A BILL FOR AN ACT

RELATING TO THE CREATIVE MEDIA INDUSTRY.

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

1	SECT	ION 1. The purpose of this Act is to:
2	(1)	Assign to the Hawaii tourism authority the
3		responsibilities for film development and marketing;
4	(2)	Transfer the film industry branch within the creative
5		industries division of the department of business,
6		economic development, and tourism to the Hawaii
7		tourism authority; and
8	(3)	Appropriate funds out of the film development and
9		marketing special fund for the implementation of film
10		development and marketing activities.
11	SECT	ION 2. Chapter 201B, Hawaii Revised Statutes, is
12	amended b	y adding a new part to be appropriately designated and
13	to read a	s follows:
14		"PART . FILM DEVELOPMENT
15	§ 201	B-A Definitions. As used in this part:
16	"App	licant" means a person applying for a grant under this
17	part.	
18	"Aut	hority" means the Hawaii tourism authority.

"Authority" means the Hawaii tourism authority. SB1155 SD2 LRB 15-1996.doc



- 1 "Eligible Hawaii project" or "project" means a film project
- 2 in which at least seventy-five per cent of the budget for the
- 3 production costs, excluding salaries and costs for the producer,
- 4 director, writer, screenplay, and actors in the project, is
- 5 dedicated for the purchase or lease of goods or services from a
- 6 vendor or supplier who is located and doing business in the
- 7 State.
- 8 "Film" means film, motion pictures, and television
- 9 productions.
- 10 "Fund" means the film development and marketing special
- 11 fund.
- "Hawaii film studio" means the Hawaii film studio, with
- 13 professional stages, television studios, recording studios,
- 14 screening rooms, and other infrastructure for film production.
- 15 §201B-B Powers and duties. In addition to any other
- 16 powers and duties provided in this chapter, the authority shall:
- 17 (1) Coordinate and manage the consolidated permit
- processing under section 201B-D;
- 19 (2) Work with state and county departments and agencies to
- 20 review and adjust permitting issues relating to public

1		Tands, police and life department permits, and
2		standardization of county permitting;
3	(3)	Coordinate the pooling of various funding sources to
4		allow for aggressive marketing and promotion of Hawaii
5		locations to a broad market;
6	(4)	Have the right to inspect, at reasonable hours, the
7		plant, physical facilities, equipment, premises,
8		books, and records of any applicant under section
9		201B-D in connection with the processing of a grant
10		under section 201B-C(c)(2);
11	(5)	Register qualified production costs for the motion
12		picture, digital media, and film production income tax
13		credit under section 235-17;
14	(6)	Establish advisory groups that include persons with a
15		working knowledge of the film industry, the county
16		film commissions, and government departments and
17		agencies controlling resources necessary to support
18		development of the film and television industry in the
19		State; and

1	(7)	Set and collect rents, fees, charges, or other
2		payments for the lease, use, or occupancy of the
3		Hawaii film studio without regard to chapter 91.
4	§201	B-C Film development and marketing special fund. (a)
5	There is	established the film development and marketing special
6	fund into	which shall be deposited:
7	(1)	Appropriations by the legislature;
8	(2)	Revenues from the operations of the Hawaii film
9		studio;
10	(3)	Revenues from revenue bonds issued for a loan program
11		pursuant to subsection (c);
12	(4)	Gifts, grants, and other funds accepted by the
13		authority for the purposes of this part; and
14	(5)	All interest and revenues or receipts derived by the
15		authority from any project or project agreements under
16		this part.
17	(b)	Moneys in the film development and marketing special
18	fund may	be:
19	(1)	Placed in interest-bearing accounts; provided that the
20		depository in which the money is deposited furnishes
21		security as provided in section 38-3; or

