



HAWAII
STATE FOUNDATION on
CULTURE and the ARTS

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**Testimony of KAREN EWALD, Executive Director
State Foundation on Culture and the Arts**

**Before the
HOUSE COMMITTEE ON CULTURE & ARTS
WEDNESDAY, FEBRUARY 12, 2025 Conference Room 309 at 9:30AM**

**HOUSE BILL 925 H.D.1
RELATING TOTHE ARTS**

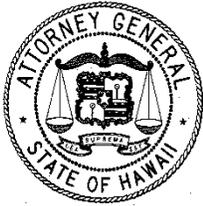
Dear Chair Kapela and members of the Committee,

The SFCA is pleased to SUPPORT H.B. 925 H.D.1 which requires the Comptroller to establish a separate Arts Fees Account within the Works of Art Special Fund to be funded by one per cent of all ticket sales from concerts held at state venues.

State legislatures use a mixture of strategies to provide public support for state arts agencies (SAAs). By far the largest state funding source for SAAs—currently and historically—is state general funds. However, state legislatures have enacted a variety of other legislative strategies to provide additional support. Examples of these funding mechanisms include dedicated taxes, sales of specialty license plates, and gaming revenues.

The SFCA supports the investigation into alternate funding sources for culture and arts activities including the establishment of a cultural trust to accept and distribute funding.

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



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-THIRD LEGISLATURE, 2025**

ON THE FOLLOWING MEASURE:

H.B. NO. 925, H.D. 1, RELATING TO THE ARTS.

BEFORE THE:

HOUSE COMMITTEE ON CULTURE AND ARTS

DATE: Wednesday, February 12, 2025 **TIME:** 9:30 a.m.

LOCATION: State Capitol, Room 309

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Ian Robertson, Deputy Attorney General

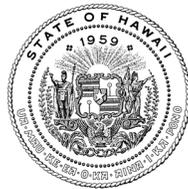
Chair Kapela and Members of the Committee:

The Department of the Attorney General provides the following comments.

The purpose of this bill is to establish a separate Arts Fee Account within the Works of Art Special Fund and to require state agencies collecting revenue from ticket sales at state venues to transfer one percent of that revenue to the Arts Fee Account.

While the bill defines "state venue," the term "concerts" on page 3, line 21, is undefined and ambiguous as to the types of events that are included. There is little doubt that a performance by a rock band would be considered a concert, but it is unclear whether performances by hula hālau, ballet companies, and stand-up comedians would also be included. For clarity and consistency in the implementation of the bill, we respectfully recommend amending the bill to include a definition for the term "concerts" to ensure a clear understanding of what types of events are included.

We respectfully ask the Committee to consider our comments. Thank you for the opportunity to testify.



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON CULTURE AND ARTS
ON
HOUSE BILL NO. 925, H.D. 1

February 12, 2025
9:30 a.m.
Room 309 and Videoconference

RELATING TO THE ARTS

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill (H.B.) No. 925, H.D. 1, establishes a separate Arts Fee Account within the Works of Art Special Fund to collect 1% of all ticket sales from concerts held at State venues.

As a matter of general policy, B&F does not support the creation of any special fund, which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work, and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining. Regarding H.B. No. 925, H.D. 1, it is difficult to determine if the proposed Arts Fee subaccount serves a need, the benefits from the additional fees, and if the subaccount would be self-sustaining.

Thank you for your consideration of our comments.