) Temporary use of property, not of a perishable or
18 quickly consumable nature, where the property is
19 imported into the State for temporary use (not sale)
20 therein by the person importing the same and is not
21 intended to be, and is not, kept permanently in the



1 State. For example, without limiting the generality
2 of the foregoing language:

3 (A) In the case of a contractor importing permanent
4 equipment for the performance of a construction
5 contract, with intent to remove, and who does
6 remove, the equipment out of the State upon
7 completing the contract;

8 (B) In the case of moving picture films imported for
9 use in theaters in the State with intent or under
10 contract to transport the same out of the State
11 after completion of such use; and

12 (C) In the case of a transient visitor importing an
13 automobile or other belongings into the State to
14 be used by the transient visitor while therein
15 but which are to be used and are removed upon the
16 transient visitor's departure from the State;

17 (2) Use by the taxpayer of property acquired by the
18 taxpayer solely by way of gift;

19 (3) Use which is limited to the receipt of articles and
20 the return thereof, to the person from whom acquired,
21 immediately or within a reasonable time either after
22 temporary trial or without trial;



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- 1 (4) Use of goods imported into the State by the owner of a
2 vessel or vessels engaged in interstate or foreign
3 commerce and held for and used only as ship stores for
4 the vessels;
- 5 (5) The use or keeping for use of household goods,
6 personal effects, and private automobiles imported
7 into the State for nonbusiness use by a person who:
- 8 (A) Acquired them in another state, territory,
9 district, or country;
- 10 (B) At the time of the acquisition was a bona fide
11 resident of another state, territory, district,
12 or country;
- 13 (C) Acquired the property for use outside the State;
14 and
- 15 (D) Made actual and substantial use thereof outside
16 this State;
- 17 provided that as to an article acquired less than
18 three months prior to the time of its importation into
19 the State it shall be presumed, until and unless
20 clearly proved to the contrary, that it was acquired
21 for use in the State and that its use outside the
22 State was not actual and substantial;



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- 1 (6) The leasing or renting of any aircraft or the keeping
2 of any aircraft solely for leasing or renting to
3 lessees or renters using the aircraft for commercial
4 transportation of passengers and goods or the
5 acquisition or importation of any such aircraft or
6 aircraft engines by any lessee or renter engaged in
7 interstate air transportation. For purposes of this
8 paragraph, "leasing" includes all forms of lease,
9 regardless of whether the lease is an operating lease
10 or financing lease. The definition of "interstate air
11 transportation" is the same as in 49 U.S.C. 40102;
- 12 (7) The use of oceangoing vehicles for passenger or
13 passenger and goods transportation from one point to
14 another within the State as a public utility as
15 defined in chapter 269;
- 16 (8) The use of material, parts, or tools imported or
17 purchased by a person licensed under chapter 237 which
18 are used for aircraft service and maintenance, or the
19 construction of an aircraft service and maintenance
20 facility as those terms are defined in section 237-
21 24.9;



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1 (9) The use of services or contracting imported for resale
 2 where the contracting or services are for resale,
 3 consumption, or use outside the State pursuant to
 4 section 237-29.53(a); [and]

5 (10) The use of property, services, or contracting imported
 6 by foreign diplomats and consular officials who are
 7 holding cards issued or authorized by the United
 8 States Department of State granting them an exemption
 9 from state taxes[-]; and

10 (11) The use of material, parts, or tools imported or
 11 purchased by a person licensed under chapter 237, that
 12 are used for a Hawaii film facility or in the
 13 construction of a Hawaii film facility as defined in
 14 section 201B-A.

15 With regard to purchases made and distributed under the
 16 authority of chapter 421, a cooperative association shall be
 17 deemed the user thereof."

18 SECTION 7. Section 201-14, Hawaii Revised Statutes, is
 19 repealed.

20 ~~["§201-14 Consolidated film permit processing. (a) The~~
 21 ~~department shall consult with state and county agencies in order~~
 22 ~~to identify sites that can be used for making visually recorded~~



1 ~~productions under terms and conditions as may be determined by~~
2 ~~the state or county agency having jurisdiction over the sites.~~

3 ~~(b) The department may accept an application from any~~
4 ~~person who proposes to make a motion picture, television show,~~
5 ~~television commercial, or other visually recorded production at~~
6 ~~one or more sites on state or county lands, whether or not set~~
7 ~~aside under section 171-11.~~

8 ~~(c) The applicant shall identify the sites to be covered~~
9 ~~by the permit and provide other information as may be required~~
10 ~~by the department.~~

11 ~~(d) The department may approve and issue a permit to film~~
12 ~~at any of the sites identified by the appropriate state or~~
13 ~~county agency under subsection (a). If any site requested for~~
14 ~~use by the applicant is not identified under subsection (a), the~~
15 ~~department shall consult with the appropriate state or county~~
16 ~~agency having jurisdiction over the site to obtain a permit. If~~
17 ~~the matter of a permit cannot be resolved in this manner, the~~
18 ~~department shall refer the application to the appropriate state~~
19 ~~or county agency to obtain a permit.~~

20 ~~(e) The department is authorized to make changes to, and~~
21 ~~extensions of, any approved permits so long as the changes and~~
22 ~~extensions do not conflict with the policies, terms, and~~



1 ~~conditions set forth by the agency having jurisdiction over the~~
2 ~~site in question.~~