1	(2)	Otherwise invested by the authority until such time as
2		the moneys may be needed; provided that the authority
3		shall invest the moneys only as provided in section
4		36-21.
5	All inter	est accruing from the investment of these moneys shall
6	be credit	ed to the film development and marketing special fund.
7	(c)	The fund shall be used by the authority to assist in
8	film offi	ce operations and marketing and the production of
9	eligible	Hawaii film and television projects that are in
10	complianc	e with criteria and standards established by the
11	authority	in accordance with rules adopted by the authority
12	pursuant	to chapter 91. The authority shall adopt rules to
13	provide f	or:
14	(1)	Low interest loans to provide seed money for film and
15		television development and to support production that
16		will create jobs, provide training, and enhance the
17		State's visibility for such projects; and
18	(2)	A grant program, subject to the following conditions:
19		(A) The grant shall be used exclusively for eligible
20		Hawaii projects;

1	(B)	The applicant shall obtain all applicable
2		licenses and permits;
3	(C)	The applicant shall indemnify and save harmless
4		the State of Hawaii and its officers, agents, and
5		employees from and against any and all claims
6		arising out of or resulting from activities
7		carried out or projects undertaken with funds
8		provided hereunder, and procure sufficient
9		insurance to provide this indemnification if
10		requested to do so by the authority; and
11	(D)	The applicant shall submit reports to the
12		authority that enable the authority to monitor
13		the applicant's compliance with the criteria and
14		standards established by the authority under this
15		part.
16	(d) A po	rtion of the moneys in the fund shall be used for
17	the staffing a	nd operation of the Hawaii film office, marketing
18	activities and	programs, and the operation and maintenance of
19	the Hawaii fil	m studio.
20	§201B-D	Consolidated permit processing. (a) The
21	authority shal	l consult with state and county agencies to

- 1 identify sites that may be used for projects under terms and
- 2 conditions as may be determined by the state or county agency
- 3 having jurisdiction over the site.
- 4 (b) The authority may accept an application for a permit
- 5 from any person who proposes to make a motion picture,
- 6 television show, television commercial, or other project at one
- 7 or more sites on state or county lands, whether or not set aside
- 8 under section 171-11.
- 9 (c) The applicant shall identify the sites to be covered
- 10 by the permit and provide other information as may be required
- 11 by the authority.
- 12 (d) The authority may approve and issue a permit to film
- 13 at any of the sites identified by the appropriate state or
- 14 county agency under subsection (a). If any site requested for
- 15 use by the applicant is not identified under subsection (a), the
- 16 authority shall consult with the appropriate state or county
- 17 agency having jurisdiction over the site to obtain a permit;
- 18 provided that the authority may refer the applicant to the
- 19 appropriate state or county agency to obtain a permit.
- 20 (e) The authority is authorized to make changes to, and
- 21 extensions of, any approved permits; provided that the changes

- 1 and extensions do not conflict with the policies, terms, and
- 2 conditions set forth by the agency having jurisdiction over the
- 3 site in question.
- 4 (f) The authority may establish memoranda of agreement or
- 5 adopt rules pursuant to chapter 91 to implement this part.
- 6 (g) Nothing in this section shall be construed as waiving
- 7 the authority of any county or the department of transportation
- 8 to require a person to obtain a permit from the department of
- 9 transportation or county where the production takes place on or
- 10 from a public highway.
- 11 (h) A vessel engaged in temporary use for production
- 12 purposes in accordance with a film permit issued by the
- 13 authority shall not be considered to be a "commercial vessel"
- 14 within the meaning of section 200-9, 200-10, or 200-39; provided
- 15 that:
- 16 (1) The period of temporary use does not exceed fourteen
- hours per day, five days per week, excluding weekends,
- and does not exceed thirty calendar days; and
- 19 (2) The period of temporary use may include weekend use
- for film production purposes due to inclement weather
- 21 conditions during the weekday period."

