

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF TAXATION
Ka 'Oihana 'Auhau
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**TESTIMONY OF
GARY S. SUGANUMA, DIRECTOR OF TAXATION**

TESTIMONY ON THE FOLLOWING MEASURE:

H.B. No. 1635, Relating to Taxation

BEFORE THE:

House Committee on Economic Development & Technology

DATE: Friday, February 6, 2026
TIME: 8:30 a.m.
LOCATION: State Capitol, Room 423

Chair Ilagan, Vice-Chair Hussey, and Members of the Committee:

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 1635 for your consideration.

H.B. 1635 makes multiple amendments to section 235-17(o), Hawaii Revised Statutes (HRS) as follows:

- Amends the definition of a “commercial” by deleting the limitation that it shall not include an advertising message with internet only distribution;
- Makes amendments to the definition of a “qualifying production” regarding broadcast television versus streaming platforms and the minimum qualifying number of per season episodes;
- Defines “streaming platform” as online providers of media content delivered via the internet as a paid subscription service.

Section 3 of the bill provides that the measure is effective upon approval and shall apply to taxable years beginning after December 31, 2025, and will be

repealed on January 1, 2033, to coincide with the repeal date of Act 88, Session Laws of Hawaii (SLH) 2006, and its amendments. Section 235-17, HRS, will then be reenacted in the form in which each read on the day before the effective date of Act 88, SLH 2006.

DOTAX recommends that the effective date of the bill be amended to apply to costs incurred after December 31, 2025.

Thank you for the opportunity to provide comments on this measure.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKĀ'I

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

JAMES KUNANE TOKIOKA
DIRECTOR

DANE K. WICKER
DEPUTY DIRECTOR

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Statement of
JAMES KUNANE TOKIOKA
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ECONOMIC DEVELOPMENT & TOURISM

February 6, 2026
8:30 AM
State Capitol, Conference Room 423

In consideration of
HB1635
RELATING TO TAXATION

Chair Ilagan, Vice Chair Hussey, and members of the Committee, the Creative Industries Division in the Department of Business, Economic Development and Tourism (DBEDT) supports HB1635, which amends Section 235-17, HRS to expand eligibility for the Motion Picture, Digital Media, and Film Production Income Tax Credit to include streaming series and Internet-only distribution productions.

HB1635 modernizes and strengthens Hawai'i's existing Motion Picture, Digital Media, and Film Production Income Tax Credit by explicitly recognizing the evolving nature of film and media production and distribution. By amending language to include specificity for streaming productions — including Internet-only and digital platform projects — this bill broadens the range of creative content that can contribute to Hawai'i's economy and community.

The importance of maintaining a competitive and responsive tax credit program is underscored by recent production and tax credit utilization data.

In calendar year 2024, Hawai'i recorded \$168.8 million in total production spend, with \$49.66 million in tax credits claimed, which included carryover credits from 2023 and resulted in no deferred tax credits into 2025. Notably, \$334,000 of the \$50 million annual cap remained unused.

In contrast, calendar year 2025 estimated total to date reflects \$45.96 million in total production spend and only \$10.93 million in tax credits claimed. With no carryover credits from 2024 and no deferred credits into 2026, 2025 has left a substantial \$39.07 million balance remaining of the annual cap going back into the general fund.

These figures demonstrate both the economic impact of qualifying productions and the available capacity within the existing credit structure to support additional eligible projects.

The creative industries and film sectors are essential components of Hawai'i's economic diversification strategy and complement visitor attraction. Expanding tax credit eligibility supports the state's efforts to attract a wider array of production activity, drives job creation for local talent and crew, and helps sustain long-term investment in Hawai'i's creative workforce and infrastructure.

For these reasons, DBEDT strongly supports HB1635 and respectfully asks for your favorable consideration of this measure.

Thank you for the opportunity to testify on this bill.



February 6, 2026

Committee on Economic Development & Technology
Chair Ilagan
Vice Chair Hussey

The House of Representatives
The Thirtieth-Third Legislature
Regular Session of 2026

[RE: HB 1635 RELATING TO TAXATION.](#)

DATE: Friday, February 6, 2026

TIME: 8:30am

PLACE: Conference Room 423

State Capitol 415 South Beretania Street, Honolulu HI

Aloha Chair Ilagan, Vice Chair Hussey, and the Members of the Committee,

Thank you for the opportunity to testify in **SUPPORT** of [HB 1635 RELATING TO TAXATION.](#)

SAG-AFTRA represents over 160,000 actors, recording artists, and media professionals nationwide and over 1400 in Hawai'i. We are the professional performers working in front of the camera and behind the microphone. The SAG-AFTRA Hawai'i Local has a long-standing history of protecting performers in all areas of the entertainment, advertising, and media industries.

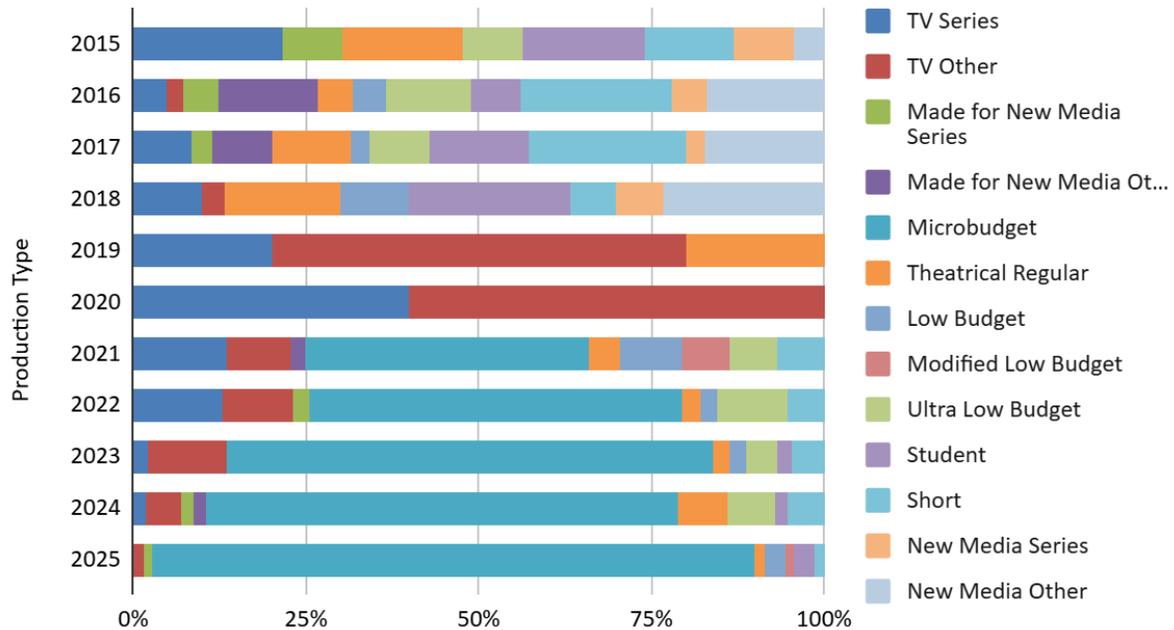
Including "**streaming platforms**" in the definition of qualified productions reflects the reality of today's media landscape. Our members are increasingly working on high-budget streaming content, and our tax laws must evolve to capture this market.

