



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Written Testimony Presented to the  
Senate Committee on Energy, Economic Development, and Tourism  
Friday, January 28, 2022 at 3:00 p.m.

by

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on behalf of

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### SB 2167 – RELATING TO FILM INFRASTRUCTURE TAX CREDIT

Chair Wakai, Vice Chair Misalucha, and Members of the Committee:

The University of Hawai'i (UH) strongly supports SB 2167 which will enhance the state's successful motion picture/television/streaming production industry by incentivizing the building of much needed physical infrastructure. The production industry is an essential component of the diversification of Hawai'i's economy. While numbers are not finalized, 2021 is likely to be another record year of positive impact for the local economy, with a direct spend of over \$400 million.

As noted by economists Sumner La Croix and James Mak in their March 2021 UHERO report, *Understanding the Role of the Hawaii Film/TV/Digital Production Tax Credit In Diversifying the Hawaii Economy*: "There is more to building a robust film industry in Hawai'i than just having a competitive film credit. Two other factors that attract film/TV productions to Hawai'i are availability of workers with skills valued by the industry and availability of state-of-the-art production studios."

The report goes on to state that: "Expanded undergraduate education programs and facilities dedicated to film/TV/digital production at UH campuses are providing college students with skills and overall knowledge valued by film/TV/digital production companies. The brand new UH-West O'ahu facilities have the potential to make UH's Academy of Creative media one of the leading schools for content production in the United States. With roughly 250 undergraduate majors expected when the new UH-West O'ahu facilities open for in-person learning later this year, content production companies filming in Hawai'i will find it easier to staff jobs in their productions with local talent, while other UH program graduates will be encouraged to start their own companies."

However, Hawai'i is limited by having only one stage worthy of a television series -- the state-owned Diamond Head Studio -- which can only accommodate one show at a time and is insufficient for feature films. Blockbusters like *Jumanji*, *Pirates of the Caribbean*, *Godzilla* and *Jurassic Park* are forced to do the bulk of their interior shooting, visual effects and post production elsewhere. It means that Hawai'i is only getting a small

portion of the overall spend on a film. As successful as the production industry is currently, it is severely constrained by lack of physical capacity. SB 2167 is an important measure in ensuring the continued growth of the industry and keeping UH graduates in the islands with living wage jobs.

Thank you for the opportunity to testify on this measure.