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**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKA'I

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

JAMES KUNANE TOKIOKA
DIRECTOR

DANE K. WICKER
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
JAMES KUNANE TOKIOKA
Director
Department of Business, Economic Development, and Tourism
before the
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

Tuesday, February 6, 2024
1:01 PM
State Capitol, Conference Room #229

In consideration of
Bill SB3265
A BILL RELATING TO FILM INDUSTRY DEVELOPMENT.

Chair DeCoite, Vice Chair Wakai and members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) supports the sections of SB3265 which seeks to 1) establish a Hawai'i Film Advisory Council for the department and its film program, 2) increase the annual cap to \$60 million for the Hawai'i motion picture, digital media and film production income tax credit (HRS 235-17), 3) extend the sunset date of the tax credit to January 1, 2039, 4) reinstitute the requirement for an independent third-party certification for productions over \$1 million, 5) expand the definition of "qualified production" to include episodic series on streaming platforms, 6) provide a general excise tax exemption for certified development of film studio facilities and requests one full-time equivalent (1.0 FTE) film industry development liaison position within the Creative Industries Division of DBEDT.

We defer to the Office of the Attorney General on the sections related to the requirements and credits for native Hawaiian content and staffing incentives.

DBEDT recognizes the opportunity to advance the economic benefits of the film and media industries in our state. This measure, along with the Administration's SB3049 and HB2360 aligns with our collective commitment to advancing this industry cluster as a key economic driver for our state. Increasing the cap to \$60 million, extending the sunset date and adding an infrastructure credit component to advance facilities and studio development. These proposed amendments to HRS 235-17 are integral to

providing a stable, reliable tax credit program which drives workforce and infrastructure development.

As lead for creative jobs in the state under the UH Good Jobs Hawai'i program, DBEDT and its Creative Industries Division have partnered with industry and labor unions to ramp up training and certification through our community colleges this summer and fall. Along with community based economic development programs, this is crucial to increasing our local resident qualified workforce, not only for film but for theatrical and events jobs in our state.

The department priorities of increasing our workforce in film and related sectors, advancing purpose-built studio development, providing accountability in tax credit oversight and empowering local content creators and filmmakers through programs and investments from the Hawai'i Film and Creative Industries Development Fund (HRS 201-113) are necessary to strengthen and grow this vibrant sector of our economy.

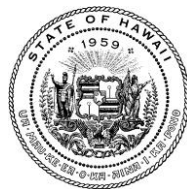
We understand that there are concerns raised by the Department of the Attorney General regarding constitutionality of incentives specifically for one cultural community over another. The importance of the intent behind this proposed amendment to the film credit program is underscored by the needs for advancing native Hawaiian content development that elevates our indigenous community.

We will work with the Legislature and our Deputy Attorney General to find a balance in language which could allow for this aspect of the measure to be included.

Thank you for the opportunity to testify.

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF TAXATION

Ka 'Oihana 'Auhau
P.O. BOX 259

HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

**TESTIMONY OF
GARY S. SUGANUMA, DIRECTOR OF TAXATION**

TESTIMONY ON THE FOLLOWING MEASURE:

S.B. No. 3265, Relating to Film Industry Development

BEFORE THE:

Senate Committee on Energy, Economic Development, and Tourism

DATE: Tuesday, February 06, 2024

TIME: 1:01 p.m.

LOCATION: State Capitol, Room 229

Chair DeCoite, Vice-Chair Wakai, and Members of the Committee:

The Department of Taxation ("Department") offers the following comments regarding S.B. 3265 for your consideration.

S.B. 3265 proposes several statutory changes relating to film industry development, including creating a new a general excise tax (GET) exemption in chapter 237, Hawaii Revised Statutes (HRS), for certified development of film studio facilities, and amending provisions governing the motion picture, digital media, and film production income tax credit ("film credit") in section 235-17, HRS.

The bill's new GET exemption would be certified by the Department of Business, Economic Development, and Tourism (DBEDT), and would apply to the gross proceeds of a qualified person arising from the planning, design, construction, or retrofitting of film studio infrastructure in the State.

The bill's amendments to the film credit would extend the credit's sunset date from 2032 to 2038, increase the annual aggregate cap from \$50,000,000 to \$60,000,000, and require that any taxpayer with qualified production costs exceeding \$1,000,000 include

an independent third-party certification by a certified public accountant verifying their representations to DBEDT.

The bill would also eliminate the \$17,000,000 per-project cap for productions that are qualified and certified by DBEDT to meet the requirements of "Native Hawaiian content and staffing," with "Native Hawaiian content" meaning "a production that contains a minimum of fifty-one percent or more content of a film, media, or television project, and is written, directed, produced, and includes actors of Native Hawaiian descent." The bill also expands the film credit's definition of a "qualified production" to include productions on both broadcast and streaming platforms, with one "qualified production" constituting up to 22 episodes for broadcasting platforms and 8 episodes for streaming platforms.

S.B 3265 is effective July 1, 2024, with the measure's tax law changes applying to expenditures made after December 31, 2024.

The Department defers to DBEDT on its ability to certify the proposed exemption and the proposed changes to the film credit, particularly the credit's new definitions for "Native Hawaiian content" and "streaming platform, but requests that certification provisions be maintained for both. The Department does not have the subject-matter expertise or administrative capability to certify either the exemption or the credit.

The Department requests that the effective date of this measure be amended so that section 2 is effective January 1, 2025 and section 3 applies to expenditures made after December 31, 2024.

Thank you for the opportunity to provide comments on this measure.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-SECOND LEGISLATURE, 2024**

ON THE FOLLOWING MEASURE:

S.B. NO. 3265, RELATING TO FILM INDUSTRY DEVELOPMENT.

BEFORE THE:

SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

DATE: Tuesday, February 6, 2024 **TIME:** 1:01 p.m.

LOCATION: State Capitol, Room 229 and Videoconference

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Elise A. Amemiya or Bryan C. Yee, Deputy Attorneys General

Chair DeCoite and Members of the Committee:

The Department of the Attorney General has concerns with this bill and provides the following comments.

This bill establishes the Hawaii Film Advisory Council; provides a tax exemption for certified development of film studio facilities; amends the motion picture, digital media, and film production income tax credit; establishes one full-time film industry development liaison position; and makes an appropriation. On page 8, lines 12-16, section 3 of the bill exempts "Native Hawaiian content and staffing" from the per qualified project cap of \$17,000,000 for the motion picture, digital media, and film production income tax credit established by section 235-17, Hawaii Revised Statutes, and on page 9, lines 12-15, defines "Native Hawaiian content" as "a production that contains a minimum of fifty-one percent or more content of a film, media, or television project, and is written, directed, produced, and includes actors of Native Hawaiian descent." This exemption is subject to challenge as violating the First Amendment of the United States Constitution because the government may not regulate speech based on its substantive content or the message it conveys. See *Rosenberger v. Rector & Visitors of Univ. of Virginia*, 515 U.S. 819, 828 (1995). Additionally, the exemption could be subject to First Amendment challenge because "[i]n the realm of private speech or expression, government regulation may not favor one speaker over another." *Id.*

We note that these provisions are also subject to an additional challenge under the Equal Protection clauses of article I, section 5, of the Hawaii Constitution and the Fourteenth Amendment of the United States Constitution for treating one race differently than another. The bill requires Native Hawaiians or those of Native Hawaiian descent to constitute the membership of the sub-committee of the Hawaii Film Advisory Council, which has the sole purpose of making recommendations on “tax credit qualifications for Native Hawaiian cultural content requirements,” and to be part of the writing, directing, production, and acting on a production for the production to qualify for the exemption to the \$17 million per project cap to the motion picture, digital media, and film production income tax credit. Page 3, lines 11-15; page 6, lines 12-15. These are racial classifications, and the provisions are therefore subject to an equal-protection challenge. *Miller v. Johnson*, 515 U.S. 900, 904 (1995) (the “central mandate” of the Equal Protection Clause is “racial neutrality in governmental decisionmaking”).

To address these serious constitutional concerns, we recommend deleting the exemption to the per project cap for Native Hawaiian content and staffing on page 8, lines 12-16, and the definition of “Native Hawaiian content” on page 9, lines 12-15. We also recommend deleting section 201- (e) on page 3, lines 11-15, concerning the sub-committee of the Hawaii Film Advisory Council, which has both a membership and mandate that is subject to constitutional challenge.

Thank you for the opportunity to provide these comments.



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
Senate Committee on Energy, Economic Development, and Tourism
Tuesday, February 6, 2024 at 1:01 p.m.

by

Christopher Lee, Founder/Director, Academy for Creative Media, UH System
on behalf of

Vassilis L. Syrmos, Vice President for Research and Innovation
University of Hawai'i System

SB 3265 – RELATING TO FILM INDUSTRY DEVELOPMENT

Chair DeCoite, Vice Chair Wakai, and Members of the Committee:

The University of Hawai'i (UH) supports SB 3265 that aims to diversify our economy, increase workforce development, grow our successful production industry, and keep our graduates in the islands with living wage jobs.

Independent economists Professor Emeritus James Mak and Sumner LaCroix of UHERO have previously written on the role of the Hawai'i TV/film/digital production tax credit in diversifying the Hawai'i economy. According to their research, since the passage of the Act 88 film credit in 2006, spending in Hawai'i on TV/film productions has soared, with inflation-adjusted spending increasing by 116 percent between 2007 (\$164.5 million) and 2019 (\$355.6 million).

This is much larger than the overall increase in Hawai'i real gross domestic product over the same period, a modest 17 percent. Before Act 88, Hawai'i never saw more than \$100 million in production per year. Since then, our industry has climbed to a DBEDT reported average of \$396 million dollars in direct spend per annum.

