

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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Statement of MIKE MCCARTNEY Director Department of Business, Economic Development, and Tourism before the HOUSE COMMITTEE ON CULTURE, ARTS, AND INTERNATIONAL AFFAIRS

> Wednesday, February 17, 2021 10:00 AM State Capitol, Conference Room 329

In consideration of HB 760 RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS.

Chair Gates, Vice Chair LoPresti and members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) respectfully offers comments on HB 760 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

DAVID Y. IGE GOVERNOR

MIKE MCCARTNEY DIRECTOR

CHUNG I. CHANG DEPUTY DIRECTOR 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 that 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.



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

Governor David Y. Ige

Comptroller Curt T. Otaguro

Chairperson Llovd I. Unebasami

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

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TESTIMONY OF THE STATE FOUNDATION ON CULTURE AND THE ARTS TO THE HOUSE COMMITTEE ON CULTURE, ARTS, & INTERNATIONAL AFFAIRS Wednesday, February 17, 2021 at 10:00 a.m. CR 329 via Videoconference H.B. 760 RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS

Chair Cedric Asuega Gates 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 H.B. 760.

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 <u>Report.</u> 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 H.B. 760 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: <u>Americans for the Arts Red Alert COVID-19 and the Creative Economy in Hawaii</u> (U.S. Bureau of Economic Analysis - State Profiles, 2017)



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

ON THE FOLLOWING MEASURE:

H.B. NO. 760, RELATING TO STATE FOUNDATION ON CULTURE AND THE ARTS.

BEFORE THE:

HOUSE COMMITTEE ON CULTURE, ARTS, AND INTERNATIONAL AFFAIRS

DATE:	Wednesday, February 17, 2021 TIME: 10:00 a.m.		
LOCATION: State Capitol, Room 329			
TESTIFIER(S	Clare E. Connors, Attorney General, or Randall S. Nishiyama, Deputy Attorney General		

Chair Gates 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 Testimony of the Department of the Attorney General Thirty-First Legislature, 2021 Page 2 of 2

proceeds for operating purposes jeopardizes the tax-exempt status of the bonds. <u>See</u> 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 section1.263A-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

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:

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

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

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	The purpose of this Act is to further the foundation's
1	
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. ale atsorskills are
12	"Performing arts" is a form of art that is intended to be
13	performed for an audience. "Performing arts" includes but is
14	not limited to choreography, lyrics, motion pictures, music, there,
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"

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1	2. By adding a new section to be appropriately designated
2	nd to read:
3	"§9-A Definitions. As used in this part:
4	"Display" includes the act of posting for public view and at plesentation sites
5	istening, a recording of a work of art onto an internet website
6	aintained by the foundation or the state art museum.
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	hat:
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	<pre>sounds, if any;</pre>
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



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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 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	SECT	ION 4. Section 103-8.5, Hawaii Revised Statutes, is
9	amended t	o read as follows:
10	"§10	3-8.5 Works of art special fund. (a) There is
11	created a	works of art special fund, into which shall be
12	transferr	red one per cent of all state fund appropriations for
13	capital i	mprovements designated for the construction cost
14	element;	provided that this transfer shall apply only to capital
15	improveme	ent appropriations that are designated for the
16	construct	ion 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 a	and the rental motor vehicle customer facility charge
20	special f	fund established under section 261-5.6.

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1	(b)	The works of art special fund shall be used solely for			
2	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			
12	(website on which the works of art are publicly			
13	4	displayed; and			
14	(4)	Storing and transporting works of art.			
15					
	(c)	The one per cent amount, which is included in all			
16		The one per cent amount, which is included in all improvement appropriations, shall be calculated at the			
	capital :	-			
16	capital : time the	improvement appropriations, shall be calculated at the			
16 17	capital : time the shall be	improvement appropriations, shall be calculated at the appropriation bills are signed into law. The moneys			

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one per cent amount and transfer the moneys into the works of 1 2 art special fund. (d) The comptroller and the state foundation on culture 3 and the arts shall decide on the specific works of art [objects] 4 to acquire, giving first consideration to placing appropriate 5 pieces of art at the locations of the original appropriation $[-]_{\underline{i}}$ 6 when applicable. 7 The comptroller and the state foundation on culture and the 8 arts, in consultation with the affected agency or department, 9 shall be responsible for the selection of $[\tau]_{i}$ commissioning of 10 artists for [7]; reviewing of the design, content, execution, 11 performance, recording and placement of $[\tau]$; and [the] acceptance 12 of the works of art [shall be the responsibility of the 13 comptroller and the state foundation on culture and the arts in 14 consultation with the affected agency or department]. 15 Expenditures from the works of art special fund shall be 16 made by the comptroller. 17 (e) The comptroller shall: 18 Provide each agency receiving capital improvement 19 (1)appropriations with information regarding items that 20

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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 d	ue from each agency under the one per cent requirement
9	as provid	ed in this section.
10	(g)	For the purposes of this section:
11	"Per	formance of art" has the same meaning as defined in
12	section 9	
13	"Pub	lic display" and "works of art" has the same meaning as
14	defined i	n section 9-A."
15	SECI	TION 5. Statutory material to be repealed is bracketed
16	and stric	eken. New statutory material is underscored.
17	SECI	TION 6. This Act shall take effect upon its approval.
18		INTRODUCED BY

JAN 2 5 2021



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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.



