STAND. COM. REP. NO. 413

Honolulu, Hawaii

FEB 1 7 2017

RE: S.B. No. 1191

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committees on Economic Development, Tourism, and Technology and Higher Education, to which was referred S.B. No. 1191 entitled:

"A BILL FOR AN ACT RELATING TO FILM AND DIGITAL MEDIA INDUSTRY DEVELOPMENT,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Extend the motion picture, digital media, and film production income tax credit for an additional ten years to provide economic incentive predictability for the film industry; and
- (2) Increase accountability for educational and workforce development contributions associated with the credit.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; County of Kauai, Office of Economic Development; University of Hawaii System; Motion Picture Association of America; SAG-AFTRA Hawaii Local; I.A.T.S.E. Local 665; A.F.M. Local 677; Teamsters Local 996; Hawaii State AFL-CIO; and five individuals. Your Committees received comments on this measure from the Department of Taxation, Office of the Auditor, and Tax Foundation of Hawaii.

Your Committees find that the motion picture, digital media, and film production income tax credit provides consistency and certainty for production planning, industry growth, and development of new infrastructure. Your Committees find that the measure would provide potential funding to support students at the University of Hawaii in creative media programs and projects. Your Committees further find that this measure will have a positive impact in ensuring support for the film production industry while helping to develop a strong workforce for the growing industry in the State.

Your Committees have amended this measure by:

- (1) Changing the effective date to January 1, 2020; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1191, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1191, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Economic Development, Tourism, and Technology and Higher Education,

GLENN WARAI Chair

KAIA-TI KAHELE, Chair

The Senate Twenty-Ninth Legislature State of Hawai'i

Record of Votes Committee on Economic Development, Tourism, and Technology ETT

Bill / Resolution No.:*	Committee Referral: Date: 2/10/17							
The Committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye /	Aye (WR)	Nay	Excused			
WAKAI, Glenn (C)		//			-			
TANIGUCHI, Brian T. (VC)	1 (1) (1) (1) (1) (1) (1) (1) (1) (1) (1							
BAKER, Rosalyn H.								
GALUTERIA, Brickwood		V		<u></u>				
THIELEN, Laura H.								
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Recommendation: Adopted Not Adopted								
Chair's or Designee's Signature:								
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy								

^{*}Only one measure per Record of Votes

The Senate Twenty-Ninth Legislature State of Hawai'i

Record of Votes Committee on Higher Education HRE

Bill / Resolution No.:*	Committee Referral: Date:							
SB 1191	ETT/SPE, WAY Jubi0,2017							
The Committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
KAHELE, Kaialiʻi (C)								
KIDANI, Michelle N. (VC)		//						
ESPERO, Will	-							
KEITH-AGARAN, Gilbert S.C.								
TANIGUCHI, Brian T.								
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TOTAL		3			2			
Recommendation: Adopted Not Adopted								
Chair's or Designee's Signature:								
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