In 2022, the latest figures from DBEDT, the total Hawai'i film production direct spend was \$420.04 million (includes qualified tax credit spend and non-tax credit spend). The breakdown by island is as follows:

O'ahu: \$354.88 million
Hawai'i County: \$39.32 million
Kaua'i County: \$12.56 million
Maui County: \$13.28 million

With Hawai'i household income generated at \$168.02 million and tax revenue generation of \$45.36 million, DBEDT estimates the total economic impact from film production on our economy at an impressive \$726.68 million.

As with all industries, growth depends on three factors: workforce development, physical infrastructure and incentives.

Workforce development has been accomplished in part by the statewide expansion of the Academy for Creative Media System (ACM System) which has developed or enhanced educational programs across the entire UH System. Thanks to the Legislature, several governors, UH alumni, the production industry, supporters in the community, and students and faculty across the islands, ACM is now celebrating our 20th year.

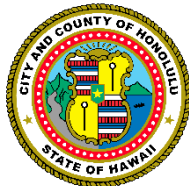
SB 3265 aids in both incentivising production in the islands and the building of much needed physical infrastructure. SB 3265 will help ensure that our graduates remain in the islands with their families through living wage jobs.

Thank you for the opportunity to testify today.

HONOLULU FILM OFFICE
KE KE'ENA LĪPINE O HONOLULU
CITY AND COUNTY OF HONOLULU

530 SOUTH KING ST, ROOM 306 • HONOLULU, HAWAII 96813
PHONE: (808) 768-6100 • FAX: (808) 768-6102 • INTERNET: www.honolulu.gov/film-office

RICK BLANGIARDI
MAYOR
MEIA



WALEA L. CONSTANTINOU
FILM COMMISSIONER
Komikina Līpine

Testimony of Walea Constantinou,
Film Commissioner, Honolulu Film Office
City and County of Honolulu

SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT and TOURISM

February 6, 2024

1:01 PM

State Capitol, Conference Room 229 and via Videoconference

RE: SB 3265 RELATING TO FILM INDUSTRY DEVELOPMENT

Dear Chair DeCoite, Vice-chair Wakai, and members of the committees:

The Honolulu Film Office supports the intent of the portion of the legislation that seeks to update the Hawaii Production Tax Credit (HPTC) to meet the demands generated by the success of the program so that it can continue to grow and be a viable part of the diversification of Hawaii's economy.

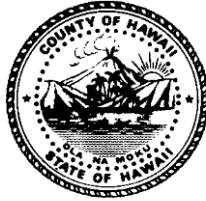
The Hawaii Production Tax Credit is a great success story. It has helped to build the industry to almost a \$500 million dollar direct-spend industry, and generate \$700-\$800 million economic output. It does this while creating a broad range of living-wage jobs with salaries generally between \$70,000 - \$125,000. It has been an important part of the State's path to economic diversification.

SB 3265 seeks to increase the overall industry cap, update dated language that better addresses the industry practices by including definitions about streaming platforms, extend the Sunset date to give business certainty to project developers so they can include Hawaii in their long-range plans, and gives confidence to investors to address a critical barrier to our growth, infrastructure development.

Thank you for the opportunity to provide these comments.

HONOLULU. PRODUCTION CENTER OF THE TROPICS

Mitchell D. Roth
Mayor



Douglass S. Adams
Director

Frecia Cevallos
Deputy Director

County of Hawai'i

DEPARTMENT OF RESEARCH AND DEVELOPMENT

25 Aupuni Street, Room 1301 • Hilo, Hawai'i 96720-4252
(808) 961-8366 • Fax (808) 935-1205
E-mail: chresdev@co.hawaii.hi.us

Aulani Freitas – Hawai'i Island Film Commissioner
65-1279 Kawaihae Rd. Suite 109
Kamuela, HI 96743
Aulani.freitas@hawaiicounty.gov
808-936-9426
February 5, 2024

Dear Chair Senator Decoite, Vice Chair Senator Wakai, and members of the committees,

I am writing to express my enthusiastic support for Senate Bill 3265, which aims to enhance film industry development in the State of Hawaii. I believe that the establishment of the Hawaii Film Advisory Council, as outlined in Part I of the bill, will play a crucial role in providing valuable insights, recommendations, and guidance to accelerate the growth of the film industry statewide.

The proposed amendments to Chapter 237, Hawaii Revised Statutes, including the increase in the annual cap for the motion picture, digital media, and film production income tax credit to \$60,000,000 and the extension of the sunset date to January 1, 2039, demonstrate a commitment to fostering a thriving film industry. Additionally, the inclusion of a tax exemption for certified development of film studio facilities is a forward-thinking initiative that will likely attract investments and contribute to the infrastructure development necessary for a robust film industry.

I particularly appreciate the emphasis on diverse representation within the Hawaii Film Advisory Council, ensuring that various stakeholders from county film offices, industry labor unions, studio production representatives, higher education, and cultural organizations are involved. This inclusive approach will undoubtedly contribute to well-rounded perspectives and effective decision-making.

The provisions related to the definition of "qualified production," the exemption for certified development of film studio facilities, and the amendments to Section 235-17 showcase a comprehensive understanding of the film industry's intricacies and the need for adaptability in a rapidly evolving landscape.

In conclusion, I urge you to lend your support to Senate Bill 3265, recognizing its potential to transform Hawaii into a prominent hub for film production, job creation, and economic development. The provisions outlined in the bill align with the current needs and trends of the film industry, positioning Hawaii as an attractive destination for filmmakers and investors alike.



February 6, 2024

Committee on Energy, Economic
Development and Tourism
Sen. DeCoite, Chair
Sen. Wakai, Vice Chair

The Senate
The Thirtieth-First Legislature
Regular Session of 2022

RE: SB 3265 - RELATING TO FILM INDUSTRY
DEVELOPMENT.
DATE: Wednesday, February 6, 2024
TIME: 1:01 pm
PLACE: Conference Room 229
VIA Videoconference
State Capitol 415 South Beretania Street, Honolulu HI

Aloha Chair DeCoite, Vice Chair Wakai, and the Members of the Committee,

Thank you for the opportunity to testify in **SUPPORT** of SB 3265 - RELATING TO FILM INDUSTRY DEVELOPMENT.

SAG-AFTRA represents over 1400 actors, recording artists, and media professionals in our state. We are the professional performers working in front of the camera and behind the microphone.

As the latest DBEDT figures indicate, in 2021 our Film and Television industry achieved “\$421 million in estimated state and county production expenditures generated an estimated \$728 million of economic direct and induced impact, \$45.5 million in estimated tax revenues and total job impacts totaling 4,180.”¹

¹ https://files.hawaii.gov/dbedt/economic/data_reports/hawaii-creative-report/HI_Creative_Ind_2022.pdf

Mericia Palma Elmore, Executive Director
SAG-AFTRA Hawaii Local
mericia.palmaelmore@sagaftra.org
201 Merchant St. Suite 2301
Honolulu, HI 96813
Ph: 808-596-0388 Fax: 808-593-2636

SCREEN ACTORS GUILD - AMERICAN FEDERATION
OF
TELEVISION AND RADIO ARTISTS
SAGAFTRA.org
Associated Actors & Artistes of America / AFL-CIO

We are grateful for the legislature's continued support of our industry. Specifically, with this measure, we appreciate the willingness to raise the cap, extend the credit to 2038, and provide incentives for infrastructure development.

We also support the intent to create the Hawaii Advisory Council and a subcommittee of Native Hawaiian members to “advise, make recommendations, and provide industry insight...”

Regarding the details and enforcement of the specific provisions, we respectfully defer to the appropriate state, county, and other agencies with expertise in those areas.

Respectfully,

Mericia Palma Elmore

Mericia Palma Elmore, Executive Director SAG-AFTRA Hawaii Local

IATSE LOCAL 665

FILM, TELEVISION, STAGE, PROJECTION AND TRADESHOWS

Since 1937

INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES, MOVING PICTURE TECHNICIANS, ARTISTS AND ALLIED CRAFTS
OF THE UNITED STATES, ITS TERRITORIES AND CANADA, AFL-CIO, CLC

Thirty-Second Legislature, State of Hawai'i
Regular Session of 2024
Senate Committee on Energy, Economic Development, and Tourism

Testimony by IATSE 665
February 6th, 2024

S.B. 3265 - RELATING TO FILM INDUSTRY DEVELOPMENT

Aloha Chair DeCoite, Vice Chair Wakai, and members of the Senate Committee on Energy, Economic Development, and Tourism,

My name is Tuia'ana Scanlan, International Trustee and President of IATSE Local 665, the union representing more than 800 technicians and behind the scenes workers in the Film/TV, Live Events, and Tradeshow sectors of the Entertainment Industry in Hawai'i. **Local 665 strongly supports SB 3265**, relating to film industry development.

As the latest DBEDT figures indicate, in 2021 our Film and Television industry achieved "\$421 million in estimated state and county production expenditures generated an estimated \$728 million of economic direct and induced impact, \$45.5 million in estimated tax revenues and total job impacts totaling 4,180"

(https://files.hawaii.gov/dbedt/economic/data_reports/hawaii-creative-report/Hi_Creative_Ind_2022.pdf)

We are grateful for the legislature's continued support of our industry upon which thousands of families across the state rely. Specifically, with this measure, we appreciate the willingness to raise the cap, extend the credit to 2038, and provide incentives for infrastructure development. We also support the intent to create the Hawaii Advisory Council and a subcommittee of Native Hawaiian members to "advise, make recommendations, and provide industry insight..." Regarding the details and enforcement of the specific provisions, we respectfully defer to the appropriate state, county, and other agencies with expertise in those areas. **We humbly request that the committee support SB 3265.** Thank you for the opportunity to testify.

In Solidarity,



Tuia'ana Scanlan
International Trustee
President, IATSE 665 (he/him/his)

SB-3265

Submitted on: 2/3/2024 9:44:39 AM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Gerard Elmore	Testifying for 'Ohina/'Ohina Labs/NMG Network	Support	Written Testimony Only

Comments:

Aloha everyone,

Thank you for your time.

