



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Testimony Presented Before the  
House Committee on Economic Development & Business  
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by

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

### HB 1328 – RELATING TO FILM AND DIGITAL MEDIA INDUSTRY DEVELOPMENT

Chair Evans, Vice Chair Keohokalole and members of the Committee:

Thank you for the opportunity to submit testimony in support of HB 1328. This bill extends the motion picture, digital media, and film production income tax credit (Act 88) sunset date to January 1, 2024. The University of Hawai'i supports Sections 1, 3, and 4 of HB 1328 and defers to the Department of Business, Economic Development, and Tourism (DBEDT) regarding Section 2.

The motion picture, television, and digital content industry has been providing our economy with environmentally friendly, living wage jobs for over a hundred years. Indeed, Hawai'i's main industry, tourism, has enjoyed an invaluable global marketing ally ever since Thomas Edison shot the first films in Honolulu in 1908. In many ways, the world has come to know Hawai'i through such shows as *Hawai'i Five-0*, *Magnum PI* and *Lost*. Since then, and especially since the tourism downturn following 9/11, Hawai'i has had a robust film and television industry, often with \$200 million a year in direct production spend, and reaching as much as \$400 million. This consistent diversification of our economy has been made possible by Hawai'i's production tax credit. While some may question the efficacy of these credits, the reality is that the studios and networks decide where to shoot films based on where the credits are being offered. For example, the State of Georgia has replaced Louisiana as the South's production powerhouse since Louisiana severely restricted its production credits.

HB 1328 provides stability and predictability for this vital local industry, recognizes the need for appropriate recognition of the state's investment in films and television shows through end credit or alternative marketing opportunities, and—most importantly for the growing number of creative media students at the University of Hawai'i—offers them the chance to stay in Hawai'i with living wage jobs.

The Academy for Creative Media -- System (ACM System) at the University of Hawai'i now supports complementary creative media programs at all ten campuses of the UH System. Accountability provisions within Act 88 for workforce development and education have begun to provide funding for the programs of the ACM System at multiple UH campuses. This is a new and much needed alternative source of funding for UH, which through the ACM System is able to facilitate and track the efficacy of these education funds. Equally important is the positive effect this funding provides for UH to develop a strong workforce for a growing industry in our state.

Thank you for your consideration on this matter.