

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

ROBERT YU
DEPUTY DIRECTOR

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

**STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE**

P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS
ON
SENATE BILL NO. 928

**February 16, 2021
3:05 p.m.
Room 016 and Videoconference**

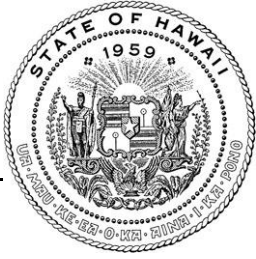
RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS

The Department of Budget and Finance offers comments on Senate Bill (S.B.) No. 928.

S.B. No. 928 allows the Works of Art Special Fund (WOASF) to be used for performing arts, under certain conditions. It includes posting a recording of a performing art as a form of public display and defines “performance of art” and “performing arts.”

S.B. No. 928 allows for the recording of works of performing arts in a video or audio file. Such a recording is a capital expenditure under Internal Revenue Code Section 263(A) and Treasury Regulation 1.263A-2(a)2(ii), which provides that the production of “. . . films, sound recordings, video tapes and other similar property embodying words, ideas, concepts images, or sounds by the creator thereof” must be capitalized. This would be a permissible use of the WOASF. However, the showing or playback of such files would be an operating expense and would not be a permissible use of the WOASF.

Thank you for your consideration of our comments.



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

DAVID Y. IGE
GOVERNOR
MIKE MCCARTNEY
DIRECTOR
CHUNG I. CHANG
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: dbedt.hawaii.gov

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
MIKE MCCARTNEY
Director
Department of Business, Economic Development, and Tourism
before the
SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Tuesday, February 16, 2021
3:05 PM
State Capitol, Conference Room 016

In consideration of
SB 928
RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS.

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

The Department of Business, Economic Development and Tourism (DBEDT) respectfully offers comments on SB 928 that would allow The State Foundation on Culture and the Arts works of art special fund to be expanded to include performing arts, under certain conditions. The measure also seeks to retain all rights to any digital material created and funded by a grant from the works of art special fund created pursuant to Section 103-8.5 Hawaii Revised Statutes.

COVID-19 has severely impacted Hawaii's vibrant ecosystem of artists, cultural artisans, musicians, media makers and designers representing 53,464 jobs or 6.1% of the state total civilian jobs and \$4.2 billion (GDP) as noted in the most recent DBEDT Creative Industries Report. In this metric, the performing arts and music sectors comprise the second largest industry group in the creative sector with a total of 17,632 employees, including self-employed entrepreneurs and gig workers.

Source: READ Creative Industries Report 2019

According to the June 2020 report by Brookings Institute, *The LOST ART: MEASURING COVID-19's DEVASTATING IMPACT ON AMERICAS CREATIVE ECONOMY* states that "The creative economy is one of the sectors most at risk from the COVID-19 crisis. Arts, culture, and creativity are noted as one of three key sectors (along with science and technology as well as business and management) that drive regional economies. The report further identifies the State of Hawaii as one of the top 5 States that have job losses in this sector greater than the national average of 30.3%.

While this Bill would include performing arts in the current special fund, we note that the State Foundation on Culture and the Arts has consistently provided grants to qualified performing arts organizations in the State.

The Department opposes language that relates to State ownership of the exclusive copyrights of the performance and recordings as noted in the measure. It is the Department's position that artists must be compensated for their performances, including any licensing of their work, while retaining their intellectual property rights to their original material or creative works.

Through industry education initiatives, including the Creative Lab Hawaii Program and involvement in national federal initiatives such as The Mechanical Licensing Collective (the organization designated by the U.S. Copyright Office to administer the landmark Music Modernization Act of 2018) the Department is continuing its efforts to advocate for and ensure the protection of our artist's intellectual property rights. Thank you for the opportunity to testify.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTY-FIRST LEGISLATURE, 2021**

ON THE FOLLOWING MEASURE:

S.B. NO. 928, RELATING TO STATE FOUNDATION ON CULTURE AND THE ARTS.

BEFORE THE:

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

DATE: Tuesday, February 16, 2021 **TIME:** 3:05 p.m.

