

Legislative Testimony

Testimony Presented Before the House Committee on Economic Development & Business Wednesday, February 6, 2019 at 10:10 a.m. By Christopher P. Lee, Director, Academy for Creative Media System on behalf of Vassilis L. Syrmos, Vice President for Research and Innovation University of Hawai'i System

HB 540 – RELATING TO FILM AND DIGITAL MEDIA INDUSTRY DEVELOPMENT

Chair McKelvey, Vice Chair Kitagawa and members of the committee:

The University of Hawai'i (UH) greatly appreciates the strong support this legislature has given to the Academy for Creative Media System (ACM System), which now helps fund and coordinate collaboration among 17 different programs at all ten UH campuses throughout the islands. Most recently, ACM System lead the effort of students, faculty and staff from five different campuses in re-recording Disney's *Moana* into the Hawaiian language for distribution to all schools in the state to encourage the learning of ōlelo Hawai'i.

The Legislature's support for the film, television and digital content industry, which hires ACM graduates and makes it possible for them to stay in the islands with living wage jobs, is also greatly appreciated. In 2018, Hawai'i set a new record of almost \$477 million in direct production spending with an economic impact heading towards a billion dollars for the local economy.

The University of Hawai'i believes that the new, \$35 million cap on the state's film, television and digital media tax credit, which took effect in 2019, could have a damaging effect on this robust industry and supports any efforts to increase or even roll back this cap completely. Additionally, UH believes that lowering the current total tax credits per production from \$15 million to \$12,500,000 per project would also be a disincentive to motion picture and television projects deciding to shoot in the islands.

Thank you for the opportunity to testify on this measure.