My name is Gerard Elmore, VP of Film at NMG Network and Executive Director at 'Ohina, a Hawai'i film collective/incubator for local filmmakers and local stories. We are on the front lines of helping to cultivate and develop above-the-line work for the local community.

It is vital that we support this bill. The incentives the bill provides help to keep local talent home, diversifies our economy, and provides quality opportunities to continue to cultivate and develop our local talent.

A stable incentive program is not only good for our members, crew, technicians, and the creative industries, it benefits the whole state by creating living wage jobs and diversifying our economy.

I can't stress the importance of having career opportunities for students graduating from SCA, ACM, and our creative industries programs. This incentive helps to bring outside money into the state and that's an important component of building above-the-line work too.

Through 'Ohina, we have a great track record of helping fellows breaking through in the industry. We have had full time writers on Disney shows, some writing on films that have gone to Sundance, Tribeca, Slamdance, and some are directing TV shows, commercials for the major networks. We've only been at it for 6 years and confident the talent and community will only continue to grow as we continue to provide a stable tax incentive.

We are thankful for your time and strongly urge you to support this bill as we continue to build the community of local storytellers, filmmakers, and residents.

Mahalo nui,

Gerard Elmore

SB-3265

Submitted on: 2/5/2024 12:54:00 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Dean Des Jarlais	Testifying for Hawaii Media Inc.	Support	Written Testimony Only

Comments:

Istrongly support SB3265.

LATE

SB-3265

Submitted on: 2/5/2024 10:55:31 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
HENRY IAN CUSICK	Testifying for SAG-AFTRA	Support	Written Testimony Only

Comments:

Aloha Chair DeCoite, Vice Chair Wakai, and the Members of the Committee,

Thank you for the opportunity to testify in SUPPORT of SB 3265 - RELATING TO FILM INDUSTRY DEVELOPMENT.

[SAG-AFTRA](#) represents over 1400 actors, recording artists, and media professionals in our state. We are the professional performers working in front of the camera and behind the microphone.

As the latest DBEDT figures indicate, in 2021 our Film and Television industry achieved “\$421 million in estimated state and county production expenditures generated an estimated \$728 million of economic direct and induced impact, \$45.5 million in estimated tax revenues and total job impacts totaling 4,180.”

We are grateful for the legislature's continued support of our industry. Specifically, with this measure, we appreciate the willingness to raise the cap, extend the credit to 2038, and provide incentives for infrastructure development.

We also support the intent to create the Hawaii Advisory Council and a subcommittee of Native Hawaiian members to “advise, make recommendations, and provide industry insight...”

Regarding the details and enforcement of the specific provisions, we respectfully defer to the appropriate state, county, and other agencies with expertise in those areas.

Respectfully,

Henry Ian Cusick

National Board Member SAG-AFTRA Hawaii Local



Randy Perreira
President

HAWAII STATE AFL-CIO

888 Mililani Street, Suite 501 • Honolulu, Hawaii 96813

Telephone: (808) 597-1441
Fax: (808) 593-2149

The Thirty-Second Legislature, Hawaii
The Senate
Committee on Energy, Economic Development, and Tourism

Testimony by
Hawaii State AFL-CIO

February 6, 2024

TESTIMONY ON SB3265 - RELATING TO FILM INDUSTRY DEVELOPMENT

Chair DeCoite, Vice Chair Wakai, and members of the committee:

The Hawaii State AFL-CIO is a federation of 74 affiliate labor organizations who represent over 68,000 union members within the State of Hawaii. The Hawaii State AFL-CIO serves its affiliates by advocating for workers and their families before the state legislature and other branches of state and county government.

The Hawaii State AFL-CIO **supports** SB3265 in its efforts to revitalize Hawaii's film industry. This bill is a significant step forward in diversifying our state's economy, generating employment opportunities, and fostering economic growth.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Randy Perreira".

Randy Perreira
President



HAWAII LODGING & TOURISM
A S S O C I A T I O N

Testimony of Mufi Hannemann
President & CEO, Hawai'i Lodging & Tourism Association

Senate Committee on Energy, Economic Development, and Tourism (EET)
SB3265 RELATING TO FILM INDUSTRY DEVELOPMENT
February 6, 2023
Position: SUPPORT

Chair DeCoite and Members of the Committee,

I am writing on behalf of the Hawai'i Lodging & Tourism Association, the oldest and largest private sector tourism organization in the state, to express our **support for SB3265 related to Film Industry Development.**

This measure aims to establish the Hawai'i Film Advisory Council, and enhance the motion picture, digital media, and film production income tax credit by increasing the annual cap to \$60,000,000. It also seeks to extend the sunset date of the tax credit to January 1, 2039, refine the requirement for an independent third-party certification, and expand the definition of "qualified production" to include streaming platforms. Additionally, the bill introduces a tax exemption for certified development of film studio facilities and proposes the creation of a full-time equivalent (1.0 FTE) film industry development liaison within the Creative Industries Division of the Department of Business, Economic Development, and Tourism.

Film and television production have long been integral to our state's economy, fostering a collaborative relationship with our largest private sector industry: tourism. This symbiotic connection contributes significantly to our visitor industry product, with production participants supporting local businesses by patronizing hotels, retail stores, and restaurants. Elevating the motion picture, digital media, and film production income tax credit annual cap to \$60,000,000 will incentivize film makers to create and showcase work in our beautiful islands, thereby boosting exposure and infusing vital funds into our economy.

The establishment of the Hawai'i Film Advisory Council, comprised of 13 members with professional experience in the film and entertainment sector, is a commendable step towards ensuring comprehensive representation and expertise within the industry. The provision for a subcommittee of Native Hawaiian members further underscores the preservation and promotion of Hawai'i's unique cultural heritage.

SB3265 also recognizes the need for effective communication between the government and the film industry by proposing a full-time Film Industry Development Liaison within the Department of Business, Economic Development & Tourism's Creative Industries Division. This position is anticipated to play a pivotal role in streamlining processes and providing essential support, emphasizing a commitment to understanding the distinctive needs of our local film industry.

The bill's encouragement of development for certified film studio facilities through a tax exemption aligns with efforts at the county level, as seen in legislation before the Honolulu City Council. While the State of Hawai'i currently has a sole film studio near Diamond Head, facilitating the construction of film facilities through financial incentives will enhance our production infrastructure and further attract filmmakers and TV productions to Hawai'i.

Passing SB3265 would send a clear message to the film and media industry that Hawai'i welcomes them to our islands. We wholeheartedly urge you to support and pass this measure.

Mahalo for considering our testimony and for the opportunity to express our support.

LATE

SB-3265

Submitted on: 2/5/2024 3:32:40 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael Gueso	Testifying for Teamsters Local 996	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and Committee,

My name is Michael Gueso a proud member of Hawaii Teamsters Local 996. Im submitting testimony in Support of SB3265. This bill addresses alot of the core issues our Hawaii Film Industry has been plagued with for decades. Im absolutely certain if this bill is passed it'll open alot more doors of opportunity for future Film productions to bring their projects here to our beautiful State.

The Brothers and Sisters of Hawaii Teamsters 996 are in Strong Support of this bill and would like to Mahalo our Legislatures for Championing SB3265.

Much Mahalo,

Michael Gueso

Hawaii Teamsters Local 996

NCIS Hawaii Transportation Captain

February 5, 2024

Senate Committee on Energy, Development and Tourism
Senator Lynn DeCoite, Chair
Senator Glenn Wakai, Vice Chair



Working together for Kapolei

Tuesday February 6, 2024, 1:01 p.m.
Conference Rm. 229 and via Videoconference

LATE

Dear Chair DeCoite, Vice Chair Wakai, and Members of the Committee:

RE: SB3265 Relating to Film Industry Development

My name is Kiran Polk, and I am the Executive Director of the Kapolei Chamber of Commerce. The Kapolei Chamber is an advocate for businesses in the Kapolei region which includes Waipahu to Ka'ena Point. The Chamber works on behalf of its members and the entire business community to improve the regional and state economic climate and help Kapolei businesses thrive. We are a member-driven, member-supported organization representing the interests of all types of business: small, medium or large, for profit or non-profit businesses or sole proprietorship.

The Kapolei Chamber is in **support of HB3265** that establishes the Hawaii Film Advisory Council, amends the motion picture, digital media, and film production income tax credit to increase the annual cap to \$60,000,000 and extends the sunset date of the tax credit to January 1, 2039. It also clarifies and amends the requirement for an independent third-party certification and expands the definition of "qualified production" to include streaming platforms. It also provides a tax exemption for certified development of film studio facilities and establishes one full-time equivalent (1.0 FTE) film industry development liaison within the Creative Industries Division of the Department of Business, Economic Development, and Tourism. There is a declaration that the general fund expenditure ceiling is exceeded, and makes an appropriation.

The Kapolei Chamber of Commerce has prioritized the effort to support the establishment of a film studio in West O'ahu. One of the priorities of the Business Revitalization Task Force is to *"Advocate for job growth in digital media, film production and technology industries in West O'ahu."*

This measure will provide the needed incentives to grow a billion-dollar industry here in Hawai'i.

According to the Motion Picture Association, the film and television industry is directly responsible for more than 3,630 jobs in the Islands, which includes more than \$192 million in wages statewide. Hawai'i's Motion Picture, Digital Media and Film Production Income Tax Credit production reports data indicates that local hires are at 80% on average, if not higher.

A film studio would only bring revenue into O'ahu county, it will provide an opportunity for our students to stay here in Hawai'i making a living wage and provide an opportunity for Hawai'i residents to return home. **There are opportunities to employ Hawai'i people across a range of sectors, from construction, catering, costuming, camera, post-production, and beyond.** We also believe that West O'ahu provides the ideal location for a film studio, with the University of Hawai'i – West O'ahu's Academy of Creative Media establishing just a couple of years ago. The measure also supports providing internships for our future workforce which is also essential to grow this industry.