1	SECTION 3. Chapter 237, Hawaii Revised Statutes, is
2	amended by adding a new section to be appropriately designated
3	and to read as follows:
4	"§237- Hawaii film studio. This chapter shall not apply
5	to amounts received from:
6	(1) The improvements of the Hawaii film studio as defined
7	in section 201B-A under a financing agreement pursuant
8	to chapter 37D; or
9	(2) The operations of the Hawaii film studio as defined in
10	section 201B-A."
11	SECTION 4. Section 201-3, Hawaii Revised Statutes, is
12	amended to read as follows:
13	"§201-3 Specific research and promotional functions of the
14	department. Without prejudice to its general functions and
15	duties, the department of business, economic development, and
16	tourism shall have specific functions in the following areas:
17	(1) Industrial development. The department shall:
18	(A) Determine through technical and economic surveys
19	the profit potential of new or expanded
20	[industrial] industry development undertakings;

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

1		(A)	Encourage the most productive use of all land if
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)	Cred	lit 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

1			agricultural and industrial expansion, and inform
2			producers of agricultural and industrial products
3			as to the manner in which to qualify for loans;
4			and
5		(D)	Make grants or contracts as may be necessary or
6			advisable to accomplish the foregoing;
7	(4)	Prom	otion. The department shall:
8	4.	(A)	Disseminate information developed for or by the
9			department pertaining to economic development to
10			assist present industry sectors in the State;
11		(B)	Attract new industry and investments to the
12			State; and
13		(C)	Assist new and emerging industry with good growth
14			potential or prospects in jobs, exports, and new
15			products.
16		The	industrial and economic promotional activities of
17		the	department may include the use of literature,
18		adve	rtising, demonstrations, displays, market testing,
19		lect	ures, travel, [motion picture and slide films,]
20		digi	tal media, web promotion, and other promotional
21		and	publicity devices as may be appropriate; and

1	(5)	Self-sufficiency standard. The department shall
2		establish and update biennially a self-sufficiency
3		standard that shall incorporate existing methods of
4		calculation, and shall reflect, at a minimum, costs
5		relating to housing, food, child care, transportation,
6		health care, clothing and household expenses, federal
7		and state tax obligations, family size, children's
8		ages, geography, and the number of household wage
9		earners. The department shall report to the
10		legislature concerning the self-sufficiency standard
11		no later than twenty days prior to the convening of
12		the regular session of 2009, and every odd-numbered
13		year thereafter. The recommendations shall address,
14		among other things, the use of any federal funding
15		that may be available for the purposes of establishing
16		and updating the self-sufficiency standard.
17	[The	department shall be the central agency to coordinate
18	film perm	rit activities in the State.]"
19	SECT	ION 5. Section 235-17, Hawaii Revised Statutes, is
20	amended a	s follows:

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1. By amending subsection (f) to read:

1	"(f) To receive the tax credit, the taxpayer shall first
2	prequalify the production for the credit by registering with the
3	[department of business, economic development, and tourism]
4	Hawaii tourism authority during the development or preproduction
5	stage. Failure to comply with this provision may constitute a
6	waiver of the right to claim the credit."
7	2. By amending subsections (h) and (i) to read:
8	"(h) Every taxpayer claiming a tax credit under this
9	section for a qualified production shall, no later than ninety
10	days following the end of each taxable year in which qualified
11	production costs were expended, submit a written, sworn
12	statement to the [department of business, economic development,
13	and tourism, Hawaii tourism authority identifying:
14	(1) All qualified production costs as provided by
15	subsection (a), if any, incurred in the previous
16	taxable year;
17	(2) The amount of tax credits claimed pursuant to this
18	section, if any, in the previous taxable year; and
19	(3) The number of total hires versus the number of local

hires by category and by county.

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1	This ini	ormation may be reported from the (department of
2	business	, economic development, and tourism] Hawaii tourism
3	authorit	y to the legislature in redacted form pursuant to
4	subsecti	on (i)(4).
5	(i)	The [department of business, economic development, and
6	tourism]	Hawaii tourism authority shall:
7	(1)	Maintain records of the names of the taxpayers and
8		qualified productions thereof claiming the tax credits
9		under subsection (a);
10	(2)	Obtain and total the aggregate amounts of all
11		qualified production costs per qualified production
12		and per qualified production per taxable year;
13	(3)	Provide a letter to the director of taxation
14		specifying the amount of the tax credit per qualified
15		production for each taxable year that a tax credit is
16		claimed and the cumulative amount of the tax credit
17		for all years claimed; and
18	(4)	Submit a report to the legislature no later than
19		twenty days prior to the convening of each regular
20		session detailing the non-aggregated qualified
21		production costs that form the basis of the tax credit

