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**Testimony of KAREN EWALD, Executive Director
State Foundation on Culture and the Arts
Before the
SENATE COMMITTEE ON TRANSPORTATION AND CULTURE AND THE ARTS
Thursday, March 13, 2025 Conference Room 224 at 3:15PM
HOUSE BILL 925 HD3
RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS**

Chair Lee and members of the Committee,

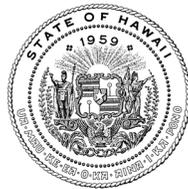
The SFCA **SUPPORTS** H.B.925 HD3 which establish a Performing Arts Special Fund to be used for the coordination, planning, promotion, marketing, and execution of performing arts events and to be funded by a percentage of all ticket sales from concerts held at state venues.

The performing arts in Hawaii are a vital part of our community and currently receive SFCA support through General Fund appropriations from the legislature and Federal funding from the National Endowment for the Arts. Performing Arts, including cultural presentations, represent 43% of total Biennium Grants awards and 72% of total Artists in the Schools projects.

The State through the SFCA has an established funding pathway for Performing Arts through its Federally funded positions managing the grants programs. SFCA recommends the legislature establish an annual performing arts general fund appropriation of \$1,000,000 to the SFCA to be distributed to performing arts organizations and performing arts learning centers statewide through a process with criteria developed by the SFCA in consultation with the performing arts organizations.

The SFCA supports collecting revenues equal to a percentage of all ticket sales from concerts held at state venues to implement the proposed intent, provided doing so does not take away from or adversely impact the revenue to State organizations running State facilities. The SFCA recommends the legislature include establishing a performing arts grants program under the foundation's existing foundation grant program, to support performing arts in the State.

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



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

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 SENATE COMMITTEE ON TRANSPORTATION AND CULTURE AND THE
ARTS
ON
HOUSE BILL NO. 925, H.D. 3

March 13, 2025
3:15 p.m.
Room 224 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. 3, establishes the Performing Arts Special Fund (PASF) to be administered by the State Foundation on Culture and the Arts for the coordination, planning, promotion, marketing, and execution of performing arts events.

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. 3, it is difficult to determine if the PASF would be self-sustaining.

Thank you for your consideration of our comments.

JOSH GREEN, M.D.
GOVERNOR



KEITH T. HAYASHI
SUPERINTENDENT

STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 03/13/2025

Time: 03:15 PM

Location: CR 224 & Videoconference

Committee: Senate Transportation and Culture
and the Arts

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Bill Title: HB 0925, HD3 RELATING TO THE ARTS.

Purpose of Bill: Establish a Performing Arts Special Fund to be used for the coordination, planning, promotion, marketing, and execution of performing arts events and to be funded by a percentage of all ticket sales from concerts held at state venues. Effective 7/1/3000. (HD3)

Department's Position:

The Hawai'i State Department of Education (Department) offers comments on this bill.

The Department has concerns with the following from Section 2, "(c) Each state agency shall calculate an amount equal to ____ per cent of all ticket sales from concerts held at state venues under its ownership and management and transfer that amount into the performing arts special fund account."

It appears this proposal would assess school activities such as school band, school choir, or theater performances when held on school property. As such, the Department would ask for an exemption to this fee for Department and charter schools.

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



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKĀ'I

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

JAMES KUNANE TOKIOKA
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Statement of
JAMES KUNANE TOKIOKA
Director

Department of Business, Economic Development, and Tourism
before the

SENATE COMMITTEE ON TRANSPORTATION AND CULTURE AND THE ARTS

Thursday, February 13, 2025
3:15 PM

State Capitol, Conference Room 224 & Videoconference
415 South Beretania Street

In consideration of
HB925 HD3
RELATING TO THE ARTS

Chair Lee, Vice Chair Inouye and members of the Committee. The Department of Business, Economic Development and Tourism (DBEDT) offers comments to HB925 HD3, which establishes a Performing Arts Special Fund to coordinate, plan, promote, market, and execute performing arts events in Hawaii, funded by one percent of ticket sales from concerts held at State venues.

DBEDT recognizes the vital role that performing arts play in our cultural landscape and tourism economy. We concur with the comments by HTA related to the unintended impacts to smaller community-based events and suggest a sliding scale of the percentage for these types of performances. Further clarity is also needed how the 1% is calculated for those convention related events which do not have a ticket price.

Thank you for the opportunity to testify.



TESTIMONY OF
DANIEL NĀHO'OPI'I
Interim President & CEO
Hawai'i Tourism Authority
before the
SENATE COMMITTEE ON TRANSPORTATION AND CULTURE AND THE ARTS
Thursday, March 13, 2025
3:15 p.m.
State Capitol, Room 224

In consideration of
HB 925 HD 3
RELATING TO THE ARTS

Aloha Chair Lee, Vice Chair Inouye, and Members of the Committee,

The Hawai'i Tourism Authority (HTA) offers comments to HB 925 HD3, which establishes a Performing Arts Special Fund to be used for the coordination, planning, promotion, marketing, and execution of performing arts events and to be funded by a percent of all ticket sales from concerts held at state venues. The bill also sets an effective date as July 1, 3000.

The HTA recognizes the invaluable role that the performing arts play in our culture and economy. However, the HTA must ensure that fees do not create barriers to travel but should provide a positive and competitive business environment [HRS 201B-3(a)(17)]. Imposing a fee on ticket sales for concerts held at state venues could lead to increased costs. This may result in fewer events being held, a decrease in the quality of productions, or even the cancellation of concerts altogether. This is especially concerning for community and cultural organizations that typically utilize state facilities and that we support through our community programs.

