Honolulu, Hawaii Ebruam 28, 2013

RE: H.B. No. 726 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 726, 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 encourage new film, television, entertainment, digital media, and music video production in Hawaii by:

- (1) Extending the expiration date of the motion picture, digital media, and film production income tax credit to January 1, 2023;
- (2) Increasing the motion picture, digital media, and film production tax credit ceiling for each qualified production to an unspecified amount; and
- (3) Increasing, by an unspecified amount, the percentage of qualified production costs that may be claimed as a credit, in counties with a population both above or below 700,000 persons.

The Mayor of Maui County provided testimony in support of this measure. The Department of Taxation; Department of Business, Economic Development, and Tourism; SAG-AFTRA, International Alliance of Theatrical State Employees Mixed Local 665, American

Federation of Musicians Local 677, and Hawaii Teamsters Local 996; NBC Universal Media, LLC; and Tax Foundation of Hawaii 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. 726, 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

## State of Hawaii House of Representatives The Twenty-seventh Legislature

HSLR658

## **Record of Votes of the Committee on Finance**

Bill/Resolution No.:	Committee Referral:		Date:	
HB726 HD1	EDB, FIN		02/21/13	
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD)   Hold				
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. NISHIMOTO, Scott Y. (VC)				
3. JOHANSON, Aaron Ling (VC)				-
4. CULLEN, Ty J.K.				
5. HASHEM, Mark J.				
6. ING, Kaniela				-
7. JORDAN, Jo				
8. KOBAYASHI, Bertrand				
9. LOWEN, Nicole E.				
10. MORIKAWA, Dee				
11. ONISHI, Richard H.K.				
12. TAKAYAMA, Gregg				
13. TOKIOKA, James Kunane				
14. WOODSON, Justin H.				
15. YAMASHITA, Kyle T.				
16. FUKUMOTO, Beth				
17. WARD, Gene				
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TOTAL (17)	17			
The recommendation is: Adopted   Not Adopted				
/If joint referral, did not support recommendation.				
Vice Chair's or designee's signature				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				