



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Economic Development, Tourism and Technology
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HB 423 HD2 – RELATING TO FILM AND DIGITAL MEDIA INDUSTRY DEVELOPMENT

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

Thank you for the opportunity to submit testimony on HB 423 HD2. This bill amends the Motion Picture, Digital Media, and Film Production Income Tax Credit by providing an additional credit option for payroll costs in a county with a population of 700,000 or less; permitting the option of offering the State an alternative marketing opportunity; adding new verification and reporting requirements; and extending the repeal of the credit until January 1, 2024.

The University supports this proposal with some suggested revisions. The tax credit as currently provided in HRS 235-17 requires that a production company provide evidence of financial or educational or workforce development efforts. UH proposes that there should be a nexus between the production company and the University of Hawai'i. In order to qualify for this tax credit under section 235-17(d), HRS, the University suggests inserting revised language from SB 1191, Section 2, which would require the production to contribute to workforce development efforts of the University of Hawai'i through its creative media programs. This would provide potential funding to support students at the University of Hawai'i in creative media programs and projects and will have a positive impact in ensuring support for the film production industry while helping to develop a strong workforce for the growing industry in the State.

Thank you for your consideration of these suggested amendments.