

# SB 2827

Measure Title: RELATING TO FUNDING FOR CREATIVE MEDIA AND FILM DEVELOPMENT.

Report Title: Creative Media and Film Infrastructure Special Fund (\$)

Description: Amends section 201-113, Hawaii Revised Statutes, to expand funding sources to support creative industries development within the Department of Business, Economic Development, and Tourism; and repeals sections 201-111, 201-112, and 201-114, Hawaii Revised Statutes.



## DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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DAVID Y. IGE  
GOVERNOR

LUIS P. SALAVERIA  
DIRECTOR

MARY ALICE EVANS  
DEPUTY DIRECTOR

Statement of  
**Luis P. Salaveria**  
Director

Department of Business, Economic Development, and Tourism  
before the

### **SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, ENVIRONMENT, AND TECHNOLOGY**

Wednesday, February 10, 2016  
1:30 PM  
State Capitol, Conference Room 414

In consideration of  
**SB2827**  
**RELATING TO FUNDING FOR CREATIVE MEDIA AND FILM  
DEVELOPMENT**

Chair Wakai, Vice Chair Slom, and Members of the Senate Committee on  
Economic Development, Environment, and Technology.

The Department of Business, Economic Development and Tourism (DBEDT) strongly supports SB2827, which would create the Creative Media and Film Infrastructure Special Fund, providing a mechanism to capture rental fees from the Hawaii Film Studio, film permit fees and tax credit application fees and expend these funds to support the repair and maintenance of the 7-acre facility.

Film production activity has maintained a steady \$200M to \$250M per year in production expenditures and is on course to increase in 2016. The Hawaii film studio has provided facilities for television and feature films steadily since 2004. With this continued tenancy, the ongoing repair and maintenance costs have exceeded the division's appropriation of \$75,000, and are not enough to cover repair and maintenance costs, which are at least \$150,000 per year. With the demands on the Hawaii Film Studio and Hawaii Film Office, the costs to support, manage and maintain the studio exceed existing allocations.

By providing the ability to deposit and expend film studio rent payments, and fees as noted, the Hawaii Film Office can: 1) better maintain the Hawaii Film Studio facility which is key to maintaining Hawaii's reputation as a world-class filming destination; and 2) address increased program costs, including marketing Hawaii as a premiere film location.

**Bernard P. Carvalho, Jr.**  
Mayor



**George K. Costa**  
Director

**Nadine Nakamura**  
Managing Director

**OFFICE OF ECONOMIC DEVELOPMENT**

**County of Kaua'i, State of Hawai'i**

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**TESTIMONY IN SUPPORT**

**SB 2827: Relating to Funding for Creative Media and Development**  
**Committee on Economic Development Environment, And Technology**  
**Wednesday, February 10, 1:30 p.m., Conference Room 414**

Honorable Senator Glenn Wakai, Chair and Senator Sam Slom, Vice Chair  
And, Members, Committee on Economic Development Environment, And Technology  
Hawaii State Senate  
Honolulu, HI 96813

Dear Chair Wakai, Vice Chair Slom, and, Members:

**RE: SB2827: Relating to Funding for Creative Media and Film Development**

Aloha! My name is Randall Francisco, and I am the Creative Industries and Small Business Specialist, County of Kauai – Office of Economic Development in which I serve as the Kauai Film Commissioner. The County of Kauai is in support of this legislation to provide the necessary and consistent funding in order to support the continued repair and maintenance upkeep of the Hawaii Film Studio and provide financial and long term support for the Creative Industries Division of Department of Business Economic Development & Tourism, State of Hawaii programs. This industry sector which we know is a clean industry represents an important aspect of our innovation economy and sends an important message about Hawaii's vision as we continue to transform and diversify our economy while complementing it with tourism.

The County of Kauai in partnership with the Kauai Visitors Bureau and other partners continues to have a successful track record of movies, films, and other media that helps to support our county as well as the state. A year ago, the world saw Kauai's beauty and natural landscapes captured in the renowned Sports Illustrated Magazine Swim Suit Edition. This edition initially had 5 pages planned, but, the editors of SI had the foresight to include an additional 16 pages that highlighted our island's scenic vistas. A few months later, the world once again saw Kauai captured on film in the world premiere of the Jurassic World IV film highlighting Kauai's locales. However, none of this could have been possible without the leadership and partnership of the Creative Industries Division of DBEDT facilitating these important opportunities. Thus, I am writing to ask for your support ---- for the long term by supporting the CI division with the

## TESTIMONY IN SUPPORT

SB 2827: Relating to Funding for Creative Media and Development

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necessary revenue stream to continue its work, to lead and, support our innovation economy of the present, and, the future.

Should I be of any further assistance, please do not hesitate to contact me direct at 241-4953 (Office), 635-4130 (Cell) or email at [rfrancisco@kauai.gov](mailto:rfrancisco@kauai.gov)

Aloha.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Randall Francisco", written in a cursive style.

Randall Francisco

Creative Industries & Small Business Specialist

County of Kauai

Office of Economic Development

**wakai1 - Lilinoe**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, February 09, 2016 11:12 AM  
**To:** EET Testimony  
**Cc:** tracy.bennett@mauicounty.gov  
**Subject:** Submitted testimony for SB2827 on Feb 10, 2016 13:30PM

**SB2827**

Submitted on: 2/9/2016

Testimony for EET on Feb 10, 2016 13:30PM in Conference Room 414

Submitted By	Organization	Testifier Position	Present at Hearing
Tracy Bennett	Maui County Film Office	Support	No

Comments: I am in full support of SB2827. Mahalo.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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