



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

DAVID Y. IGE
GOVERNOR

MIKE MCCARTNEY
DIRECTOR

CHUNG I. CHANG
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: dbedt.hawaii.gov

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
MIKE MCCARTNEY
Director

Department of Business, Economic Development, and Tourism
before the

HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT

Friday, February 12, 2021
9:30 AM

State Capitol, Conference Room 312

In consideration of
HB 904
**RELATING TO THE HAWAII FILM AND CREATIVE INDUSTRIES
DEVELOPMENT SPECIAL FUND.**

Chair Quinlan, Vice Chair Holt and members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) strongly supports HB 904, an Administration bill adding clarifying language to allow appropriation out of the Hawaii Film and Creative Industries Development special fund expanding sources of funding, addresses the mechanism to expend, and makes other housekeeping changes.

Act 228, Session Laws of Hawaii 2019 (HRS 201-113) renamed the Hawaii television and film development special fund to the current title. There are currently no funds in Act 228 to expend. The fund compliments the three pillars of our creative economy development: talent/workforce initiatives, infrastructure, and access to capital to export and license IP globally.

As noted in the purpose section of Act 228 includes support to launch local content created by Hawaii based filmmakers, musicians and artists and performing artists. Projects that are non-documentary and in the narrative realm with budgets under \$200,000 addresses the gap in investment dollars available for these works.

Hawaii originated scripted content is on the rise. Recent successes include distribution via Amazon Prime, Lifetime Network, Netflix and in music, original IP licensed for six figures to television series, films, and national commercials. This provides new, digital revenue sources for island creatives during and through the pandemic, underscoring the importance of our state's digital initiatives.

Non-passage of this Bill would affect interpretation of the statute, particularly as it relates to the use of the special fund, as well as stall the department's ability to effectuate the Act in support of creative and media entrepreneurs as stated in the purpose section of Act 228.

We appreciate the opportunity to work with the Legislature to address these technical and other amendments. Thank you for the opportunity to testify.