The chart below illustrates the shift over the years from mostly broadcast and theatrical to new media and microbudget projects. These shorts and microbudget projects often are made for free to consumer streaming and digital platforms.

Mericia Palma Elmore, JD/MLSc
Executive Director
SAG-AFTRA Hawai'i Local
mericia.palmaelmore@sagaftra.org
201 Merchant St. Suite 2301
Honolulu, HI 96813
Ph: 808-596-0388 Fax: 808-593-2636

SCREEN ACTORS GUILD - AMERICAN FEDERATION OF
TELEVISION AND RADIO ARTISTS
SAGAFTRA.org
Associated Actors & Artistes of America / AFL-CIO

Production by Type



We urge the Committee to **pass HB 1635** to modernize our tax credit and reflect how content is being made and distributed.

Respectfully,

Mericia Palma Elmore

Mericia Palma Elmore, Executive Director SAG-AFTRA Hawai'i Local

HB-1635

Submitted on: 2/3/2026 1:18:02 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Tony Young	Pacific Invasion Media	Support	Written Testimony Only

Comments:

Our industry depends on local voices to tell our stories--stories of Native Hawaiians, Asian Americans and People of Color, who have traditionally been left out of the mainstream narrative.

We need our films to be shot here in the islands to give it that authenticity. Otherwise we'll be faced again with yet another situation where our younger generation move away to seek work on the mainland or in foreign countries. Hawaii needs to be included on this global stage. Otherwise, we'll simply disappear.



TESTIMONY IN STRONG SUPPORT OF HB 1635

Aloha Members of the Committee,

My name is Gerard Elmore, and I am the Executive Director of 'Ohina Labs, a Hawai'i-based nonprofit dedicated to advancing local film, television, and digital media talent and strengthening our creative economy. We strongly support HB1635, which expands the definition of a "qualified production" to include streaming platforms and internet-only commercial advertisements.

The way audiences consume content has fundamentally changed. Today, a significant share of professional, union-covered film and television work is produced for streaming platforms such as Netflix, Apple TV+, Disney+, and other internet-based distributors. These productions employ Hawai'i residents, hire union crews, rent local facilities, and spend money across our economy in the same way traditional television and film productions do. Yet under current law, many of these projects are excluded from the tax incentives that were designed to attract and retain exactly this kind of economic activity.

HB1635 modernizes Hawai'i's incentive framework to reflect today's production landscape. By recognizing streaming and internet-only commercial work as qualified productions, the state ensures a level playing field and sends a clear signal that Hawai'i is open for business in the current and future media economy.

For local workers, especially union members, this bill is critical. Streaming and digital productions now represent a large and growing portion of available jobs. Ensuring these projects are eligible for the same incentives helps sustain steady employment, build long-term career pathways, and keep skilled creatives working and living in Hawai'i rather than relocating elsewhere.

'Ohina Labs believes HB1635 will strengthen Hawai'i's creative industries, increase competitiveness with other states, and better align our policies with the realities of modern production. We respectfully urge your support of this measure.

Mahalo for the opportunity to testify.

Respectfully,

A handwritten signature in cursive script that reads "Gerard Elmore".

Gerard Elmore

Executive Director, 'Ohina Labs

TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME, Extend Motion Picture, Digital Media, and Film Production Income Tax Credit to Broadcast and Streaming Platforms

BILL NUMBER: HB 1635

INTRODUCED BY: LEE, M., AMATO, BELATTI, EVSLIN, GARCIA, ILAGAN, IWAMOTO, KEOHOKAPU-LEE LOY, KILA, KUSCH, MATAYOSHI, MATSUMOTO, MORIKAWA, MURAOKA, OLDS, PERRUSO, PIERICK, POEPOE, REYES ODA, SHIMIZU, SOUZA, TAM, TARNAS

EXECUTIVE SUMMARY: Makes broadcast and streaming platform productions and commercial advertisement productions with Internet-only distribution eligible to receive the Motion Picture, Digital Media, and Film Production Income Tax Credit.

SYNOPSIS: Amends sec 235-17(o) definitions for “Commercial”, “Qualified Production”, “Qualified Production Costs”, to add provisions for streaming platforms.

Defines a streaming platform as an online provider of media content that delivers the content via internet connection to the subscriber’s computer, television, or mobile device.

EFFECTIVE DATE: Taxable years beginning after December 31, 2025; provided that on January 1, 2033, this Act shall be repealed to coincide with the repeal date of Act 88, Session Laws of Hawaii 2006, as amended by Act 89, Session Laws of Hawaii 2013, as amended by Act 143, Session Laws of Hawaii 2017, as amended by Act 217, Session Laws of Hawaii 2022, and section 235-17, HRS shall be reenacted in the form in which it read on the day before the effective date of Act 88, Session Laws of Hawaii 2006.

STAFF COMMENTS: The production credit in HRS section 235-17 was enacted as Act 107, SLH 1997, as a percentage of the costs incurred in the State in the production of motion picture or television films. As enacted, the credit was 4% of regular production costs plus 6% of transient accommodations, mirroring the GET and TAT rates at the time. Act 156, SLH 1988, raised the TAT credit to 7.25% while also raising the TAT rate to 7.25%.

After a period where this credit took a back seat to the qualified high tech business program enacted by Act 221, SLH 2001, this credit was next amended by Act 88, SLH 2006, which added credits for digital media and replaced the GET and TAT bifurcation with a unified credit of 15% of qualified production costs incurred in the C&C of Honolulu and 20% in any other county. The act added a per-production cap of \$8 million and sunset the credit on Jan. 1, 2016.

Act 89, SLH 2013, changed the credit percentages to 20% in Honolulu and 25% in any other county; raised the per-production limit to \$15 million; and extended the sunset date to Jan. 1, 2019.

Act 143, SLH 2017, extended the sunset date for the credit to Jan. 1, 2026, and first imposed an aggregate cap of \$35 million. Act 275, SLH 2019, raised the aggregate cap to \$50 million.

Act 217, SLH 2022, increased the credit percentages to 22% in Honolulu and 27% in any other county and extended the sunset date to January 1, 2033.

This bill proposes extending the production income tax credit to cover Internet-only distribution and streaming platforms.

We in Hawaii have had our production credit since 1997, so it's been more than twenty years. Have there been any studies about what the program has done for Hawaii's economy or Hawaii's tax revenue? None were cited to the Legislature when the Hawaii production tax credit was increased in 2013. Maybe we don't care as much about the hard dollars as we do about other intangible effects like local jobs, the development of a skilled workforce, or robust media education programs that simply weren't around at the turn of the century. Even if so, lawmakers should have data on these intangibles, and other cost-benefit information, so they can make rational decisions on this matter.

