
A BILL FOR AN ACT

RELATING TO TELEVISION AND FILM PRODUCTION.

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

1 SECTION 1. Section 201-14, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§201-14 Consolidated film permit processing.** (a) The
4 department shall consult with state and county agencies [~~in~~
5 ~~order~~] to identify sites that can be used for making visually
6 recorded productions under terms and conditions as may be
7 determined by the state or county agency having jurisdiction
8 over the sites.

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

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

17 (d) The department may approve and issue a permit to film
18 at any of the sites identified by the appropriate state or



1 county agency under subsection (a). If any site requested for
2 use by the applicant is not identified under subsection (a), the
3 department shall consult with the appropriate state or county
4 agency having jurisdiction over the site to obtain a permit. If
5 the matter of a permit cannot be resolved in this manner, the
6 department shall refer the application to the appropriate state
7 or county agency to obtain a permit.

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

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

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

21 (h) A vessel engaged in temporary use for film production
22 purposes in accordance with a film permit issued by the



1 department shall not be considered to be a "commercial vessel"
2 within the meaning of section 200-9, 200-10, or 200-39; provided
3 that:

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

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

11 (i) The department shall establish and collect a surcharge
12 of \$ _____ on each film permit application it processes. The
13 revenues received from the surcharge shall be deposited into the
14 Hawaii television and film development special fund pursuant to
15 section 201-113."

16 SECTION 2. Section 201-112, Hawaii Revised Statutes, is
17 amended by amending subsection (a) to read as follows:

18 "(a) There is established the Hawaii television and film
19 development board. The board shall be attached to the
20 department of business, economic development, and tourism for
21 administrative purposes only. The board shall administer the
22 grant and venture capital investment programs and the Hawaii



1 television and film development special fund established under
2 this part[-]; provided that the director of business, economic
3 development, and tourism shall determine the use of moneys in
4 the fund to the extent provided for in section 201-113(c). The
5 board shall also assess and consider the overall viability and
6 development of the television and film industries and make
7 recommendations to appropriate state or county agencies."

8 SECTION 3. Section 201-113, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "[+]§201-113[+] Hawaii television and film development
11 special fund. (a) There is established in the state treasury
12 the Hawaii television and film development special fund into
13 which shall be deposited:

- 14 (1) Appropriations by the legislature;
- 15 (2) Donations and contributions made by private
16 individuals or organizations for deposit into the
17 fund;
- 18 (3) Grants provided by governmental agencies or any other
19 source; [and]
- 20 (4) Any profits or other amounts received from venture
21 capital investments[-];



1 (5) Revenues collected by the department of business,
2 economic development, and tourism for film permit
3 surcharges assessed under section 201-14;

4 (6) Revenues received from the rental of the Hawaii film
5 studio;

6 (7) Film permit violation fees assessed by the department
7 of business, economic development, and tourism; and

8 (8) Fees for processing tax incentive applications
9 pursuant to section 235-17.

10 (b) The fund shall be used by the board to assist in, and
11 provide incentives for, the production of eligible Hawaii
12 projects that are in compliance with criteria and standards
13 established by the board in accordance with rules adopted by the
14 board pursuant to chapter 91. In particular, the board shall
15 adopt rules to provide for the implementation of the following
16 programs:

17 (1) A grant program. The board shall adopt rules pursuant
18 to chapter 91 to provide conditions and qualifications
19 for grants. Applications for grants shall be made to
20 the board and shall contain such information as the
21 board shall require by rules adopted pursuant to



1 chapter 91. At a minimum, the applicant shall agree
2 to the following conditions:

- 3 (A) The grant shall be used exclusively for eligible
4 Hawaii projects;
- 5 (B) The applicant shall have applied for or received
6 all applicable licenses and permits;
- 7 (C) The applicant shall comply with applicable
8 federal and state laws prohibiting discrimination
9 against any person on the basis of race, color,
10 national origin, religion, creed, sex, age, or
11 physical handicap;
- 12 (D) The applicant shall comply with other
13 requirements as the board may prescribe;
- 14 (E) All activities undertaken with funds received
15 shall comply with all applicable federal, state,
16 and county statutes and ordinances;
- 17 (F) The applicant shall indemnify and save harmless
18 the State of Hawaii and its officers, agents, and
19 employees from and against any and all claims
20 arising out of or resulting from activities
21 carried out or projects undertaken with funds
22 provided hereunder, and procure sufficient



1 insurance to provide this indemnification if
2 requested to do so by the department;

3 (G) The applicant shall make available to the board
4 all records the applicant may have relating to
5 the project, to allow the board to monitor the
6 applicant's compliance with the purpose of this
7 chapter; and

8 (H) The applicant, to the satisfaction of the board,
9 shall establish that sufficient funds are
10 available for the completion of the project for
11 the purpose for which the grant is awarded; and

12 (2) A venture capital program. The board shall adopt
13 rules pursuant to chapter 91 to provide conditions and
14 qualifications for venture capital investments in
15 eligible Hawaii projects. The program may include a
16 written agreement between the borrower and the board,
17 as the representative of the State, that as
18 consideration for the venture capital investment made
19 under this part, the borrower shall share any
20 royalties, licenses, titles, rights, or any other
21 monetary benefits that may accrue to the borrower
22 pursuant to terms and conditions established by the



1 board by rule pursuant to chapter 91. Venture capital
2 investments may be made on such terms and conditions
3 as the board shall determine to be reasonable,
4 appropriate, and consistent with the purposes and
5 objectives of this part.

6 (c) Revenues collected from:

7 (1) The film permit surcharge pursuant to section 201-
8 14(i);

9 (2) The rental of the Hawaii film studio;

10 (3) Film permit violation fees assessed by the department
11 of business, economic development, and tourism; and

12 (4) Fees for processing tax incentive applications
13 pursuant to section 235-17,

14 and deposited into the fund shall be used to fund the department
15 of business, economic development, and tourism creative
16 industries division."

17 SECTION 4. There is appropriated out of the Hawaii
18 television and film development special fund the sum of
19 \$ or so much thereof as may be necessary for fiscal
20 year 2012-2013 to be used for the purposes of the fund pursuant
21 to section 201-113, Hawaii Revised Statutes.



1 The sum appropriated shall be expended by the department of
2 business, economic development, and tourism for the purposes of
3 this Act.

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

6 SECTION 6. This Act shall take effect on July 1, 2050.

7



Report Title:

Film Permits; Surcharge; Creative Industries Division

Description:

Requires the department of business, economic development, and tourism to establish and collect a surcharge for each film permit application it processes; specifies that all surcharge revenues and other revenue sources are to be deposited into the Hawaii television and film development special fund; requires that revenues from the special fund are to be used to fund the creative industries division. Effective July 1, 2050. (SD1)

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