1	claims and expenditures, itemized by taxpayer, in a
2	redacted format to preserve the confidentiality of the
3	taxpayers claiming the credit.
4	Upon each determination required under this subsection, the
5	[department of business, economic development, and tourism]
6	Hawaii tourism authority shall issue a letter to the taxpayer,
7	regarding the qualified production, specifying the qualified
8	production costs and the tax credit amount qualified for in each
9	taxable year a tax credit is claimed. The taxpayer for each
10	qualified production shall file the letter with the taxpayer's
11	tax return for the qualified production to the department of
12	taxation. Notwithstanding the authority of the [department of
13	business, economic development, and tourism] Hawaii tourism
14	authority under this section, the director of taxation may audit
15	and adjust the tax credit amount to conform to the information
16	filed by the taxpayer."
17	3. By amending subsection (1) to read:
18	"(1) For the purposes of this section:
19	"Commercial":

1	(1)	means an advertising message that is illimed using
2		film, videotape, or digital media, for dissemination
3		via television broadcast or theatrical distribution;
4	(2)	Includes a series of advertising messages if all parts
5		are produced at the same time over the course of six
6		consecutive weeks; and
7	(3)	Does not include an advertising message with
8		Internet-only distribution.
9	"Dig	ital media" means production methods and platforms
10	directly	related to the creation of cinematic imagery and
11	content,	specifically using digital means, including but not
12	limited t	o digital cameras, digital sound equipment, and
13	computers	, to be delivered via film, videotape, interactive game
14	platform,	or other digital distribution media.
15	"Pos	t-production" means production activities and services
16	conducted	after principal photography is completed, including
17	but not 1	imited to editing, film and video transfers,
18	duplicati	on, transcoding, dubbing, subtitling, credits, closed
19	captionin	g, audio production, special effects (visual and
20	sound), q	raphics, and animation.

S.B. NO. $^{1155}_{\text{S.D. 2}}$

1	"PIO	duction means a series of activities that are directly
2	related to	o the creation of visual and cinematic imagery to be
3	delivered	via film, videotape, or digital media and to be sold,
4	distribute	ed, or displayed as entertainment or the advertisement
5	of product	ts for mass public consumption, including but not
6	limited to	o scripting, casting, set design and construction,
7	transport	ation, videography, photography, sound recording,
8	interacti	ve game design, and post-production.
9	"Qua	lified production":
10	(1)	Means a production, with expenditures in the State,
11		for the total or partial production of a feature-
12		length motion picture, short film, made-for-television
13		movie, commercial, music video, interactive game,
14		television series pilot, single season (up to
15		twenty-two episodes) of a television series regularly
16		filmed in the State (if the number of episodes per
17		single season exceeds twenty-two, additional episodes
18		for the same season shall constitute a separate
19		qualified production), television special, single
20		television episode that is not part of a television
21		series regularly filmed or based in the State,

1		natio	onal magazine show, or national talk show. For
2		the p	ourposes of subsections (d) and (j), each of the
3		afore	ementioned qualified production categories shall
4		const	titute separate, individual qualified productions;
5		and	
6	(2)	Does	not include:
7		(A)	News;
8		(B)	Public affairs programs;
9		(C)	Non-national magazine or talk shows;
10		(D)	Televised sporting events or activities;
11		(E)	Productions that solicit funds;
12		(F)	Productions produced primarily for industrial,
13			corporate, institutional, or other private
14			purposes; and
15		(G)	Productions that include any material or
16			performance prohibited by chapter 712.
17	"Qua	lifie	d production costs" means the costs incurred by a
18	qualified	produ	action within the State that are subject to the
19	general e	xcise	tax under chapter 237 or income tax under this
20	chapter a	nd tha	at have not been financed by any investments for
21	which a c	redit	was or will be claimed pursuant to section