More jobs, specifically living wage, professional jobs are needed on the west side to keep pace with the population growth in West O'ahu. Decades ago, the City and County of Honolulu adopted a goal of creating a "Second City" and moving residential and economic growth toward West O'ahu. West O'ahu's growing population of almost 200,000 includes the Wai'anāe Coast, `Ewa, and Waipahu. In Kapolei and `Ewa alone households are expected to exceed 56,000 by the year 2035 and over the next 30 years the population in Kapolei and `Ewa will increase by 40 percent and housing by 52 percent.

We believe incentives for job growth, especially in West O'ahu are warranted and needed. We also specifically support job growth in film production on the west side including the incentives so greatly needed to support the effort.

Thank you for your consideration of this measure.

Respectfully,

Kiran Polk
Executive Director

1001 Kamokila Boulevard, Campbell Building Suite 250, Kapolei, Hawaii 96707

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: GENERAL EXCISE, INCOME, DBEDT; Hawai‘i Film Advisory Council; Tax Exemption; Motion Picture, Digital Media, and Film Production Income Tax Credit

BILL NUMBER: SB 3265

INTRODUCED BY: DECOITE, AQUINO, CHANG, LEE, MCKELVEY, SAN BUENAVENTURA, SHIMABUKURO, Wakai

EXECUTIVE SUMMARY: Establishes a Hawai‘i Film Advisory Council within DBEDT. Provides a general excise tax exemption for the gross proceeds arising from certified development of film studio facilities.

Amends the motion picture, digital media, and film production income tax credit to increase the annual cap to \$60,000,000; extend the sunset date of the tax credit to January 1, 2039; clarify and amend the requirement for an independent third-party certification; and expand the definition of "qualified production" to include streaming platforms.

SYNOPSIS: Our analysis will be limited to the sections of the bill involving taxation.

GET Exemption for Certified Development of Film Studio Facilities

Adds a new section to chapter 237, HRS, that adds an exemption for gross proceeds of a qualified person arising from the planning, design, construction, or retrofitting of film studio infrastructure in Hawaii. Prequalification for the exemption must be made with DBEDT. Exemption shall not apply to gross proceeds "received" after December 31, 2034.

Defines "film studio infrastructure" to include: 1) new or retrofit construction of structures to accommodate soundstages, 2) permanent space primarily used for production including catering and laundry facilities, editing suites, galleries, screening and control rooms and 3) facilities that are used for production purposes that may include dining and food prep, office accommodations for production personnel and departments, prop and vehicle parking and related storage, sustainable alternative energy sources; security facilities and infrastructure.

Defines a "qualified person" for this purpose as an individual, partnership, joint venture, corporation, association, limited liability partnership, limited liability company, business, trust, or any organized group of persons or legal entities, or any combination thereof, that possesses all professional or vocational licenses necessary to do business in the State in conjunction with the planning, design, construction, or retrofitting of film studio infrastructure.

Amendments to Income Tax Credit for Productions

Amends HRS section 235-17(h), to require an independent third party certification performed by a qualified certified public accountant if qualified production costs of a taxpayer exceed \$1,000,000 in a taxable year. The certification is to be submitted to DBEDT with the section

235-17(h) identification statement and shall verify all representations made for purposes of claiming the credit.

Amends HRS section 237-17(n) to increase the tax credits allowed in any particular year from \$50 million to \$60 million and extends the availability of credits from 12-31-2032 to 12-31-2038.

Adds to HRS section 237-17(n) an exception to the sec 235-17(l) \$17 million per project cap for productions meeting the DBET certification requirements of Native Hawaiian content and staffing.

Adds to HRS section 237-17(o) a definition for “Native Hawaiian Content” and includes broadcast and streaming platforms as Qualified Productions.

Adds amendments to exclude the Film Industry Development Liaison as a civil service position and appropriating \$130,000 out of the general revenues for the fiscal year 2024-2025 to establish one FTE position.

EFFECTIVE DATE: July 1, 2024, with sections 2 (relating to GET exemption) and 5 (credit certification requirements) applicable to expenditures made after December 31, 2024.

STAFF COMMENTS:

GET Exemption for Certified Development of Film Studio Facilities

Rather than handing out a GET exemption for persons planning, designing, constructing or retrofitting film infrastructure, be it a studio or ancillary facilities used for production purposes, consideration should be given to appropriating a specific sum of money and issue requests for proposals to build such a project and see which bidder would come forward with the best proposal. This way each bidder could be evaluated as to what they have to offer and what benefit the state would get. Based on the responses to the request, a careful review done by experts in the field could be made and the best proposal selected. The persons responsible for making the final selection would then be held accountable for their selection and provide the justification for the selection. Another alternative would be the use of special purpose revenue bonds. These alternatives would be far more efficient and transparent than the GET exemption proposed by this measure.

Merely handing out a GET exemption to entice an economic activity is the “easy way” out for lawmakers. To really ensure the success of this incentive, it will take creative thinking and hard work. An appropriation of funds, perhaps the issuance of special purpose revenue bonds, a joint venture, contributions of land or acceleration of the permitting process are but a few ways government could incentivize such a project without spending one cent of cold hard cash. If, in fact, lawmakers believe infrastructure to be critical to the development of the film industry, then lawmakers need to take a more active role as opposed to sitting back and granting selected exemptions to drive the activity.

Apparently, the tax burden is perceived to be enough of a drag on the film industry that they are now seeking an exemption to reduce its infrastructure costs. If this exemption is passed, we can expect to hear from other industries wanting the same treatment to help reduce their investments in infrastructure.

A concern to be addressed is how much additional assistance is needed for the film industry. A review should be made to avoid possible overlapping benefits; as an example, with the proposed GET exemption for “set design”; and with “costs of set construction” as a qualified production costs for the film production income tax credit.

Amendments to Income Tax Credit for Productions

The production credit in HRS section 235-17 was enacted as Act 107, SLH 1997, as a percentage of the costs incurred in the State in the production of motion picture or television films. As enacted, the credit was 4% of regular production costs plus 6% of transient accommodations, mirroring the GET and TAT rates at the time. Act 156, SLH 1988, raised the TAT credit to 7.25% while also raising the TAT rate to 7.25%.

After a period where this credit took a back seat to the qualified high tech business program enacted by Act 221, SLH 2001, this credit was next amended by Act 88, SLH 2006, which added credits for digital media and replaced the GET and TAT bifurcation with a unified credit of 15% of qualified production costs incurred in the C&C of Honolulu and 20% in any other county. The act added a per-production cap of \$8 million and sunset the credit on Jan. 1, 2016.

Act 89, SLH 2013, changed the credit percentages to 20% in Honolulu and 25% in any other county; raised the per-production limit to \$15 million; and extended the sunset date to Jan. 1, 2019.

Act 143, SLH 2017, extended the sunset date for the credit to Jan. 1, 2026, and first imposed an aggregate cap of \$35 million. Act 275, SLH 2019, raised the aggregate cap to \$50 million.

Act 217, SLH 2022, increased the credit percentages to 22% in Honolulu and 27% in any other county and extended the sunset date to January 1, 2033.

This bill yet again is proposing an increase to the aggregate credit cap from \$50 million to \$60 million and extending the sunset date for another 5 years to January 1, 2039.

We in Hawaii have had our production credit since 1997, so it's been more than twenty years. Have there been any studies about what the program has done for Hawaii's economy or Hawaii's tax revenue? None were cited to the Legislature when the Hawaii production tax credit was increased in 2013. Maybe we don't care as much about the hard dollars as we do about other intangible effects like local jobs, the development of a skilled workforce, or robust media education programs that simply weren't around at the turn of the century. Even if so, lawmakers

should have data on these intangibles, and other cost-benefit information, so they can make rational decisions on this matter.

Certainly, the film industry promises increased opportunities. Some of them certainly have materialized. But chasing these opportunities needs to be balanced against the cold hard reality of solving the problems at hand. Lawmakers need to ask whether production tax credits create sustainable economic development. It's well known that most productions shoot for a while and then wrap; the crew that supports the production then jumps to the next one. A case may be made for the production credits if they keep the productions rolling in and contributing to the economy. But the people need to see that case to justify continued redirection of resources to these credits while those resources could instead lower the overall tax burden not only for families but for the businesses that provide long-term employment for Hawaii's people.

There is also a constitutional issue. The cap on credits in this bill does not apply to a Native Hawaiian production that contains a minimum of fifty-one percent or more content of a film, media, or television project, and is written, directed, produced, and includes actors of Native Hawaiian descent. This distinction could be unconstitutional under the Commerce Clause of the U.S. Constitution because the same preferential tax treatment is not allowed for competing productions from other States. *In re Hawaiian Flour Mills, Inc.*, 76 Haw. 1, 868 P.2d 419 (1994); *Bacchus Imports, Inc. v. Dias*, 468 U.S. 263 (1984); Hawaii Tax Information Release No. 93-4. In *Hawaiian Flour Mills*, the Hawaii Supreme Court determined that a general excise tax exclusion for locally grown, raised, or caught agricultural, meat, or fish products for consumption out-of-state violated the Commerce Clause of the United States Constitution. The Court found that appellant *Hawaiian Flour Mills, Inc.* was entitled to the exemption from the general excise tax on its sales of fresh food products to be consumed out-of-State by persons engaged in interstate or foreign commerce, whether or not the fresh food products were locally grown, raised, or caught.

The Tax Foundation has no comments on establishing a Hawaii film advisory council nor the FTE position for the film industry development liaison.