Certainly, the film industry promises increased opportunities. Some of them certainly have materialized. But chasing these opportunities needs to be balanced against the cold hard reality of solving the problems at hand. Lawmakers need to ask whether production tax credits create sustainable economic development. It's well known that most productions shoot for a while and then wrap; the crew that supports the production then jumps to the next one. A case may be made for the production credits if they keep the productions rolling in and contributing to the economy. But the people need to see that case to justify continued redirection of resources to these credits while those resources could instead lower the overall tax burden not only for families but for the businesses that provide long-term employment for Hawaii's people.

Internet-only distribution and streaming would seem to represent a different cost profile and employment profile from other kinds of productions. Perhaps appropriate industry representatives would be able to help justify application of this credit.

Digested: 2/4/2026

HB-1635

Submitted on: 2/5/2026 8:15:38 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Tyler Young	Tyler Young Films, LLC.	Support	Written Testimony Only

Comments:

My name is Tyler Young, and I run Tyler Young Films, LLC., a production company based here in Honolulu, Hawaii. I am a Creative Producer, Line Producer, and Unit Production Manager. In the last 25 years I have produced over 450 different productions for the film & television industry worldwide. As a producer, I am responsible for building and managing budgets, hiring local crew and vendors, and bidding projects to television networks, streamers, and productions companies. I am writing in support of HB1635 to include streaming and internet only productions as eligible for Hawaii’s film tax incentives.

Hawaii’s film and television industry provides critical jobs and strong economic activity for local workers and small businesses. Streaming and internet only productions are now standard in the industry. Updating the eligibility for the film tax incentives to include streaming and internet only productions ensures Hawaii remains relevant and competitive while supporting local jobs and a stronger economy.

Sincerely,

Tyler Young

Creative Producer

Tyler Young Films LLC.

Honolulu, Hawaii

HB-1635

Submitted on: 2/5/2026 8:26:18 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Ricardo Galindez	Island Film Group	Support	Written Testimony Only

Comments:

Island Film Group is submitting this testimony in STRONG SUPPORT of HB 1635

HB-1635

Submitted on: 2/5/2026 9:48:00 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Donna Ambrose	Donna's Detours - Private Tours of Oahu, LLC	Support	Written Testimony Only

Comments:

As a tour guide on Oahu I receive requests from many visitors to take them to TV and movie filming sites. From “Hawai’i 5-0” to “Lost”, “Magnum PI” and most recently “Chiefs of War.” Unfortunately, I have to relay that the majority of “Chiefs of War” was not filmed locally, but in New Zealand. The ability to recommend custom filming site tours or incorporate them into general sightseeing helps my small business and others in the tourism industry. I strongly support bills to encourage more film and television production in the islands, including for streaming platforms.

HB-1635

Submitted on: 2/5/2026 9:52:38 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Daniel Rosner	Hawaii Media Inc.	Support	Written Testimony Only

Comments:

Aloha Chair Ilagan, Vice Chair Hussey, and Members of the Committee,

My name is Danny Rosner. I am president of Hawaii Media Inc., the largest provider of Production, Camera, Lighting and Grip equipment in the state of Hawaii, since 1992. Also, I have been a member of IATSE LOCAL 665, the union representing technicians and artisans in the entertainment industry in Hawaii, since 1981.

I STRONGLY SUPPORT HB2269 relating to taxation.

I want to thank Representative Ilagan for his tireless efforts to enhance the production income tax credit. As the owner and president of the largest vendor in this sector in Hawaii, I hereby testify that the enhancements suggested in this bill will be exceptionally effective in revitalizing the movie production industry in general, and my company specifically.

Mahalo!

Danny Rosner

HB-1635

Submitted on: 2/6/2026 1:07:10 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Angela Young	CARES	Support	Remotely Via Zoom

Comments:

support

HB-1635

Submitted on: 2/2/2026 9:40:17 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Shereen Balles	Individual	Support	In Person

Comments:

Aloha mai kākou,

My name is Shereen Balles and I am in full SUPPORT of HB1635.

Including "streaming platforms" in the definition of qualified productions reflects the reality of today's media landscape. Our members are increasingly working on high-budget streaming content, and our tax laws must evolve to capture this market.

Thank you Committee for hearing Bill1635.

Me ke Aloha,

Shereen Balles

HB-1635

Submitted on: 2/2/2026 10:31:35 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Randall Yokota	Individual	Support	Written Testimony Only

Comments:

Aloha. My name is Randall Yokota and I'm in support of this bill HB1635. The film industry is changing rapidly and it is vital that we need to adapt to what's happening today. I urge you to pass this bill. Mahalo

HB-1635

Submitted on: 2/3/2026 8:45:07 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Edward C Lou-Goode	Individual	Support	Written Testimony Only

Comments:

More film and tv biz benefits everyone!

HB-1635

Submitted on: 2/3/2026 8:48:23 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Mason McEwen	Individual	Support	Written Testimony Only

Comments:

Large amounts of union work today is produced for platforms like Netflix, Apple TV+, and Disney+. This bill ensures those productions get the same tax incentives as traditional TV and film.

HB-1635

Submitted on: 2/3/2026 9:44:01 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Eric K. Keawe	Individual	Support	Written Testimony Only

Comments:

I support making broadcast and streaming platform productions and commercial advertisement productions with Internet-only distribution eligible to receive the Motion Picture, Digital Media, and Film Production Income Tax Credit.

This will provide more activity in the film industry which we have already lost opportunities in our state in the past recent years since it was removed to benefit the working class individual, our vendors private and retail.

HB-1635

Submitted on: 2/3/2026 10:50:58 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Marlena Silva	Individual	Support	Written Testimony Only

Comments:

My name is Marlena Silva. I have been a member of SAG-AFTRA for almost 30 years. It is important for the people of Hawaii to have the film industry thriving for our amazing professionals who make these shows happen not only on screen but especially behind the scenes from casting to crew. It takes many turning wheels to keep a production moving and we need these incentives to pass so more productions choose Hawaii to shoot!! As an actor, I have worked with crew a lot as a stand in and have come to care, respect, and truly love those who I have worked with. They all have families, responsibilities, and bills to maintain and not having shows here makes it impossible to survive! This is important because it affects so many of our people's livelihood. Now, my children are interested and loving acting and I want more opportunities for them too. Any incentive that will encourage and drive more production to the island is a go! Not only do the folks in the industry benefit but all of the supporting businesses in Hawaii will benefit too! Businesses including catering, and accommodations for set life would receive a ripple effect of business. It's a win win. Otherwise, business goes elsewhere. It's that simple.

HB-1635

Submitted on: 2/3/2026 11:35:28 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Mark Petritz	Individual	Support	Written Testimony Only

Comments:

I strongly support the diversity the film industry supports the community. This helps us diversify from tourism.

HB-1635

Submitted on: 2/3/2026 12:19:26 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jason Fong	Individual	Support	Written Testimony Only

Comments:

As a union actor, I support HB 1635. Including streaming and internet-based productions ensures Hawaii's film industry keeps pace with where the work is today, protecting local jobs and opportunities.

HB-1635

Submitted on: 2/3/2026 12:36:00 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Inge Romoschan	Individual	Support	Written Testimony Only

Comments:

Please expand the definition of a "qualified production" to include streaming platforms and internet-only commercial advertisements.