1	235-110.9	. Qualified production costs include but are not
2	limited to	0:
3	(1)	Costs incurred during preproduction such as location
4		scouting and related services;
5	(2)	Costs of set construction and operations, purchases or
6		rentals of wardrobe, props, accessories, food, office
7		supplies, transportation, equipment, and related
8		services;
9	(3)	Wages or salaries of cast, crew, and musicians;
10	(4)	Costs of photography, sound synchronization, lighting,
11		and related services;
12	(5)	Costs of editing, visual effects, music, other post-
13		production, and related services;
14	(6)	Rentals and fees for use of local facilities and
15		locations, including rentals and fees for use of state
16		and county facilities and locations that are not
17		subject to general excise tax under chapter 237 or
18		income tax under this chapter;
19	(7)	Rentals of vehicles and lodging for cast and crew;
20	(8)	Airfare for flights to or from Hawaii, and interisland
21		flights;

1	(9)	Insurance and bonding;
2	(10)	Shipping of equipment and supplies to or from Hawaii,
3		and interisland shipments; and
4	(11)	Other direct production costs specified by the
5		department in consultation with the [department of
6		business, economic development, and tourism;] Hawaii
7		tourism authority;
8	provided	that any government-imposed fines, penalties, or
9	interest	that are incurred by a qualified production within the
10	State sha	ll not be "qualified production costs"."
11	SECT	TION 6. Section 238-1, Hawaii Revised Statutes, is
12	amended b	y amending the definition of "use" to read as follows:
13	""Us	e" (and any nounal, verbal, adjectival, adverbial, and
14	other equ	ivalent form of the term) herein used interchangeably
15	means any	use, whether the use is of such nature as to cause th
16	property,	services, or contracting to be appreciably consumed o
17	not, or t	the keeping of the property or services for such use or
18	for sale,	the exercise of any right or power over tangible or
19	intangibl	e personal property incident to the ownership of that
20	property,	and shall include control over tangible or intangible
21	property	by a seller who is licensed or who should be licensed

1	under chapter 2	237, who directs the importation of the property
2	into the State	for sale and delivery to a purchaser in the
3	State, liabilit	y and free on board (FOB) to the contrary
4	notwithstanding	, regardless of where title passes, but the term
5	"use" shall not	include:
6	(1) Tempo	orary use of property, not of a perishable or
7	quick	cly consumable nature, where the property is
8	impor	ted into the State for temporary use (not sale)
9	there	ein by the person importing the same and is not
10	inter	nded to be, and is not, kept permanently in the
11	State	e. For example, without limiting the generality
12	of th	ne foregoing language:
13	(A)	In the case of a contractor importing permanent
14		equipment for the performance of a construction
15		contract, with intent to remove, and who does
16		remove, the equipment out of the State upon
17		completing the contract;
18	(B)	In the case of moving picture films imported for
19		use in theaters in the State with intent or under
20		contract to transport the same out of the State
21		after completion of such use; and

7		(C) In the case of a transfell visitor importing an
2	•	automobile or other belongings into the State to
3		be used by the transient visitor while therein
4		but which are to be used and are removed upon the
5		transient visitor's departure from the State;
6	(2)	Use by the taxpayer of property acquired by the
7		taxpayer solely by way of gift;
8	(3)	Use which is limited to the receipt of articles and
9		the return thereof, to the person from whom acquired,
10		immediately or within a reasonable time either after
11		temporary trial or without trial;
12	(4)	Use of goods imported into the State by the owner of a
13		vessel or vessels engaged in interstate or foreign
14		commerce and held for and used only as ship stores for
15		the vessels;
16	(5)	The use or keeping for use of household goods,
17		personal effects, and private automobiles imported
18		into the State for nonbusiness use by a person who:
19		(A) Acquired them in another state, territory,
20		district, or country;

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2		resident of another state, territory, district,
3		or country;
4		(C) Acquired the property for use outside the State;
5		and
6		(D) Made actual and substantial use thereof outside
7		this State;
8		provided that as to an article acquired less than
9		three months prior to the time of its importation into
10		the State it shall be presumed, until and unless
11		clearly proved to the contrary, that it was acquired
12		for use in the State and that its use outside the
13		State was not actual and substantial;
14	(6)	The leasing or renting of any aircraft or the keeping
15		of any aircraft solely for leasing or renting to
16		lessees or renters using the aircraft for commercial
17		transportation of passengers and goods or the
18		acquisition or importation of any such aircraft or
19		aircraft engines by any lessee or renter engaged in
20		interstate air transportation. For purposes of this
21		paragraph, "leasing" includes all forms of lease,