LOCATION: State Capitol, Room 016 and Via Videoconference

TESTIFIER(S): Clare E. Connors, Attorney General, or
Randall S. Nishiyama, Deputy Attorney General

Chair Moriwaki and Members of the Committee:

The Department of the Attorney General provides the following comments regarding this bill, which would allow the Works of Art Special Fund ("WASF"), section 103-8.5, Hawaii Revised Statutes, to be used for works of performing arts provided that those works are recorded. The works of performing arts are forms of creative activity intended to be performed for an audience such as drama, music, and dance. This bill also includes the posting of recordings of the works of performing art as a form of public display.

The WASF requires that one percent of all state fund appropriations for capital improvements designated for the construction cost element of capital improvement projects for the construction and renovation of state buildings, with certain exceptions, be transferred to the WASF for the acquisition and maintenance of works of art. Works of art includes items such as paintings, sculptures, photographs, and pottery pieces.

Currently, the WASF is funded by tax-exempt general obligation bonds. Consequently, the WASF moneys must be used consistent with the Internal Revenue Code in order to maintain the tax-exempt status of the general obligation bonds. Under the Internal Revenue Code, tax-exempt general obligation bonds, with certain exceptions, are used for capital projects. Using tax-exempt general obligation bond

proceeds for operating purposes jeopardizes the tax-exempt status of the bonds. See Treasury Regulation sections 1.148-1(c)(4)(ii) and 1.148-10(a)(4).

This bill allows for the recording of works of performing arts in a video or audio file. Such a recording is a capital expenditure under the Internal Revenue Code section 263(A) and Treasury Regulation section 1.263A-2(a)(2)(ii), which provides that the production of "films, sound recordings, video tapes, books, and other similar property embodying words, ideas, concepts, images, or sounds by the creator thereof" must be capitalized. Consequently, the recording of works of performing arts is a permissible use of the WASF under the Internal Revenue Code.

However, we believe that the showing or playback of such video or audio files appears to be an operating expense and not a permissible use of the WASF because it is incurred after the production of the work of performing art and is an expense that the State Foundation of Culture and the Arts incurs through its normal operations.

Attached for the Committee's consideration is our markup of Senate Bill No. 928.

Thank you for the opportunity to present this testimony.

Attachment

JAN 22 2021

A BILL FOR AN ACT

RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the mission of the
2 state foundation on culture and the arts is to promote,
3 perpetuate, preserve, and encourage culture and the arts as
4 central to the quality of life and people of Hawaii. The
5 foundation's strategic priorities include increasing public
6 accessibility to arts and culture.

7 The foundation administers the state art museum and the art
8 in public places and relocatable works of art programs, using
9 the works of art special fund created pursuant to section 103-
10 8.5, Hawaii Revised Statutes. The museum and these programs aim
11 to support, promote, and recognize the excellence of the State's
12 diverse artists and create, display, and maintain in public
13 places and the state art museum, a collection of works of art
14 that represent the diversity and excellence of the State's
15 artistic expression and provide the fullest possible access to
16 the highest quality aesthetic and educational experiences
17 available to all the citizens of the State.



1 The purpose of this Act is to further the foundation's
2 endeavors by allowing the works of art special fund to be used
3 for the support and promotion of performing arts in the State.

4 SECTION 2. Section 9-1, Hawaii Revised Statutes, is
5 amended by adding two new definitions to be appropriately
6 inserted and to read as follows:

7 "Performance of art" means to recite, render, play, dance,
8 or act it, either directly or by means of any device or process
9 or, in the case of a motion picture or other audiovisual work,
10 to show its images in any sequence or to make the sounds
11 accompanying it audible.

12 "Performing arts" is a form of art that ^{are arts or skills} ~~is~~ ^{are} intended to be
13 performed for an audience. "Performing arts" includes but is
14 not limited to ^{dance,} choreography, ^{singing,} lyrics, motion pictures, music, ^{theater,}
15 pantomime, screenplays, sound recordings, and similar types of
16 works."