HB-1635

Submitted on: 2/3/2026 12:40:40 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Soraya-Elena Perez	Individual	Support	Written Testimony Only

Comments:

Aloha,

My name is Soraya-Elena Perez and I am in support of this bill.

HB 1635: Streaming Inclusion

- **Goal:** To expand the definition of a "qualified production" to include streaming platforms and internet-only commercial advertisements.
- **Why It Matters:** Large amounts of union work today is produced for platforms like Netflix, Apple TV+, and Disney+. This bill ensures those productions get the same tax incentives as traditional TV and film mahalo

HB-1635

Submitted on: 2/3/2026 2:47:45 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
NICOLE ROMBAOA	Individual	Support	In Person

Comments:

Aloha Chair, Vice Chair, and Members of the Committee,

My name is Nicole Rombaoa, and I am a local actor and creative professional living and working in Hawai‘i. I am writing in support of HB1635 because this bill is deeply personal — it affects my ability, and the ability of many in my community, to continue living, working, and creating in the place we call home.

For creatives in Hawai‘i, the choice to stay is often not about passion — we have plenty of that — but about whether it is sustainable. I have watched talented actors, artists, and storytellers leave these islands not because they wanted to, but because the opportunities simply weren’t there. Every time that happens, Hawai‘i loses a piece of its voice.

HB1635 matters because it recognizes that creative work is real work. It acknowledges that artists and performers are not just contributors to culture, but to the economy, to small businesses, and to the sense of identity that makes Hawai‘i unlike anywhere else in the world. When creatives are supported, we are able to remain rooted in our communities, reinvest locally, and tell stories that are authentic to these islands.

This bill represents hope — hope that future generations of local creatives won’t have to choose between staying home and pursuing a viable career. Hope that Hawai‘i sees value in nurturing its people, not exporting its talent. For me, HB1635 is about dignity, belonging, and the ability to build a life here without having to leave everything familiar behind.

I respectfully urge the committee to pass HB1635 and stand with the creatives who are committed to Hawai‘i, its people, and its future.

Mahalo for listening and for your consideration.

Respectfully,

Nicole Rombaoa

HB-1635

Submitted on: 2/3/2026 4:31:26 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Grace Hall	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and Members of the Committee,

I am writing in strong support of HB 1635, which updates Hawai‘i’s film incentive framework to explicitly include streaming and internet-only productions.

The way audiences consume content has fundamentally changed. Today, the majority of scripted and unscripted projects are developed for streaming platforms rather than traditional broadcast or theatrical release. Yet Hawai‘i’s incentive structure has not fully kept pace with this shift, creating uncertainty for productions that want to film here.

HB 1635 brings Hawai‘i into alignment with the modern production landscape by ensuring that streaming and internet-only projects are clearly eligible for existing film incentives. Without this clarity, Hawai‘i is often excluded early in the location-selection process — not because of creative or logistical limitations, but because of outdated statutory definitions.

Streaming productions are not smaller or less impactful. In many cases, they:

- Employ large local crews
- Remain in Hawai‘i for extended production periods
- Generate significant in-state spending
- Provide long-term employment opportunities

Excluding or ambiguously treating these projects places Hawai'i at a competitive disadvantage at a time when other states are actively courting this work.

HB 1635 removes unnecessary barriers and sends a clear signal that Hawai'i is open for business in today's entertainment economy, not yesterday's. It allows the state to fully benefit from the dominant form of content production while maintaining existing accountability and in-state spending requirements.

As someone who works in Hawai'i's film industry, I have seen how often streaming projects are ready to bring work here but face uncertainty due to eligibility questions. This bill provides the clarity and modernization needed to keep those jobs, wages, and opportunities in Hawai'i.

For these reasons, I respectfully urge the Committee to pass HB 1635 with a favorable recommendation.

Mahalo for your time and consideration.

Respectfully,

Grace Hall

HB-1635

Submitted on: 2/3/2026 5:02:08 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Becky Maltby	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill. The film industry has grown tremendously since the beginning of this century. Tourists travel here still to visit sites where they filmed LOST. The industry is a money-maker for Hawai'i.

But last year we lost productions because it was too expensive. Thousands were out of work that we had come to rely on, myself included. It is essential for Hawai'i to remain a top choice for productions. Otherwise we'll have places like New Zealand doubling for our islands. No one wants that.

Mahalo.

Becky Maltby

SAG-AFTRA

HB-1635

Submitted on: 2/3/2026 6:49:05 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Terrie Wehrli	Individual	Support	Written Testimony Only

Comments:

Support for this measure is submitted.

Mahalo

HB-1635

Submitted on: 2/3/2026 7:23:21 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Brian Wallace	Individual	Support	Written Testimony Only

Comments:

Aloha Chair and Members of the Committee,

My name is Brian Wallace. I was **born and raised in Hawai‘i**, and I am a Hawai‘i-based film professional and a **second-generation film worker**, with over 17 years of experience working on film and television productions in this state. My father worked in Hawai‘i’s film industry for more than 45 years. I currently serve as Vice President of IATSE Local 665 and am a founder and leader of the Hawai‘i Film Alliance.

I support **HB 1635**.

The film and television industry has changed, and streaming and internet-only distribution are now standard, not experimental. Updating eligibility to reflect modern distribution models is essential if Hawai‘i wants to remain competitive in today’s content market.

When incentives fail to recognize how productions are actually released, Hawai‘i is effectively disqualifying itself from a large portion of current and future projects. That directly impacts whether productions choose to hire local crews and spend money in our state.

HB 1635 is a practical housekeeping update that keeps Hawai‘i aligned with industry realities. It ensures productions are not excluded simply because of how content is distributed and helps maintain steady employment opportunities for local workers as the market continues to evolve.

This bill supports continued production activity in Hawai‘i and helps safeguard jobs for local film and television professionals.

I respectfully urge your support of HB 1635.

Mahalo for the opportunity to testify.

HB-1635

Submitted on: 2/3/2026 9:15:53 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jean Simon	Individual	Support	Written Testimony Only

Comments:

Aloha,

I'm strongly in favor of HB1635. It's time to update the definition of a "qualified production" to include streaming platforms and internet-only commercial advertisements.

Much of the local work is now coming from these to sources. If Hawaii pushes this work elsewhere by denying this reality, Hawaii loses revenue. It loses work for Hawaii residents (who pay taxes) and showcasing Hawaii in these media.

I was working on Hallmark movies, now they've all gone elsewhere. It was fun, it gave me a paycheck, it gave a lot of people a paycheck.

Thank you for your time.

Jean Simon

Actress

WRITTEN TESTIMONY IN SUPPORT OF HB 1635
Relating to the Film and Digital Media Production Tax Credit

To: House Committee on Economic Development
From: Valerie M. K. Matsunaga, Maui Resident & SAG-AFTRA Member
Date: 2/3/2026
Position: **Strong Support**

Aloha Chair and Members of the Committee,

My name is Valerie Matsunaga, and I am a longtime Maui resident and a proud member of SAG-AFTRA. I submit this testimony in strong support of **HB 1635**, which modernizes Hawai‘i’s film and digital media production tax credit to better reflect how content is made and distributed today.