TESTIMONY OF THE STATE FOUNDATION ON CULTURE AND THE ARTS TO THE HOUSE COMMITTEE ON CULTURE, ARTS, & INTERNATIONAL AFFAIRS Wednesday, February 17, 2021 at 10:00 a.m. CR 329 via Videoconference H.B. 760 RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS

Chair Cedric Asuega Gates and members of the Committee, I am Sherman Warner, and I am grateful for the opportunity to offer **COMMENT** on H.B. 760.

Although I am near the end of my eighth year as a commissioner with the State Foundation on Culture and the Arts, this is my personal testimony, based on my 50-year experience in the performing arts. I am the current president of the board of directors at Kahilu Theatre on Hawaii Island. My career in the professional theatre began in 1969. I have worked at or as a producing partner at major nonprofit theatres across the country. I co-founded a highly successful nonprofit Off-Broadway theatre company that became one of Broadway's best known commercial producers. That company managed all aspects of its own productions, which was unusual among Broadway producers, and sometimes managed productions for other producers, such as Walt Disney Productions.

I welcome government support of the performing arts, but based on my career experience as a producer and manager in both nonprofit and commercial theatre, I must point out difficulties in this legislation.

Copyright:

"The State shall have whole and exclusive copyrights in the performance and its recordings pursuant to the works made for hire doctrine under federal copyright laws." Performing arts organizations can't transfer copyright to the State because they don't own those rights. Performing arts organizations license the limited right to use the work of creative artists, such as playwrights, composers, lyricists, directors, choreographers, and stage designers. My Broadway producing company never owned the copyright to creative works that we produced, even when we commissioned those works. I was the general manager for Disney's first venture on Broadway, and even a company as powerful as Disney did not own the copyright in the works that it produced.

Even if buyouts could be negotiated with all of the non-performing creative staff, ongoing compensation to performers could be attached forever to the audio or video recording if any of the performers were members of the performing artist unions (American Federation of Television and Radio Artists, Screen Actors Guild, Actors Equity Association, American Federation of Musicians, American Guild of Musical Artists).

I have never heard of a granting organization, whether governmental or non-governmental, asking for copyright or for an audio or video recording for public showing.

Audio or video recordings of copyrighted songs or music:

The proposed legislation says that audio or video recordings shall be put on an SFCA website but doesn't take into consideration the complexities of licensing fees that are due when copyrighted songs or music are recorded. Licensing fees are due when a copyrighted song is performed by someone other than the composer. Venues or producing companies, such as Kahilu Theatre, pay an annual "blanket license" fee

to ASCAP or BMI. This blanket license covers royalties that are due for all copyrighted music performed at Kahilu Theatre. Audio recordings require a different type of license known as a "mechanical license." If a performer makes an audio recording of a song that has been copyrighted by someone else, then notice is sent to a clearing agency that responds in one or two days with an approval notice that states the royalty rates for the various forms of distribution such as CDs or online streaming "plays" or downloads. If there is a video recording that includes a copyrighted song, the situation becomes much more complicated. While mechanical licenses are simple to obtain, approval is automatic, and rates are established, the inclusion of a copyrighted song in a video recording requires a "synchronization license," which is not automatically granted and the rates are subject to negotiation and permission is rarely granted.

Kahilu Theatre, for example, has an online platform where both free and pay-for-view content is available. When a performer sings songs by other composers, royalties are covered by a blanket license. That blanket license also covers an online livestream of that concert. However, before that concert recording can be offered for free or pay-per-view online viewing, all songs not written by the performer must be edited out of the video recording because their inclusion would require a synchronization license. Stripping out material copyrighted by others is a condition of Kahilu's contract with Vimeo, which is the platform that hosts Kahilu.TV, because copyright holders would be entitled to royalties from Vimeo, not from Kahilu. The SFCA, not the performer or producing organization, would be similarly liable for payment of license fees if it posted material on its website that involved synchronization rights.

The nature of the performing arts:

A work of live performance art does not necessarily survive when it is documented in an audio or video recording. Without adequate time and budget, a video recording of a stage performance might be no better than a photograph of a sculpture or a Xerox copy of a painting. In many instances, it would be unfair to the creative artists to publicly display a video recording and represent that it is their work.

I served several times on the committee that negotiated the Broadway labor contract with the actors union (even though I've been a member of that union for 52 years). Many days were spent working on terms and conditions under which audio or video recordings of live performances were permissible. Working conditions and compensation were major concerns for the union and its members, and we could come to an agreement on those items, but underlying all of the negotiations was the actors' concern that a video recording of a stage performance could distort or diminish their performances. A close-up of an actor who is playing to a large audience can look clownish.