17 SECTION 3. Chapter 9, part III, Hawaii Revised Statutes,
18 is amended as follows:

19 1. By amending its title to read:

20 "[+]PART III. [+] ART IN PUBLIC PLACES AND RELOCATABLE
21 WORKS OF [+]ART[+] PROGRAMS AND STATE ART MUSEUM"



1 2. By adding a new section to be appropriately designated
2 and to read:

3 "§9-A Definitions. As used in this part:

4 "Display" includes the act of posting for public view and
5 listening, a recording of a work of art ~~onto an internet website~~
6 maintained by the foundation or the state art museum.
at presentation sites

7 "Public places" includes internet websites maintained by
8 the foundation or the state art museum.

9 "Works of art" includes works of performing arts; provided
10 that:

11 (1) The performance shall be recorded on as an audio file,
12 video file, audiovisual file, or other medium intended
13 to be shown by or through the use of machines or
14 devices such as projectors, viewers, or electronic
15 equipment or device, together with accompanying
16 sounds, if any;

17 (2) The recording of the performance shall be archived and
18 maintained by the foundation or the state art museum
19 as property of the State;

20 (3) The State shall have whole and exclusive copyrights in
21 the performance and its recordings pursuant to the



1 works made for hire doctrine under federal copyright
2 laws; and
3 (4) The recording of the performance shall be displayed
4 for ~~permanent~~ viewing and listening ^{at presentation sites} ~~in a public place,~~
5 in a format determined by the comptroller and the
6 foundation to be most easily accessible to the
7 public."

8 SECTION 4. Section 103-8.5, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "**§103-8.5 Works of art special fund.** (a) There is
11 created a works of art special fund, into which shall be
12 transferred one per cent of all state fund appropriations for
13 capital improvements designated for the construction cost
14 element; provided that this transfer shall apply only to capital
15 improvement appropriations that are designated for the
16 construction or renovation of state buildings. The one per cent
17 transfer requirement shall not apply to appropriations from the
18 passenger facility charge special fund established by section
19 261-5.5 and the rental motor vehicle customer facility charge
20 special fund established under section 261-5.6.



1 (b) The works of art special fund shall be used solely for
2 the following purposes:

3 (1) Costs related to the acquisition of works of art,
4 including any consultant or staff services required to
5 carry out the art in public places and relocatable
6 works of art programs;

7 (2) Site modifications, public display, and interpretive
8 work necessary for the exhibition, performance, and
9 recording of works of art;

10 (3) Upkeep services, including maintenance, repair, and
11 restoration of works of art [+] and the internet *and works of performing arts;*
12 website on which the works of art are publicly *and;*
13 displayed; and

14 (4) Storing and transporting works of art.

15 (c) The one per cent amount, which is included in all
16 capital improvement appropriations, shall be calculated at the
17 time the appropriation bills are signed into law. The moneys
18 shall be transferred into the works of art special fund upon
19 availability of moneys from the appropriations. Each agency
20 receiving capital improvement appropriations shall calculate the



1 one per cent amount and transfer the moneys into the works of
2 art special fund.

3 (d) The comptroller and the state foundation on culture
4 and the arts shall decide on the specific works of art [~~objects~~]
5 to acquire, giving first consideration to placing appropriate
6 pieces of art at the locations of the original appropriation[~~-~~],
7 when applicable.

8 The comptroller and the state foundation on culture and the
9 arts, in consultation with the affected agency or department,
10 shall be responsible for the selection of[~~-~~]; commissioning of
11 artists for[~~-~~]; reviewing of the design, content, execution,
12 performance, recording and placement of[~~-~~]; and [~~the~~] acceptance
13 of the works of art [~~shall be the responsibility of the~~
14 ~~comptroller and the state foundation on culture and the arts in~~
15 ~~consultation with the affected agency or department~~].

16 Expenditures from the works of art special fund shall be
17 made by the comptroller.

18 (e) The comptroller shall:

19 (1) Provide each agency receiving capital improvement
20 appropriations with information regarding items that



1 shall be included and excluded from the one per cent
2 amount;

3 (2) Ensure that each agency calculates its one per cent
4 amount correctly; and

5 (3) Ensure that each agency transfers the correct amount
6 to the works of art special fund in a timely manner.

