

**HB-796-HD-1**

Submitted on: 3/25/2025 1:54:05 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael Golojuch, Jr. (he/him)	Individual	Oppose	Remotely Via Zoom

Comments:

Aloha Senators,

Pride at Work – Hawai‘i is an official chapter of [Pride at Work](#) which is a national nonprofit organization that represents LGBTQIA+ union members and their allies. We are an officially recognized constituency group of the AFL-CIO that organizes mutual support between the organized Labor Movement and the LGBTQIA+ Community to further social and economic justice.

Pride at Work – Hawai‘i opposes HB 796 HD 1, because we are standing in solidarity with our entertainment industry union ‘ohana. We need for you all to stand with us to help protect the film/TV industry if we are ever to diversify our economy.

We ask that you defer this piece of legislation.

Mahalo,

Michael Golojuch, Jr. (he/him)

President

[Pride at Work – Hawai‘i](#)



## CATHOLIC CHARITIES HAWAII

### COMMENTS on HB 796 HD1: RELATING TO TAX CREDITS

TO: Senate Committee on Ways and Means  
FROM: Tina Andrade, President and CEO, Catholic Charities Hawai'i  
Hearing: **Friday, 3/28/25, 10:00 AM; via Videoconference or Room 211**

Chair Dela Cruz, Vice Chair Moriwaki, and Members, Committee on Ways and Means:

Catholic Charities Hawai'i **provides comments on HB 796 HD1**, which requires that income tax credits established or renewed after 12/31/2025 include a 5-year sunset or be reduced annually by one-third starting in the sixth year.

Catholic Charities Hawai'i (CCH), a community-based organization, has provided social services in Hawai'i for over 77 years, assisting 40,000 people annually. Our services target the most vulnerable in Hawai'i, including elders, veterans, children, families, houseless individuals, and immigrants. We have a long history of advocating for economic justice for the people of our state.

Catholic Charities Hawai'i is commenting on this bill because it might result in additional tax burdens on state residents. Between 2021 and 2022, 67,257 people left Hawai'i, and thousands continue to leave each year, forced out by the high cost of living. The latest Aloha United Way report found that 27% of households statewide worried about being forced to move within a year. Among ALICE (Asset Limited, Income Constrained, Employed) residents, that number rises to 41%.

The Legislature has prioritized reducing the cost of living to help local families remain in Hawai'i. Tax credits are most beneficial to lower-income, ALICE, and middle-income families who are struggling to continue living here. These are the very workers we want to support to stay in the local workforce. They often rely on these tax credits to pay off bills and receive relief for immediate needs. This bill would add a sunset date, or a reduction, for all tax credits including ones that are designed to give relief to our workforce, etc.

We understand that the State wants to be fiscally responsible and have a method for phasing out tax credits that are not needed or are not essential. We urge you to consider a more targeted approach to meet this goal. An overall evaluation of the many tax credits provided by the state should prioritize the retention of tax credits which help our local residents to continue living in our state.

This bill could have a negative impact on many local families that receive some relief via tax credits from the high cost of living.

If you have any questions, please contact our Legislative Liaison, Betty Lou Larson at (808) 527-4813.



Catholic  
Charities  
USA



CLARENCE T. C. CHING CAMPUS • 1822 Ke'eaumoku Street, Honolulu, HI 96822  
Phone (808) 527-4813 •



**JOSH GREEN M.D.**  
GOVERNOR

**SYLVIA LUKE**  
LT. GOVERNOR



STATE OF HAWAII  
**DEPARTMENT OF TAXATION**

Ka 'Oihana 'Auhau  
P.O. BOX 259

HONOLULU, HAWAII 96809  
PHONE NO: (808) 587-1540  
FAX NO: (808) 587-1560

**GARY S. SUGANUMA**  
DIRECTOR

**KRISTEN M.R. SAKAMOTO**  
DEPUTY DIRECTOR

**TESTIMONY OF**  
**GARY S. SUGANUMA, DIRECTOR OF TAXATION**

**TESTIMONY ON THE FOLLOWING MEASURE:**

H.B. No. 796, H.D.1, Relating to Tax Credits.

**BEFORE THE:**

Senate Committee on Ways and Means

**DATE:** Friday, March 28, 2025  
**TIME:** 10:00 a.m.  
**LOCATION:** State Capitol, Room 211

Chair Dela Cruz, Vice-Chair Moriwaki, and Members of the Committee:

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 796, H.D.1, for your consideration.

Section 2 of H.B. 796, H.D.1, amends section 235, Hawaii Revised Statutes (HRS), with a new section mandating that every income tax credit established or renewed after December 31, 2025 include either a 1) a five-year sunset date; or 2) beginning with the sixth year of the credit, an annual one-third reduction in the credit amount allowed to be claimed, over a three-year period. The bill has a defective effective date of July 1, 3000.

DOTAX notes there is no immediate impact to DOTAX because this bill will apply to future legislation.

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

**HB-796-HD-1**

Submitted on: 3/26/2025 12:40:47 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
David Crans	Individual	Oppose	Written Testimony Only

## Comments:

My name is David Crans. I'm a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. **I strongly oppose HB796 HD1**, relating to taxation.

This measure calls for the blanket repeal of income tax credits within 5 years or an annual one-third reduction of income tax credits across the board . Specifically, if passed, the bill will sunder our Hawai'i Motion Picture, Digital Media, and Film Production Income Tax Credit and drive work away. As written, this measure will have dire consequences, not just for the film industry, but for a wide swath of the population of Hawai'i, many of whom benefit in profound, life-altering ways from the tax credits, deductions, and exemptions that will disappear if we allow this measure to become law. The film industry is already going through a tough time and by taking away tax credits just makes Hawai'i less desirable to shoot. We need to promote our film industry more and help support it as it employs thousands of Hawaii citizens and supports local businesses and families. The influence the film industry has on our economy is deep as it helps to promote tourism here as well as helps to support many local as l businesses and people not in the business by employing their services to support the film industry.

While I understand the immediate need for the state to conserve resources, the indiscriminate striking of every income tax credit will have devastating effects on Hawai'i's population and economy in the near and distant future. Taxes aren't just for collecting money. They are part of a social contract which enables the funding of public services and initiatives that improve the quality of life for the residents and working families of Hawai'i.