(B) At the time of the acquisition was a bona fide

1		regardless of whether the lease is an operating lease
2		or financing lease. The definition of "interstate air
3		transportation" is the same as in 49 U.S.C. 40102;
4	(7)	The use of oceangoing vehicles for passenger or
5		passenger and goods transportation from one point to
6		another within the State as a public utility as
7		defined in chapter 269;
8	(8)	The use of material, parts, or tools imported or
9		purchased by a person licensed under chapter 237 which
10		are used for aircraft service and maintenance, or the
11	÷	construction of an aircraft service and maintenance
12		facility as those terms are defined in section
13		237-24.9;
14	(9)	The use of services or contracting imported for resale
15		where the contracting or services are for resale,
16		consumption, or use outside the State pursuant to
17		section 237-29.53(a); [and]
18	(10)	The use of property, services, or contracting imported
19		by foreign diplomats and consular officials who are
20		holding cards issued or authorized by the United

1		States Department of State granting them an exemption
2	•	from state taxes[-]; and
3	(11)	The use of material, parts, or tools imported or
4		purchased by a person licensed under chapter 237, that
5		are used for the Hawaii film studio as defined in
6		section 201B-A, and improvements made to the Hawaii
7		film studio under a financing agreement pursuant to
8		chapter 37D.
9	With	regard to purchases made and distributed under the
10	authority	of chapter 421, a cooperative association shall be
11	deemed the	e user thereof."
12	SECTI	ION 7. Section 201-14, Hawaii Revised Statutes, is
13	repealed.	
14	[" §2(01-14 Consolidated film permit processing. (a) The
15	department	shall consult with state and county agencies in order
16	to identif	y sites that can be used for making visually recorded
17	production	ns under terms and conditions as may be determined by
18	the state	or county agency having jurisdiction over the sites.
19	- (b)	The department may accept an application from any
20	person who	proposes to make a motion picture, television show,
21	television	n commercial, or other visually recorded production at

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one or more sites on state or county lands, whether or not set
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    aside under section 171-11.
         (c) The applicant shall identify the sites to be covered
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    by the permit and provide other information as may be required
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    by the department.
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         (d) The department may approve and issue a permit to film
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    at any of the sites identified by the appropriate state or
    county agency under subsection (a). If any site requested for
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    use by the applicant is not identified under subsection (a), the
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    department shall consult with the appropriate state or county
11
    agency having jurisdiction over the site to obtain a permit. If
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    the matter of a permit cannot be resolved in this manner, the
    department shall refer the application to the appropriate state
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14
    or county agency to obtain a permit.
         (e) The department is authorized to make changes to, and
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    extensions of, any approved permits so long as the changes and
    extensions do not conflict with the policies, terms, and
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    conditions set forth by the agency having jurisdiction over the
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19
    site in question.
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1	- (£)	The department may establish memoranda of agreement or
2	adopt rul	es to implement the intent and purposes of this
3	section.	
4	-(g)	Nothing in this section shall be construed as waiving
5	the autho	rity of any county or the department of transportation
6	of the St	ate to require a person to obtain a permit from the
7	departmen	t or county where the production takes place on or from
8	a public	h ighway.
9	(h)	A vessel engaged in temporary use for film production
10	purposes	in accordance with a film permit issued by the
11	departmen	t shall not be considered to be a "commercial vessel"
12	within th	e meaning of section 200-9, 200-10, or 200-39; provided
13	that:	
14	(1)	The period of temporary use does not exceed fourteen
15		hours per day, five days per week, excluding weekends,
16		and for a period not to exceed thirty calendar days;
17		and
18	(2)	The department may make allowances to include weekends
19		for film production purposes due to inclement weather
20		conditions during the weekday period."]