7 (f) The comptroller and the executive director shall track
8 amounts due from each agency under the one per cent requirement
9 as provided in this section.

10 (g) For the purposes of this section:

11 "Performance of art" has the same meaning as defined in
12 section 9¹.

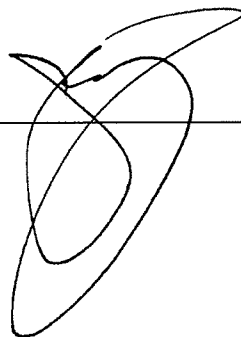
13 "Public display" and "works of art" has the same meaning as
14 defined in section 9-A."

15 SECTION 5. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 6. This Act shall take effect upon its approval.

18

INTRODUCED BY: _____



S.B. NO. 928

Report Title:

State Foundation on Culture and the Arts; Culture and Arts;
Performing Arts

Description:

Allows the works of art special fund to be used for performing arts, under certain conditions. Includes posting of a recording of performing art as a form of public display. Defines performing arts.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



Hawai'i Arts Alliance

February 15, 2021



*Affiliated with the
Wolf Trap Institute for Early
Childhood Arts Integration*

*State Captain –
Americans for the Arts*

*Member of State Arts
Advocacy Network*

Sen. Sharon Moriwaki (Chari, GVO)
Sen. Donovan Dela Cruz (Chair, WAM)
Committee Members

Re: Support SB928 Relating to The State Foundation On Culture And The Arts

Dear Sen. Sharon Moriwaki (Chari, GVO), Sen. Donovan Dela Cruz, (Chair, WAM), and members of the committees,

Thank you for the opportunity to submit testimony on SB928 which the Hawaii Arts Alliance SUPPORTS for several reasons. The purpose of SB928 is to expand the definition of works of art for the Works of Art Special fund.

The Hawaii Revised Statute, Title 9 - Public Property, Purchasing And Contracting, Chapter 103 - Expenditure Of Public Money And Public Contracts, §103-8.5 - Works of Art Special Fund was secured by Architect Alfred Preis and stands as part of his legacy to Hawai'i. Preis designed the Arizona Memorial, started the Hawai'i State Foundation on Culture and the Arts, and the Hawai'i Arts Alliance in addition to stewarding this Fund into law.

"Among Preis' lasting contributions as director [of State Foundation on Culture & the Arts] was helping to establish the Arts in Education program, the Governor's Conference on Culture and the Arts and the groundbreaking Art in State Buildings law, which to this day devotes 1 percent of every dollar spent on state construction costs for public art. Hawai'i was the first state in the nation to institute such a program, and others followed." (Hana Hou!, Issue 19:4, August/September 2016).

Preis established the public arts and the arts education programs. The Hawai'i Arts Alliance is contracted to help implement arts education programs at the HI State Art Museum and in the schools. Preis also started the HI Arts Alliance in 1980. The Hawai'i Arts Alliance gives the Preis Award to an artist(s) in Hawai'i who have made a significant contribution to the Arts (<https://www.hawaiiartsalliance.org/preis>).

Expanding the definition of works of art will strengthen the programmatic offerings and collections of the State Foundation to include the diversity of art mediums in the State of Hawai'i. It will also ensure that arts education programs can continue to be offered for Hawai'i's school children and for the public.

Mahalo for the opportunity to submit testimony,

Teri Skillman
Executive Director

P.O. Box 3948
Honolulu, Hawai'i
96812-3948
Phone: (808) 533-2787
Fax: (808) 526-9040
arts@hawaiiartsalliance.org
www.hawaiiartsalliance.org

SB-928

Submitted on: 2/15/2021 8:50:00 AM

Testimony for GVO on 2/16/2021 3:05:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|--------------------------------|---------------------------|---------------------------|
| Robert Pollock | Testifying for Ebb & Flow Arts | Oppose | No |

Comments:

We are opposed to any reduction in funds for the Arts in Hawai'i by our state government.

