

Honolulu, Hawaii

APR 26 2019

RE: S.B. No. 33  
S.D. 3  
H.D. 2  
C.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 33, S.D. 3, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to amend the annual cap on the motion picture, digital media, and film production income tax credit and extend its repeal date; provided that the University of Hawaii, West Oahu campus and the Hawaii technology development corporation execute a memorandum of understanding that commits the parties to a no-cost lease agreement that includes a provision for the potential transfer of title to certain parcels of University of Hawaii, West Oahu campus lands to the Hawaii technology development corporation.

Your Committee on Conference finds that the film industry in Hawaii is an important component of a diversified economy. Your Committee on Conference also finds that the motion picture, digital



media, and film production income tax credit has been effective in stimulating the economy and creating quality jobs while promoting Hawaii as a visitor destination.

Your Committee on Conference has amended this measure by:

- (1) Increasing the annual rolling cap for the motion picture, digital media, and film production income tax credit to \$50,000,000;
- (2) Reverting to the existing sunset date of January 1, 2026, for certain amendments to the tax credit, including the annual rolling cap, and deleting the amendments to Act 88, Session Laws of Hawaii, as amended, as a conforming amendment;
- (3) Requiring the memorandum of understanding to be executed no later than December 31, 2020;
- (4) Amending the contents of the memorandum to include a commitment to enter into a no-cost lease agreement by December 31, 2021, for no less than sixty years, and which includes a provision for the transfer of title to the University of Hawaii, West Oahu campus lands to the Hawaii Technology Development Corporation within six years;
- (5) Making the provisions of this Act non-severable, rather than severable;
- (6) Changing the effective date to upon approval; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 33, S.D. 3, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 33, S.D. 3, H.D. 2, C.D. 1.



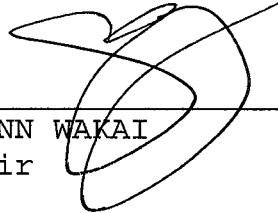
Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE HOUSE

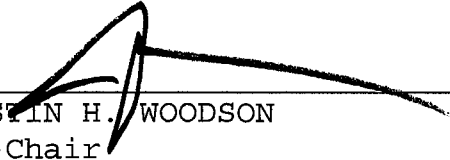
ON THE PART OF THE SENATE



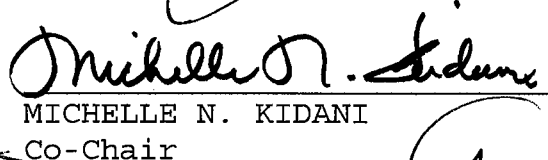
ANGUS L.K. MCKELVEY  
Co-Chair



GLENN WAKAI  
Chair



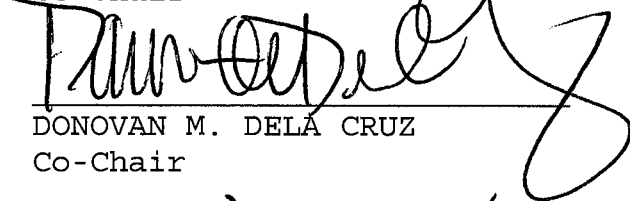
JUSTIN H. WOODSON  
Co-Chair



MICHELLE N. KIDANI  
Co-Chair



TY J.K. CULLEN  
Co-Chair



DONOVAN M. DELA CRUZ  
Co-Chair



DONNA MERCADO KIM  
Co-Chair



Hawai'i State Legislature

CCZ172

Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: <b>SB 33, SD 3, HD 2</b>	Date/Time: <b>4/26/19 4:03 pm</b>
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The recommendation of the House and Senate managers is to pass with amendments (CD).

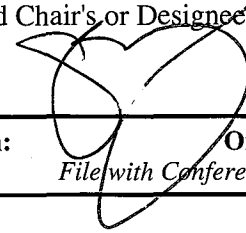
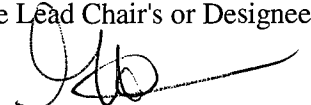
The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
WAKAI, Glenn, Chr.	✓	✓			MCKELVEY, Angus L.K., Co-Chr.	✓	✓		
KIDANI, Michelle N., Co-Chr.	✓	✓			WOODSON, Justin H., Co-Chr.	✓	✓		
DELA CRUZ, Donovan M., Co-Chr.	✓	✓			CULLEN, Ty J.K., Co-Chr.	✓	✓		
KIM, Donna Mercado, Co-Chr.	✓	✓			MATSUMOTO, Lauren	✓			
FEVELLA, Kurt	✓								
<b>TOTAL</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>TOTAL</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>

A = Aye      WR = Aye with Reservations      N = Nay      E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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Distribution:      Original      Yellow      Pink      Goldenrod  
 File with Conference Committee Report      House Clerk's Office      Senate Clerk's Office      Drafting Agency