



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Economic Development & Business
Friday, February 8, 2019 at 10:10 a.m.

By
Christopher P. Lee, Director, Academy for Creative Media System
on behalf of
Vassilis L. Syrmos, Vice President for Research and Innovation
University of Hawai'i System

HB 773 – RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM

Chair McKelvey, Vice Chair Kitagawa, and members of the committee:

The University of Hawai'i (UH) greatly appreciates the strong support that the Hawai'i State Legislature has given to the Academy for Creative Media System (ACM System), which now helps fund and coordinate collaboration among 17 different programs across all ten campuses of the UH System.

The Legislature's support for the film, television and digital content industry, which hires ACM graduates and makes it possible for them to stay in the islands with living wage jobs, is also greatly appreciated. In 2018, Hawai'i set a new record of almost \$477 million in direct production spending with an economic impact heading towards a billion dollars for the local economy.

The University of Hawai'i recognizes that the state's film, television and digital production tax credit has been instrumental in attracting much of this production work. However, UH is also aware that this tremendous growth has resulted in increased administrative needs from the industry on everything from marketing, location scouting, permit processing, certifying tax credits -- and even trouble shooting for residents who might feel inconvenienced by production in their neighborhoods. As these growing tasks require additional staff for the Hawai'i Film Office to better serve the industry, UH supports the intent of this measure.

On the additional areas covered in this measure, UH needs to individually assess them more closely, but supports the intent for the State of Hawai'i to streamline its creative industries ecosystem and to align DBEDT's efforts with the University of Hawai'i's creative media education programs.

Thank you for the opportunity to testify on this measure.

HB-773

Submitted on: 2/7/2019 9:59:34 AM

Testimony for EDB on 2/8/2019 10:10:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments:



DAVID Y. IGE
GOVERNOR

MIKE MCCARTNEY
DIRECTOR

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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LATE

Statement of
Mike McCartney
Director

Department of Business, Economic Development, and Tourism
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS

Friday, February 08, 2019

10:10 AM

State Capitol, Conference Room 309

In consideration of
HB 773
**RELATING TO THE DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT AND TOURISM.**

Chair McKelvey, Vice Chair Kitagawa, and Members of the House
Committee on Economic Development & Business.

The Department of Business, Economic Development and Tourism (DBEDT) appreciates the intent of this measure and offers the following **comments** on HB773, which seeks to strengthen creative and media industries development, expand functions of the division, adding positions critical to the operations of the film program and infrastructure development, and expansion of intellectual property development through the creative lab Hawaii initiative.

Hawaii's creative sectors represent 53,000 entrepreneurs and businesses, who contribute \$3.8 billion of Hawaii's GDP, and at growth rate of 9.7%, are realizing the power of these collective sectors to Hawaii's innovation economy. A key anchor of our creative industries is the film sector.

2018 was a historic year for film and television production in our state, with an estimated \$477 million in production expenditures resulting in 4,200 jobs statewide.

The Hawaii Film Office was directly responsible for supporting this record level of production despite serious staffing shortages. With this significant increase in production activity, the current capacity of the film office is stretched beyond its limits. No additional positions have been appropriated for the film office since 2013.

We recognize that it is imperative to sufficiently staff the program to ensure we manage the tax credit and other statutory responsibilities effectively. HB773 provides two critical positions for our film program, to provide the necessary skill sets with which to normalize the functions of the film branch.

The department will transmit our recommendations for an HD1 to the Chair and requests the committee's favorable review, noting that some language requires further refining, including general description of the measure. The department looks forward to working with the Chair and committee regarding these recommendations.

Thank you for the opportunity to testify.



LATE

February 7, 2019

Committee on Economic Development &
Business
Rep. McKelvey, Chair
Rep. Kitagawa, Vice Chair

The House Of Representatives
The Thirtieth Legislature
Regular Session of 2019

RE: HB 773 - RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC
DEVELOPMENT, AND TOURISM

Friday, February 8, 2019

TIME: 10:10 am

PLACE: Conference Room 309 State Capitol 415 South Beretania Street, Honolulu HI

Aloha Chair McKelvey, Vice Chair Kitagawa, and the Members of the Committee,

Thank you for the opportunity to testify in **support of the intent** of this measure. [SAG-AFTRA](#) represents over 1000 actors, recording artists, and media professionals in our state. Our professional performers work in a wide variety of Creative Media projects. No longer just in the realm of traditional film and television, but online, on social media, embedded in mobile apps, as performers in interactive games, voicing podcasts and other creative media endeavors.

We support the Department of Business, Economic Development and Tourism's intention to establish the Office of Creative and Media industries Hawaii. This evolution of the department looks to the future and encompasses a wide variety of creative media sectors.

Regarding the specific details of the creation and infrastructure of the office we defer to DBEDT and the Creative Industries Division's knowledge and expertise.

Thank you again for your continued support of our industries, our performers and Hawaii's workers. Please don't hesitate to contact the SAG-AFTRA Hawaii Local office for more information.

Respectfully,

Mericia Palma Elmore
Executive Director SAG-AFTRA Hawaii Local



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

LATE

The Thirtieth Legislature, State of Hawaii
House of Representatives
Committee on Economic Development & Business

Testimony by
Hawaii Government Employees Association

February 8, 2019

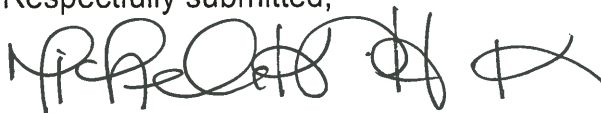
H.B. 773 – RELATING TO THE DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT AND TOURISM

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO has strong concerns with the purpose and intent of H.B. 773 which establishes the Office of Creative Media Industries Hawaii in statute and provides that the Hawaii film office shall be an agency of that office which establishes and appropriates funds for positions to be exempt from Chapter 76 – Civil Service Law.

As drafted, H.B. 773 would provide appropriations for four (4) full-time equivalent (4.0 FTE) positions, which shall be an Administrative Officer position; an Accountant V position; an Administrative Assistant position; and a General Professional VI position. There appears to be no reason to establish the Accountant V, Administrative Assistant and the General Professional VI positions exempt from civil service as they do not meet the criteria of Chapter 76-16, Civil Service and Exemptions statute. These classifications are typical positions that are covered under the Civil Service Law as included positions and represented by HGEA.

Thank you for the opportunity to provide testimony in opposition of H.B. 773.

Respectfully submitted,


for Randy Perreira
Executive Director