The covid-19 pandemic has brought our arts community, particularly the performing arts, to its knees. It would be an absolutely sociopathic move to cut arts funding when we are down.

Now more than ever our state government must exhibit vision. The Arts keep our souls and spirits alive. Where would we all be as humans without a vibrant and thriving arts community? We would become less than human. The Arts are needed more than ever.

SB-928

Submitted on: 2/15/2021 2:52:21 PM

Testimony for GVO on 2/16/2021 3:05:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|-----------------------------------|---------------------------|---------------------------|
| Julia Williams | Testifying for Volcano Art Center | Oppose | No |

Comments:

Testimony by Julia Williams, board member of Volcano Art Center, in opposition to SB928

I am submitting this testimony to strongly oppose SB928 which will reduce vital funds that support the arts and art education in Hawai`i. I am especially concerned that the necessary support of art education for Hawai`i's students as well as their teachers would be affected.

We at Volcano Art Center strive to serve our community as a non-profit venue promoting visual arts, cultural experiences, and arts education. These programs are often partially funded by the Hawaii State Foundation on Culture and the Arts (HSFCA). Over time we have fostered in our community the growing interest in art installations as well as the increased awareness of art as an educational medium for our children.

During this pandemic, when we're physically isolated and longing for company, the arts are what we turn to for shared inspiration and communication. Let us not push art aside as non-essential for it is integral to our humanity.

Please allow full funding to continue for HSFCA in support of the arts and oppose SB928.

SB-928

Submitted on: 2/15/2021 1:31:07 PM

Testimony for GVO on 2/16/2021 3:05:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|-----------------------------------|--------------------|--------------------|
| Mike Nelson | Testifying for Volcano Art Center | Comments | No |

Comments:

SB 928 RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS.

Testimony by Michael A. Nelson, CEO Volcano Art Center in opposition of SB928

On behalf of the Volcano Art Center's Ohana artists and members around the world I am submitting this testimony to strongly oppose SB928 bill which will eliminate vital funds that support our many local arts and affiliated programs.

The Volcano Art Center continues to serve our community as host to art, culture and education through a variety of mediums and sources not the least of which is the partnerships and funding from the Hawaii State Foundation of Culture and Arts.

I continually remind everyone, "Art nourishes the soul of our community" and in this time of covid-19 stresses on family and organizations HFCA continues to be a beacon of inspiration directly and indirectly.

The covid-19 pandemic has brought together our artist community in ways never before realized and how appreciative we are all to them.

The Volcano Art Center provides over 300 artists in a forum to market, express, and promote their endeavors, while creating revenues that percolates deep into the Hawaii economic community.

Let us not push aside our arts as a non-essential, especially in the grip of this pandemic.

Through the arts and artistic expression, we are able to transcend our dire isolation, caused by the pandemic, and come together (at least virtually) to experience, uplift, joy and hope.

Please allow SFCA funding to continue to support our sector in every way possible.

The Arts keep our souls and spirits alive,

“ART IS THE FOOD OF OUR SOULS”



HAWAII

STATE FOUNDATION ON
CULTURE and the ARTS

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

Governor
David Y. Ige

Comptroller
Curt T. Otaguro

Chairperson
Lloyd I. Unebasami

Commissioners
Susan Browne
Nalani Brun
Jane Clement
Ronald Michioka
Karen Tiller Polivka
Clyde Sakamoto
Sherman Warner
Allison Wong

Executive Director
Jonathan Johnson

Telephone
808.586.0300

Fax
808.586.0308

Website
sfca.hawaii.gov

**TESTIMONY OF THE STATE FOUNDATION ON CULTURE AND THE ARTS
TO THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS
Tuesday, February 16, 2021, 3:05 p.m. CR 016 via Videoconference
S.B. 928**

RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS

Chair Sharon Moriwaki and members of the Committee, I am Jonathan Johnson, Executive Director of the State Foundation on Culture and the Arts (SFCA), and grateful for the opportunity to offer **COMMENT** on S.B. 928.

SFCA supports an appropriation of funding for performing arts, provided it does not replace or adversely impact existing priorities indicated in the Executive budget or violate state or federal laws. The performing arts in Hawaii, a vital part of our community, are currently supported primarily through General Fund appropriations and Federal funding from the State Partnership Agreement with the National Endowment for the Arts. General Funds support SFCA's Biennium Grants programs benefitting nonprofit arts and culture organizations, Folk & Traditional Arts (cultural practitioners) Professional Development for Teachers, and Artists in the Schools (individual artists), as outlined in our [2020 Annual Report](#). Performing Arts represents 45% of total Biennium Grants and 75% of total Artists in the Schools projects. To date, the legislature has made General Fund appropriations for this purpose.

SFCA also supports culture and arts projects beyond performing and visual arts. These projects play an equally critical role in the health and well-being of our economy and community through professional development for teachers, arts education, community arts, heritage and preservation, and programs directly impacting underserved areas and populations. While S.B. 928 may appear to be an increase in funding for performing arts, we need to understand the full impact to culture and arts in Hawaii.

Hawaii's \$2.6 billion creative economy is 2.9% of the Gross State Product, employing 22,186 people.* As Hawaii faces the effects of COVID-19, we recognize the culture and arts field is particularly vulnerable to the adverse economic impact of the emergency. In Hawaii, 59% of our creative workers were made unemployed by COVID-19. Without government support, Hawaii's cultural legacy will be significantly affected with lasting effects on the creative landscape of Hawaii, the visitor industry, and diminished quality of life of Hawaii's people.

If the Works of Art Special Fund is to support both visual and performing arts, this will dilute funding for the visual arts. The Works of Art Special Fund, year-to-date, has received an income of only \$15,520 for FY2021. The three-year average income to the fund was \$4,783,254 and the three-year expenditure averages \$4,403,420.

SFCA suggests raising the legislative appropriation ceiling of the fund to accommodate the additional support of performing arts. This would allow the agency to support a diversified arts portfolio in our community. The key to the success of this strategy is a steady revenue stream from the 1%.

The Art in Public Places Program consistently expends the legislative annual allotment for the Works of Art Special Fund. In FY2020, SFCA’s appropriation ceiling was raised by \$1 million to allow SFCA to draw down more from the unencumbered balance to accommodate the needs of large projects where art is a significant part of the architectural design, conservation of an aging public art collection, and outreach to neighbor islands.

| Works of Art Special Fund S-319 | FY 17-18 | FY 18-19 | FY 19-20 | FY 20-21 (as of 1-31-21) |
|--|---------------------|---------------------|---------------------|-------------------------------------|
| 1% Revenue (actual) | 7,584,288.25 | 3,680,929.93 | 3,084,544.00 | 15,520.00 |
| Total Expenses | 4,003,645.42 | 4,329,333.25 | 4,575,636.76 | 5,000,000 e. |
| Appropriation | 4,508,223.00 | 4,508,223.00 | 5,573,625.00 | 5,573,625.00 |

SFCA develops and maintains policies and procedures for administering the Works of Art Special Fund as authorized by section 103-8.5, HRS. Maintaining a fund balance equal or greater than the legislative appropriation is necessary to ensure solvency as legislative appropriations are from the fund balance.

The State Foundation on Culture and the Arts welcomes the opportunity to include the use of the Works of Art Special Fund for the support and promotion of performing arts, as long as it is permissible by law, the funding is available, and it does not compromise funding to cultural, education and humanities programs.

Thank you for the opportunity to submit written testimony on this matter

* Source: [Americans for the Arts Red Alert COVID-19 and the Creative Economy in Hawaii](#) (U.S. Bureau of Economic Analysis - State Profiles, 2017)

SB-928

Submitted on: 2/12/2021 6:27:25 PM

Testimony for GVO on 2/16/2021 3:05:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Carolann Biederman | Individual | Support | No |

Comments:

Aloha Senators,

I submit my testimony as a person who is deeply nurtured by music, dance, theatre and the visual arts. I also know from my professional capacity as a management and fundraising consultant to many local performing arts organizations that they depend on the SFCA for basic funding.

