



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Testimony Presented to the  
House Committee on Economic Development  
Friday, February 11, 2022 at 10:00 a.m.

by

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on behalf of

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### HB 2228 – RELATING TO FILM INFRASTRUCTURE TAX CREDIT

Chair Quinlan, Vice Chair Holt, and Members of the Committee:

The University of Hawai'i (UH) strongly supports HB 2228 which will enhance the state's successful motion picture/television/streaming production industry by incentivizing the building of much needed physical infrastructure. The production industry is an essential component of the diversification of Hawai'i's economy. While numbers are not finalized, 2021 is likely to be another record year of positive impact for the local economy, with a direct spend of over \$400 million.

As noted by economists Sumner La Croix and James Mak in their March 2021 UHERO report, *Understanding the Role of the Hawaii Film/TV/Digital Production Tax Credit In Diversifying the Hawaii Economy*: "There is more to building a robust film industry in Hawai'i than just having a competitive film credit. Two other factors that attract film/TV productions to Hawai'i are availability of workers with skills valued by the industry and availability of state-of-the-art production studios."

However, Hawai'i is limited by having only one stage worthy of a television series -- the state-owned Diamond Head Studio -- which can only accommodate one show at a time and is insufficient for feature films. Blockbusters like *Jumanji*, *Pirates of the Caribbean*, *Godzilla* and *Jurassic Park* are forced to do the bulk of their interior shooting, visual effects and post production elsewhere. It means that Hawai'i is only getting a small portion of the overall spend on a film. As successful as the production industry is currently, it is severely constrained by lack of physical capacity. HB 2228 is an important measure in ensuring the continued growth of the industry and keeping UH graduates in the islands with living wage jobs.

Thank you for the opportunity to testify on this measure.