3 ~~(f) The department may establish memoranda of agreement or~~
4 ~~adopt rules to implement the intent and purposes of this~~
5 ~~section.~~

6 ~~(g) Nothing in this section shall be construed as waiving~~
7 ~~the authority of any county or the department of transportation~~
8 ~~of the State to require a person to obtain a permit from the~~
9 ~~department or county where the production takes place on or from~~
10 ~~a public highway.~~

11 ~~(h) A vessel engaged in temporary use for film production~~
12 ~~purposes in accordance with a film permit issued by the~~
13 ~~department shall not be considered to be a "commercial vessel"~~
14 ~~within the meaning of section 200-9, 200-10, or 200-39; provided~~
15 ~~that:~~

16 ~~(1) The period of temporary use does not exceed fourteen~~
17 ~~hours per day, five days per week, excluding weekends,~~
18 ~~and for a period not to exceed thirty calendar days;~~
19 ~~and~~

20 ~~(2) The department may make allowances to include weekends~~
21 ~~for film production purposes due to inclement weather~~
22 ~~conditions during the weekday period."]~~



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1 SECTION 8. Chapter 201, part IX, Hawaii Revised Statutes,
2 is repealed.

3 SECTION 9. All rights, powers, functions, and duties
4 related to Hawaii television and film development are
5 transferred to the Hawaii tourism authority.

6 All employees who occupy civil service positions and whose
7 functions are transferred to the Hawaii tourism authority by
8 this Act shall retain their civil service status, whether
9 permanent or temporary. Employees shall be transferred without
10 loss of salary, seniority (except as prescribed by applicable
11 collective bargaining agreements), retention points, prior
12 service credit, any vacation and sick leave credits previously
13 earned, and other rights, benefits, and privileges, in
14 accordance with state personnel laws and this Act; provided that
15 the employees possess the minimum qualifications and public
16 employment requirements for the class or position to which
17 transferred or appointed, as applicable; provided further that
18 subsequent changes in status may be made pursuant to applicable
19 civil service and compensation laws.

20 Any employee who, prior to this Act, is exempt from civil
21 service and is transferred as a consequence of this Act may
22 retain the employee's exempt status, but shall not be appointed



1 to a civil service position as a consequence of this Act. An
2 exempt employee who is transferred by this Act shall not suffer
3 any loss of prior service credit, vacation or sick leave credits
4 previously earned, or other employee benefits or privileges as a
5 consequence of this Act; provided that the employees possess
6 legal and public employment requirements for the position to
7 which transferred or appointed, as applicable; provided further
8 that subsequent changes in status may be made pursuant to
9 applicable employment and compensation laws. The Hawaii tourism
10 authority may prescribe the duties and qualifications of these
11 employees and fix their salaries without regard to chapter 76,
12 Hawaii Revised Statutes.

13 SECTION 10. All appropriations, records, equipment,
14 machines, files, supplies, contracts, books, papers, documents,
15 maps, and other personal property heretofore made, used,
16 acquired, or held by the department of business, economic
17 development, and tourism relating to the functions transferred
18 to the Hawaii tourism authority shall be transferred with the
19 functions to which they relate.

20 SECTION 11. This Act shall not affect the membership or
21 term of any appointed member of a board or other policy-making
22 or advisory body transferred by this Act. Such a member shall



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1 continue to serve on the board or other body for the member's
2 term without necessity of reappointment.

3 SECTION 12. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$ or so
5 much thereof as may be necessary for fiscal year 2015-2016 and
6 the same sum or so much thereof as may be necessary for fiscal
7 year 2016-2017 to be deposited into the film, television,
8 digital, and new media development special fund.

9 SECTION 13. There is appropriated out of the film,
10 television, digital, and new media development special fund the
11 sum of \$ or so much thereof as may be necessary for
12 fiscal year 2015-2016 and the same sum or so much thereof as may
13 be necessary for fiscal year 2016-2017 to fund film, television,
14 digital, and new media development activities.

15 The sums appropriated shall be expended by the Hawaii
16 tourism authority for the purposes of this Act.

17 SECTION 14. This Act does not affect rights and duties
18 that matured, penalties that were incurred, and proceedings that
19 were begun before its effective date.

20 SECTION 15. In codifying the new sections added by section
21 2 of this Act, the revisor of statutes shall substitute



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1 appropriate section numbers for the letters used in designating
2 the new sections in this Act.

3 SECTION 16. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 17. This Act shall take effect on July 1, 2015;
6 provided that the amendments made to section 235-17, Hawaii
7 Revised Statutes, by this Act shall not be repealed when that
8 section is reenacted on January 1, 2019, by section 4(2) of Act
9 88, Session Laws of Hawaii 2006, as amended by section 3 of Act
10 89, Session Laws of Hawaii 2013.

11

INTRODUCED BY:

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JAN 29 2015



H.B. NO. 1500

Report Title:

Hawaii Tourism Authority; Transfer of Authority; Film, Television, Digital, and New Media Development; Appropriation

Description:

Assigns to the Hawaii tourism authority the responsibilities for film, television, digital, and new media development. Repeals the film industry activities within the department of business, economic development, and tourism and makes conforming amendments. Appropriates funds from the special fund to the Hawaii tourism authority for implementation of the film, television, digital, and new media development activities.

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