Digested: 2/3/2024

SB-3265

Submitted on: 2/5/2024 12:55:25 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Shereen Balles	Individual	Support	Remotely Via Zoom

Comments:

February 6, 2024

Committee on Energy, Economic

Development and Tourism

Sen. DeCoite, Chair

Sen. Wakai, Vice Chair

The Senate

The Thirtieth-First Legislature

Regular Session of 2022

RE: SB 3265 - RELATING TO FILM INDUSTRY DEVELOPMENT.

I SUPPORT SB 3265!!!

Aloha Chair DeCoite, Vice Chair Wakai, and the Members of the Committee,

Thank you for the opportunity to testify in SUPPORT of SB 3265 - RELATING TO FILM INDUSTRY DEVELOPMENT.

I AM A SAG AFTRA MEMBER IN EXCELLENT STANDING.

SAG-AFTRA represents over 1400 actors, recording artists, and media professionals in our state. We are the professional performers working in front of the camera and behind the microphone.

As the latest DBEDT figures indicate, in 2021 our Film and Television industry achieved “\$421 million in estimated state and county production expenditures generated an estimated \$728 million of economic direct and induced impact, \$45.5 million in estimated tax revenues and total job impacts totaling 4,180.”

We are grateful for the legislature's continued support of our industry. Specifically, with this measure, we appreciate the willingness to raise the cap, extend the credit to 2038, and provide incentives for infrastructure development.

We also support the intent to create the Hawaii Advisory Council and a subcommittee of Native Hawaiian members to “advise, make recommendations, and provide industry insight...”

Regarding the details and enforcement of the specific provisions, we respectfully defer to the appropriate state, county, and other agencies with expertise in those areas.

Respectfully,

Shereen Balles

SB-3265

Submitted on: 2/5/2024 12:49:54 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Aulani Freitas	Individual	Support	Written Testimony Only

Comments:

Overall, the bill aims to enhance the film industry in Hawaii through the establishment of a film advisory council, tax incentives, and the creation of a film industry development. The amendments are designed to attract film productions, stimulate economic growth, and provide opportunities for local talent and businesses.

SB-3265

Submitted on: 2/2/2024 9:33:17 AM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
William Mondy	Individual	Support	Written Testimony Only

Comments:

Dear Members of the Legislature,

I extend my gratitude for your ongoing support of our community here in Hawaii. I am writing to express my strong endorsement of SB 3265.

It's imperative to emphasize that a robust and enduring incentive program not only benefits our members, crew, technicians, and the creative industries, but also contributes significantly to the entire state's prosperity by fostering the creation of well-paying jobs and enhancing economic diversity.

As a proud member of the Screen Actors Guild residing on the beautiful island of Kauai, I am actively engaged in voice-over work from my home studio. Legislation of this nature ensures that opportunities abound within our home state, reducing the necessity to seek employment solely elsewhere. Having experienced firsthand the positive outcomes of such legislation in other locations where I have resided, I am confident in its potential to bolster our industry here in Hawaii.

I've personally known individuals here on Kauai who contributed to projects such as Jurassic Park and the more recent Fast & Furious franchise.

Thank you sincerely for your thoughtful consideration.

Warm regards,

William J. Mondy

(Also known as "Bill Mondy")

SB-3265

Submitted on: 2/2/2024 1:32:21 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Kaipu Seales	Individual	Support	Written Testimony Only

Comments:

Aloha and thank you to the Legislature for supporting our IATSE 665 members in Hawaii.

I am writing to strongly support SB 3265.

A robust and stable incentive program is not only good for our members, crew, technicians, and the creative industries, it benefits the whole state by creating living wage jobs and diversifying our economy.

This film incentive program has/will allow my family and I to stay and live in Hawai'i.

Mahalo,

Kaipu Seales

SB-3265

Submitted on: 2/2/2024 9:29:01 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Kekama	Individual	Support	Written Testimony Only

Comments:

Aloha:

Mahalo nui for supporting those of us who work in the film industry, an industry that continued to work through the COVID challenges over the last 4 years. I am submitting my testimony in support for SB 3265. The incentive program that makes producing films and TV in Hawa'i are an essential part of the economy that not only helps local workers like myself who work in the film industry, but are also vital to provide income for the numerous other LOCAL people who benefit when productions pay fees to security guards, local food businesses, local home owners and their neighbors who are paid location and inconvenience fees, and many other vendors. We cannot rely on just the tourist industry for our economy!

Besides fees paid to local vendors and individuals, the productions that come here often provide internships for local people who want to become screenwriters, producers, directors, and other crew positions to develop a film industry career. I have worked in the film industry for the past 8 years and, after 20+ years of struggling to survive on dead-end jobs and later a public school teacher's salary, the film industry was one career that helped me to earn a living wage enough to afford to live in my own homeland. My goal is to move up the ladder and be trained as a director within the film industry to not only make a living wage but to tell stories about local people made by local people.

Please support SB 3265!

Mahalo nui,

Scott W. Kekama Amona

SB-3265

Submitted on: 2/3/2024 11:20:30 AM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Jean Simon	Individual	Support	Written Testimony Only

Comments:

Aloha!

This bill is vitally important for the film industry which brings in a LOT of money to the state. As an actor, this brings in work for me. I pay state taxes on that income. So do all the people who work on these shows. The company pays for permits, more money that comes in.

You aren't SPENDING money by giving the film companies an incentive to film here. You are earning a LOT of money for the state and giving back a fraction of that money!

Please pass this bill.

Mahalo,

Jean Simon

SB-3265

Submitted on: 2/3/2024 6:17:24 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Kelly Rice	Individual	Support	Written Testimony Only

Comments:

Aloha! I'd first like to thank the Legislature for supporting our SAG members in beautiful Hawaii. I am in **SUPPORT** of **SB 3265**. Passing SB 3265 would contribute to the diversification of our local economy, create more living wage and union jobs, and would bring more revenue to creative industry-focused businesses. I am a working actress for over 20 years and hope to keep booking roles on productions out here in Hawaii. I feel grateful to have worked on many productions shot on Oahu, from Lost to Magnum P.I. More productions will create more opportunities for work along with more revenue for the state. Mahalo for keeping the tv and film industry thriving in Hawaii now and into the future!

Sincerely,

Kelly Rice

SB-3265

Submitted on: 2/4/2024 7:55:54 AM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Leanne Teves	Individual	Support	Written Testimony Only

Comments:

Aloha

Mahalo for this opportunity to submit my "support" of this bill. This bill will be beneficial for not only myself, this will benefit many that work in the film and television industry with keeping and adding to the momentum with productions coming to Hawaii to create their pieces. This will allow us to continue to tell our stories in this space.

Mahalo Nui Loa

Have a good week.

SB-3265

Submitted on: 2/5/2024 11:27:20 AM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Ciara Leinaala Kwock	Individual	Support	Written Testimony Only

Comments:

Aloha! As a local, Native Hawaiian filmmaker, the opportunity to continue to support our economy through my field of choice is essential. The film industry has and can continue to bring in substantial funds to our home and provide well paid jobs for our people. And the ability to have a voice, via the Hawaii Film Advisory Council, is an incredible opportunity to positively influence how this industry grows in our home in a culturally relevant way. Thank you for your consideration of this important bill for our home!

Aloha,

Ciara Lacy Kwock

www.ciaralacy.com

SB-3265

Submitted on: 2/5/2024 11:49:17 AM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
SCOTT SWARTZ	Individual	Support	Written Testimony Only

Comments:

My name is Scott Swartz. I am an actor, a member of SAG-AFTRA, a full time Oahu resident, and I SUPPORT this BILL.

SB-3265

Submitted on: 2/5/2024 12:02:24 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Christopher Yogi	Individual	Support	Written Testimony Only

Comments:

I am a filmmaker born and raised in Honolulu, Hawai‘i, now living in Los Angeles, who comes home to make independent films. Over the past ten years, I have produced, directed, and written two feature films, AUGUST AT AKIKO'S and I WAS A SIMPLE MAN, along with numerous short films, which have gone on to play all over the world to critical acclaim. My second feature film, the independently produced, award winning I WAS A SIMPLE MAN, which premiered at the Sundance Film Festival, was a recipient of the tax credit. This film is a personal story, one based on the local stories of my family, and was a labor of love. We were so elated for the film to go on to have the impact that it did: wonderful reviews, theatrical distribution, streaming distribution, and recognized on a number of best of lists in 2021, including in the prestigious New Yorker Magazine. This locally made film would have not been possible if it were not for the tax credit. Making independent, grassroots films in Hawai‘i is extremely hard, especially on a budget, and so we needed all the help that we could get. Looking forward, I now have two independent films in development, both with high profile collaborators, and we will be hoping once again to get the help of the tax credit in order for us to be able to make our work and provide an alternative to the typical studio fare that shoots in the islands. Our local independent filmmaking community is young, and it is VIBRANT, and one of the most exciting filmmaking communities in the country. Many, many important, local films will be produced in the coming decade, and it is essential that we as a community fully support this work. Not only does independent work provide a vital cultural alternative to the commercial films, highlighting voices previously unrecognized, but it is also an extremely important training ground for filmmakers who will inevitably go on to to bigger work and continue to bring productions to the islands. The last thing that I would want is for the all of these tax credit funds to go only to studio, corporate entities, and so the establishment of the panel is a heartening step and I hope that the panel will see the necessity of making sure that our local filmmakers are getting all the support that they need. This will pay off in many ways down the line.