Like many Neighbor Island creatives, I have built my career here because I believe Hawai‘i should not only be a beautiful backdrop for stories—but a place where local people can sustain real, middle-class careers in the creative economy. Unfortunately, the current structure of our tax credit no longer aligns with today’s production landscape. As a result, Hawai‘i is losing work—not because we lack talent, but because our policy framework has not kept pace with industry reality.

As Executive Director Mericia Palma Elmore clearly outlined in her testimony, the overwhelming majority of modern productions now fall under **new media, streaming, microbudget, and short-form formats**, not traditional theatrical or network television models

These are exactly the types of projects that provide frequent, repeat employment for local actors, background performers, crew members, and post-production workers—especially here on Maui and other Neighbor Islands. Yet our current tax credit was not designed with these production types in mind, making Hawai‘i less competitive and, too often, financially unviable.

From my perspective on Maui, the impact is immediate and personal. When productions choose other states or countries with more modern incentives, local SAG-AFTRA members are forced to travel, leave the industry, or leave Hawai‘i altogether. That loss ripples outward—affecting small businesses, educators, cultural practitioners, and families who depend on consistent creative work to remain rooted in our communities.

HB 1635 is not about giveaways. It is about **updating an economic development tool so it works as intended**—to attract production, grow local jobs, and keep Hawai‘i talent working in Hawai‘i. By modernizing the tax credit, this bill supports workforce stability, strengthens our creative infrastructure, and recognizes that digital media is no longer “emerging”—it is the industry standard.

For Neighbor Islands like Maui, this matters even more. A modernized tax credit helps decentralize opportunity, encourages productions to look beyond O‘ahu, and allows residents like me to continue contributing to our local economy without uprooting our lives.

I respectfully urge you to pass **HB 1635** and stand with Hawai'i's creative workforce. This bill is an investment in people, sustainability, and a future-facing economy that reflects how stories are made today.

Mahalo for the opportunity to testify.

Respectfully,
Valerie M. K. Matsunaga, PharmD, BCPS
Maui Resident
SAG-AFTRA Member

HB-1635

Submitted on: 2/4/2026 7:42:23 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Melinda Santhany	Individual	Support	Written Testimony Only

Comments:

Mahalo!

HB-1635

Submitted on: 2/4/2026 9:12:20 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Diana Seppelfrick	Individual	Support	Written Testimony Only

Comments:

Chair, Vice Chair, and Members of the Committee:

I strongly support this measure expanding eligibility for the Motion Picture, Digital Media, and Film Production Income Tax Credit to include broadcast and streaming platform productions, as well as commercial advertisement productions with Internet-only distribution.

The film and digital media industry has evolved rapidly. Streaming platforms and Internet-based advertising are now primary drivers of content creation, employment, and revenue. However, current tax credit limitations do not fully reflect today’s production landscape, putting Hawai‘i at a competitive disadvantage compared to other states and regions that already incentivize these modern forms of media production.

By including broadcast, streaming, and Internet-only commercial productions, this measure aligns Hawai‘i’s tax policy with industry realities. It encourages productions to choose Hawai‘i as a filming location, bringing direct economic benefits through job creation for local crew, background actors, creatives, and small businesses that support productions—such as equipment rentals, hospitality, transportation, and local vendors.

This expansion also supports workforce sustainability. Many local industry professionals rely on a steady flow of commercial, streaming, and digital media projects between larger film and television productions. Incentivizing these projects helps retain local talent, reduces the need to import labor, and strengthens Hawai‘i’s creative economy.

Additionally, expanding eligibility increases Hawai‘i’s visibility on global platforms. Streaming and digital advertisements reach worldwide audiences, promoting Hawai‘i as a place to do business and as a premier production destination, which can have long-term tourism and economic impacts beyond the production period itself.

For these reasons, I respectfully urge the Legislature to support this measure and modernize the Motion Picture, Digital Media, and Film Production Income Tax Credit to reflect the current and future state of the industry.

Thank you for the opportunity to submit this testimony.

Respectfully submitted,

Diana Seppelfrick, SAG-AFTRA Member

HB-1635

Submitted on: 2/4/2026 11:06:12 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
claudia kühn	Individual	Support	Written Testimony Only

Comments:

ich möchte mit meiner Aussage die Filmindustrie auf Hawaii unterstützen

es hängen viele Arbeitsplätze davon ab und viele Menschen leben davon,

Danke

Claudia Kühn

HB-1635

Submitted on: 2/4/2026 11:58:44 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Dezmond Gilla	Individual	Support	Written Testimony Only

Comments:

Hello,

I am an actor, writer, and director born and raised on Oahu. I have worked in the film industry for 20+ years and have seen increasing economic benefits by having productions shoot in our state. I fully support bills such as this one that will help secure more employment opportunities and fiscal growth for Hawaii and its residents.

HB-1635

Submitted on: 2/4/2026 12:32:24 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Genaro Hale Gualdarama	Individual	Support	Written Testimony Only

Comments:

In support of bill HB1635.

HB-1635

Submitted on: 2/4/2026 12:56:33 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Mark Rosner	Individual	Support	In Person

Comments:

I strongly support hb 1635 to do whatever it takes to increase film and tv in Hawaii. Because the more people around the world see Hawaii in film the more it supports Tourism; the most important thing to help Hawaii and it's citizens and businesses. And it creates a new and different industry here for our locals to have as a great career. thanks very much. Mark Rosner

HB-1635

Submitted on: 2/4/2026 1:13:15 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Glen Kagamida	Individual	Support	Written Testimony Only

Comments:

SUPPORT

HB-1635

Submitted on: 2/4/2026 2:15:21 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Armani Makaiwa	Individual	Support	Written Testimony Only

Comments:

Aloha Chair and Members of the Committee,

I strongly support HB 1635. I am a local Hawai'i resident, a SAG-AFTRA member, and a high school senior who hopes to build a future in the film and television industry. Many productions today are created for streaming platforms, and Hawai'i needs to keep up with where the industry is headed. Updating this law helps ensure that streaming projects continue to film here and provide opportunities for local actors, crew, and students who want to work in this industry. I respectfully urge the committee to pass this bill.

HB-1635

Submitted on: 2/4/2026 2:19:04 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Noelle Yoza	Individual	Support	Written Testimony Only

Comments:

I support HB 1635.

Streaming and internet-only productions are now standard in the industry. Updating eliibility ensures Hawai'i remains relevant and competitive while supporting local jobs.

Mahalo,

Noelle Yoza, Honolulu, Hawaii

HB-1635

Submitted on: 2/4/2026 2:46:08 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Rachel Whitley	Individual	Support	Written Testimony Only

Comments:

I support. HB 1635. Because streaming and Internet only productions are now a standard in the industry. Traditional network TV is not as profitable as it once was so shows made for cable have less money than ever to shoot them. The new format is online streaming platforms which now dominate the landscape. Updating eligibility ensures Hawaii remains relevant and competitive in today's content market. I have been in the industry for 25 years and have seen first hand how dollars spent by productions benefits our communities not just with worker salaries, but indirect spending at our stores, hotel, restaurants, and more. Not to mention every show filmed here is a free advertisement for our beautiful islands. Please support this important piece of legislature to keep our industry flourishing.

