

STAND. COM. REP. NO. 2862

Honolulu, Hawaii

**MAR 05 2026**

RE: S.B. No. 2578  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2578, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE FILM INDUSTRY,"

begs leave to report as follows:

The purpose and intent of this measure is to restructure and modernize the State's film and creative industries governance.

More specifically, this measure:

- (1) Establishes the Hawaii Film Commission within the Department of Business, Economic Development, and Tourism for administrative purposes only and transfers the rights, powers, functions, and duties of the Hawaii Film Office to the Commission;
- (2) Establishes the film industry development special fund;
- (3) Excludes media and film from the definition of creative industries and renames the Hawaii film and creative industries development special fund as the Hawaii creative industries development special fund;
- (4) Amends the sources of moneys to be deposited into the Hawaii creative industries development special fund, including requiring all revenues, fees, and charges from



the processing of the Motion Picture, Digital Media, and Film Production Income Tax Credit to be deposited into the film industry development special fund, rather than the Hawaii creative industries development special fund;

- (5) Allows the creative industries development special fund to be used for the support and development of facilities and other initiatives to grow the State's creative industries;
- (6) Requires by no later than December 31, 2027:
  - (A) The Governor to appoint Hawaii Film Commission members;
  - (B) The Director of Business, Economic Development, and Tourism to appoint the Executive Director of the Commission; and
  - (C) The Executive Director to hire staff;
- (7) Requires annual reports to the Legislature; and
- (8) Appropriates funds to the Department of Business, Economic Development, and Tourism.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Creative Industries Division of the Department of Business, Economic Development, and Tourism; Hawaii Film Alliance; Hawaii Teamsters Local 996; and eighteen individuals.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee received written comments on this measure from SAG-AFTRA Hawaii Local and three individuals.

Your Committee finds that Hawaii's film, television, and digital media industries operate in an increasingly competitive global environment in which jurisdictions compete through incentives, infrastructure, workforce capability, and production efficiency. Your Committee also finds that other states and



countries have established centralized film commissions to coordinate incentives, facilities, and partnerships. Hawaii, however, does not have a statutorily established state film commission. Rather, the film industry branch within the Creative Industries Division of the Department of Business, Economic Development, and Tourism currently fulfills this function. Your Committee believes that the restructuring effected by this measure is necessary to help Hawaii maintain its competitiveness by strengthening its production infrastructure, investing in workforce development, and upholding transparency and fiscal accountability in the administration of public incentives.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2578, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair



The Senate  
Thirty-Third Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2578, SDI	EDT, WAM	3/3/2026		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
DECOITE, Lynn	X			
ELEFANTE, Brandon J.C.	X			
HASHIMOTO, Troy N.	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
RICHARDS, III, Herbert M. "Tim"	X			
WAKAI, Glenn	X			
FEVELLA, Kurt				X
<b>TOTAL</b>	12	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
<b>Distribution:</b> Original     Yellow     Pink File with Committee Report     Committee     Drafting Agency				

\*Only one measure per Record of Votes