On page 3, line 15, "concert" is defined as "a live, staged musical performance, comedy act, or other specialty act or performance featuring any number of performers that occurs in front of an audience." This has implications for events at the Hawai'i Convention Center, and perhaps other State facilities, particularly regarding entertainment during conventions and other broader events. When a convention or non-profit organization's fundraiser incorporates entertainment, such as a live performance or act during a lunch or dinner, does this qualify for the fee outlined in the bill? And if so, how would the fee be calculated for conventions or other events that do not have a specific "concert ticket" price? If HB 925 HD 3 moves forward, we recommend amending the bill to provide clearer guidance on how the fee is implemented in these situations.

Mahalo for the opportunity to share our comments.



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
Senate Committee on Transportation and Culture and the Arts
March 13, 2025 at 3:15 p.m.

By
Kalbert K. Young
Vice President for Budget and Finance/Chief Financial Officer
and
Jan Gouveia
Vice President for Administration
University of Hawai'i System

HB 925 HD3 – RELATING TO THE ARTS

Chair Lee, Vice Chair Inouye, and Members of the Committee:

Thank you for the opportunity to provide comments and suggested amendments on HB 925 HD3, which establishes a Performing Arts Special Fund to be used for the coordination, planning, promotion, marketing, and execution of performing arts events and to be funded by an unspecified per cent of all ticket sales from concerts held at state venues.

The University of Hawai'i (UH) supports the performing arts in our community with a number of venues throughout the UH system, such as the Kennedy Theatre at UH Mānoa and Palikū Theatre at Windward Community College, and take no position on the establishment of the special fund. Revenues from concerts or other performing arts showcased at UH venues help to sustain the operations and management of the facility, and the academic programs that utilize the facilities, while at the same time providing real life experiences for students majoring in the field of performing arts and entertainment.

The definition of “concert” seems to be very broad in its impact. As written, HB 925 HD3 would include diverting an unspecified per cent of revenues from a student sponsored event on campus – such as band or hula performances or theatrical plays – that was meant to benefit the students and their program. Any reduction in funding that was meant to be for the students or performance venue will have a negative impact and would be contradictive to the purpose of this measure, which is to expand more access to arts and culture across the state. UH would respectfully request an exemption from providing any percentage of all ticket sales to the Performing Arts Special Fund for all UH sponsored concerts held on any of the UH campuses.

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

HB-925-HD-3

Submitted on: 3/12/2025 1:25:49 PM

Testimony for TCA on 3/13/2025 3:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Gaye Humphrey	Testifying for Hawai'i Arts Alliance	Support	In Person

Comments:

RE: Testimony in Support of HB 925-HD 3 With Amendments

Dear Chair Lee, Vice Chair Inouye, and Members of the Transportation and Culture and the Arts Committee:

I strongly support HB 925-HD 3, which establishes a **Performing Arts Special Fund** to support the coordination, planning, promotion, marketing, and execution of performing arts events, funded by a percentage of all ticket sales from concerts held at state venues. This bill provides a much-needed dedicated funding source for performing arts in Hawai'i.

To ensure **consistency and clarity** in performing arts funding, I respectfully propose the following **amendments** by incorporating key provisions from **HB 1378-HD 2** into **HB 925-HD 3**:

- **Establishing a Performing Arts Grants Program** under the State Foundation on Culture and the Arts' (SFCA) existing grant program to support performing arts statewide.
- **Amending the Definition of Performing Arts** to refer to art forms that involve **live performance by artists** who use their body, voice, or presence to express creative ideas and engage an audience, including, but not limited to, dance, music, and theatre.
- **Creating a Performing Arts Grants Special Fund** to sustain long-term funding.
- **Clarifying SFCA's expanded role** in the coordination, planning, promotion, marketing, and execution of performing arts events.
- **Appropriating general funds** to support performing arts grants.

Arts and culture are essential to Hawai'i's economy and identity. They preserve our heritage, fuel tourism, strengthen education, and enhance community well-being. In an era of federal funding cuts to the arts, HB 925-HD 3 ensures stability and continuity for performing arts funding at the state level—a necessary step to safeguard Hawai'i's creative sector.

The Hawai'i Arts Alliance is dedicated to **advocating for and uplifting artists** while engaging and educating keiki and families through arts programming. In partnership with SFCA, we administer the **Artist-in-the-Schools Program**, where **34 teaching artists and organizations** currently serve **over 100 K-12 public schools** across the islands, inspiring students through music, dance, theater, and visual arts. As a former performing artist, I have personally

experienced the transformative impact of arts education. Programs like these build confidence, introduce students to new career paths, and enhance overall learning and achievement.

I urge the committee to **pass HB 925-HD 3 with the proposed amendments** to ensure a strong, sustainable future for the performing arts in Hawai'i.

Mahalo for the opportunity to testify.

Gaye Humphrey
Executive Director
Hawai'i Arts Alliance

HB-925-HD-3

Submitted on: 3/12/2025 9:48:15 AM

Testimony for TCA on 3/13/2025 3:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Kevin L	Individual	Support	Written Testimony Only

Comments:

Hawai'i's culture can not be sustained solely by objects held in a collection or museum. Culture is a living form that also exists by performing with a live audience. In an online world so disconnected from one another, it is vital to allow performers to engage with the community and receive equal support from the state as visual artist do. Please consider providing grant money to allow performers to create new and original work. Mahalo.