HB-1635

Submitted on: 2/4/2026 2:59:27 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Kulani Watson	Individual	Support	Written Testimony Only

Comments:

I stand in support of HB 1635.

The way audiences consume stories has evolved rapidly, and streaming and internet-only productions are now a standard part of the entertainment industry. Updating eligibility requirements through this bill ensures that Hawai‘i remains relevant and competitive in a changing media landscape, rather than being limited by outdated definitions of production. When our policies reflect current industry realities, we create clearer pathways for modern projects to choose Hawai‘i as a viable production home.

I support HB 1635 because recognizing streaming and digital productions directly supports local jobs and keeps opportunity aligned with where the industry is heading. By modernizing eligibility, Hawai‘i positions itself to attract a broader range of content creators while continuing to benefit local crew members, small businesses, and creative professionals. This forward-thinking approach strengthens our creative economy, encourages innovation, and helps ensure that Hawai‘i is not only a scenic backdrop, but an active participant in the future of global storytelling.

HB-1635

Submitted on: 2/4/2026 3:25:58 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
SCOTT SWARTZ	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am an actor, a member of SAG-AFTRA, and a full-time resident of Oahu.

I am testifying in strong SUPPORT of HB 1635.

Mahalo,

Scott Swartz

HB-1635

Submitted on: 2/4/2026 3:27:28 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Parker Ellenburg	Individual	Support	Written Testimony Only

Comments:

Hello,

I'm submitting testimony to ask for your support in expanding the definition of a "qualified production" to include streaming platforms and internet-only commercial advertisements. These productions provide meaningful work that are essential to me and my family being able to live and love Hawaii and to support its local culture and economy.

Thank you,

Parker Ellenburg (Stunt Performer/SAG-AFTRA Member

HB-1635

Submitted on: 2/4/2026 4:37:52 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Richard Aiwohi-Kim	Individual	Support	Written Testimony Only

Comments:

I support HB 1635

Streaming and internet-only productions are now standard in the industry. Updating eligibility ensures Hawai'i remains relevant and competitive while supporting local jobs.

HB-1635

Submitted on: 2/4/2026 4:39:24 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Sally "Kalei" Davis	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am Sally "Kalei" Davis. I am a SAG/AFTRA member and have worked in the Hawaii film business since 1980's. This is the worst it has ever been. Producers chase tax incentives and we are way behind. Please pass this bill to help get the thousands of local film workers back to work!

Mahalo,

Kalei

Thirty-Third Legislature, State of Hawai'i
Regular Session of 2026
House Committee on Economic Development and Technology

Testimony by IATSE 665
February 6th, 2026

HB 1635 - RELATING TO TAXATION.

Aloha Chair Ilagan, Vice Chair Hussey, and members of the House committee,

My name is Tuia'ana Scanlan, IATSE International Trustee. The International Alliance of Theatrical Stage Employees represents more than 170,000 Entertainment industry artisans and technicians in the United States, its territories, and Canada. **I strongly support HB1635**, Relating to Taxation.

Much has changed since the tax incentive was first enacted in Hawai'i. The changes proposed in HB1635 are vital to keeping up with the time. Without them, Hawai'i stands to lose significant business and hundreds, if not thousands, of thriving wage jobs in the near and distant future.

Hawai'i's film industry supports thousands of working families in the state of Hawai'i. These thriving wages are irreplaceable by other industries. When the film tax incentive is empowered, this industry contributes significantly to state GDP, household earnings, and even visitor spending. To remain competitive in the global market, it is imperative that Hawai'i strengthens and stabilizes the film tax incentive program. HB 1635 will take meaningful steps to empower our film tax incentive program, and will support thousands of working families in Hawai'i.

I strongly support HB 1635. I urge your committee to do the same. Thank you for the opportunity to testify.

In Solidarity,

A handwritten signature in black ink, appearing to read 'Tuia Scanlan', with a stylized flourish at the end.

Tuia'ana Scanlan
IATSE International Trustee
He/him

Written Testimony In Support of HB 1635

To the Chair, Vice Chair, and Members of the Committee,

I submit this testimony in support of this bill based on direct experience working in Hawai'i's film and television industry. Mahalo for addressing this specific issue that has been a major issue to Hawai'i's film production.

Since moving to Hawai'i in 2016 I have had the opportunity to work on a number of various films and television series like HAWAI'I FIVE-0, MAGNUM, P.I., NCIS: HAWAI'I and a few streaming films and series such as TRIPLE FRONTIER, and DOOGIE KAMEALOHA, M.D. I have been able to make a career working in film production and was able to join the Directors Guild of America in 2021. I have directly benefited by the constant stream of film productions coming to Hawai'i. However, things changed in 2024. After the last two television series filming here regularly were canceled, work has significantly dried up since.

Besides the issues of increasing the tax credit incentives, the tax credit cap and the need to hire more local film workers instead of distant hires from the mainland; **one issue that needs to also be resolved is granting films and television series appearing only on streaming services such as Netflix and Disney+ the ability to receive the tax credits from the state.**

By not allowing the tax credits to currently go to films and television series only being distributed on streaming platforms, **you are alienating a large portion of potential shows wanting to come to our beautiful state to film.** This is cutting one's nose off to spite their face. So much of what we all currently consume is produced and distributed exclusively for streaming platforms.

We need this bill to pass so we can lure more productions to come and film here in Hawai'i instead of countries like New Zealand and Australia. Why would we possibly want to continue to alienate a large portion of productions wanting to come here by not giving them the incentives? If we want Hawai'i's film industry to grow and thrive, this is essential to do that. For all the local film workers this is not a hobby, this is our livelihoods, our careers, and we cannot risk the productions looking at other destinations.

We need this bill and all the other bills related to the film industry to pass for everyone's sake. It's not just the film workers that benefit from this, it's their families, the vendors, the restaurants, the food and equipment suppliers, the locations, the local talent and so much more. **Hawai'i needs to stay competitive to be relevant in this game, or we will no longer be a viable filming destination for the studios, and they'll look elsewhere while we are left behind.**

Thank you very much for your time to testify on this matter,

Mahalo,

Ian Petriello Eisenberg

HB-1635

Submitted on: 2/4/2026 10:12:30 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Lisa Lee Mitchell	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Ilagan, Vice Chair Hussey, and Members of the Committee,

The landscape of film and television has fundamentally shifted. Streaming and internet-only productions are no longer a niche segment of the market; they are the current industry standard. To remain relevant and competitive, Hawai'i's film tax credit eligibility must be updated to reflect these modern realities.

