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GOOD MORNING SENATOR JANETTE MILLIN YOUNG, CHAIRPERSON OF THE COMMITTEE ON ECONOMIC DEVELOPMENT, AGRICULTURE AND PLANNING, MEMBERS OF THE COMMITTEE, OTHER SENATORS PRESENT, AND LADIES AND GENTLEMEN OF THE LISTENING AND VIEWING AUDIENCE.

I am Luana Wheatley, Assistant Director of Communications and Acting Film Director. Thank you for the opportunity to testify on Bill No. 31-0009, an act repealing and re-enacting with amendments title 29 Virgin Islands code, chapter 12 subchapter III relating to the Sustainable Tourism through Art-based Revenue Stream production, or STARS Act.

The Film Office has seen a surge in the number of productions shooting in the Territory in the *past two years*. *I am pleased to testify today that in just the past 6 months more than \$4 million* dollars has been spent in the Virgin Islands on various productions, including the highly anticipated Sports Illustrated Swimsuit Edition. This figure has the potential to double or triple with the enactment of a conventional incentive law. These productions also provide the Virgin Islands with unprecedented exposure as well as the opportunity for future projects with the highly influential producers and production companies that have been on the ground.

The Department of Tourism is in support of the incentives outlined in Bill No. 31-0009. It speaks to film incentives available from the USVI in a simplified way while protecting the Tourism Advertising Revolving Fund (TARF), which is critical. However, we feel that it falls short in addressing the music and audio recording segment as detailed in Act. No. 7344, the S.T.A.R.S. Act. This industry also has significant potential to impact our economy favorably. We recognize that new bill skews greater for the film industry than the existing STARS Law but removes many of the opportunities that could be realized by our local recording studios.

Our recommendation is to include in Bill No. 31-0009 all aspects of Act No. 7344 relative to the music and audio recording segment. This would create a solid mandate that addresses all art-based projects with the potential for economic impact.

The Department of Tourism fully understands and accepts its role in the review and evaluation process, most importantly as it pertains to vetting of applicants, destination exposure and economic impact. It is critical that the Film Office be a key player in the evaluation of all applicants, especially in the film industry, to ensure that distribution and return on investment occur. Additionally, we recognize, and are mandated, to market and promote all incentives attached to the bill, with EDA serving as the administrator of the program.

Senators, we appreciate the opportunity to present here today and to answer questions on this very important segment of our industry. We look forward to being able to deliver a new message to the entertainment industry that not only are our locations are diverse but that we can offer incentives as well.