**I strongly oppose HB796 HD1. I urge your committee to defer this bill.** Thank you for the opportunity to testify.

In Solidarity,

David Crans

Wednesday March 26, 2025

Aloha Chair Dela Cruz, Vice Chair Moriwaki,  
and members of the Senate committee on Ways and Means,

My name is Gary Nakano. I'm a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. I strongly oppose HB796 HD1, relating to taxation.

This measure calls for the blanket repeal of income tax credits within 5 years or an annual one-third reduction of income tax credits across the board. Specifically, if passed, the bill will sunder our Hawai'i Motion Picture, Digital Media, and Film Production Income Tax Credit and drive work away. As written, this measure will have dire consequences, not just for the film industry, but for a wide swath of the population of Hawai'i, many of whom benefit in profound, life-altering ways from the tax credits, deductions, and exemptions that will disappear if we allow this measure to become law.

While I understand the immediate need for the state to conserve resources, the indiscriminate striking of every income tax credit will have devastating effects on Hawai'i's population and economy in the near and distant future. Taxes aren't just for collecting money. They are part of a social contract which enables the funding of public services and initiatives that improve the quality of life for the residents and working families of Hawai'i.

**I strongly oppose HB796 HD1**

I urge your committee to defer this bill. Thank you for the opportunity to testify.

In Solidarity,

A handwritten signature in dark ink, appearing to read "Gary Nakano", written in a cursive style.

**HB-796-HD-1**

Submitted on: 3/26/2025 2:05:57 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Cristin Rachele	Individual	Oppose	Written Testimony Only

## Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Senate committee on Ways and Means,

My name is Cristin Rachele. I'm a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. **I strongly oppose HB796 HD1**, relating to taxation.

This measure calls for the blanket repeal of income tax credits within 5 years or an annual one-third reduction of income tax credits across the board . Specifically, if passed, the bill will sunder our Hawai'i Motion Picture, Digital Media, and Film Production Income Tax Credit and drive work away. As written, this measure will have dire consequences, not just for the film industry, but for a wide swath of the population of Hawai'i, many of whom benefit in profound, life-altering ways from the tax credits, deductions, and exemptions that will disappear if we allow this measure to become law.

While I understand the immediate need for the state to conserve resources, the indiscriminate striking of every income tax credit will have devastating effects on Hawai'i's population and economy in the near and distant future. Taxes aren't just for collecting money. They are part of a social contract which enables the funding of public services and initiatives that improve the quality of life for the residents and working families of Hawai'i.

**I strongly oppose HB796 HD1. I urge your committee to defer this bill.** Thank you for the opportunity to testify.

In Solidarity,  
Cristin Rachele



**HB-796-HD-1**

Submitted on: 3/26/2025 6:51:42 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ashlee Valeros	Individual	Oppose	Written Testimony Only

## Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Senate committee on Ways and Means,

My name is Ashlee Valeros. I'm a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. **I strongly oppose HB796 HD1**, relating to taxation.

This measure calls for the blanket repeal of income tax credits within 5 years or an annual one-third reduction of income tax credits across the board . Specifically, if passed, the bill will sunder our Hawai'i Motion Picture, Digital Media, and Film Production Income Tax Credit and drive work away. As written, this measure will have dire consequences, not just for the film industry, but for a wide swath of the population of Hawai'i, many of whom benefit in profound, life-altering ways from the tax credits, deductions, and exemptions that will disappear if we allow this measure to become law.

While I understand the immediate need for the state to conserve resources, the indiscriminate striking of every income tax credit will have devastating effects on Hawai'i's population and economy in the near and distant future. Taxes aren't just for collecting money. They are part of a social contract which enables the funding of public services and initiatives that improve the quality of life for the residents and working families of Hawai'i.

**I strongly oppose HB796 HD1. I urge your committee to defer this bill.** Thank you for the opportunity to testify.

In Solidarity,

Ashlee Valeros



## HOUSE BILL 796, HD1, RELATING TO TAX CREDITS

MARCH 28, 2025 · WAM HEARING

**POSITION:** Opposition.

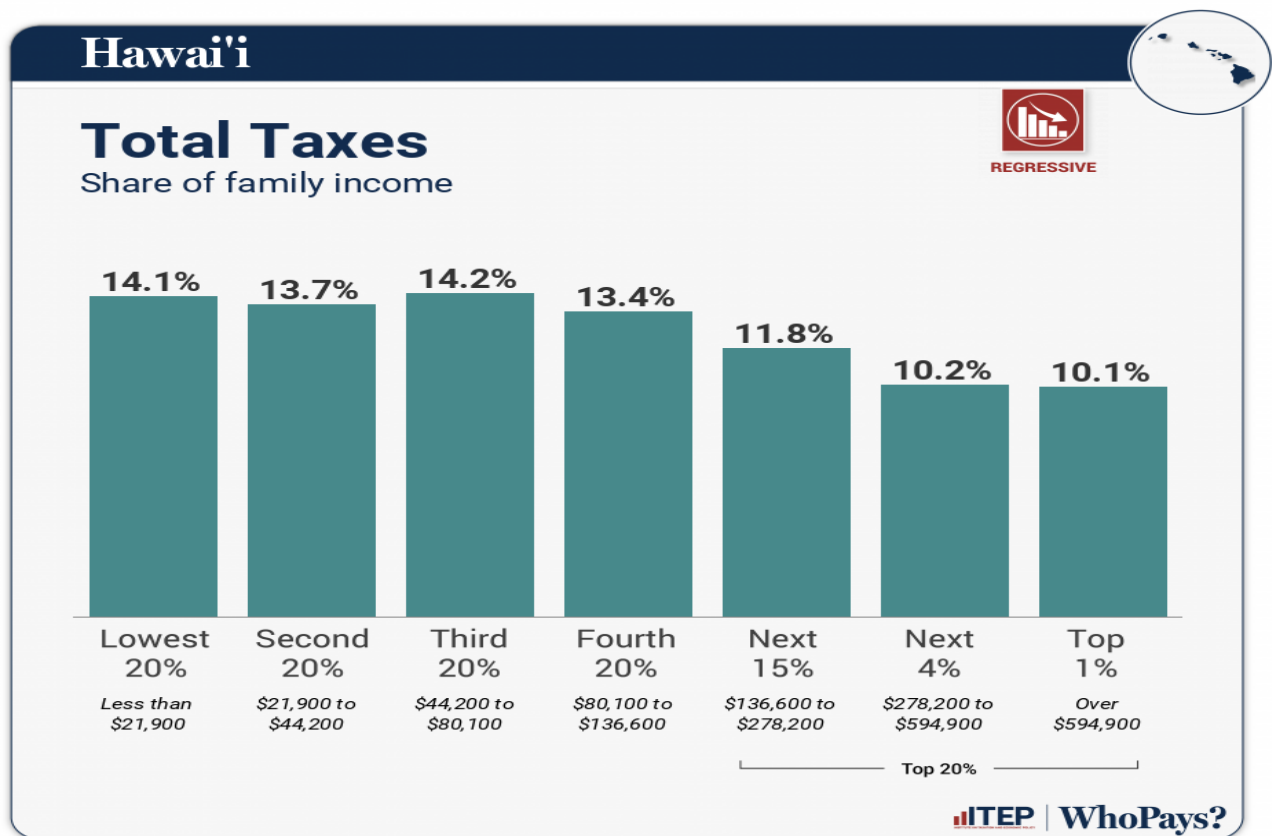
**RATIONALE:** The Democratic Party of Hawai'i Education Caucus opposes HB 796, HD1, relating to tax credits, which requires that income tax credits established or renewed after 12/31/2025 include a five-year sunset or an annual one-third reduction, beginning with the sixth year of the credit.

Working families need financial relief. Hawai'i residents face some of the highest housing costs in the nation, at more than twice the national average. Researchers who authored the National Low Income Housing Coalition's *Out of Reach 2024* report found that a full-time worker would need to earn \$44.60/hour—or \$92,768 per year—to afford a two-bedroom apartment at fair market value in our state, with Honolulu experiencing a 67 percent increase in fair market rent between 2005 and 2015. Average rent for a two-bedroom unit surpassed \$2,000 well before the COVID-19 pandemic hit our shores.

One out of every four households in Hawai'i report that they are “doubling up” or are three paychecks or less away from being homeless, per the Hawai'i Appleseed Center for Law and Economic Justice. Additionally, over 60 percent of households are severely cost-burdened, meaning that they pay more than 30 percent of their income on housing, a number that rises to over 80 percent of extremely low-income households.

A recent survey conducted by the Holomua Collective found that 60 percent of residents face worries about not being able to pay a monthly bill and 63 percent face difficulties in saving money from their paychecks for future emergencies, retirement, or other expenses. A staggering 70 percent of middle-class respondents to Holomua's survey say they will—or are unsure if they will have to—relocate in the coming years. As Holomua Collective states in its report on the findings, "These are the very workers powering Hawai'i's economy, now on the brink of leaving their homes behind." That population includes the teachers who are tasked with educating our keiki.

According to the Institute for Taxation and Economic Policy's "Hawai'i: Who Pays?" 7th Edition, the lowest 20 percent of income earners pay 14.1 percent of their income in taxes, while the highest 1 percent of income earners pay just 10.1 percent. Rather than passing measures that undo or reduce the benefits of tax credits for working families, we should strengthen our state's efforts to provide financial relief to those who need it most.



Contact: [educationcaucusdph@gmail.com](mailto:educationcaucusdph@gmail.com)

**HB-796-HD-1**

Submitted on: 3/26/2025 8:08:19 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ron Evans	Individual	Oppose	Written Testimony Only

## Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Senate committee on Ways and Means,

My name is Ron Evans. I'm a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. **I strongly oppose HB796 HD1**, relating to taxation.

This measure calls for the blanket repeal of income tax credits within 5 years or an annual one-third reduction of income tax credits across the board . Specifically, if passed, the bill will sunder our Hawai'i Motion Picture, Digital Media, and Film Production Income Tax Credit and drive work away. As written, this measure will have dire consequences, not just for the film industry, but for a wide swath of the population of Hawai'i, many of whom benefit in profound, life-altering ways from the tax credits, deductions, and exemptions that will disappear if we allow this measure to become law.

While I understand the immediate need for the state to conserve resources, the indiscriminate striking of every income tax credit will have devastating effects on Hawai'i's population and economy in the near and distant future. Taxes aren't just for collecting money. They are part of a social contract which enables the funding of public services and initiatives that improve the quality of life for the residents and working families of Hawai'i.

**I strongly oppose HB796 HD1. I urge your committee to defer this bill.** Thank you for the opportunity to testify.

In Solidarity,

Ron Evans

**HB-796-HD-1**

Submitted on: 3/26/2025 5:20:56 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Travis Hoover	Individual	Oppose	Written Testimony Only

## Comments:

My name is Travis Hoover. I'm a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. **I strongly oppose HB796 HD1**, relating to taxation.

This measure calls for the blanket repeal of income tax credits within 5 years or an annual one-third reduction of income tax credits across the board . Specifically, if passed, the bill will sunder our Hawai'i Motion Picture, Digital Media, and Film Production Income Tax Credit and drive work away. As written, this measure will have dire consequences, not just for the film industry, but for a wide swath of the population of Hawai'i, many of whom benefit in profound, life-altering ways from the tax credits, deductions, and exemptions that will disappear if we allow this measure to become law.

While I understand the immediate need for the state to conserve resources, the indiscriminate striking of every income tax credit will have devastating effects on Hawai'i's population and economy in the near and distant future. Taxes aren't just for collecting money. They are part of a social contract which enables the funding of public services and initiatives that improve the quality of life for the residents and working families of Hawai'i.

**I strongly oppose HB796 HD1. I urge your committee to defer this bill.** Thank you for the opportunity to testify.

In Solidarity,

Travis Hoover

**HB-796-HD-1**

Submitted on: 3/26/2025 8:58:15 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

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

Comments:

RE: HB796 – Relating to Income Tax Credits

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee,

My name is Eric Uyeda, and I work in Hawaii’s film industry as a craft service, supporting local productions with food and hospitality services on set. I am writing in strong opposition to HB796, which proposes a mandatory sunset or reduction of tax credits after five years.

This bill would be devastating to Hawaii’s already struggling film industry—an industry that provides jobs to thousands of local workers like myself, from crew members to vendors to small business owners.

The film industry in Hawaii has already taken a major hit because of the PEO payroll mandate, which made it harder and more expensive for productions to operate here. We’ve seen a decline in job opportunities, canceled projects, and fewer productions choosing Hawaii as their location. As a small business owner, this directly impacts my ability to make a living and support my family.

HB796 would make things even worse. Productions need long-term certainty to commit to filming in Hawaii. If we start putting expiration dates or forced phase-outs on tax credits, we’re basically telling studios and streaming platforms to look elsewhere. And believe me—they will.

Every time a production decides not to shoot in Hawaii, it’s not just actors or directors who are affected. It’s the entire community of local workers, like me, who depend on these jobs. I’m proud to be part of an industry that brings money into our economy, hires locally, supports local farms and food suppliers, and gives our people a chance to work in creative, skilled careers right here at home.

If Hawaii wants to be competitive in this industry—and build a real future for our film workforce—we need to provide stability, not more uncertainty. We need to fix the problems we already have, like the PEO mandate, not add more roadblocks.



I respectfully urge you to vote NO on HB796. Instead of weakening the film industry further, let's work together to strengthen it—for the thousands of local workers, businesses, and families who rely on it.

Mahalo for your time and consideration.

Sincerely,

Eric Uyeda

**HB-796-HD-1**

Submitted on: 3/27/2025 12:10:22 AM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Serena Flores	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Senate committee on Ways and Means,

My name is Serena Flores. I'm a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. **I strongly oppose HB796 HD1**, relating to taxation.

This measure calls for the blanket repeal of income tax credits within 5 years or an annual one-third reduction of income tax credits across the board. Specifically, if passed, the bill will sunder our Hawai'i Motion Picture, Digital Media, and Film Production Income Tax Credit and drive work away. As written, this measure will have dire consequences, not just for the film industry, but for a wide swath of the population of Hawai'i, many of whom benefit in profound, life-altering ways from the tax credits, deductions, and exemptions that will disappear if we allow this measure to become law.

While I understand the immediate need for the state to conserve resources, the indiscriminate striking of every income tax credit will have devastating effects on Hawai'i's population and economy in the near and distant future. Taxes aren't just for collecting money. They are part of a social contract which enables the funding of public services and initiatives that improve the quality of life for the residents and working families of Hawai'i.

**I strongly oppose HB796 HD1. I urge your committee to defer this bill.** Thank you for the opportunity to testify.

In Solidarity,

Serena Flores

**HB-796-HD-1**

Submitted on: 3/26/2025 7:07:33 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

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

Comments:

**Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Senate Committee on Ways and Means,**

My name is Brian Wallace, and I am a proud member of IATSE Local 665, representing technicians and artisans in Hawai‘i’s entertainment industry. I am writing in **strong opposition** to **HB796 HD1**, relating to taxation.

This bill proposes a blanket repeal of income tax credits within five years or, alternatively, an annual one-third reduction across the board. If enacted, it would dismantle the **Hawai‘i Motion Picture, Digital Media, and Film Production Income Tax Credit**—a critical incentive that brings production work to our islands. The consequences would be severe—not just for film industry professionals like myself, but for countless local businesses, vendors, and residents who benefit from this economic activity.

While I understand the state’s need to manage resources carefully, this broad and indiscriminate approach to repealing tax credits will do more harm than good. Tax policy is not only a tool for revenue collection; it’s a reflection of our shared priorities. These credits support working families, create career pathways, and help build sustainable industries in Hawai‘i.

I respectfully urge your committee to **defer HB796 HD1**.

Mahalo for the opportunity to testify.

**In Solidarity,**

**Brian Patrick Wallace**

**HB-796-HD-1**

Submitted on: 3/26/2025 5:49:33 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

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

## Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Senate committee on Ways and Means,

My name is Lisa Mitchell. I'm a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. **I strongly oppose HB796 HD1**, relating to taxation.

This measure calls for the blanket repeal of income tax credits within 5 years or an annual one-third reduction of income tax credits across the board . Specifically, if passed, the bill will break apart the Hawai'i Motion Picture, Digital Media, and Film Production Income Tax Credit and drive work away. As written, this measure will have dire consequences, not just for the film industry, but for a wide swath of the population of Hawai'i, many of whom benefit in profound, life-altering ways from the tax credits, deductions, and exemptions that will disappear if we allow this measure to become law.

While I understand the immediate need for the state to conserve resources, the indiscriminate striking of every income tax credit will have devastating effects on Hawai'i's population and economy in the near and distant future. Taxes aren't just for collecting money. They are part of a social contract which enables the funding of public services and initiatives that improve the quality of life for the residents and working families of Hawai'i.

**I strongly oppose HB796 HD1. I urge your committee to defer this bill.** Thank you for the opportunity to testify.

Thank you for your consideration,

Lisa Mitchell

**HB-796-HD-1**

Submitted on: 3/26/2025 10:02:02 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Cindy M Rios	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose HB 796 HD1

**HB-796-HD-1**

Submitted on: 3/26/2025 1:09:52 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Patrick Jeppeson	Individual	Oppose	Written Testimony Only

Comments:

Hi my name is Patrick Henry Jeppeson. I'm a member of local 665 and Sag -Aftra I oppose sb 796.

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Senate committee on Ways and Means,

My name is Bruce Vollert. I'm a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. **I strongly oppose HB796 HD1**, relating to taxation.

This measure calls for the blanket repeal of income tax credits within 5 years or an annual one-third reduction of income tax credits across the board . Specifically, if passed, the bill will sunder our Hawai'i Motion Picture, Digital Media, and Film Production Income Tax Credit and drive work away. As written, this measure will have dire consequences, not just for the film industry, but for a wide swath of the population of Hawai'i, many of whom benefit in profound, life-altering ways from the tax credits, deductions, and exemptions that will disappear if we allow this measure to become law.

While I understand the immediate need for the state to conserve resources, the indiscriminate striking of every income tax credit will have devastating effects on Hawai'i's population and economy in the near and distant future. Taxes aren't just for collecting money. They are part of a social contract which enables the funding of public services and initiatives that improve the quality of life for the residents and working families of Hawai'i.

**I strongly oppose HB796 HD1. I urge your committee to defer this bill.** Thank you for the opportunity to testify.

Bruce Vollert  
44-683 iris place  
Kaneohe, Hawaii  
96744



**HB-796-HD-1**

Submitted on: 3/26/2025 3:22:49 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Teya Tilley	Individual	Support	Written Testimony Only

## Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Senate committee on Ways and Means,

My name is Teya Tilley. I'm a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. **I strongly oppose HB796 HD1**, relating to taxation.

This measure calls for the blanket repeal of income tax credits within 5 years or an annual one-third reduction of income tax credits across the board . Specifically, if passed, the bill will sunder our Hawai'i Motion Picture, Digital Media, and Film Production Income Tax Credit and drive work away. As written, this measure will have dire consequences, not just for the film industry, but for a wide swath of the population of Hawai'i, many of whom benefit in profound, life-altering ways from the tax credits, deductions, and exemptions that will disappear if we allow this measure to become law.

While I understand the immediate need for the state to conserve resources, the indiscriminate striking of every income tax credit will have devastating effects on Hawai'i's population and economy in the near and distant future. Taxes aren't just for collecting money. They are part of a social contract which enables the funding of public services and initiatives that improve the quality of life for the residents and working families of Hawai'i.

**I strongly oppose HB796 HD1. I urge your committee to defer this bill.** Thank you for the opportunity to testify.

In Solidarity,

Teya Tilley

**HB-796-HD-1**

Submitted on: 3/26/2025 9:10:53 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Chauncy Williams	Individual	Oppose	Written Testimony Only

## Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Senate committee on Ways and Means,

My name is Chauncy Williams. I graduated with a Bachelors in Digital Cinema from the Academy of Creative Media (ACM) in December of 2018. I am also a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i since November 2022.

**I strongly oppose HB796 HD1**, relating to taxation.

This measure calls for the blanket repeal of income tax credits within 5 years or an annual one-third reduction of income tax credits across the board . Specifically, if passed, the bill will sunder our Hawai'i Motion Picture, Digital Media, and Film Production Income Tax Credit and drive work away. As written, this measure will have dire consequences, not just for the film industry, but for a wide swath of the population of Hawai'i, many of whom benefit in profound, life-altering ways from the tax credits, deductions, and exemptions that will disappear if we allow this measure to become law.

While I understand the immediate need for the state to conserve resources, the indiscriminate striking of every income tax credit will have devastating effects on Hawai'i's population and economy in the near and distant future. Taxes aren't just for collecting money. They are part of a social contract which enables the funding of public services and initiatives that improve the quality of life for the residents and working families of Hawai'i.

**I strongly oppose HB796 HD1. I urge your committee to defer this bill.** Thank you for the opportunity to testify.

In Solidarity,

Chauncy Williams

**HB-796-HD-1**

Submitted on: 3/27/2025 7:56:45 AM

Testimony for WAM on 3/28/2025 10:00:00 AM

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

Comments:

Income tax credits should be applied or adjusted on a case by case basis, not by blanket schedule as proposed here. What will probably happen is exemptions will be given here and there, making this potential statute meaningless. Mahalo!

**HB-796-HD-1**

Submitted on: 3/26/2025 4:34:52 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Gerard Elmore	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

My name is Gerard Elmore, Vice President of Film at NMG Network, Executive Director of ‘Ohina Labs/Showcase, and Vice President for Hawai‘i at NATAS (the regional Emmys).

I am writing in opposition to this bill.

Our industry is in urgent need of support, and this bill introduces uncertainty at a time when stability is critical.

Sunset and cut-off dates for incentives harm the Hawai‘i community, especially as we face increasing global competition. Now more than ever, we need every possible advantage to remain competitive.

Mahalo for your time,

Gerard Elmore

**HB-796-HD-1**

Submitted on: 3/26/2025 3:45:36 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Patrick Brian Gilhooly II	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Senate committee on Ways and Means,

My name is Patrick Brian Gilhooly II. I'm a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. **I strongly oppose HB796 HD1**, relating to taxation.

This measure calls for the blanket repeal of income tax credits within 5 years or an annual one-third reduction of income tax credits across the board . Specifically, if passed, the bill will sunder our Hawai'i Motion Picture, Digital Media, and Film Production Income Tax Credit and drive work away. As written, this measure will have dire consequences, not just for the film industry, but for a wide swath of the population of Hawai'i, many of whom benefit in profound, life-altering ways from the tax credits, deductions, and exemptions that will disappear if we allow this measure to become law.

While I understand the immediate need for the state to conserve resources, the indiscriminate striking of every income tax credit will have devastating effects on Hawai'i's population and economy in the near and distant future. Taxes aren't just for collecting money. They are part of a social contract which enables the funding of public services and initiatives that improve the quality of life for the residents and working families of Hawai'i.

**I strongly oppose HB796 HD1. I urge your committee to defer this bill.** Thank you for the opportunity to testify.

In Solidarity,

Patrick Brian Gilhooly II

**HB-796-HD-1**

Submitted on: 3/26/2025 12:35:20 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Keahi Kuikahi	Individual	Oppose	Written Testimony Only

## Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Senate committee on Ways and Means,

My name is Keahi S Kuikahi. I'm a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. I strongly oppose HB796 HD1, relating to taxation.

This measure calls for the blanket repeal of income tax credits within 5 years or an annual one-third reduction of income tax credits across the board . Specifically, if passed, the bill will sunder our Hawai'i Motion Picture, Digital Media, and Film Production Income Tax Credit and drive work away. As written, this measure will have dire consequences, not just for the film industry, but for a wide swath of the population of Hawai'i, many of whom benefit in profound, life-altering ways from the tax credits, deductions, and exemptions that will disappear if we allow this measure to become law.

While I understand the immediate need for the state to conserve resources, the indiscriminate striking of every income tax credit will have devastating effects on Hawai'i's population and economy in the near and distant future. Taxes aren't just for collecting money. They are part of a social contract which enables the funding of public services and initiatives that improve the quality of life for the residents and working families of Hawai'i.

I strongly oppose HB796 HD1. I urge your committee to defer this bill. Thank you for the opportunity to testify.

In Solidarity,



Keahi S Kuikahi

**HB-796-HD-1**

Submitted on: 3/26/2025 1:55:01 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dean Des Jarlais	Individual	Oppose	Written Testimony Only

## Comments:

I strongly oppose HB 796 as it would sunset all state tax credits. If the film tax credits were removed, it would crash the film and television industry completely. There is an active competition to have producers bring their films to a location. If there are no tax credits, there will be no productions filmed in Hawaii.

**HB-796-HD-1**

Submitted on: 3/27/2025 6:57:32 AM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Thomas h. Penny	Individual	Oppose	Written Testimony Only

## Comments:

My name is Thomas H. Penny. I'm a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. **I strongly oppose HB796 HD1**, relating to taxation.

This measure calls for the blanket repeal of income tax credits within 5 years or an annual one-third reduction of income tax credits across the board . Specifically, if passed, the bill will sunder our Hawai'i Motion Picture, Digital Media, and Film Production Income Tax Credit and drive work away. As written, this measure will have dire consequences, not just for the film industry, but for a wide swath of the population of Hawai'i, many of whom benefit in profound, life-altering ways from the tax credits, deductions, and exemptions that will disappear if we allow this measure to become law.

While I understand the immediate need for the state to conserve resources, the indiscriminate striking of every income tax credit will have devastating effects on Hawai'i's population and economy in the near and distant future. Taxes aren't just for collecting money. They are part of a social contract which enables the funding of public services and initiatives that improve the quality of life for the residents and working families of Hawai'i.

**I strongly oppose HB796 HD1. I urge your committee to defer this bill.** Thank you for the opportunity to testify.

In Solidarity,

Thomas H. Penny



**HB-796-HD-1**

Submitted on: 3/27/2025 8:44:23 AM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kaipu Seales	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Senate committee on Ways and Means,

My name is Kaipu Seales. I'm a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. **I strongly oppose HB796 HD1**, relating to taxation.

This measure calls for the blanket repeal of income tax credits within 5 years or an annual one-third reduction of income tax credits across the board . Specifically, if passed, the bill will sunder our Hawai'i Motion Picture, Digital Media, and Film Production Income Tax Credit and drive work away. As written, this measure will have dire consequences, not just for the film industry, but for a wide swath of the population of Hawai'i, many of whom benefit in profound, life-altering ways from the tax credits, deductions, and exemptions that will disappear if we allow this measure to become law.

While I understand the immediate need for the state to conserve resources, the indiscriminate striking of every income tax credit will have devastating effects on Hawai'i's population and economy in the near and distant future. Taxes aren't just for collecting money. They are part of a social contract which enables the funding of public services and initiatives that improve the quality of life for the residents and working families of Hawai'i.

**I strongly oppose HB796 HD1. I urge your committee to defer this bill.** Thank you for the opportunity to testify.

In Solidarity,

Kaipu Seales

**HB-796-HD-1**

Submitted on: 3/27/2025 7:01:24 AM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kevin Kersting	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Senate committee on Ways and Means,

My name is Kevin Kersting. I'm a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. **I strongly oppose HB796 HD1**, relating to taxation.

This measure calls for the blanket repeal of income tax credits within 5 years or an annual one-third reduction of income tax credits across the board . Specifically, if passed, the bill will sunder our Hawai'i Motion Picture, Digital Media, and Film Production Income Tax Credit and drive work away. As written, this measure will have dire consequences, not just for the film industry, but for a wide swath of the population of Hawai'i, many of whom benefit in profound, life-altering ways from the tax credits, deductions, and exemptions that will disappear if we allow this measure to become law.

While I understand the immediate need for the state to conserve resources, the indiscriminate striking of every income tax credit will have devastating effects on Hawai'i's population and economy in the near and distant future. Taxes aren't just for collecting money. They are part of a social contract which enables the funding of public services and initiatives that improve the quality of life for the residents and working families of Hawai'i.

**I strongly oppose HB796 HD1. I urge your committee to defer this bill.** Thank you for the opportunity to testify.

In Solidarity,

Kevin Kersting

**HB-796-HD-1**

Submitted on: 3/27/2025 12:38:42 AM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Alexis Flores	Individual	Oppose	Written Testimony Only

## Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Senate committee on Ways and Means,

My name is Alexis Flores. I'm a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. **I strongly oppose HB796 HD1**, relating to taxation.

This measure calls for the blanket repeal of income tax credits within 5 years or an annual one-third reduction of income tax credits across the board . Specifically, if passed, the bill will sunder our Hawai'i Motion Picture, Digital Media, and Film Production Income Tax Credit and drive work away. As written, this measure will have dire consequences, not just for the film industry, but for a wide swath of the population of Hawai'i, many of whom benefit in profound, life-altering ways from the tax credits, deductions, and exemptions that will disappear if we allow this measure to become law.

While I understand the immediate need for the state to conserve resources, the indiscriminate striking of every income tax credit will have devastating effects on Hawai'i's population and economy in the near and distant future. Taxes aren't just for collecting money. They are part of a social contract which enables the funding of public services and initiatives that improve the quality of life for the residents and working families of Hawai'i.

**I strongly oppose HB796 HD1. I urge your committee to defer this bill.** Thank you for the opportunity to testify.

In Solidarity,

Alexis Flores



**HB-796-HD-1**

Submitted on: 3/26/2025 12:32:14 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Erika K Aresta	Individual	Oppose	Written Testimony Only

## Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Senate committee on Ways and Means,

My name is Erika Aresta. I'm a member of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. **I strongly oppose HB796 HD1**, relating to taxation.

This measure calls for the blanket repeal of income tax credits within 5 years or an annual one-third reduction of income tax credits across the board . Specifically, if passed, the bill will sunder our Hawai'i Motion Picture, Digital Media, and Film Production Income Tax Credit and drive work away. As written, this measure will have dire consequences, not just for the film industry, but for a wide swath of the population of Hawai'i, many of whom benefit in profound, life-altering ways from the tax credits, deductions, and exemptions that will disappear if we allow this measure to become law.