SB-3265

Submitted on: 2/5/2024 12:05:51 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Ty Sanga	Individual	Support	Written Testimony Only

Comments:

I urge our legislature to support Bill SB3265

SB-3265

Submitted on: 2/5/2024 12:15:25 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Amy Adams	Individual	Support	Written Testimony Only

Comments:

I have been fortunate to work in the Film industry here on Hawaii on many projects as an Actress, Background Artist and Stand-In. My credentials can be found on [IMDB.me/MiaAdams](https://www.imdb.com/name/nm0018788/) but to name a few: Hawaii Five-0, Magnum PI, The Naked Director, The Wrong Missy, NCIS: Hawaii, Jurassic World, and currently Lilo & Stich. Anything the state can do to ensure that productions continue to flow to this island and all the Hawaiian islands is a boon to our economy. For two years I was actually able to live well off my film earnings. I worked very hard, but could pay my rent, and my bills and still afford treats like eating out and art and entertainment that supports other Hawaiian industries. As was felt during the recent Screen Actors Guild strike, MANY industries suffer when there is less film work. The casts and crews yes but also all the other industries that are supported by film including beauty supply, clothing, lumber and building, restaurant, grocery, yoga and massage workers, office supply, equipment rental, etc etc etc.

We have talent on both sides of the camera here to compete and productions love to come here. Make it an easy choice for production. With the advent of AI in film technology it will only become easier and easier for productions to fake being in our particular paradise. Make it easy and mutually beneficial for them to choose the real deal.

A working film business in Hawaii is beneficial for so many reasons for the state and one of the benefits is advertising for tourism. Our camera men and Directors of Photography and all the crew members who make the shots happen showcase the island so beautifully.

It is also wonderful to see generations of families working in the film business, passing down knowledge. Giving resources to local film makers to make a living here in Hawaii without having to leave to go to the mainland, keeping the dollars local.

We need more, not less, film and television here in Hawaii. Please do everything in your power to support a healthy and thriving film business on the islands. The jobs they provide are economically beneficial and support so many families both immediately and by proxy.

Thank you.

SB-3265

Submitted on: 2/5/2024 12:25:41 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Erin Lau	Individual	Support	Written Testimony Only

Comments:

Aloha,

As an independent film producer and director who was born and raised on Oahu, I believe this bill is crucial for the growth of our industry and economy. The more we can incentivize productions to film here, the greater the opportunity to bring in jobs, support for local businesses, and educational resources.

Mahalo for your time!

SB-3265

Submitted on: 2/5/2024 12:30:09 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Noriko Hubbs	Individual	Support	Written Testimony Only

Comments:

My name is Noriko Hubbs. I'm a member of IATSE Local 665, the union representing more than 800 technicians and behind the scenes workers in the Film/TV, Live Events, and Tradeshow sectors of the Entertainment Industry in Hawai'i. I **strongly support SB 3265**, relating to film industry development.

As the latest DBEDT figures indicate, in 2021 our Film and Television industry achieved “\$421 million in estimated state and county production expenditures generated an estimated \$728 million of economic direct and induced impact, \$45.5 million in estimated tax revenues and total job impacts totaling 4,180” (https://files.hawaii.gov/dbedt/economic/data_reports/hawaii-creative-report/Hi_Creative_Ind_2022.pdf)

I am grateful for the legislature's continued support of our industry upon which thousands of families across the state rely. Specifically, with this measure, I appreciate the willingness to raise the cap, extend the credit to 2038, and provide incentives for infrastructure development.

I also support the intent to create the Hawaii Advisory Council and a subcommittee of Native Hawaiian members to “advise, make recommendations, and provide industry insight...”

Regarding the details and enforcement of the specific provisions, I respectfully defer to the appropriate state, county, and other agencies with expertise in those areas.

I humbly request that the committee **support SB 3265**. Thank you for the opportunity to testify.

In Solidarity,

Noriko Hubbs

SB-3265

Submitted on: 2/5/2024 12:30:20 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Joan Valentine	Individual	Support	Written Testimony Only

Comments:

I want to thank the legislature for all the support that they have shown this industry and it is my sincere hope that they will continue to do so. I know first hand how important passage of this bill is. When I lived in Colorado the legislature dropped the incentive to 1%. That caused all production to cease. In a state that had a rich history of shooting hundreds of movies and television shows came to an abrupt end causing job loss for many actors, crews, technicians, etc. Sound stages that had been there many years suddenly were dormant never to be used for productions again. That trickles down to hotels for outside productions not being used, grocery stores losing money, city revenue being lost for use of streets, etc.

SB-3265

Submitted on: 2/5/2024 12:33:43 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Keahi Kuikahi	Individual	Support	Written Testimony Only

Comments:

Aloha Chair DeCoite, Vice Chair Wakai, and members of the Senate Committee on Energy, Economic Development, and Tourism,

My name is Keahi S Kuikahi. I'm a member of IATSE Local 665, the union representing more than 800 technicians and behind the scenes workers in the Film/TV, Live Events, and Tradeshow sectors of the Entertainment Industry in Hawai'i. I strongly support SB 3265, relating to film industry development.

As the latest DBEDT figures indicate, in 2021 our Film and Television industry achieved “\$421 million in estimated state and county production expenditures generated an estimated \$728 million of economic direct and induced impact, \$45.5 million in estimated tax revenues and total job impacts totaling 4,180” (https://files.hawaii.gov/dbedt/economic/data_reports/hawaii-creative-report/HI_Creative_Ind_2022.pdf)

I am grateful for the legislature's continued support of our industry upon which thousands of families across the state rely. Specifically, with this measure, I appreciate the willingness to raise the cap, extend the credit to 2038, and provide incentives for infrastructure development.

I also support the intent to create the Hawaii Advisory Council and a subcommittee of Native Hawaiian members to “advise, make recommendations, and provide industry insight...”

Regarding the details and enforcement of the specific provisions, I respectfully defer to the appropriate state, county, and other agencies with expertise in those areas.

I humbly request that the committee support SB 3265. Thank you for the opportunity to testify.

In Solidarity,

Keahi S Kuikahi

SB-3265

Submitted on: 2/5/2024 12:45:20 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Deborah Glazier	Individual	Support	Written Testimony Only

Comments:

Aloha Chair DeCoite, Vice Chair Wakai, and the Members of the Committee,

Thank you for the opportunity to testify in **SUPPORT** of SB 3265 — RELATING TO FILM INDUSTRY DEVELOPMENT.

A robust and stable incentive program is not only good for our members, crew, technicians, and the creative industries, it benefits the whole state by creating living wage jobs and diversifying our economy.

I am a filmmaker and also an actor. In my opinion, the tax credit is not just about affecting film location decisions as most people would think, it's about sustaining a thriving and growing industry of professionals that live and contribute to our local communities **IN** Hawaii.

We are grateful for the legislature's continued support of our industry. Specifically, with this measure, we appreciate the willingness to raise the cap, extend the credit to 2038, and provide incentives for infrastructure development.

We have the professional framework to support film production in the State of Hawaii. Our members are devoted to their craft and need your help to sustain our industry, and to create job opportunities for future generations.

Respectfully,

Deborah Glazier

Filmmaker/Producer/Writer/SAG-AFTRA Actor

TO THE SENATE
KA 'AHA KENEKOA
THE THIRTY-SECOND LEGISLATURE

REGULAR SESSION OF 2024

COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM
Senator Lynn DeCoite, Chair
Senator Glenn Wakai, Vice Chair

HEARING SB3265
DATE: Tuesday, February 6, 2024
TIME: 1:01 PM

Bill No. SB3265

POSITION: **STRONG SUPPORT**

One of the most impactful approaches to economic diversification is the film industry. Historically, the film industries presence in Hawai'i has stimulated other businesses through the direct creation of high-paying jobs and the purchase of supplies, which go into the production of motion pictures and, digital media, and the indirect support of ancillary businesses (e.g., restaurants, shops, constructions companies).

Establishes, the Hawaii Film Advisory Council. Amends the motion picture, digital media, and film production income tax credit to increase the annual cap to \$60,000,000; extend the sunset date of the tax credit to January 1, 2039; clarify and amend the requirement for an independent third-party certification; and expand the definition of "qualified production" to include streaming platforms. Provides a tax exemption for certified development of film studio facilities. Establishes one full-time equivalent (1.0 FTE) film industry development liaison within the Creative Industries Division of the Department of Business, Economic Development, and Tourism. Declares that the general fund expenditure ceiling is exceeded. Makes an appropriation.

In summation, it is my recommendation that bill SB3265 be passed by this committee. I hope that all changes to this bill should be in keeping with the introducer's intent and long-term thinking toward a viable economic sector. The passage of this bill will increase the standard of living for all workers in Hawaii. Thank you for the opportunity to submit my testimony.

I am in support of SB3265 and request that this bill pass out of this committee and that all changes to this bill should be in keeping with the introducer's intent. The passage of this bill will increase Hawaii's goal for economic diversity. Thank you for reading and allowing me to submit my testimony.

Mahalo,

Ken Farm

Chair Emeritus,
Former Chair Neighborhood Board No. 15
Speaking in my personal capacity,

TO THE SENATE
KA 'AHA KENEKOA
THE THIRTY-SECOND LEGISLATURE

REGULAR SESSION OF 2024

COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM
Senator Lynn DeCoite, Chair
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I am in support of SB3265 and request that this bill pass out of this committee and that all changes to this bill should be in keeping with the introducer's intent. The passage of this bill will increase Hawaii's goal for economic diversity. Thank you for reading and allowing me to submit my testimony.

Mahalo,

Lily Acain

Aloha Casting LLC

Speaking in my personal capacity,

SB-3265

Submitted on: 2/5/2024 2:31:42 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Kapala Novikoff	Individual	Support	Written Testimony Only

Comments:

Aloha Chair DeCoite, Vice Chair Wakai, and members of the Senate Committee on Energy, Economic Development, and Tourism,

My name is Kapala Novikoff. I'm a member of IATSE Local 665, the union representing more than 800 technicians and behind the scenes workers in the Film/TV, Live Events, and Tradeshow sectors of the Entertainment Industry in Hawai'i. I **strongly support SB 3265**, relating to film industry development.

As the latest DBEDT figures indicate, in 2021 our Film and Television industry achieved “\$421 million in estimated state and county production expenditures generated an estimated \$728 million of economic direct and induced impact, \$45.5 million in estimated tax revenues and total job impacts totaling 4,180” (https://files.hawaii.gov/dbedt/economic/data_reports/hawaii-creative-report/HI_Creative_Ind_2022.pdf)

I am grateful for the legislature's continued support of our industry upon which thousands of families across the state rely. Specifically, with this measure, I appreciate the willingness to raise the cap, extend the credit to 2038, and provide incentives for infrastructure development.

I also support the intent to create the Hawaii Advisory Council and a subcommittee of Native Hawaiian members to “advise, make recommendations, and provide industry insight...”

Regarding the details and enforcement of the specific provisions, I respectfully defer to the appropriate state, county, and other agencies with expertise in those areas.

I humbly request that the committee **support SB 3265**. Thank you for the opportunity to testify.

In Solidarity,

Kapala Novikoff

SB-3265

Submitted on: 2/5/2024 2:37:23 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Tracen Otani	Individual	Support	Written Testimony Only

Comments:

Aloha Chair DeCoite, Vice Chair Wakai, and members of the Senate Committee on Energy, Economic Development, and Tourism,

My name is Tracen Otani. I'm a member of IATSE Local 665, the union representing more than 800 technicians and behind the scenes workers in the Film/TV, Live Events, and Tradeshow sectors of the Entertainment Industry in Hawai'i. I strongly support SB 3265, relating to film industry development.

As the latest DBEDT figures indicate, in 2021 our Film and Television industry achieved “\$421 million in estimated state and county production expenditures generated an estimated \$728 million of economic direct and induced impact, \$45.5 million in estimated tax revenues and total job impacts totaling 4,180” (https://files.hawaii.gov/dbedt/economic/data_reports/hawaii-creative-report/HI_Creative_Ind_2022.pdf)

I am grateful for the legislature's continued support of our industry upon which thousands of families across the state rely. Specifically, with this measure, I appreciate the willingness to raise the cap, extend the credit to 2038, and provide incentives for infrastructure development.

I also support the intent to create the Hawaii Advisory Council and a subcommittee of Native Hawaiian members to “advise, make recommendations, and provide industry insight...”

Regarding the details and enforcement of the specific provisions, I respectfully defer to the appropriate state, county, and other agencies with expertise in those areas.

I humbly request that the committee support SB 3265. Thank you for the opportunity to testify.

In Solidarity,

Tracen Otani

LATE

SB-3265

Submitted on: 2/5/2024 3:32:40 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael Gueso	Testifying for Teamsters Local 996	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and Committee,

My name is Michael Gueso a proud member of Hawaii Teamsters Local 996. Im submitting testimony in Support of SB3265. This bill addresses alot of the core issues our Hawaii Film Industry has been plagued with for decades. Im absolutely certain if this bill is passed it'll open alot more doors of opportunity for future Film productions to bring their projects here to our beautiful State.

The Brothers and Sisters of Hawaii Teamsters 996 are in Strong Support of this bill and would like to Mahalo our Legislatures for Championing SB3265.

Much Mahalo,

Michael Gueso

Hawaii Teamsters Local 996

NCIS Hawaii Transportation Captain

LATE

SB-3265

Submitted on: 2/5/2024 3:45:50 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Ron Evans	Individual	Support	Written Testimony Only

Comments:

Aloha Chair DeCoite, Vice Chair Wakai, and members of the Senate Committee on Energy, Economic Development, and Tourism,

My name is Ron Evans. I'm a member of IATSE Local 665, the union representing more than 800 technicians and behind the scenes workers in the Film/TV, Live Events, and Tradeshow sectors of the Entertainment Industry in Hawai'i. I **strongly support SB 3265**, relating to film industry development.

As the latest DBEDT figures indicate, in 2021 our Film and Television industry achieved "\$421 million in estimated state and county production expenditures generated an estimated \$728 million of economic direct and induced impact, \$45.5 million in estimated tax revenues and total job impacts totaling 4,180" (https://files.hawaii.gov/dbedt/economic/data_reports/hawaii-creative-report/HI_Creative_Ind_2022.pdf)

I am grateful for the legislature's continued support of our industry upon which thousands of families across the state rely. Specifically, with this measure, I appreciate the willingness to raise the cap, extend the credit to 2038, and provide incentives for infrastructure development.

I also support the intent to create the Hawaii Advisory Council and a subcommittee of Native Hawaiian members to "advise, make recommendations, and provide industry insight..."

Regarding the details and enforcement of the specific provisions, I respectfully defer to the appropriate state, county, and other agencies with expertise in those areas.

I humbly request that the committee **support SB 3265**. Thank you for the opportunity to testify.

In Solidarity,

Ron Evans

SB-3265

Submitted on: 2/5/2024 4:08:56 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Montgomery Meyer	Individual	Support	Written Testimony Only

Comments:

I strongly support SB3264.

LATE

SB-3265

Submitted on: 2/5/2024 5:07:26 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Angela Laprete	Individual	Support	Written Testimony Only

Comments:

I support this bill in moving forward. The film industry has waited too long for major changes to happen, it's time. In order for the film industry to continue to thrive, we need more productions to come and STAY in Hawai'i, which will allow more opportunities for longer, high-paying jobs and continue to support work force development for Hawai'i's industry. With growth, this new position in CID, should be someone local and/or have Hawaii ties who can bridge connections on a global scale. Anything to help incentivize building infrastructure for the film industry is highly needed not just to expand on Oahu but statewide, like the Big Island which offers so much opportunity with land, climate zones, etc - to build a compound for our industry.

LATE

SB-3265

Submitted on: 2/5/2024 5:31:03 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Tara Laulu	Individual	Support	Written Testimony Only

Comments:

Aloha my name is Tara Laulu. I'm supporting this Bill for our HAWAII Film Industry to have more jobs for HAWAII people & be able to support their families & livelihood here in HAWAII Nei. And be able to film shows like NCIS HAWAII, HAWAII 5-0 , MagnumPI & many more from Mainland & Around the World 🌍 . HAWAII has the most beautiful scenery & a paradise in one. And the only place in the world with "ALOHA". We have to stay strong & Take Care of HAWAII. We Stand for & the mostly Beautiful Gorgeous place for Shows & Movies in the World.

Much Mahalo.

Tara F K.LAULU

LATE

SB-3265

Submitted on: 2/5/2024 7:02:50 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Mark Petritz	Individual	Support	Written Testimony Only

Comments:

It is crucial to the states economy to increase the tax credit.

It really brings tv/film industry to hawaii. It supports a WIDE variety of employees, and businesses.

LATE

SB-3265

Submitted on: 2/5/2024 7:40:28 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Ashlee Valeros	Individual	Support	Written Testimony Only

Comments:

Aloha Chair DeCoite, Vice Chair Wakai, and members of the Senate Committee on Energy, Economic Development, and Tourism,

My name is Ashlee Valeros. I'm a member of IATSE Local 665, the union representing more than 800 technicians and behind the scenes workers in the Film/TV, Live Events, and Tradeshow sectors of the Entertainment Industry in Hawai'i. I **strongly support SB 3265**, relating to film industry development.

As the latest DBEDT figures indicate, in 2021 our Film and Television industry achieved “\$421 million in estimated state and county production expenditures generated an estimated \$728 million of economic direct and induced impact, \$45.5 million in estimated tax revenues and total job impacts totaling 4,180” (https://files.hawaii.gov/dbedt/economic/data_reports/hawaii-creative-report/HI_Creative_Ind_2022.pdf)

I am grateful for the legislature's continued support of our industry upon which thousands of families across the state rely. Specifically, with this measure, I appreciate the willingness to raise the cap, extend the credit to 2038, and provide incentives for infrastructure development.

I also support the intent to create the Hawaii Advisory Council and a subcommittee of Native Hawaiian members to “advise, make recommendations, and provide industry insight...”

Regarding the details and enforcement of the specific provisions, I respectfully defer to the appropriate state, county, and other agencies with expertise in those areas.

I humbly request that the committee **support SB 3265**. Thank you for the opportunity to testify.

In Solidarity,

Ashlee Valeros

LATE

SB-3265

Submitted on: 2/5/2024 7:44:06 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Debra Grey	Individual	Support	Written Testimony Only

Comments:

I just want to say that I am in support of this bill in providing incentives to the film industry. It helps with tourism, promotes jobs, helps with existing businesses in all areas, which helps the economy flourish. For myself and my organization. We are here to help Save MagnumPI and bring it back for more seasons.

LATE

SB-3265

Submitted on: 2/5/2024 8:03:13 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Nicholas Gianforti	Individual	Support	Written Testimony Only

Comments:

I support this bill.

SB-3265

Submitted on: 2/5/2024 8:24:33 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Kaikala Tamanaha	Individual	Support	Written Testimony Only

Comments:

Aloha Chair DeCoite, Vice Chair Wakai, and members of the Senate Committee on Energy, Economic Development, and Tourism,

My name is Kaikala Tamanaha. I'm a member of IATSE Local 665, the union representing more than 800 technicians and behind the scenes workers in the Film/TV, Live Events, and Tradeshow sectors of the Entertainment Industry in Hawai'i. I **strongly support SB 3265**, relating to film industry development.

As the latest DBEDT figures indicate, in 2021 our Film and Television industry achieved “\$421 million in estimated state and county production expenditures generated an estimated \$728 million of economic direct and induced impact, \$45.5 million in estimated tax revenues and total job impacts totaling 4,180” (https://files.hawaii.gov/dbedt/economic/data_reports/hawaii-creative-report/HI_Creative_Ind_2022.pdf)

I am grateful for the legislature's continued support of our industry upon which thousands of families across the state rely. Specifically, with this measure, I appreciate the willingness to raise the cap, extend the credit to 2038, and provide incentives for infrastructure development.