A Broadway musical that I co-produced was broadcast live on PBS "Great Performances," recorded live during a regular performance with a full audience. There were weeks of preparation, the cameramen attended multiple performances to learn the staging, and one of the best directors in the industry was in a mobile editing studio parked in front of the theatre, but when I watch that video now I still cringe at some moments, not because someone made a mistake, but because even a high-quality video production can compromise or misrepresent what was onstage. Later, a feature film was made of that musical, and it was far, far better than the television version because it was created specifically for that medium.

This is what is unique about live performances—they are ephemeral. The act of capturing them can destroy the immediacy of the experience between the audience and the performer. Too often, a

documentary video recording has the same relationship to the live performance as a taxidermied animal has to a live one.

I understand the urge to preserve a record of state-funded performance art, but unless that performance art is conceived to be viewed on a video screen or the artists have final say over whether or not a video recording can be seen by the public, it should not be on public display.

The SFCA's Art Acquisition Selection Committees have visited art exhibits that include video art and have considered video art for acquisition. Notably, one video art piece acquired for the State collection, by Hawaii Island artists Keoki and Yvonne Carter, is a video of a musical performance of the performer's own composition. The video, however, is not a video documentation of a live concert performance; it is a piece of conceptual video art that includes a musical performance that wass thematically part of the artist's larger artistic intent. It was created to be seen on a video or movie screen and would not have been considered for acquisition if it were simply a documentary record of something that could have been seen live venue.

Finally, in spite of my reservations about the details of this bill, I would like to thank you for supporting the performing arts and urge that your support be reconsidered so that it best serves the community of performing artists without imposing conditions that might be counterproductive or not in the best interests of the performing artists or producing organizations.

Mahalo for the opportunity to offer my opinions.

DAVID Y. IGE GOVERNOR

EMPLOYEES' RETIREMENT SYSTEM HAWAI'I EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

OFFICE OF THE PUBLIC DEFENDER



CRAIG K. HIRAI DIRECTOR

ROBERT YU DEPUTY DIRECTOR

STATE OF HAWAI'I DEPARTMENT OF BUDGET AND FINANCE P.O. BOX 150 HONOLULU, HAWAI'I 96810-0150

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

<u>WRITTEN ONLY</u> TESTIMONY BY CRAIG K. HIRAI DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE TO THE HOUSE COMMITTEE ON CULTURE, ARTS, & INTERNATIONAL AFFAIRS ON HOUSE BILL NO. 760

February 17, 2021 10:00 a.m. Room 329 and Videoconference

RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS

The Department of Budget and Finance offers comments on House Bill (H.B.) No. 760.

H.B. No. 760 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."

H.B. No. 760 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.

Hawai'i Arts Alliance



Affiliated with the Wolf Trap Institute for Early Childhood Arts Integration

State Captain – Americans for the Arts

Member of State Arts Advocacy Network Rep. Gates, Chair House Committee on Culture, Art, and International Affairs

Re: Support HB 760 Relating to The State Foundation On Culture And The Arts

Dear Chair Gates and members of the committee,

Thank you for the opportunity to submit testimony on HB760. The Hawaii Arts Alliance SUPPORTS HB760 for several reasons. The purpose of HB760 is to "further the foundation's endeavors by allowing the works of art special fund to be used for the support and promotion of performing arts in the State."

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 programatic 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,

Seri Skillman

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 February 14, 2021

<u>HB-760</u> Submitted on: 2/15/2021 8:49:16 AM Testimony for CAI on 2/17/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Robert Pollock	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.

<u>HB-760</u> Submitted on: 2/13/2021 1:07:48 PM Testimony for CAI on 2/17/2021 10:00:00 AM

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

Comments:

<u>A</u>loha,

HB760 bill propose cuts to the Works of Art Special Fund that will impact the Art in Public Places Program and decrease the General Funds budget, while HB777 alone proposes a 50% cut.

Art is core to a healthy society. Potential funding cuts due to these bills will negatively impact organizations like the Donkey Mill Art Center in my town which provides healthy outlet and instruction to keiki as well as adults. For our keiki, art can be an extraordinary way to express their creativity and to channel it in healthy ways that might otherwise not be available to them.

Please say "NO" to HB760 and HB777.

mahalo and sincerely,

janice palma-glennie

kailua-kona

HB-760 Submitted on: 2/13/2021 7:21:11 PM Testimony for CAI on 2/17/2021 10:00:00 AM

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

Comments:

Visual art and performing art are equally important to the people of Hawai'i and must have separate source of funding.

<u>HB-760</u> Submitted on: 2/15/2021 12:55:35 PM Testimony for CAI on 2/17/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Adrianne Hale	Individual	Oppose	No

Comments:

I oppose Bill SB760. As a public school educator at Holualoa Elementary our school has built and maintained a strong partnership with Holualoa, Hawai'i's Donkey Mill Art Center. Reducing funding to Works of Art Special Fund would negatively impact community foundations like DMAC and their ability to sustain "Arts in Public Places" as well as the performing arts in our communities. DMAC has for decades fostered a sense of belonging, and cultural and community connections for the kama'aina and visitor alike. It is the arts that expresses who we are as people of these beautiful islands. 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. It connects us. It expresses who we are. 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 SB760.