While I understand the immediate need for the state to conserve resources, the indiscriminate striking of every income tax credit will have devastating effects on Hawai'i's population and economy in the near and distant future. Taxes aren't just for collecting money. They are part of a social contract which enables the funding of public services and initiatives that improve the quality of life for the residents and working families of Hawai'i.

**I strongly oppose HB796 HD1. I urge your committee to defer this bill.** Thank you for the opportunity to testify.

In Solidarity,

Erika Aresta



The Senate  
The Thirty-Third Legislature  
Regular Session of 2025

COMMITTEE ON WAYS AND MEANS

Senator Donovan M. Dela Cruz, Chair

Senator Sharon Y. Moriwaki, Vice Chair

RE: HB 796 HD1 RELATING TO TAX CREDITS

Date: Friday, March 28, 2025

Time: 10:00 AM

Conference Room 211

State Capitol

415 South Beretania Street

March 27, 2025

From: Ricardo Galindez and Roy Tjioe  
Island Film Group  
99-1245 Halawa Valley St.  
Aiea, HI 96701  
808-536-7955

Aloha Chair Dela Cruz, Vice Chair Moriwaki and Members of the Committee:

**Our Background**

Island Film Group is the largest locally owned and operated production company. We have been working in the Hawaii's film and television industry since 2004 first as attorneys at Goodsill Anderson Quinn & Stifel, where we represented mainland studios, local filmmakers and other production companies, and since 2007 as the co-founders of Island Film Group.

**We STRONGLY OPPOSE HB 796 HD1 as it pertains to HRS Section 235-17 - Motion picture, digital media, and film production income tax credit.**

- Stable film and television production tax credits are vital to the Hawaii film and television production industry which competes with other states and countries to attract productions.
- A five-year statutory term would dissuade studios from setting a television series in Hawaii for fear that the tax credit could be terminated while the series was still in production.

Me ke aloha,

Two handwritten signatures in black ink. The first signature is on the left, and the second is on the right.

Ricardo Galindez and Roy Tjioe  
Co-Founders  
Island Film Group  
Honolulu, Hawaii

# TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

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SUBJECT: NET INCOME; Tax Credit Sunset Date or Annual Reduction

BILL NUMBER: HB 796 HD 1

INTRODUCED BY: House Committee on Finance

EXECUTIVE SUMMARY: Requires that income tax credits established or renewed after 12/31/2025 include a five-year sunset or an annual one-third reduction, beginning with the sixth year of the credit.

SYNOPSIS: Adds a new section to chapter 235, HRS, providing that any income tax credit established or renewed under this chapter after December 31, 2025, shall include either: (1) A five-year sunset date; or (2) Beginning with the sixth year of the credit, a one-third annual reduction in the credit amount allowed to be claimed, over a three-year period.

EFFECTIVE DATE: July 1, 3000.

STAFF COMMENTS: We have concerns over whether this bill, if enacted, would be effective. Normally a current legislature can't bind a future legislature, and later enacted legislation normally prevails over older legislation when the two conflict. Thus, if a future legislature were to pass a bill adding a new tax credit with neither a sunset nor a phaseout, and the bill were signed into law, the law would be effective with neither a sunset nor a phaseout.

We note that the State Auditor is required to review existing income tax credits under HRS sections 23-91 to 23-96 on a five-year rolling basis, and the reports issued by the Auditor are supposed to trigger legislative review. New credits are supposed to be added to the list in those sections of chapter 23, but none of these sections were amended after 2017.

Digested: 3/25/25

TESTIMONY BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

RE: HB 796 HD1 - RELATING TO TAX CREDITS

FRIDAY, MARCH 28TH, 2025

TUIA'ANA SCANLAN, CHAIR  
DEMOCRATIC PARTY OF HAWAI'I LABOR CAUCUS

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Senate Committee,

The Democratic Party of Hawai'i Labor Caucus **strongly opposes HB 796 HD1**, relating to tax credits.

Tax equity is a cornerstone of economic prosperity. HB 796 HD1 would sunset all income tax credits across the board within 5 years or annually reduce them by one-third. This will have lasting negative effects on the working families of Hawai'i and, ultimately, Hawai'i's economy. Among the list of current income tax credits that are available on state tax returns are: Credit for Low income Household Renters, Renewable Energy Tech Credit, Credit for Child and Dependent Care Expenses, Capital Goods Excise Credit, Fuel Credit for Commercial Fishers, Motion Picture and Film Income Credit, Tax Credit for Research Activities, Renewable Fuels Production Tax Credit, and more.

If the state is to reach its renewable energy goals, diversify its economy, support local businesses, or show a shred of decency towards the working families of Hawai'i, HB 796 HD1 should not pass. This bill will disproportionately affect those families living paycheck to paycheck while barely scratching the wealthiest among us, who pay less than their fair share as it is. Taxes are more than just for collecting money. It is a social contract which assumes that, if we pay our fair share, we can fund initiatives that support the public good. This will drastically do the opposite.

The Democratic Party of Hawai'i Labor Caucus strongly opposes HB 796 HD1. We urge your committee to do the same. Thank you for the opportunity to testify.



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# IATSE LOCAL 665

FILM, TELEVISION, STAGE, PROJECTION AND TRADESHOWS  
Since 1937

INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES, MOVING PICTURE TECHNICIANS, ARTISTS AND ALLIED CRAFTS  
OF THE UNITED STATES, ITS TERRITORIES AND CANADA, AFL-CIO, CLC



Thirty-Third Legislature, State of Hawai'i  
Regular Session of 2025  
Senate Committee on Ways and Means  
Testimony by IATSE 665  
March 28th, 2025

## **HB 796 HD1- Relating to Tax Credits**

Chair Dela Cruz, Vice Chair Moriwaki, and members of the Senate Committee,

My name is Tuia'ana Scanlan, president of IATSE 665 and IATSE International Trustee. Our union represents technicians and artisans in the Live Event, Tradeshow, and Film/TV sectors of Hawai'i's Entertainment industry. **Local 665 strongly opposes HB 796 HD1 - Relating to Tax credits**

Earlier this session, the Committee On Economic Development passed this bill out even though it did not receive a single piece of testimony in support. This bill would create lasting and wide-sweeping damage to each of your constituencies. HB 796 HD 1 would eliminate, over time, every single income tax credit, including the Credit for Low Income Household Renters, Credit for Child and Dependent Care, Capital Goods Excise Credit, Fuel Tax Credit for Commercial Fishers, Tax Credit for Research Activities, Motion Picture and Film Income Credit, Child Passenger Restraint System Credit, Renewable Energy Tech Credit, and much more.

While we understand the need for the state to conserve funds, without these credits, the tax burden disproportionately affects lower income working families. We acknowledge the concern regarding "market distortion", but the true market distortion looks like this - if a blanket income tax credit phase-out were to be enacted, the economic activity generated from all of them would grind to a halt. And while the state may benefit immediately from the "conserved" funds, it would do so at the detriment of the future growth of our economy. Taxes are not just for taking money. It is a social contract that says, in return for giving the state our hard earned wages, we fund initiatives that drive the economy in the name of the public good. We pay these taxes into a collective pool to benefit the quality of life for the constituents that elected you to these positions. Removing these tax credits will be devastating to the citizens of the state of Hawai'i. This bill will drive industry away from the islands, stall the attainment of the state's clean energy goals, limit the creation of desperately needed housing, and devastate the working families of Hawai'i in each of your constituencies.

**IATSE 665 strongly opposes HB 796 HD1.** We urge your committee to pass this measure. Thank you for the opportunity to provide testimony.

**501 SUMNER STREET ♦ SUITE #610 ♦ HONOLULU, HAWAII 96817 ♦ (808) 596-0227 ♦ FAX (808) 591-8213**

In Solidarity,

A handwritten signature in black ink, appearing to read 'Tuia'ana Scanlan'. The signature is fluid and cursive, with a large initial 'T' and a long, sweeping underline.

Tuia'ana Scanlan

President, IATSE 665

IATSE International Trustee

He/him/his



## **HB-796-HD-1**

Submitted on: 3/25/2025 9:47:29 PM

Testimony for WAM on 3/28/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael Golojuch Jr	Individual	Oppose	Remotely Via Zoom

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee,

My name is Michael Golojuch, Jr., and I am submitting testimony in **strong opposition** to **House Bill 796**, which **requires that income tax credits established or renewed after December 31, 2025, include a five-year sunset or an annual one-third reduction beginning in the sixth year of the credit.**

While I appreciate the intent to ensure that tax credits remain fiscally responsible and periodically evaluated, **HB 796 takes a sledgehammer approach where a scalpel is needed.** Tax credits serve as vital tools to stimulate economic growth, incentivize socially responsible practices, and promote industries that align with our state's priorities. By mandating an automatic five-year sunset or phased reduction, this bill risks destabilizing long-term investments and undermining initiatives that require more than a five-year window to yield their intended benefits.

**Many of Hawai'i's most impactful tax credits support sectors such as affordable housing, renewable energy, education, and workforce development.** These sectors often require sustained, predictable support to generate the intended outcomes. Imposing an arbitrary sunset or reduction could discourage investment and create uncertainty for organizations and industries that depend on these incentives.

Moreover, this bill **fails to account for the nuanced differences between tax credits.** Not all credits have the same economic impact, and many provide critical benefits to underserved communities. A blanket policy to reduce or eliminate them without a thorough evaluation of their effectiveness ignores the diverse needs of our state. **A one-size-fits-all approach is not the answer.**

If the concern is ensuring that tax credits remain effective and fiscally prudent, a more balanced and targeted solution would be to implement a regular review and evaluation process, rather than an automatic expiration or reduction. This would allow legislators to make informed decisions based on data, rather than prematurely cutting off support for programs that may still be delivering meaningful benefits to the people of Hawai'i.

For these reasons, I strongly urge this committee to **defer House Bill 796** and explore more thoughtful, tailored approaches to evaluating and managing income tax credits.

**Mahalo for the opportunity to testify.**

Michael Golojuch, Jr. (he/him)  
Civil Rights Activist



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March 28, 2025

Committee on Ways and Means  
Chair Dela Cruz  
Vice Chair Moriwaki

The Senate  
The Thirtieth-Third Legislature  
Regular Session of 2025

RE: [HB796 HD1 - RELATING TO TAX CREDITS](#)

DATE: Friday, March 28, 2025

TIME: 10:00 am

PLACE: Room 211

State Capitol 415 South Beretania Street, Honolulu HI

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and the Members of the Committee,

Thank you for the opportunity to testify in **OPPOSITION** of HB796- RELATING TO TAX CREDITS.

SAG-AFTRA represents over 1400 actors, recording artists, and media professionals in our state. 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.

We are grateful for the Legislature's continued support. The tax credit to qualified producers has been a beneficial incentive, creating thousands of jobs for local people to support their families and enrich our community.

In addition to contributing to the vibrancy of our creative community, this industry also pumps money into our economy. As the latest DBEDT figures indicate, in 2024 our film and television industry generated \$324,150,100 in sales or economic activity, \$20,235,960 in estimated tax

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

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

revenues, and \$74,948,000 in Hawaii household income generated because of the qualified productions.<sup>1</sup> The film/tv/streaming industry also accounted for 2,247 jobs for 2023<sup>2</sup>.

This measure calls for the eventual sunset or significant reduction of all income tax credits established or renewed after 12/31/2025 . As written, this measure may have dire unintended consequences, not just for the film industry, but for a wide swath of the population of Hawaii, many of whom benefit in profound, life-altering ways from the tax credits this bill will kill.

Respectfully,

*Mericia Palma Elmore*

Mericia Palma Elmore, Executive Director SAG-AFTRA Hawaii Local

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<sup>1</sup> <https://files.hawaii.gov/dbedt/annuals/2024/2024-cid-act217.pdf>

<sup>2</sup> [https://files.hawaii.gov/dbedt/economic/data\\_reports/hawaii-creative-report/HI\\_Creative\\_Ind\\_2024.pdf](https://files.hawaii.gov/dbedt/economic/data_reports/hawaii-creative-report/HI_Creative_Ind_2024.pdf)

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Mericia Palma Elmore, Executive Director  
SAG-AFTRA Hawaii Local  
[mericia.palmaelmore@sagaftra.org](mailto: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  
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Associated Actors & Artistes of America / AFL-CIO