

Honolulu, Hawaii

March 2, 2018

RE: H.B. No. 1328
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1328, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO FILM AND DIGITAL MEDIA
INDUSTRY DEVELOPMENT,"

begs leave to report as follows:

The purpose of this measure is to stimulate the motion picture, digital media, and film production industry in the State by:

- (1) Amending the annual aggregate cap, from \$35,000,000 to an unspecified amount, that is placed on the amount of the motion picture, digital media, and film production income tax credit that may be claimed by qualified productions; and
- (2) Providing greater flexibility in the motion picture, digital media, and film production income tax credit eligibility requirements by granting qualified productions the option of providing the State alternative marketing opportunities as a condition of claiming the income tax credit.

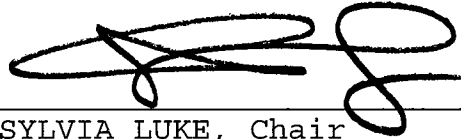
The Department of Business, Economic Development and Tourism;
University of Hawai'i; Kauai Film Office of the County of Kauai -



Office of Economic Development; Hawaii County Film Office; Motion Picture Association of America; Screen Actors Guild - American Federation of Television and Radio Artists; United Public Workers, AFSCME, Local 646, AFL-CIO; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Film and Video Association of Hawaii; International Longshore and Warehouse Union Local 142; HT Project Inc.; and numerous individuals testified in support of this measure. The Department of Taxation; Tax Foundation of Hawaii; International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists and Allied Crafts Local 665; GVS Accelerator; Hawaii Teamsters Local 996; Hawaii Media Inc.; Da Spot Health Foods and Juices; and numerous individuals provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1328, H.D. 1, and recommends that it pass Third Reading.

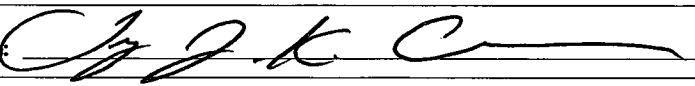
Respectfully submitted on
behalf of the members of the
Committee on Finance,



SYLVIA LUKE, Chair



Record of Votes of the Committee on Finance

Bill/Resolution No.: HB 1328 HD1	Committee Referral: EDB, FIN	Date: 2/27/2018		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="checked" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)	✓			
2. CULLEN, Ty J.K. (VC)	✓			
3. CACHOLA, Romy M.	✓			
4. DeCOITE, Lynn	✓			
5. FUKUMOTO, Beth	✓			
6. GATES, Cedric Asuega	✓			
7. HOLT, Daniel	✓			
8. KEOHOKALOOLE, Jarrett	✓			
9. KOBAYASHI, Bertrand				✓
10. LOWEN, Nicole E.				✓
11. NAKAMURA, Nadine K.	✓			
12. TODD, Chris	✓			
13. YAMASHITA, Kyle T.	✓			
14. TUPOLA, Andria P.L.				✓
15. WARD, Gene				✓
TOTAL (15)	11	0	0	4
The recommendation is:	<input checked="checked" type="checkbox"/> Adopted	<input type="checkbox"/> Not Adopted		
If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				