

STAND. COM. REP. NO. 2946

Honolulu, Hawaii

MAR 22 2016

RE: H.B. No. 2088  
H.D. 1  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Sir:

Your Committee on Economic Development, Environment, and  
Technology, to which was referred H.B. No. 2088, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO FILM AND DIGITAL MEDIA  
INDUSTRY DEVELOPMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to extend the  
motion picture, digital media, and film production income tax  
credit to provide stability and economic incentive predictability  
for the film industry, allow Hawaii to remain competitive in  
attracting qualified productions, and generate additional revenue,  
jobs, and tourism marketing exposure.

Your Committee received testimony in support of this measure  
from the Department of Business, Economic Development, and  
Tourism; Department of Taxation; County of Kaua'i Office of  
Economic Development; Motion Picture Association of America; NBC  
Universal Media, LLC; CBS Corporation; SAG-AFTRA Hawaii Local;  
I.A.T.S.E. Local 665; American Federation of Musicians' Local 677;  
and Hawaii Teamsters & Allied Workers Local 996. Your Committee  
received comments on this measure from the Tax Foundation of  
Hawaii.

Your Committee finds that the film industry in Hawaii is an  
important component of a diversified economy and that the motion  
picture, digital media, and film production income tax credit has  
been effective in stimulating the economy and creating quality

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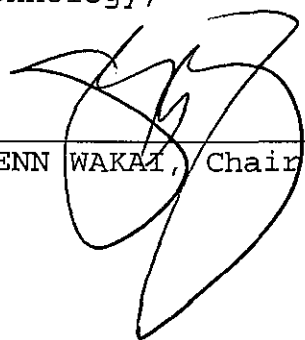


jobs in a clean industry while promoting Hawaii as a visitor destination. Your Committee further finds that the film production process can extend over several years due to extensive planning and development in the preproduction stage; therefore, the motion picture, digital media, and film production income tax credit's current sunset date of January 1, 2019, should be extended well in advance of the sunset date to prevent the discouragement of new productions that may be in the development and preproduction phases at that point in time.

Your Committee has amended this measure by extending the sunset date of the motion picture, digital media, and film production income tax credit until January 1, 2024.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2088, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2088, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

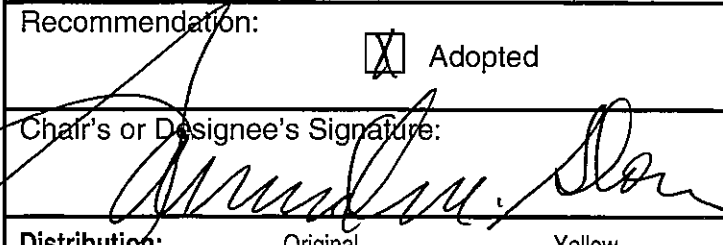
Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development, Environment, and  
Technology,

  
\_\_\_\_\_  
GLENN WAKAI, Chair



The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Economic Development, Environment, and Technology**  
**EET**

Bill / Resolution No.:* <b>HB 2088 HD 1</b>	Committee Referral: <b>EET, NAM</b>	Date: <b>3/16/16</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
WAKAI, Glenn (C)	X			
SLOM, Sam (VC)	X			
BAKER, Rosalyn H.				X
ESPERO, Will	X			
GALUTERIA, Brickwood				X
IHARA, Jr., Les	X			
KEITH-AGARAN, Gilbert S.C.	X			
RUDERMAN, Russell E.				X
THIELEN, Laura H.				X
<b>TOTAL</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>4</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes