

# HB 1256 HD 2

## Testimony -

**Measure Title:** RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS.

**Report Title:** State Foundation on Culture and the Arts; Appropriation (\$)

**Description:** Makes an appropriation for the establishment of 4 full-time positions (4.0 FTE) at the State Foundation on Culture and the Arts. (HB1256 HD2)

**Companion:** SB1177

**Package:** None

**Current Referral:** HEA, WAM

**Introducer(s):** BROWER, MCKELVEY



**HAWAII**

STATE FOUNDATION on  
CULTURE and the ARTS

No. 1 Capitol District Building  
250 South Hotel Street  
Second Floor  
Honolulu, HI 96813

Governor  
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Comptroller  
Douglas Murdock

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Karen Tiller Polivka  
Sherman Warner  
Eva R. Washburn-Repollo

Executive Director  
Jonathan Johnson

Telephone  
808.586.0300

Fax  
808.586.0308

Website  
[www.hawaii.gov/sfca](http://www.hawaii.gov/sfca)

TESTIMONY OF  
THE STATE FOUNDATION ON CULTURE AND THE ARTS  
TO THE  
SENATE COMMITTEE ON HIGHER EDUCATION AND THE ARTS  
March 17, 2015

H. B. 1256 HD 2

RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS

Chair Taniguchi and members of the committee, I am Jonathan Johnson, executive director of the State Foundation on Culture and the Arts and I am pleased to support HB 1256 HD2.

HB 1256 HD2 provides additional staffing that will aid our effort to comply with the findings of the management audit of 2014.

The effective tracking, collection of one percent funds and planning efforts would be supported by adding staff in our agency's fiscal administration and Art in Public Places Program.

Two arts program specialist positions in Art in Public Places would enable the SFCA to be more responsive in meeting the demand for works of art projects in new State construction, arts education services and access to arts programming, particularly for underserved areas of our state.

If it is the desire of the Legislature, we suggest reinstating positions that were abolished largely due to vacancies. All proposed positions would be funded by the Works of Art Special Fund within the projected biennium budget.

In order to comply with the regulations of the fund, duties and responsibilities of each position will be directly related to the purpose and mission of the Works of art Special Fund.

Thank you for the opportunity to testify on this matter.



**STATE OF HAWAII**  
**DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES**

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

WRITTEN TESTIMONY  
OF  
DOUGLAS MURDOCK, COMPTROLLER  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
TO THE  
SENATE COMMITTEE  
ON  
HIGHER EDUCATION AND THE ARTS  
ON  
MARCH 17, 2015  
H.B. 1256, H.D. 2

RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS

Chair Taniguchi and members of the Committee, thank you for the opportunity to submit written testimony on H.B. 1256, H.D. 2. The Department of Accounting and General Services provides the following comments.

To preserve the tax exempt status for the State's general obligation bonds, the responsibilities of these four positions need to be directly related to the purpose and mission of the works of art special fund. If the funding for these positions from the works of art special fund is supplanting general funds, the tax exempt status of the general obligation bonds could be adversely affected resulting in possibly higher borrowing costs.

To ensure that the tax exempt status is not affected, we suggest that the following language be added to the end of SECTION 2 at line 11: "provided that duties and responsibilities of each position must be directly related to the purpose and mission of the works of art special fund."

Thank you for the opportunity to submit written testimony on this measure.

TESTIMONY BY WESLEY K. MACHIDA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE SENATE COMMITTEE ON HIGHER EDUCATION AND THE ARTS  
ON  
HOUSE BILL NO. 1256, H.D.2

March 17, 2015  
1:15 P.M.

RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS

House Bill No. 1256, H.D. 2, makes an appropriation for the establishment of four full-time positions at the State Foundation on Culture and the Arts (the "Foundation").

The Department opposes this bill. The bill appropriates funds from the Works of Art Special Fund to establish the four full-time positions in an effort to address the auditor's finding that the Foundation needs to improve its management to ensure the accountability, accessibility, and protection of the Foundation's resources. As tax-exempt general obligation bond proceeds are deposited into the Works of Art Special Fund, financeable staff costs (i.e., salary, wage, benefits costs) are limited to capitalized or capitalizable salaries of workers directly relating to capital projects.

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

**Kristine Altwies**  
**(808) 381-1977**

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March 16, 2015

Re: HB 1256 - In support

Dear Sir or Madam:

Thank you for considering my support of this, HB 1256.

I am the daughter of an artist who's art hangs in the Capitol; am a lifelong lover of art; and am the Chair of the Friends of the Hawaii State Art Museum.

I believe that art elevates communities.

The State Foundation on Culture and the Arts, specifically the Art in Public Places program, and its Hawai'i State Art Museum (HiSAM) bring art to the people of Hawai'i. The SFCA APP collection is vast and important. Without sufficient staff, the management and care as well the arts programming of the APP cannot adequately serve the public.

For years the SFCA staff has been working overtime, and double-duty to meet demands. If we are to fully realize the positive impact the arts make in communities that value the arts, these four (4) positions must be funded and filled.

Thank you for your time.

Kristine Altwies  
Chair, Friends of HiSAM

**From:** [Tom Woods](#)  
**To:** [HEA Testimony](#)  
**Subject:** HB1256 HD2  
**Date:** Monday, March 16, 2015 12:36:22 PM

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Honorable Chair Brian Taniguchi, Vice Chair Lorraine R. Inoue and Senate Higher Education and Arts Committee Members,

I would like to submit testimony on HB1256 HD2, four new positions at the SFCA, hearing date 1:15, March 17.

I am Tom Woods, Executive Director of Hawaiian Mission Houses Historic Site and Archives, formerly Mission Houses Museum, and I and our organization support HB1256 HD2.

Our organization has benefited from the financial support of the SFCA. Their grants in the past several years have been important in helping us implement our strategic plan, and thus expand and enrich our programming to serve residents and the visitor industry. It is clear to us all that they are currently understaffed and need to increase their staffing levels. The arts and cultural organizations are vital parts of our community that help our residents and visitors understand who we are and to communicate a sense of place. It is critical that the state support organizations, like the SFCA to ensure healthy communities and a healthy tourism economy.

Thank you for the opportunity to testify in favor of this bill.

Sincerely yours,

Tom Woods

Thomas A. Woods, Ph.D.  
Executive Director  
Hawaiian Mission Houses Historic Site and Archives  
553 South King St.  
Honolulu, HI 96813  
808-447-3911  
[twoods@missionhouses.org](mailto:twoods@missionhouses.org)

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [HEA Testimony](#)  
**Cc:** [babs@younghawaii.com](mailto:babs@younghawaii.com)  
**Subject:** Submitted testimony for HB1256 on Mar 17, 2015 13:15PM  
**Date:** Monday, March 16, 2015 12:31:25 PM

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**HB1256**

Submitted on: 3/16/2015

Testimony for HEA on Mar 17, 2015 13:15PM in Conference Room 224

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Babs Miyano Young	Individual	Support	No

Comments: Aloha, I am an artist, born & residing in Honolulu, and fully support the appropriation of funds to have 4 full time staff at the Hawaii State Foundation on Culture & the Arts. There are many facets to this important organization, which is crucial for continuing to nurture and encourage the arts and cultures of our unique island state. Please realize the importance of the arts and culture to not only all of the residents of Hawaii, but to all of our visitors as well! I hope you will join me in supporting this important bill! Mahalo, Babs Miyano-Young

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [HEA Testimony](#)  
**Cc:** [dyoung@younghawaii.com](mailto:dyoung@younghawaii.com)  
**Subject:** Submitted testimony for HB1256 on Mar 17, 2015 13:15PM  
**Date:** Monday, March 16, 2015 1:05:43 PM

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**HB1256**

Submitted on: 3/16/2015

Testimony for HEA on Mar 17, 2015 13:15PM in Conference Room 224

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
doug young	Individual	Support	No

Comments: The Senate Higher Education and the Arts Committee HB 1256 HD2 Tuesday March 17, 2015 1:15 pm Room 224 My name is Doug Young, born and raised in Honolulu and a full time artist for over 40 years. Testifying in favor for H.B, No. 1256 HD2 to appropriate 4 full time positions to the SFCA which will enable the foundation to improve its management as recommended by a recent audit. The Hawaii State Foundation on Culture and the Arts was the first of its kind in the nation to which all states have followed. Please uphold and maintain this cultural gem. Doug Young 808 799 6202

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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**From:** [Duane Preble](#)  
**To:** [HEA Testimony](#)  
**Subject:** HB 1256, HD 2  
**Date:** Monday, March 16, 2015 10:16:02 PM

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TO: COMMITTEE ON HIGHER EDUCATION AND THE ARTS  
Senator Brian Taniguchi, Chair

FROM: Duane Preble

DATE: Tuesday March 17, 2015 - 1:15 PM

PLACE: Conference Room 224, , State Capitol - Copies to members

RE: HB 1256 HD 2 - Four FTE positions for the State Foundation

SUPPORT

Senator Brian Taniguchi, Chair and Members of the Committee:

My name is Duane Preble, Emeritus Professor of Art, UH Manoa

I support HB 1256, HD 2.

The State Foundation on Culture and the Arts had four established FTE positions that were lost due to vacancies in 2009 and 2010. Overextended SFCA staff members have had enormous difficulty trying to cover the work that was previously done by people in those positions.

Restoration of the positions is urgently needed now in response to the recent audit finding that recommends more thorough management of the Art in Public Places and the Relocatable Works of Art Collections.

The four returned positions will use Special, not General funds. As you know, Special Funds do not add to the State deficit.

Thank you.

Duane Preble  
988-7500