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Website www.hawaii.gov/sfca TESTIMONY OF THE STATE FOUNDATION ON CULTURE AND THE ARTS TO THE COMMITTEE ON FINANCE February 25, 2019 at 2:00 p.m. in Rm. 308

H. B. 1218 H.D. 1 RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS Appropriates Funds for the Fiscal Biennium 2019-2021 Operating Budget

Chair Luke and members of the Committee, I am Jonathan Johnson, Executive Director of the State Foundation on Culture and the Arts (SFCA), and I am grateful for the opportunity to provide testimony in **support** of H.B.1218 H.D. 1.

H.B.1218 H.D.1 is a request to increase the appropriation ceiling (recurring base) of the Works of Art Special Fund from \$4,508,223 to \$5,500,000 annually. This is a requested increase of \$991,777.

- The appropriation ceiling for the Works of Art Special Fund has not increased significantly since 2003.
- The proliferation of State construction has resulted in increased revenue to the Works of Art Special Fund and rising demand for culture and arts programs and services.
- Increasing operational demands on the Works of Art Special Fund include a Fund Assessment by Budget and Finance, repair and maintenance of the collection, interpretation of the collection including the operations and educational programming of the Hawai'i State Art Museum, transporting works of art to neighbor islands and personnel costs.

The current ceiling limits the SFCA's ability to fulfill the obligation carry out the intent of HRS 103-8.5. An increase in the SFCA's budget ceiling would not increase the R&M or CIP budgets of contributing departments, but would be drawn from the available fund balance.

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