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# 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 purpose of this Act is to assign to the  
2 Hawaii tourism authority the responsibilities for film,  
3 television, digital, and new media development and to repeal the  
4 film industry activities within the department of business,  
5 economic development, and tourism.

6           SECTION 2. Chapter 201B, Hawaii Revised Statutes, is  
7 amended by adding a new part to be appropriately designated and  
8 to read as follows:

9                   "PART           .    **FILM, TELEVISION, DIGITAL, AND NEW MEDIA**

10   **DEVELOPMENT**

11           **§201B-A Definitions.** As used in this part:

12           "Applicant" means a person applying for a grant under this  
13 part.

14           "Authority" means the Hawaii tourism authority.

15           "Eligible Hawaii project" or "project" means a film,  
16 television, digital, or new media project in which at least  
17 seventy-five per cent of the budget for the production costs,



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1 excluding salaries and costs for the producer, director, writer,  
2 screenplay, and actors in the project, is dedicated for the  
3 purchase or lease of goods or services from a vendor or supplier  
4 who is located and doing business in the State.

5 "Fund" means the film, television, digital, and new media  
6 development special fund.

7 "Hawaii film facility" means a facility with professional  
8 stages, television studios, recording studios, film labs,  
9 screening rooms, computer facilities, and other infrastructure  
10 for film, television, digital, and new media production.

11 **§201B-B Powers and duties.** In addition to any other  
12 powers and duties provided in this chapter, the authority shall:

- 13 (1) Coordinate and manage the consolidated permit  
14 processing under section 201B-D;
- 15 (2) Work with state and county departments and agencies to  
16 review and adjust permitting issues relating to public  
17 lands, police and fire department permits, and  
18 standardization of county permitting;
- 19 (3) Coordinate the pooling of various funding sources to  
20 allow for aggressive marketing and promotion of Hawaii  
21 locations to a broad market of producers;



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- 1           (4) Have the right to inspect, at reasonable hours, the  
2           plant, physical facilities, equipment, premises,  
3           books, and records of any applicant under section  
4           201B-D in connection with the processing of a grant  
5           under section 201B-C;
- 6           (5) Register qualified production costs for the motion  
7           picture, digital media, and film production income tax  
8           credit under section 237-17;
- 9           (6) Establish advisory groups as it deems necessary to  
10          obtain information from persons with a working  
11          knowledge of the film, television, digital, and new  
12          media industry, the county film commissions, and  
13          government departments and agencies controlling  
14          resources necessary to support the industry;
- 15          (7) Set and collect rents, fees, charges, or other  
16          payments for the lease, use, or occupancy of the  
17          Hawaii film facility without regard to chapter 91;
- 18          (8) Notwithstanding chapter 171, acquire, lease as lessee  
19          or lessor, own, rent, hold, and dispose of the Hawaii  
20          film facility in the exercise of its powers and the  
21          performance of its duties under this part; and



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1           (9) Acquire by purchase, lease, financing agreement under  
2           chapter 37D, or otherwise, and develop, construct,  
3           operate, own, manage, repair, reconstruct, enlarge, or  
4           otherwise effectuate, either directly or through  
5           developers, a Hawaii film facility.

6           **§201B-C Film, television, digital, and new media**

7           **development special fund.** (a) There is established the film,  
8           television, digital, and new media development special fund into  
9           which shall be deposited:

10           (1) Appropriations by the legislature to the film,  
11           television, digital, and new media development special  
12           fund;

13           (2) Revenues from the operations of the Hawaii film  
14           facility;

15           (3) Revenues from revenue bonds issued for a loan program  
16           pursuant to subsection (c);

17           (4) Gifts, grants, and other funds accepted by the  
18           authority; and

19           (5) All interest and revenues or receipts derived by the  
20           authority from any project or project agreements under  
21           this part.



1 (b) Moneys in the film, television, digital, and new media  
2 development special fund may be:

3 (1) Placed in interest-bearing accounts; provided that the  
4 depository in which the money is deposited furnishes  
5 security as provided in section 38-3; or

6 (2) Otherwise invested by the authority until such time as  
7 the moneys may be needed; provided that the authority  
8 shall limit its investments to those listed in section  
9 36-21.

10 All interest accruing from the investment of these moneys shall  
11 be credited to the film, television, digital, and new media  
12 development special fund.

13 (c) The fund shall be used by the authority to assist in,  
14 and provide incentives for, the production of eligible Hawaii  
15 projects that are in compliance with criteria and standards  
16 established by the authority in accordance with rules adopted by  
17 the authority pursuant to chapter 91. In particular, the  
18 authority shall adopt rules to provide for:

19 (1) Low interest loans to provide seed money for  
20 production development and to support production that  
21 will create jobs, provide training, and enhance the  
22 State's promotional visibility; and



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- 1           (2) A grant program with the following conditions:
- 2           (A) The grant shall be used exclusively for eligible
- 3           Hawaii projects;
- 4           (B) The applicant shall have applied for or received
- 5           all applicable licenses and permits;
- 6           (C) The applicant shall comply with applicable
- 7           federal and state laws prohibiting discrimination
- 8           against any person on the basis of race, color,
- 9           national origin, religion, creed, sex, age, or
- 10          physical handicap;
- 11          (D) The applicant shall indemnify and save harmless
- 12          the State of Hawaii and its officers, agents, and
- 13          employees from and against any and all claims
- 14          arising out of or resulting from activities
- 15          carried out or projects undertaken with funds
- 16          provided hereunder, and procure sufficient
- 17          insurance to provide this indemnification if
- 18          requested to do so by the authority; and
- 19          (E) The applicant shall submit to the authority,
- 20          reports to allow the authority to monitor the
- 21          applicant's compliance with the criteria and



1 standards established by the authority under this  
2 part.

3 §201B-D Consolidated permit processing. (a) The  
4 authority shall consult with state and county agencies to  
5 identify sites that may be used for projects under terms and  
6 conditions as may be determined by the state or county agency  
7 having jurisdiction over the sites.

8 (b) The authority may accept an application from any  
9 person who proposes to make a motion picture, television show,  
10 television commercial, or other project at one or more sites on  
11 state or county lands, whether or not set aside under section  
12 171-11.

13 (c) The applicant shall identify the sites to be covered  
14 by the permit and provide other information as may be required  
15 by the authority.

16 (d) The authority may approve and issue a permit to film  
17 at any of the sites identified by the appropriate state or  
18 county agency under subsection (a). If any site requested for  
19 use by the applicant is not identified under subsection (a), the  
20 authority shall consult with the appropriate state or county  
21 agency having jurisdiction over the site to obtain a permit. If  
22 the matter of a permit cannot be resolved in this manner, the



1 authority shall refer the application to the appropriate state  
2 or county agency to obtain a permit.

3 (e) The authority is authorized to make changes to, and  
4 extensions of, any approved permits so long as the changes and  
5 extensions do not conflict with the policies, terms, and  
6 conditions set forth by the agency having jurisdiction over the  
7 site in question.

8 (f) The authority may establish memoranda of agreement or  
9 adopt rules to implement the intent and purposes of this  
10 section.

11 (g) Nothing in this section shall be construed as waiving  
12 the authority of any county or the department of transportation  
13 of the State to require a person to obtain a permit from the  
14 department or county where the production takes place on or from  
15 a public highway.

16 (h) A vessel engaged in temporary use for film production  
17 purposes in accordance with a film permit issued by the  
18 authority shall not be considered to be a "commercial vessel"  
19 within the meaning of section 200-9, 200-10, or 200-39; provided  
20 that:

21 (1) The period of temporary use does not exceed fourteen  
22 hours per day, five days per week, excluding weekends,





1 and for a period not to exceed thirty calendar days;  
2 and

3 (2) The authority may make allowances to include weekends  
4 for film production purposes due to inclement weather  
5 conditions during the weekday period."

6 SECTION 3. Chapter 237, Hawaii Revised Statutes, is  
7 amended by adding a new section to be appropriately designated  
8 and to read as follows:

9 "§237- Hawaii film facility. This chapter shall not  
10 apply to amounts received from the construction of a Hawaii film  
11 facility as defined in section 201B-A under a financing  
12 agreement pursuant to chapter 37D or from the operations of a  
13 Hawaii film facility constructed under a financing agreement  
14 pursuant to chapter 37D."

15 SECTION 4. Section 201-3, Hawaii Revised Statutes, is  
16 amended to read as follows:

17 "**§201-3 Specific research and promotional functions of the**  
18 **department.** Without prejudice to its general functions and  
19 duties, the department of business, economic development, and  
20 tourism shall have specific functions in the following areas:

21 (1) Industrial development. The department shall:



- 1 (A) Determine through technical and economic surveys
- 2 the profit potential of new or expanded
- 3 industrial undertakings;
- 4 (B) Develop through research projects and other means
- 5 new and improved industrial products and
- 6 processes;
- 7 (C) Promote studies and surveys to determine consumer
- 8 preference as to design and quality and to
- 9 determine the best methods of packaging,
- 10 transporting, and marketing the State's
- 11 industrial products;
- 12 (D) Disseminate information to assist the present
- 13 industries of the State, to attract new
- 14 industries to the State, and to encourage capital
- 15 investment in present and new industries in the
- 16 State;
- 17 (E) Assist associations of producers and distributors
- 18 of industrial products to introduce these
- 19 products to consumers; and
- 20 (F) Make grants or contracts as may be necessary or
- 21 advisable to accomplish the foregoing;
- 22 (2) Land development. The department shall:



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- 1           (A) Encourage the most productive use of all land in  
2           the State in accordance with a general plan  
3           developed by the department;
- 4           (B) Encourage the improvement of land tenure  
5           practices on leased private lands;
- 6           (C) Promote an informational program directed to  
7           landowners, producers of agricultural and  
8           industrial commodities, and the general public  
9           regarding the most efficient and most productive  
10          use of the lands in the State; and
- 11          (D) Make grants or contracts as may be necessary or  
12          advisable to accomplish the foregoing;
- 13          (3) Credit development. The department shall:
- 14           (A) Conduct a continuing study of agricultural and  
15           industrial credit needs;
- 16           (B) Encourage the development of additional private  
17           and public credit sources for agricultural and  
18           industrial enterprises;
- 19           (C) Promote an informational program to acquaint  
20           financial institutions with agricultural and  
21           industrial credit needs and the potential for  
22           agricultural and industrial expansion, and inform



1 producers of agricultural and industrial products  
2 as to the manner in which to qualify for loans;  
3 and

4 (D) Make grants or contracts as may be necessary or  
5 advisable to accomplish the foregoing;

6 (4) Promotion. The department shall:

7 (A) Disseminate information developed for or by the  
8 department pertaining to economic development to  
9 assist present industry in the State;

10 (B) Attract new industry and investments to the  
11 State; and

12 (C) Assist new and emerging industry with good growth  
13 potential or prospects in jobs, exports, and new  
14 products.

15 The industrial and economic promotional activities of  
16 the department may include the use of literature,  
17 advertising, demonstrations, displays, market testing,  
18 lectures, travel, motion picture and slide films, and  
19 other promotional and publicity devices as may be  
20 appropriate; and

21 (5) Self-sufficiency standard. The department shall  
22 establish and update biennially a self-sufficiency



1 standard that shall incorporate existing methods of  
2 calculation, and shall reflect, at a minimum, costs  
3 relating to housing, food, child care, transportation,  
4 health care, clothing and household expenses, federal  
5 and state tax obligations, family size, children's  
6 ages, geography, and the number of household wage  
7 earners. The department shall report to the  
8 legislature concerning the self-sufficiency standard  
9 no later than twenty days prior to the convening of  
10 the regular session of 2009, and every odd-numbered  
11 year thereafter. The recommendations shall address,  
12 among other things, the use of any federal funding  
13 that may be available for the purposes of establishing  
14 and updating the self-sufficiency standard.

15 ~~[The department shall be the central agency to coordinate~~  
16 ~~film permit activities in the State.] "~~

17 SECTION 5. Section 235-17, Hawaii Revised Statutes, is  
18 amended as follows:

19 1. By amending subsection (f) to read:

20 "(f) To receive the tax credit, the taxpayer shall first  
21 prequalify the production for the credit by registering with the  
22 ~~[department of business, economic development, and tourism]~~



1 Hawaii tourism authority during the development or preproduction  
2 stage. Failure to comply with this provision may constitute a  
3 waiver of the right to claim the credit."

4 2. By amending subsections (h) and (i) to read:

5 "(h) Every taxpayer claiming a tax credit under this  
6 section for a qualified production shall, no later than ninety  
7 days following the end of each taxable year in which qualified  
8 production costs were expended, submit a written, sworn  
9 statement to the [~~department of business, economic development,~~  
10 ~~and tourism,~~] Hawaii tourism authority, identifying:

11 (1) All qualified production costs as provided by  
12 subsection (a), if any, incurred in the previous  
13 taxable year;

14 (2) The amount of tax credits claimed pursuant to this  
15 section, if any, in the previous taxable year; and

16 (3) The number of total hires versus the number of local  
17 hires by category (i.e., department) and by county.

18 (i) The [~~department of business, economic development, and~~  
19 ~~tourism~~] Hawaii tourism authority shall:

20 (1) Maintain records of the names of the taxpayers and  
21 qualified productions thereof claiming the tax credits  
22 under subsection (a);



- 1           (2) Obtain and total the aggregate amounts of all  
2           qualified production costs per qualified production  
3           and per qualified production per taxable year; and  
4           (3) Provide a letter to the director of taxation  
5           specifying the amount of the tax credit per qualified  
6           production for each taxable year that a tax credit is  
7           claimed and the cumulative amount of the tax credit  
8           for all years claimed.

9           Upon each determination required under this subsection, the  
10          ~~[department of business, economic development, and tourism]~~  
11          Hawaii tourism authority shall issue a letter to the taxpayer,  
12          regarding the qualified production, specifying the qualified  
13          production costs and the tax credit amount qualified for in each  
14          taxable year a tax credit is claimed. The taxpayer for each  
15          qualified production shall file the letter with the taxpayer's  
16          tax return for the qualified production to the department of  
17          taxation. Notwithstanding the authority of the ~~[department of~~  
18          ~~business, economic development, and tourism]~~ Hawaii tourism  
19          authority under this section, the director of taxation may audit  
20          and adjust the tax credit amount to conform to the information  
21          filed by the taxpayer."

22           3. By amending subsection (1) to read:



1           "(1) For the purposes of this section:

2           "Commercial":

3           (1) Means an advertising message that is filmed using  
4           film, videotape, or digital media, for dissemination  
5           via television broadcast or theatrical distribution;

6           (2) Includes a series of advertising messages if all parts  
7           are produced at the same time over the course of six  
8           consecutive weeks; and

9           (3) Does not include an advertising message with  
10          Internet-only distribution.

11          "Digital media" means production methods and platforms  
12 directly related to the creation of cinematic imagery and  
13 content, specifically using digital means, including but not  
14 limited to digital cameras, digital sound equipment, and  
15 computers, to be delivered via film, videotape, interactive game  
16 platform, or other digital distribution media (excluding  
17 Internet-only distribution).

18          "Post production" means production activities and services  
19 conducted after principal photography is completed, including  
20 but not limited to editing, film and video transfers,  
21 duplication, transcoding, dubbing, subtitling, credits, closed





1 captioning, audio production, special effects (visual and  
2 sound), graphics, and animation.

3 "Production" means a series of activities that are directly  
4 related to the creation of visual and cinematic imagery to be  
5 delivered via film, videotape, or digital media and to be sold,  
6 distributed, or displayed as entertainment or the advertisement  
7 of products for mass public consumption, including but not  
8 limited to scripting, casting, set design and construction,  
9 transportation, videography, photography, sound recording,  
10 interactive game design, and post production.

11 "Qualified production":

12 (1) Means a production, with expenditures in the State,  
13 for the total or partial production of a feature-  
14 length motion picture, short film, made-for-television  
15 movie, commercial, music video, interactive game,  
16 television series pilot, single season (up to  
17 twenty-two episodes) of a television series regularly  
18 filmed in the State (if the number of episodes per  
19 single season exceeds twenty-two, additional episodes  
20 for the same season shall constitute a separate  
21 qualified production), television special, single  
22 television episode that is not part of a television



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1 series regularly filmed or based in the State,  
2 national magazine show, or national talk show. For  
3 the purposes of subsections (d) and (j), each of the  
4 aforementioned qualified production categories shall  
5 constitute separate, individual qualified productions;  
6 and

7 (2) Does not include: daily news; public affairs  
8 programs; non-national magazine or talk shows;  
9 televised sporting events or activities; productions  
10 that solicit funds; productions produced primarily for  
11 industrial, corporate, institutional, or other private  
12 purposes; and productions that include any material or  
13 performance prohibited by chapter 712.

14 "Qualified production costs" means the costs incurred by a  
15 qualified production within the State that are subject to the  
16 general excise tax under chapter 237 or income tax under this  
17 chapter and that have not been financed by any investments for  
18 which a credit was or will be claimed pursuant to section  
19 235-110.9. Qualified production costs include but are not  
20 limited to:

21 (1) Costs incurred during preproduction such as location  
22 scouting and related services;



- 1           (2)   Costs of set construction and operations, purchases or
- 2                   rentals of wardrobe, props, accessories, food, office
- 3                   supplies, transportation, equipment, and related
- 4                   services;
- 5           (3)   Wages or salaries of cast, crew, and musicians;
- 6           (4)   Costs of photography, sound synchronization, lighting,
- 7                   and related services;
- 8           (5)   Costs of editing, visual effects, music, other post-
- 9                   production, and related services;
- 10          (6)   Rentals and fees for use of local facilities and
- 11                   locations;
- 12          (7)   Rentals of vehicles and lodging for cast and crew;
- 13          (8)   Airfare for flights to or from Hawaii, and interisland
- 14                   flights;
- 15          (9)   Insurance and bonding;
- 16          (10)  Shipping of equipment and supplies to or from Hawaii,
- 17                   and interisland shipments; and
- 18          (11)  Other direct production costs specified by the
- 19                   department in consultation with the [~~department of~~
- 20                   ~~business, economic development, and tourism.~~] Hawaii
- 21                   tourism authority."



1 SECTION 6. Section 238-1, Hawaii Revised Statutes, is  
2 amended by amending the definition of "use" to read as follows:

3 "Use" (and any nounal, verbal, adjectival, adverbial, and  
4 other equivalent form of the term) herein used interchangeably  
5 means any use, whether the use is of such nature as to cause the  
6 property, services, or contracting to be appreciably consumed or  
7 not, or the keeping of the property or services for such use or  
8 for sale, the exercise of any right or power over tangible or  
9 intangible personal property incident to the ownership of that  
10 property, and shall include control over tangible or intangible  
11 property by a seller who is licensed or who should be licensed  
12 under chapter 237, who directs the importation of the property  
13 into the State for sale and delivery to a purchaser in the  
14 State, liability and free on board (FOB) to the contrary  
15 notwithstanding, regardless of where title passes, but the term  
16 "use" shall not include:

17 (1) Temporary use of property, not of a perishable or  
18 quickly consumable nature, where the property is  
19 imported into the State for temporary use (not sale)  
20 therein by the person importing the same and is not  
21 intended to be, and is not, kept permanently in the



1 State. For example, without limiting the generality  
2 of the foregoing language:

3 (A) In the case of a contractor importing permanent  
4 equipment for the performance of a construction  
5 contract, with intent to remove, and who does  
6 remove, the equipment out of the State upon  
7 completing the contract;

8 (B) In the case of moving picture films imported for  
9 use in theaters in the State with intent or under  
10 contract to transport the same out of the State  
11 after completion of such use; and

12 (C) In the case of a transient visitor importing an  
13 automobile or other belongings into the State to  
14 be used by the transient visitor while therein  
15 but which are to be used and are removed upon the  
16 transient visitor's departure from the State;

17 (2) Use by the taxpayer of property acquired by the  
18 taxpayer solely by way of gift;

19 (3) Use which is limited to the receipt of articles and  
20 the return thereof, to the person from whom acquired,  
21 immediately or within a reasonable time either after  
22 temporary trial or without trial;



- 1           (4) Use of goods imported into the State by the owner of a  
2           vessel or vessels engaged in interstate or foreign  
3           commerce and held for and used only as ship stores for  
4           the vessels;
- 5           (5) The use or keeping for use of household goods,  
6           personal effects, and private automobiles imported  
7           into the State for nonbusiness use by a person who:
- 8           (A) Acquired them in another state, territory,  
9           district, or country;
- 10           (B) At the time of the acquisition was a bona fide  
11           resident of another state, territory, district,  
12           or country;
- 13           (C) Acquired the property for use outside the State;  
14           and
- 15           (D) Made actual and substantial use thereof outside  
16           this State;
- 17           provided that as to an article acquired less than  
18           three months prior to the time of its importation into  
19           the State it shall be presumed, until and unless  
20           clearly proved to the contrary, that it was acquired  
21           for use in the State and that its use outside the  
22           State was not actual and substantial;



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- 1           (6) The leasing or renting of any aircraft or the keeping  
2                   of any aircraft solely for leasing or renting to  
3                   lessees or renters using the aircraft for commercial  
4                   transportation of passengers and goods or the  
5                   acquisition or importation of any such aircraft or  
6                   aircraft engines by any lessee or renter engaged in  
7                   interstate air transportation. For purposes of this  
8                   paragraph, "leasing" includes all forms of lease,  
9                   regardless of whether the lease is an operating lease  
10                  or financing lease. The definition of "interstate air  
11                  transportation" is the same as in 49 U.S.C. 40102;
- 12           (7) The use of oceangoing vehicles for passenger or  
13                   passenger and goods transportation from one point to  
14                   another within the State as a public utility as  
15                   defined in chapter 269;
- 16           (8) The use of material, parts, or tools imported or  
17                   purchased by a person licensed under chapter 237 which  
18                   are used for aircraft service and maintenance, or the  
19                   construction of an aircraft service and maintenance  
20                   facility as those terms are defined in section 237-  
21                   24.9;



- 1           (9) The use of services or contracting imported for resale  
2                    where the contracting or services are for resale,  
3                    consumption, or use outside the State pursuant to  
4                    section 237-29.53(a);
- 5           (10) The use of contracting imported or purchased by a  
6                    contractor as defined in section 237-6 who is:  
7                    (A) Licensed under chapter 237;  
8                    (B) Engaged in business as a contractor; and  
9                    (C) Subject to the tax imposed under section 238-2.3;  
10                   [and]
- 11          (11) The use of property, services, or contracting imported  
12                    by foreign diplomats and consular officials who are  
13                    holding cards issued or authorized by the United  
14                    States Department of State granting them an exemption  
15                    from state taxes[-]; and
- 16          (12) The use of material, parts, or tools imported or  
17                   purchased by a person licensed under chapter 237, that  
18                   are used for a Hawaii film facility or the  
19                   construction of a Hawaii film facility as defined in  
20                   section 201B-A.





1 With regard to purchases made and distributed under the  
2 authority of chapter 421, a cooperative association shall be  
3 deemed the user thereof."

4 SECTION 7. Section 201-14, Hawaii Revised Statutes, is  
5 repealed.

6 ~~["§201-14 Consolidated film permit processing. (a) The~~  
7 ~~department shall consult with state and county agencies in order~~  
8 ~~to identify sites that can be used for making visually recorded~~  
9 ~~productions under terms and conditions as may be determined by~~  
10 ~~the state or county agency having jurisdiction over the sites.~~

11 ~~(b) The department may accept an application from any~~  
12 ~~person who proposes to make a motion picture, television show,~~  
13 ~~television commercial, or other visually recorded production at~~  
14 ~~one or more sites on state or county lands, whether or not set~~  
15 ~~aside under section 171-11.~~

16 ~~(c) The applicant shall identify the sites to be covered~~  
17 ~~by the permit and provide other information as may be required~~  
18 ~~by the department.~~

19 ~~(d) The department may approve and issue a permit to film~~  
20 ~~at any of the sites identified by the appropriate state or~~  
21 ~~county agency under subsection (a). If any site requested for~~  
22 ~~use by the applicant is not identified under subsection (a), the~~



1 ~~department shall consult with the appropriate state or county~~  
2 ~~agency having jurisdiction over the site to obtain a permit. If~~  
3 ~~the matter of a permit cannot be resolved in this manner, the~~  
4 ~~department shall refer the application to the appropriate state~~  
5 ~~or county agency to obtain a permit.~~

6 ~~(e) The department is authorized to make changes to, and~~  
7 ~~extensions of, any approved permits so long as the changes and~~  
8 ~~extensions do not conflict with the policies, terms, and~~  
9 ~~conditions set forth by the agency having jurisdiction over the~~  
10 ~~site in question.~~

11 ~~(f) The department may establish memoranda of agreement or~~  
12 ~~adopt rules to implement the intent and purposes of this~~  
13 ~~section.~~

14 ~~(g) Nothing in this section shall be construed as waiving~~  
15 ~~the authority of any county or the department of transportation~~  
16 ~~of the State to require a person to obtain a permit from the~~  
17 ~~department or county where the production takes place on or from~~  
18 ~~a public highway.~~

