

STAND. COM. REP. NO.

977

Honolulu, Hawaii

March 20, 2015

RE: S.B. No. 1155
S.D. 2
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Tourism, to which was referred S.B. No. 1155, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE CREATIVE MEDIA INDUSTRY,"

begs leave to report as follows:

The purpose of this measure is to more efficiently allocate the resources of Hawaii's creative media industry. Specifically, this measure:

- (1) Assigns to the Hawaii Tourism Authority the responsibilities for film development and marketing;
- (2) Transfers the Film Industry Branch of the Creative Industries Division of the Department of Business, Economic Development, and Tourism to the Hawaii Tourism Authority, and makes conforming amendments; and
- (3) Establishes and appropriates funds from the Film Development and Marketing Special Fund to the Hawaii Tourism Authority for implementation of film development and marketing activities.

The Hawaii Tourism Authority supported this measure. The SAG-AFTRA Hawaii Local, I.A.T.S.E. Local 665; American Federation of Musicians' Local 677; and a concerned individual opposed this measure. The Department of Business, Economic Development, and

SB1155 HD1 HSCR TOU HMS 2015-2676



Tourism and the Department of Taxation offered comments on this measure.


Your Committee has amended this measure by:

- (1) Excluding amounts received by productions from state agencies, including the Hawaii Tourism Authority, from being qualified production costs for purposes of claiming the motion picture, digital media, and film production income tax credit under section 235-17(e), Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the Committee on Economic Development and Business further deliberate on this bill, your Committee on Tourism respectfully requests that it consider the option of providing the Hawaii Film Office more funding without transferring oversight to the Hawaii Tourism Authority.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1155, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1155, S.D. 2, H.D. 1, and be referred to the Committee on Economic Development & Business.

Respectfully submitted on
behalf of the members of the
Committee on Tourism,



TOM BROWER, Chair



State of Hawaii
House of Representatives
The Twenty-eighth Legislature

HSOR 977

Record of Votes of the Committee on Tourism

Bill/Resolution No.: SB 1155 SD 2	Committee Referral: TOU, EDB, FIN	Date: 3/18/15		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
TOU Members	Ayes	Ayes (WR)	Nays	Excused
1. BROWER, Tom (C)	/			
2. OHNO, Takashi (VC)	/			
3. CACHOLA, Romy M.	/			
4. CHOY, Isaac W.	/			
5. DECOITE, Lynn	/			
6. ITO, Ken	/			
7. KAWAKAMI, Derek S.K.	/			
8. KONG, Sam Satoru		/		
9. ONISHI, Richard H.K.	/			
10. TOKIOKA, James Kunane	/			
11. TSUJI, Clift	/			
12. WOODSON, Justin H.	/			
13. MATSUMOTO, Lauren Kealohilani	/			
14. WARD, Gene		/		
TOTAL (14)	12	2	0	0
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature: <u><i>Takashi Ohno</i></u>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				