HB 1635 ensures that our state does not lose out on high-value productions simply because of how the content is delivered to the audience. This update is critical for several reasons:

- **Global Competitiveness:** Production hubs worldwide have already updated their incentives to include streaming. Without this change, Hawai'i risks being bypassed by major studios that are shifting their primary focus to digital platforms.
- **Job Protection:** For local crew members like myself, a job on a streaming series is just as vital as a job on a network show. Updating our laws ensures that the next generation of "anchor" productions can legally and financially call Hawai'i home.
- **Future-Proofing Our Economy:** By expanding eligibility to include digital and internet-only productions, we are future-proofing our creative economy and ensuring that our local workforce is supported by the most active sectors of the entertainment industry.

HB 1635 is a necessary update. It ensures that Hawai'i remains at the forefront of the global film industry while continuing to provide stable, high-quality jobs for local families.

I strongly support HB 1635 and respectfully urge your committee to pass this bill.

Sincerely,

Lisa Lee Mitchell

HB-1635

Submitted on: 2/4/2026 10:30:33 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Hannah Rodriguez	Individual	Support	Written Testimony Only

Comments:

Aloha,

I strongly support HB 1635

Approximately 83% to 89% of U.S. households subscribe to at least one streaming service, with users averaging nearly three different platforms. This means that streaming and internet-only productions are now standard in the industry. Updating eligibility ensures that Hawai'i will remain relevant and competitive while supporting local workers and business owners.

Please support HB 1635

Mahalo,

Hannah-Grace Rodriguez (McDermott)

HB-1635

Submitted on: 2/4/2026 10:53:22 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Kelsey Sugai	Individual	Support	Written Testimony Only

Comments:

I support HB 1635.

Streaming and internet-only productions are now a standard in the industry. Updating eligibility ensures Hawai'i remains relevant and competitive while supporting local jobs.

Mahalo nui loa

HB-1635

Submitted on: 2/4/2026 11:17:41 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Julie Scalpone	Individual	Support	Written Testimony Only

Comments:

Hello. I am writing in support of HB1635. It helps keep Hawai'i in competition with today's modern market. This helps overall employment for local crews.

HB-1635

Submitted on: 2/4/2026 11:30:25 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Cameron Prestwich	Individual	Support	Written Testimony Only

Comments:

I support HB 1635.

Streaming and internet-only productions are now standard in the industry. Updating eligibility ensures Hawaii remains relevant and competitive while supporting local jobs.

HB-1635

Submitted on: 2/5/2026 12:34:48 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Deenie TKam	Individual	Support	Written Testimony Only

Comments:

HB1635 recognizes modern distribution models which have become standards in the film industry. These are streaming and internet-only productions.Updating eligibility elevates Hawaii's relevance in the industry, keeps Hawaii competitive, and supports local jobs. I respectfully urge you to support HB1635

HB-1635

Submitted on: 2/5/2026 6:38:18 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Keikilani Grune	Individual	Support	Written Testimony Only

Comments:

Most of the movies and shows coming in to film here have been a streaming platform show. Because these streaming platforms have been dominating recently, it makes no sense to keep them from taking advantage of tax incentives. This will have a trickle down effect. We need productions, from any platform if we want to keep our industry strong and our local community working. I support HB1635

HB-1635

Submitted on: 2/5/2026 7:55:57 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Lukas s Seno	Individual	Support	Written Testimony Only

Comments:

Committee: Economic Development & Technology

RE: HB 1635 – Inclusion of Streaming Productions

Aloha Chair and Members of the Committee,

I am **Lukas Seno**, Business Representative of **IATSE Local 665**. I support **HB 1635**, which ensures that **streaming content** and internet-only productions are treated as qualified productions under Hawai‘i’s incentive framework. Streaming projects now make up a large portion of production work. Including them helps bring **more production jobs, hours, and training opportunities** to our local workforce and supports the **full range of behind-the-scenes jobs** that our members perform.

Mahalo.

Lukas Seno

IATSE Local 665

HB-1635

Submitted on: 2/5/2026 8:01:23 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Eric Uyeda	Individual	Support	Written Testimony Only

Comments:

TESTIMONY IN SUPPORT OF THIS BILL, WITH AMENDMENTS

Relating to the Motion Picture, Digital Media, and Film Production Income Tax Credit; Streaming and Internet-Only Commercials

Chair, Vice Chair, and Members of the Committee:

I submit this testimony in support of this measure, with amendments.

Updating Hawai‘i’s tax credit definitions to reflect modern production realities — including streaming platforms and internet-distributed content — is necessary and overdue.

However, as drafted, this bill expands eligibility without guardrails, creating a real risk that the incentive will be diluted, administratively strained, and less effective at delivering high-value local economic impact.

Modernization is important.

Uncontrolled expansion is not.

KEY CONCERNS & RECOMMENDED AMENDMENTS

1. Internet-Only Commercials Risk Flooding the Program

By removing the exclusion for internet-only advertising, the bill makes a wide range of short-form, low-impact commercial content eligible for the credit.

Problem:

- Internet-only ads can be:
 - Short duration
 - Low local spend
 - High volume
- This risks crowding out feature films, series, and long-form projects that:
 - Employ larger crews
 - Rent equipment
 - Use local vendors
 - Stay longer in Hawai‘i

Amendment Recommendation:

Establish minimum spend thresholds or minimum in-state production days for internet-only commercial eligibility

Alternatively, create a separate sub-category with a capped allocation for internet-only advertising

2. Streaming Episode Limits Are Arbitrary and Misaligned

The bill sets a limit of eight episodes per season for streaming platforms, while allowing twenty-two episodes for broadcast television.

Problem:

- Streaming season lengths vary widely by genre and platform
- Arbitrary episode caps:
 - Encourage artificial season splitting
 - Increase administrative complexity
 - Distort production planning decisions

Amendment Recommendation:

Replace episode counts with a dollar-based or payroll-based threshold

Treat streaming and broadcast series consistently based on total qualified production costs, not episode count

3. Expansion Without Adjusting the Annual Credit Cap Lowers ROI

The bill expands eligibility but does not increase or rebalance the annual \$50M cap.

Problem:

- More eligible projects competing for the same cap means:
 - Smaller credits per production

- Slower refunds
- Reduced certainty for financiers
-
- This lowers Hawai‘i’s competitiveness relative to other jurisdictions

Amendment Recommendation:

Pair eligibility expansion with:

- A proportional cap adjustment, or
- Reserved allocations for long-form narrative productions and series

Expansion without capacity reduces effectiveness.

4. Risk of Incentivizing Low-Local-Value Spend

Streaming and internet productions often centralize:

- Editorial
- Visual effects
- Sound
- Marketing outside Hawai‘i.

Problem:

Without performance requirements, Hawai‘i may subsidize productions that only touch the State lightly.

Amendment Recommendation:

Require:

- Minimum local payroll percentages, or
- Minimum local vendor spend thresholds for newly eligible categories

Credits should reward economic presence, not just legal eligibility.

5. Definitions Expand Faster Than Oversight Mechanisms

While the bill modernizes definitions, it does not strengthen tools to:

- Measure actual local benefit
- Prevent category gaming
- Track ROI by production type

Amendment Recommendation:

Require DBEDT/Hawaii Film Office reporting that breaks out impact by category:

- Broadcast
- Streaming
- Internet-only commercials
- Interactive media

This ensures future legislatures can adjust based on data, not assumptions.