1 SECTION 8. Chapter 201, part IX, Hawaii Revised Statutes, 2 is repealed. SECTION 9. All rights, powers, functions, and duties of 3 the department of business, economic development, and tourism 4 related to Hawaii television and film development are 5 transferred to the Hawaii tourism authority. 6 7 All employees who occupy civil service positions and whose 8 functions are transferred to the Hawaii tourism authority by 9 this Act shall retain their civil service status, whether permanent or temporary. Employees shall be transferred without 10 loss of salary, seniority (except as prescribed by applicable 11 collective bargaining agreements), retention points, prior 12 service credit, any vacation and sick leave credits previously 13 earned, and other rights, benefits, and privileges, in 14 accordance with state personnel laws and this Act; provided that 15 the employees possess the minimum qualifications and public 16 17 employment requirements for the class or position to which transferred or appointed, as applicable; provided further that 18 subsequent changes in status may be made pursuant to applicable 19

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civil service and compensation laws.

Any employee who, prior to this Act, is exempt from civil 1 2 service and is transferred as a consequence of this Act may retain the employee's exempt status, but shall not be appointed 3 to a civil service position as a consequence of this Act. An 4 5 exempt employee who is transferred by this Act shall not suffer any loss of prior service credit, vacation or sick leave credits 6 7 previously earned, or other employee benefits or privileges as a 8 consequence of this Act; provided that the employees possess legal and public employment requirements for the position to 9 10 which transferred or appointed, as applicable; provided further 11 that subsequent changes in status may be made pursuant to 12 applicable employment and compensation laws. The Hawaii tourism authority may prescribe the duties and qualifications of these 13 14 employees and fix their salaries without regard to chapter 76, 15 Hawaii Revised Statutes. SECTION 10. All appropriations, records, equipment, 16 machines, files, supplies, contracts, books, papers, documents, 17 maps, and other personal property heretofore made, used, 18 19 acquired, or held by the department of business, economic development, and tourism relating to the functions transferred 20

- 1 to the Hawaii tourism authority shall be transferred with the
- 2 functions to which they relate.
- 3 SECTION 11. This Act shall not affect the membership or
- 4 term of any appointed member of a board or other policy-making
- 5 or advisory body transferred by this Act. Such a member shall
- 6 continue to serve on the board or other body for the member's
- 7 term without necessity of reappointment.
- 8 SECTION 12. There is appropriated out of the general
- 9 revenues of the State of Hawaii the sum of \$ or so
- 10 much thereof as may be necessary for fiscal year 2015-2016 and
- 11 the same sum or so much thereof as may be necessary for fiscal
- 12 year 2016-2017 to be deposited into the film development and
- 13 marketing special fund.
- 14 SECTION 13. There is appropriated out of the film
- 15 development and marketing special fund the sum of \$ or
- 16 so much thereof as may be necessary for fiscal year 2015-2016
- 17 and the same sum or so much thereof as may be necessary for
- 18 fiscal year 2016-2017 for implementation of the film development
- 19 and marketing activities.
- The sums appropriated shall be expended by the Hawaii
- 21 tourism authority for the purposes of this Act.



- 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. In codifying the new sections added by section
- 5 2 of this Act, the revisor of statutes shall substitute
- 6 appropriate section numbers for the letters used in designating
- 7 the new sections in this Act.
- 8 SECTION 16. Statutory material to be repealed is bracketed
- 9 and stricken. New statutory material is underscored.
- 10 SECTION 17. This Act shall take effect on July 1, 2053;
- 11 provided that the amendments made to section 235-17, Hawaii
- 12 Revised Statutes, by this Act shall not be repealed when that
- 13 section is reenacted on January 1, 2019, by section 4(2) of Act
- 14 88, Session Laws of Hawaii 2006, as amended by section 3 of Act
- 15 89, Session Laws of Hawaii 2013.

Report Title:

Hawaii Tourism Authority; Transfer of Authority; Film Development and Marketing; Appropriation

Description:

Assigns to the Hawaii tourism authority the responsibilities for film development and marketing. Transfers the film industry branch within the creative industries division of the department of business, economic development, and tourism to the Hawaii tourism authority and makes conforming amendments. Appropriates funds from the film development and marketing special fund to the Hawaii tourism authority for implementation of the film development and marketing activities. Effective 7/1/2053. (SD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.