
A BILL FOR AN ACT

RELATING TO FILM, TELEVISION, DIGITAL, AND NEW MEDIA
DEVELOPMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the State must
2 diversify its economy in order to further economic
3 sustainability. While tourism is the pillar of Hawaii's economy
4 and agriculture is a resurging industry, the creative media
5 industry has been a boon to Hawaii's economy. For example, the
6 industry generated \$180,000,000 in revenue from January to
7 October 2011 and \$400,000,000 in revenue in 2010 as a result of
8 film production in the State. The film industry has also
9 generated numerous jobs for Hawaii residents.

10 Fostering the growth of the creative media industry will
11 further help to sustain and strengthen Hawaii's economy. One
12 economically feasible way to support the creative media industry
13 is to lease public land to develop film studio and production
14 facilities. The legislature finds that this serves a public
15 purpose by promoting the economic development of the State
16 through job creation and revenue generation.



1 The purpose of this Act is to authorize the department of
2 land and natural resources to lease public land for purposes of
3 developing creative media facilities by direct negotiation and
4 without recourse to public auction.

5 SECTION 2. Chapter 171, Hawaii Revised Statutes, is
6 amended by adding a new section to be appropriately designated
7 and to read as follows:

8 "§171- Creative media industry leases. (a)

9 Notwithstanding the provisions of section 171-17, the department
10 may lease public lands by direct negotiation and without
11 recourse to public auction for purposes of developing creative
12 media facilities.

13 (b) In addition to the restrictions provided under section
14 171-36(a), the following restrictions shall apply to all leases
15 under this section:

16 (1) A facility constructed on one parcel of land shall be
17 a minimum of one hundred thousand square feet;

18 (2) The initial lease term shall not be longer than fifty
19 years;

20 (3) An initial lease term may be renewed or extended at
21 the discretion of the department; and



1 (4) The department shall determine the lease rent, which
2 may include a percentage of revenues generated;
3 provided that the lease rent shall be less than the
4 appraisal value; and provided further that when
5 determining lease rent, the department shall consider
6 the returns resulting from the presence of the lessee,
7 including employment created and revenues generated.

8 (c) As used in this section:

9 "Creative media" means any and all aspects of audio visual
10 arts, including cinema, film, television, digital media,
11 computer-generated and hand-drawn animation, 2D flash, 3D visual
12 effects, post-production, web-series distribution via the
13 Internet, video games, massive multi-player internet games,
14 internet, and streaming.

15 "Creative media facilities" means facilities used for the
16 total or partial production of creative media.

17 "Post-production" means production activities and services
18 conducted after principal photography is completed, including
19 but not limited to editing, film and video transfers,
20 duplication, transcoding, dubbing, subtitling, credits, closed
21 captioning, audio production, visual and auditory special
22 effects, graphics, and animation.



1 "Production" means a series of activities that are directly
2 related to the creation of visual and cinematic imagery to be
3 delivered via film, videotape, or digital media and to be sold,
4 distributed, or displayed as entertainment or the advertisement
5 of products for mass consumption, including scripting, casting,
6 set design and construction, transportation, videography,
7 photography, sound recording, interactive game design, and post-
8 production."

9 SECTION 3. New statutory material is underscored.

10 SECTION 4. This Act shall take effect on July 1, 2112.



Report Title:

Creative Media; Negotiated Public Land Leases

Description:

Authorizes the Department of Land and Natural Resources to lease public lands for purposes of developing creative media production and post-production facilities by negotiation, without public auction. Effective July 1, 2112. (SB3050 HD1)

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