BIGGER PICTURE: MODERNIZE, BUT PROTECT THE CORE

Hawai'i should absolutely welcome:

- Streaming platforms
- Digital-first content
- New distribution models

But the incentive must remain focused on:

- High local spend
- Sustained employment
- Vendor ecosystem growth
- Predictable ROI

Not volume alone.

CONCLUSION

This bill moves Hawai'i in the right direction by recognizing how content is made and distributed today.

With amendments, it can strengthen the incentive without weakening its impact.

I respectfully urge the committee to pass this measure with amendments that:

- Add guardrails for internet-only advertising
- Replace arbitrary episode limits with spend-based thresholds
- Protect long-form, high-impact productions
- Preserve Hawai'i's competitiveness and return on investment

Modernization should make the program stronger — not thinner.

Mahalo for the opportunity to testify.

HB-1635

Submitted on: 2/5/2026 8:07:47 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Steven Rodriguez	Individual	Support	Written Testimony Only

Comments:

Aloha,

My name is Steven Rodriguez. I'm a professional stunt performer and fight coordinator working in the TV & Film industry. I'm submitting a written testimony in support of SB2580 and SB2796, both of which help strengthen Hawai'i's competitiveness as a film and media production location while supporting local industry jobs.

I've had the opportunity of working in other states and out of the country. Thanks to the Hawai'ian industry I was able to meet my now wife (Hannah-Grace Rodriguez"McDermott ") she's an amazing stunt performer and Intimicy Coordinator. We worked together on Chief Of War. We have created a life together and both know there is NO place like home. There is no better place to film.

Hawai'i is home to some of the best movies and shows in the TV & Film industry, not only on screen but we have some of the best of the best, hard working crew members. Also the sceneries that Hawai'i provides are unique and enriched by the island love.

People often say "you don't quit the industry, the industry quits you" and if there is anything you've taken from my statement, please let it be that. Please let the cast & crew members keep having a chance to create what they are so passionate about.

Filming in Hawai'i made such a huge impact in my professional career and personal life. I got to fall in love with it and moved to the island wanting to bring more to the industry and support the local community.

The film and media industry brings significant economic activity to the islands and the families.

This bill would mean more consistent employment opportunities for performers, coordinators like myself, crew members of all departments and many local small businesses that provide

services to production crews. When productions come here, they spend locally on hotels, restaurants, equipment rentals, transportation, training facilities, etc.

I am so passionate about the TV & Film industry as well as many others. I respectfully ask that the committee support SB2580 and SB2796.

Mahalo for your time, your consideration of this testimony and your ongoing efforts to support Hawai'i's creativity.

Please save the film industry in Hawai'i!!

Mahalo Nui Loa,

Steven Rodriguez

IMDB: [IMDb Vanity URL \(imdb.me/StevenRodriguez\)](https://www.imdb.com/name/nm0744868/)

Stunt Performer & Fight Coordinator

HB-1635

Submitted on: 2/5/2026 8:24:20 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Christian Bowman	Individual	Support	Written Testimony Only

Comments:

I hereby submit my support for this bill. I have been an actor, producer, director, and everything in between. Hawaiian films should not be shot in New Zealand. Keep the work here. Thank you.

HB-1635

Submitted on: 2/5/2026 8:32:36 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Michelle Mazzetti	Individual	Support	Written Testimony Only

Comments:

As a working film professional in Hawai‘i, I support HB1635 and its intent to further strengthen the state’s film and television industry. This bill helps improve the overall effectiveness and reliability of Hawai‘i’s incentive structure, which is critical for retaining productions and maintaining steady employment for local crews. Film and television work supports a wide network of Hawai‘i-based small businesses, skilled trades, and creative professionals, and policies like HB1635 help ensure those jobs remain local. Supporting this measure is an investment in workforce stability, economic diversification, and the long-term sustainability of an industry that contributes meaningfully to Hawai‘i’s economy.

HB-1635

Submitted on: 2/5/2026 8:36:30 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Amy Adams	Individual	Support	Written Testimony Only

Comments:

please update the language so that protections cover the ever changing and evolving formats that are the current and future norm. streaming is now very viable and our protections and alignments must be kept current to maximize benefit and make sense within the processes. always stay current and or ahead of the times with protections and incentives.

HB-1635

Submitted on: 2/5/2026 9:03:00 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Patrick Ah Loy	IATSE 665	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and members of the committee. My name is Patrick Ah Loy, I've worked in the industry for 17 years. I stand on my written testimony in support of HB. 1635 Thank you for the opportunity to testify”

HB-1635

Submitted on: 2/5/2026 9:19:04 AM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Sheela Sharma	Individual	Support	Written Testimony Only

Comments:

Streaming content is the way of the future and provides the most accessible forms of entertainment for most. We should be incentivizing and supporting such productions.

HB-1635

Submitted on: 2/5/2026 12:07:22 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Joshua Meredith	Individual	Support	Written Testimony Only

Comments:

My name is Joshua J. Meredith. I'm a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. I strongly support HB 1635.

HB-1635

Submitted on: 2/5/2026 1:15:48 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Luis Linares	Individual	Support	Written Testimony Only

Comments:

In this fast evolving world of media and content creation. It is super important that we incentivise smaller projects to come to and from the islands as we continue to cultivate local talent in a variety of fields that are involved in content creation and film making. This will allow for less experienced professionals, students, and entrepreneurs to have the opportunity to gain experience in higher level jobs and positions in what is the film making higharqui to allow local talent to continue to elevate, create more opportunity for jobs as we continue to expand the local workforce and make sure there is work for everyone and it allows for the opportunity to stay relevant in this fast evolving world content creation that has proven to be more and more lucrative with often a much smaller footprint and risk. This will certainly empower Hawai'i's youth to be creative, tell their stories and build a career and reputation in all levels of production. So please strongly support this bill and give hawaii's youth and workforce the possibility to stay employed, find work, create, and have the opportunity to gain experience and grow at all levels of film productions and content creation.

HB-1635

Submitted on: 2/5/2026 1:38:03 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Moana Coloma Quintanilla	Individual	Support	Written Testimony Only

Comments:

I support HB 1635.

Streaming and internet-only productions are now standard in the industry. Updating eligibility ensures Hawaii remains relevant and competitive while supporting local jobs.

Please support HB 1635.

HB-1635

Submitted on: 2/5/2026 2:07:17 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Nancy D Moser	Individual	Oppose	Written Testimony Only

Comments:

In opposition

HB-1635

Submitted on: 2/5/2026 4:51:02 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Shaun Skinner Wolfe	Individual	Support	Written Testimony Only

Comments:

I support HB 1635.

Streaming and internet-only productions are part of the industry standard now. Updating eligibility ensures Hawai'i remains relevant and competitive while supporting local jobs.

HB-1635

Submitted on: 2/5/2026 5:02:24 PM

Testimony for ECD on 2/6/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jeff Juett	Individual	Support	Written Testimony Only

Comments:

