

STAND. COM. REP. NO.

431

Honolulu, Hawaii

February 16, 2017

RE: H.B. No. 590  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Ninth State Legislature  
Regular Session of 2017  
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 590 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:

- (1) Establish the Hawaii State Film Commission, within the Department of Business, Economic Development, and Tourism (DBEDT), to manage the marketing, promotion, rental, and operation of the Hawaii Film Studio and support and assist the creative media industry;
- (2) Repeal the inactive Hawaii Television and Film Development Board and its grant and venture capital programs;
- (3) Rename the Hawaii Television and Film Development Special Fund to the Creative Media and Film Infrastructure Special Fund;
- (4) Broaden the sources of revenue for the Creative Media and Film Infrastructure Special Fund; and
- (5) Amend the purposes for which the Creative Media and Film Infrastructure Special Fund may be used to enable DBEDT



to fulfill its statutory duties regarding the film program.

Island Film Group and Makaha Studios supported this bill. Screen Actors Guild - American Federation of Television and Radio Artists Hawaii Local, International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists, and Allied Crafts Local 665, American Federation of Musicians Local 667, and Hawaii Teamsters & Allied Workers Local 996 opposed this measure. The Department of the Attorney General, DBEDT, Department of Taxation, and Hawaii Tax Foundation submitted comments.

Your Committee has amended this measure by:

- (1) Replacing the Hawaii State Film Commission with the Hawaii Creative Industries Advisory Group which will recommend programs and initiatives relating to the creative and media industries;
- (2) Adding a provision that the Creative Industries Division of DBEDT shall maintain its status quo, notwithstanding the establishment of the Hawaii Creative Industries Advisory Group;
- (3) Amending the effective date to July 1, 2038, to facilitate further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 590, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 590, H.D. 1, and be referred to your Committee on Finance.



Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development & Business,

  
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MARK M. NAKASHIMA, Chair



