

Honolulu, Hawaii

FEB 16 2007

RE: S.B. No. 1922
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committees on Economic Development and Taxation and
Education, to which was referred S.B. No. 1922 entitled:

"A BILL FOR AN ACT RELATING TO CREATIVE MEDIA,"

beg leave to report as follows:

The purpose of this measure is to create financial incentives
for, and appropriate funds to, the Academy for Creative Media for
plans for a permanent facility in Hawaii.

Prior to the hearing, your Committees circulated a Proposed
S.D. 1.

The purpose of the Proposed S.D. 1 of this measure is to
support Hawaii's creative media by:

- (1) Creating financial incentives for, and appropriating
funds to, the Academy for Creative Media at the
University of Hawaii to develop plans for a permanent
facility in Hawaii;
- (2) Appropriating funds for a digital media incubator
facility; and
- (3) Establishing and appropriating funds for the Music and
Enterprise Learning Experience (MELE) program at the
University of Hawaii Honolulu Community College to



develop the technical business skills required by Hawaii's music artists and music industry.

Testimony in support of the Proposed S.D. 1 was received from the Department of Business, Economic Development, and Tourism; University of Hawai'i at Manoa; Honolulu Community College; the Mayor of the City and County of Honolulu; Enterprise Honolulu; International Alliance of Theatrical and State Employees Union, Local 665; Aloha Agency; COJODA Productions LLC; Ho'ike Technology; Island Insurance Company, Ltd.; Juniroa Productions; Kinetic Productions; KUD International LLC; Mountain Apple Company; Pacific Islanders in Communications; Pacific Artists Image Exchange; Searider Productions and three of its students; five faculty members and thirty-two students of the Academy for Creative Media at the University of Hawai'i at Manoa; and nine individuals affiliated with film and creative media. The Department of Taxation submitted comments.

Your Committees have heard strong support for Hawaii's dynamic creative media sector, the positive impact it has had on Hawaii's workforce, and the creative options it offers for so many of the State's students.

Combining creative media proposals from other measures into the Proposed S.D. 1, has given your Committees the opportunity to review the proposals in totality, and in doing so has raised a number of issues to be addressed.

First, Committee members applaud the Academy for Creative Media's efforts to focus on the needs of K-12 students, as its affiliations with the successful Waianae Searider Productions and other K-12 students demonstrates. Your Committees urge the University of Hawai'i to expand its planning focus to embrace Hawaii's K-12 schools in its MELE initiatives, and to consider additional ways to involve the schools in planning for and implementing new programs. In doing so, your Committees stress the importance of establishing realistic benchmarks for outcomes, with measurable timelines for these creative enterprises.

Second, your Committees strongly support the development of additional facilities and programs for the creative media. Committee members are concerned, however, that some of the approaches outlined appear to be piecemeal and may duplicate existing projects and facilities. Committee members advise a




coordinated effort by the Administration, the University of Hawai'i - both Manoa and the Community Colleges - and industry representatives to develop short-range and long-term plans and cost estimates to accomplish their goals.

It is the intent of your Committees to continue legislative discussions on these very worthwhile initiatives designed to build a creative media industry in Hawaii.

Your Committees have amended the Proposed S.D. 1, by changing all the appropriations to unspecified amounts, in anticipation of additional financial and other information, and for the purposes of further discussion.

As affirmed by the records of votes of the members of your Committees on Economic Development and Taxation and Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1922, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1922, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Economic
Development and Taxation and
Education,


NORMAN SAKAMOTO, Chair


CAROL FUKUNAGA, Chair



Record of Votes
Committee on Economic Development and Taxation
EDT

*Only one measure per Record of Votes

Record of Votes
Committee on Education
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*Only one measure per Record of Votes