

STAND. COM. REP. NO. 2714

Honolulu, Hawaii

FEB 24 2026

RE: S.B. No. 2580
S.D. 2

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. 2580, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE MOTION PICTURE, DIGITAL MEDIA, AND FILM PRODUCTION INCOME TAX CREDIT,"

begs leave to report as follows:

The purpose and intent of this measure is to amend the motion picture, digital media, and film production income tax credit.

More specifically, this measure:

- (1) Increases the amount of the tax credit to twenty-seven percent of qualified production costs in counties with a population of over seven hundred thousand and thirty-two percent in counties with a population of seven hundred thousand or less;
- (2) Requires each taxpayer claiming the tax credit to submit an independent third-party certification verifying certain information to the Department of Business, Economic Development, and Tourism;
- (3) Excludes qualified productions that incur at least \$60,000,000 of qualified production costs from the per-production total tax credit cap of \$17,000,000;



- (4) Increases the aggregate cap amount of the tax credit to \$60,000,000;
- (5) Defines "streaming platform" and amends the definition of "qualified production" to include certain streaming productions; and
- (6) Extends the repeal date of the tax credit to January 1, 2038.

Your Committee received written comments in support of this measure from the Office of the Governor; Department of Business, Economic Development, and Tourism; Honolulu Film Office; ALA Hawaii; Association of Hawaiian Civic Clubs; Ehman Productions, Inc.; Hana Productions LLC and FX Group LLC; Hawaii Film Alliance; Hawaii Media Inc.; Hawaii Teamsters Local 996; Hyperspective Studios, Inc.; Island Film Group; Kapolei Chamber of Commerce; Kingdom of The Hawaiian Islands and Ohana Unity Party; Maui Chamber of Commerce; Ohina Labs; Premier Models and Talent; SAG-AFTRA Hawaii Local; Tyler Young Films, LLC; Waianae Coast Comprehensive Health Center; and numerous individuals.

Your Committee received written comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that film production generates tax revenue, workforce training contributions, and internship investments that support industry development, resulting in increased economic activity and workforce continuity for the State. Your Committee also finds that the limitations imposed by the motion picture, digital media, and film production income tax credit place Hawaii at a disadvantage to competing jurisdictions in both scale and flexibility, resulting in recurring series and large-scale productions leaving the State for other locations. Your Committee further finds that the tax credit no longer offsets the State's higher logistical and geographic costs and, without adjustment, productions will continue to choose jurisdictions where incentives better balance rising production expenses.

Your Committee has amended this measure by changing the aggregate cap amount of the tax credit to an unspecified amount to facilitate further discussion on the measure.



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. 2580, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2580, S.D. 2.

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

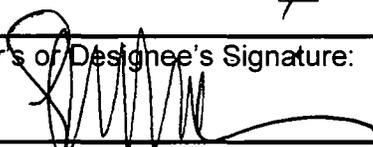


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB2580 SD1	Committee Referral: EDT, WAM	Date: 02/19/2026		
<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 type="checkbox"/> Pass, unamended 2312 <input checked="" 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			
TOTAL	11	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink File with Committee Report Committee Drafting Agency				

*Only one measure per Record of Votes