The SFCA plays a critical role in the arts and culture sector, composed of many small and larger nonprofit performing and visual arts groups, as well as cherished individual artists. The arts are sometimes pushed aside as non-essential, but that is not true, especially in the grip of this pandemic. Through the arts and artistic expression, we are able to transcend our dire isolation caused by the pandemic, and come together (at least virtually) to experience uplift, joy and hope. Please allow SFCA funding to continue to support our sector in every way possible.

Mahalo! Carolann Biederman

SB-928

Submitted on: 2/13/2021 1:04:02 PM

Testimony for GVO on 2/16/2021 3:05:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|----------------------|---------------------|---------------------------|---------------------------|
| janice palma-glennie | Individual | Oppose | No |

Comments:

aloha,

Art is a necessary part of a healthy, balanced society. in my community, entities like the Donkey Mill Art Center give keiki an outlet for their creative energy that might otherwise be lost or directed in less healthy ways.

please do your part to insure that art retains its place in our communities and culture by saying "NO" to this bill.

sincerely,

janice palma-glennie

kailua-kona

SB-928

Submitted on: 2/13/2021 1:15:10 PM

Testimony for GVO on 2/16/2021 3:05:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Gerard Silva | Individual | Oppose | No |

Comments:

This is nothing more than a Money lawndering Deal.

SB-928

Submitted on: 2/13/2021 1:24:35 PM

Testimony for GVO on 2/16/2021 3:05:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| noriko donna | Individual | Oppose | No |

Comments:

Art is important in life, especially when the world is dealing with fighting the pandemic, or any challenges that humankind faces. It provides a platform to express our feelings, convey messages and exercise our brains. Therefore, I oppose the reduction in the funds.

SB-928

Submitted on: 2/13/2021 7:18:03 PM

Testimony for GVO on 2/16/2021 3:05:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Gaye Chan | Individual | Oppose | No |

Comments:

The Works of Art Special Fund must continue to serve visual art. While performing art is equally important, the two art forms must be supported by discrete funding sources in order to serve visual artists and performing artists of Hawai'i.

SB-928

Submitted on: 2/13/2021 8:41:14 PM

Testimony for GVO on 2/16/2021 3:05:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Karen | Individual | Oppose | No |

Comments:

The Donkey Mill Art Center is committed to establishing West Hawai'i as a model of a resilient, thriving community where art is considered a necessity, not a luxury. The top 3 goals of our 2021-2023 strategic plan address capacity building: 1) internal infrastructure, including campus improvements; 2) externally, community engagement beyond our "comfort zone," and 3) partnerships/community infrastructure; stepping up our arts advocacy efforts to address the systemic needs of our region.

SB-928

Submitted on: 2/14/2021 9:45:17 PM

Testimony for GVO on 2/16/2021 3:05:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Debra McGee | Individual | Oppose | No |

Comments:

I strongly oppose the [SB928](#) bill since it would be removing vital funds to support our local arts and affiliated program. I currently work under several institutions funded by this and removing it would create hardship not only for myself and my family, but for the already struggling artists community during this pandemic. The arts are needed more than ever and reducing funding is the last measure that needs to be taken in order to relinquish our current situation.

Mahalo,

Debra McGee

SB-928

Submitted on: 2/15/2021 12:36:20 PM

Testimony for GVO on 2/16/2021 3:05:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Adrienne Hale | Individual | Oppose | No |

Comments:

I oppose Bill SB928. As a public school educator we have built and maintained a strong partnership with Holualoa, Hawai'i's Donkey Mill Art Center. Reducing funding to HSFCA would negatively impact community foundations like DMAC and their ability to sustain their very important work in our community. DMAC has for decades fostered a sense of belonging, and cultural and community connection for kupuna and keiki alike. King Kalakaua once said, "Hula is the language of the heart, therefore the heartbeat of the Hawaiian people." I believe this can be said of all forms of art for all people. All of Hawai'i's people deserve the enrichment that the arts bring to our lives. Support the arts and Hawai'i's communities by voting against Bill SB928.