I also support the intent to create the Hawaii Advisory Council and a subcommittee of Native Hawaiian members to “advise, make recommendations, and provide industry insight...”

Regarding the details and enforcement of the specific provisions, I respectfully defer to the appropriate state, county, and other agencies with expertise in those areas.

I humbly request that the committee **support SB 3265**. Thank you for the opportunity to testify.

In Solidarity,

Kaikala Tamanaha

SB-3265

Submitted on: 2/5/2024 8:25:53 PM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Bevin Miranda	Individual	Support	Written Testimony Only

Comments:

My name is Bevin Miranda. I'm a member of IATSE Local 665, the union representing more than 800 technicians and behind the scenes workers in the Film/TV, Live Events, and Tradeshow sectors of the Entertainment Industry in Hawai'i. I **strongly support SB 3265**, relating to film industry development.

As the latest DBEDT figures indicate, in 2021 our Film and Television industry achieved “\$421 million in estimated state and county production expenditures generated an estimated \$728 million of economic direct and induced impact, \$45.5 million in estimated tax revenues and total job impacts totaling 4,180” (https://files.hawaii.gov/dbedt/economic/data_reports/hawaii-creative-report/HI_Creative_Ind_2022.pdf)

I am grateful for the legislature's continued support of our industry upon which thousands of families across the state rely. Specifically, with this measure, I appreciate the willingness to raise the cap, extend the credit to 2038, and provide incentives for infrastructure development.

I also support the intent to create the Hawaii Advisory Council and a subcommittee of Native Hawaiian members to “advise, make recommendations, and provide industry insight...”

Regarding the details and enforcement of the specific provisions, I respectfully defer to the appropriate state, county, and other agencies with expertise in those areas.

I humbly request that the committee **support SB 3265**. Thank you for the opportunity to testify.

In Solidarity,

Bevin Miranda

LATE

SB-3265

Submitted on: 2/6/2024 5:45:12 AM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Phyllis Bruce	Individual	Support	Written Testimony Only

Comments:

I am in support of this bill. It would help with the tourism of your beautiful state, bringing people who see it in a positive way on tv..in my case, watching Magnum PI. This show is a prime example of promoting the beauty, not only of Hawaii, but the people who live there! A great way to bring positivity to Hawaii!

LATE

SB-3265

Submitted on: 2/6/2024 6:17:26 AM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan Keiser	Individual	Support	Written Testimony Only

Comments:

I fully support this bill that helps to support and promote the film industry in Hawaii. I am a big fan of MagnumPI and would like to see the show revived. I believe a bill like this will make that a reality. I have previously submitted testimony that I am a kaamaina and would like to see the Hawaii film industry succeed. Any measure that helps to support the Hawaii film industry, making it competitive with other states/countries that offer tax incentives and other relief makes Hawaii more competitive and more likely to be able to take on tv and film projects. Please consider making this a reality so that you are able to show the world the beauty of the islands. And, I pray and hope that this measure will help to revive MagnumPi. Thank you.

LATE

SB-3265

Submitted on: 2/6/2024 6:42:11 AM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Kathleen McGuire	Individual	Support	Written Testimony Only

Comments:

I am in support of this bill in providing incentives to the film industry. Having shows filmed in Hawaii not only allows people from around the world to see the beauty of the islands, learn about the culture of its people it also helps with tourism, provides jobs to local people, and helps existing businesses which helps the economy flourish.

We are here to help save MagnumPI and bring it back for many more seasons. I have learned so much about Hawaiian culture from this show and have visited Hawaii several times. Mahalo

LATE

SB-3265

Submitted on: 2/6/2024 7:43:03 AM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Rosie F Davis	Individual	Support	Written Testimony Only

Comments:

Aloha

I support SB3265

Mahalo nui

LATE

SB-3265

Submitted on: 2/6/2024 7:45:27 AM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Gene Ross K. Davis	Individual	Support	Written Testimony Only

Comments:

Aloha

I support SB3265

Mahalo nui

LATE

SB-3265

Submitted on: 2/6/2024 8:10:15 AM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Patrick Ah Loy	Individual	Support	Written Testimony Only

Comments:

Aloha Chair DeCoite, Vice Chair Wakai, and members of the Senate Committee on Energy, Economic Development, and Tourism,

My name is [IPatrick Ah Loy]. I'm a member of IATSE Local 665, the union representing more than 800 technicians and behind the scenes workers in the Film/TV, Live Events, and Tradeshow sectors of the Entertainment Industry in Hawai'i. I **strongly support SB 3265**, relating to film industry development.

As the latest DBEDT figures indicate, in 2021 our Film and Television industry achieved “\$421 million in estimated state and county production expenditures generated an estimated \$728 million of economic direct and induced impact, \$45.5 million in estimated tax revenues and total job impacts totaling 4,180” (https://files.hawaii.gov/dbedt/economic/data_reports/hawaii-creative-report/HI_Creative_Ind_2022.pdf)

I am grateful for the legislature's continued support of our industry upon which thousands of families across the state rely. Specifically, with this measure, I appreciate the willingness to raise the cap, extend the credit to 2038, and provide incentives for infrastructure development.

I also support the intent to create the Hawaii Advisory Council and a subcommittee of Native Hawaiian members to “advise, make recommendations, and provide industry insight...”

Regarding the details and enforcement of the specific provisions, I respectfully defer to the appropriate state, county, and other agencies with expertise in those areas.

I humbly request that the committee **support SB 3265**. Thank you for the opportunity to testify.

In Solidarity,

Patrick Ah Loy

LATE

SB-3265

Submitted on: 2/6/2024 8:47:55 AM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Sheron Sasada	Individual	Support	Written Testimony Only

Comments:

I support this bill because it allows individuals who are interested in this type of industry to have job opportunities here on a rural island. It allows people to stay home in Hawaii, especially Molokai and make money.

LATE

SB-3265

Submitted on: 2/6/2024 9:15:20 AM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Waipakawiwoole Parker	Individual	Support	Written Testimony Only

Comments:

Aloha Chair DeCoite, Vice Chair Wakai, and members of the Senate Committee on Energy, Economic Development, and Tourism,

My name is Waipakawiwoole Parker. I'm a member of IATSE Local 665, the union representing more than 800 technicians and behind the scenes workers in the Film/TV, Live Events, and Tradeshow sectors of the Entertainment Industry in Hawai'i. I **strongly support SB 3265**, relating to film industry development.

As the latest DBEDT figures indicate, in 2021 our Film and Television industry achieved "\$421 million in estimated state and county production expenditures generated an estimated \$728 million of economic direct and induced impact, \$45.5 million in estimated tax revenues and total job impacts totaling 4,180" (https://files.hawaii.gov/dbedt/economic/data_reports/hawaii-creative-report/HI_Creative_Ind_2022.pdf)

I am grateful for the legislature's continued support of our industry upon which thousands of families across the state rely. Specifically, with this measure, I appreciate the willingness to raise the cap, extend the credit to 2038, and provide incentives for infrastructure development.

I also support the intent to create the Hawaii Advisory Council and a subcommittee of Native Hawaiian members to "advise, make recommendations, and provide industry insight"

Regarding the details and enforcement of the specific provisions, I respectfully defer to the appropriate state, county, and other agencies with expertise in those areas.

I humbly request that the committee **support SB 3265**. Thank you for the opportunity to testify.

In Solidarity,

Waipakawiwoole Parker

LATE

SB-3265

Submitted on: 2/6/2024 10:04:14 AM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Faith Tuipulotu	Individual	Support	Written Testimony Only

Comments:

Aloha,

I support SB 3265

Mahalo,

Faith Tuipulotu

LATE

SB-3265

Submitted on: 2/6/2024 10:49:49 AM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Iolani Kuoha	Individual	Support	Written Testimony Only

Comments:

To whom it may concern,

I support SB3265 relating to the establishment Establishment of the Hawaii Film Advisory Council. Amends the motion picture, digital media, and film production income tax credit to increase the annual cap to \$60,000,000; extend the sunset date of the tax credit to January 1, 2039; clarify and amend the requirement for an independent third-party certification; and expand the definition of "qualified production" to include streaming platforms. Provides a tax exemption for certified development of film studio facilities. Establishes one full-time equivalent (1.0 FTE) film industry development liaison within the Creative Industries Division of the Department of Business, Economic Development, and Tourism. Declares that the general fund expenditure ceiling is exceeded. Makes an appropriation.

Mahalo,

Iolani Kuoha

LATE

SB-3265

Submitted on: 2/6/2024 1:11:00 AM

Testimony for EET on 2/6/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Elaine Kantrowitz	Individual	Comments	Written Testimony Only

Comments:

I support any and all legislation that will incentivize the film and television industry to continue to film movies and tv shows within the many islands of Hawaii. These projects bring much needed economic growth to the state of Hawaii. Not only do these productions bring jobs to the islands in the way of crews and extras, but also provides an economic boost to the areas in which the shows and movies are being filmed. It brings work to local caterers, restaurants and other businesses in the area that the cast and crew will visit while filming. And, because these shows and movies do such a lovely job of showing the islands of Hawaii in all their glory, they serve as tourism advertising as well. Which means that it brings in business for the hotels, restaurants, tourist attractions, helicopter operators, paddleboard instructors and historical sites around the Hawaiian Islands as well. If television networks like NBC and CBS continue to make business decisions around filming in Hawaii based on how expensive it is, and therefore cancel fan favorite shows such as Magnum PI just due to the expensive of filming in O'ahu, Hawaii will continue to lose this economic boost to both businesses and individuals(many who have lost their jobs now that Hawaii Five 0, Magnum PI and Doogie Howser have stopped production. So, please pass Bill 59 and bring the tv and film industries back to Hawaii. Give production companies a reason to come back and make it more affordable for them. The boost to the Hawaiian economy as a result will come back to the state tenfold. Mahalo.