19 ~~(h) A vessel engaged in temporary use for film production~~  
20 ~~purposes in accordance with a film permit issued by the~~  
21 ~~department shall not be considered to be a "commercial vessel"~~



1 ~~within the meaning of section 200-9, 200-10, or 200-39, provided~~  
2 ~~that:~~

3 ~~(1) The period of temporary use does not exceed fourteen~~  
4 ~~hours per day, five days per week, excluding weekends,~~  
5 ~~and for a period not to exceed thirty calendar days,~~  
6 ~~and~~

7 ~~(2) The department may make allowances to include weekends~~  
8 ~~for film production purposes due to inclement weather~~  
9 ~~conditions during the weekday period." ]~~

10 SECTION 8. Chapter 201, part IX, Hawaii Revised Statutes,  
11 is repealed.

12 SECTION 9. All rights, powers, functions, and duties  
13 related to Hawaii television and film development are  
14 transferred to the Hawaii tourism authority. The authority may  
15 employ, without regard to chapters 76 and 78, and at pleasure  
16 dismiss such persons as it finds necessary for the performance  
17 of its functions under this Act and fix their compensation.

18 All officers and employees whose functions are transferred  
19 by this Act shall be transferred with their functions and shall  
20 continue to perform their regular duties upon their transfer,  
21 subject to the state personnel laws and this Act.



1           No officer or employee of the State having tenure shall  
2 suffer any loss of salary, seniority, prior service credit,  
3 vacation, sick leave, or other employee benefit or privilege as  
4 a consequence of this Act, and such officer or employee may be  
5 transferred or appointed to a civil service position without the  
6 necessity of examination; provided that the officer or employee  
7 possesses the minimum qualifications for the position to which  
8 transferred or appointed; and provided that subsequent changes  
9 in status may be made pursuant to applicable civil service and  
10 compensation laws.

11           If an office or position held by an officer or employee  
12 having tenure is abolished, the officer or employee shall not  
13 thereby be separated from public employment, but shall remain in  
14 the employment of the State with the same pay and classification  
15 and shall be transferred to some other office or position for  
16 which the officer or employee is eligible under the personnel  
17 laws of the State as determined by the head of the department or  
18 the governor.

19           SECTION 10. All appropriations, records, equipment,  
20 machines, files, supplies, contracts, books, papers, documents,  
21 maps, and other personal property heretofore made, used,  
22 acquired, or held by the department of business, economic



1 development, and tourism relating to the functions transferred  
2 to the Hawaii tourism authority shall be transferred with the  
3 functions to which they relate.

4 SECTION 11. This Act shall not affect the membership or  
5 term of any appointed member of a board or other policy-making  
6 or advisory body transferred by this Act. Such a member shall  
7 continue to serve on the board or other body for the member's  
8 term without necessity of reappointment.

9 SECTION 12. There is appropriated out of the general  
10 revenues of the State of Hawaii the sum of \$ or so  
11 much thereof as may be necessary for fiscal year 2012-2013 for  
12 deposit into the film, television, digital, and new media  
13 development special fund established pursuant to 201B-C, Hawaii  
14 Revised Statutes.

15 SECTION 13. There is appropriated out of the film,  
16 television, digital, and new media development special fund the  
17 sum of \$ or so much thereof as may be necessary for  
18 fiscal year 2012-2013 for implementation of the film,  
19 television, digital, and new media development activities.

20 The sum appropriated shall be expended by the Hawaii  
21 tourism authority for the purposes of this Act.



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1 SECTION 14. This Act does not affect rights and duties  
2 that matured, penalties that were incurred, and proceedings that  
3 were begun before its effective date.

4 SECTION 15. Statutory material to be repealed is bracketed  
5 and stricken. New statutory material is underscored.

6 SECTION 16. This Act shall take effect on January 1, 2013.

7

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# S.B. NO. 3050

**Report Title:**

Hawaii Tourism Authority; Film, Television, Digital, and New Media Development; Appropriation

**Description:**

Assigns to the Hawaii tourism authority the responsibilities for film, television, digital, and new media development; repeals the film industry activities within the department of business, economic development, and tourism; makes conforming amendments; appropriation; effective 1/1/2013.

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