



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Economic Development, Tourism, and Technology
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by
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on behalf of
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HB 1328 HD1 – RELATING TO FILM AND DIGITAL MEDIA INDUSTRY DEVELOPMENT

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

The University of Hawai'i (UH) supports this measure.

In many ways, the world has come to know Hawai'i through such shows as *Hawai'i Five-0*, *Magnum PI*, and *Lost*, which doubled as a beacon for attracting tourists to the state.

Hawai'i has enjoyed a robust film and television industry, often bringing in \$200 million a year in direct production spending, including reaching a one-time high of \$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. When Louisiana severely restricted its production credits, Georgia become the South's production powerhouse – with the industry contributing over \$7 billion to the state's economy and employing 30,000 residents. Please see a video link about this transformation at: <https://www.youtube.com/watch?v=06Bzg6SY7SY>

HB 1328 HD1 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 UH — offers them the chance to stay in Hawai'i with living wage jobs.

Additionally, HB 1328 HD1 recognizes the reality that production tax incentives drive the decision making of the studios, networks and streaming services in terms of where they will shoot. By amending the aggregate tax credit cap to an unspecified amount, it will ensure that Hawai'i remains on the financial map of Hollywood decision makers.

Thank you for your consideration on this matter.