

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



KEITH A. REGAN  
COMPTROLLER  
KA LUNA HO'OMALU HANA LAULĀ  
MEOH-LENG SILLIMAN  
DEPUTY COMPTROLLER  
KA HOPE LUNA HO'OMALU HANA LAULĀ

**STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I**  
**DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | KA 'OIHANA LOIHELU A LAWELAWE LAULĀ**  
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

WRITTEN TESTIMONY  
OF  
KEITH A. REGAN, COMPTROLLER  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
TO THE

**COMMITTEE ON CULTURE & ARTS**

FEBRUARY 4, 2026, 9:30 A.M.  
CONFERENCE ROOM 309 AND VIA VIDEOCONFERENCE, STATE CAPITOL

H.B. 2118

RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT,  
AND TOURISM.

Chair Kapela, Vice Chair Kong, and members of the Committee, thank you for  
the opportunity to submit testimony on H.B. 2118.

The Department of Accounting and General Services (DAGS) offers testimony in  
**support** of H.B. 2118 which transfers the State Foundation on Culture and the Arts  
(SFCA) and the King Kamehameha Celebration Commission (KKCC) from the DAGS to  
the Department of Business, Economic Development, and Tourism (DBEDT).

DAGS provides the following comments:

1. SFCA's overall purpose and mission aligns more with the various attached  
agencies at DBEDT.

2. The proposed transfer will improve administrative efficiency and facilitate the operations of SFCA and KKCC while providing opportunities for collaboration, synergy and strategic partnerships.

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



**TESTIMONY OF KE ONE O KĀKUHIHEWA**  
**O'ahu Council of the Association of Hawaiian Civic Clubs**  
**HB2118 – Relating To the Department of Business, Economic Development and Tourism**

Aloha Chair Kapela, Vice Chair Kong, and members of the committee:

Ke One O Kākuhihewa, the O'ahu Council of the Association of Hawaiian Civic Clubs, submits this testimony in strong support of HB2118.

HB2118 makes a thoughtful and appropriate structural change by placing the King Kamehameha Celebration Commission and the State Foundation on Culture and the Arts within the Department of Business, Economic Development, and Tourism. This alignment better reflects the work these entities already do and the role DBEDT plays in supporting culture, creative industries, economic development, and statewide coordination.

The celebration of King Kamehameha and the stewardship of culture and the arts are not isolated ceremonial functions. They are deeply connected to Hawai'i's creative economy, cultural tourism, education, and community vitality. DBEDT is uniquely positioned to provide administrative support that recognizes these connections while ensuring that cultural programs are resourced, coordinated, and sustained in a way that benefits communities statewide.

This bill also creates clearer lines of responsibility and accountability. By consolidating administrative oversight within DBEDT, HB2118 improves operational efficiency and places these commissions within a department whose core mission includes supporting creative industries, cultural preservation, and economic opportunity rooted in Hawai'i's identity. This structure better supports long term planning, partnerships, and funding strategies that honor cultural purpose while strengthening public benefit.

For Hawaiian Civic Clubs, cultural practice and celebration are not symbolic. They are living expressions of our culture and community responsibility. Ensuring that these programs are housed within a department aligned with economic development and cultural stewardship helps safeguard their future while respecting their intent.

HB2118 reflects a practical and mission aligned approach to governance. It strengthens coordination, supports cultural institutions, and positions Hawai'i's cultural programs within a department designed to help them thrive.

Mahalo for the opportunity to submit testimony. We respectfully urge your support of HB2118.



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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 4, 2026  
Conference Room 309 at 9:30AM**

**HOUSE BILL 2118  
RELATING TO**

**THE DEPARTMENT OF BUSINESS ECONOMIC DEVELOPMENT AND TOURISM**

Dear Chair Kapela and members of the Committee,

The State Foundation on Culture and the Arts (SFCA), is dedicated to the promotion, perpetuation, and preservation of culture and the arts in Hawai'i.

SFCA **SUPPORTS** H.B. 2118 which transfers the State Foundation on Culture and the Arts and the King Kamehameha Celebration Commission from the Department of Accounting and General Services to the Department of Business, Economic Development, and Tourism.

The State Foundation on Culture and the Arts appreciates the additional administrative and personnel staff to either DBEDT or SFCA to ensure support in both the transition and a sustained future, to facilitate a smooth transition while maintaining the agencies independence, governance, mission while ensuring funding remains intact.

We request that in HB 2118 there is language to allow for time for this transfer to take effect for one year to provide time to make the necessary administrative changes so the organizations can continue without delays.

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



**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**  
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI  
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Statement of  
**JAMES KUNANE TOKIOKA**  
**Director**  
Department of Business, Economic Development, and Tourism  
before the  
**HOUSE COMMITTEE ON CULTURE & ARTS**

Wednesday, February 4, 2026  
9:30 AM  
State Capitol, Conference Room 309

In consideration of  
**HB2118**

**RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT,  
AND TOURISM.**

Chair Kapela, Vice Chair Kong, and members of the Committee. The Department of Business, Economic Development and Tourism (DBEDT) offers comments on HB2118 which transfers the State Foundation on Culture and the Arts (SFCA) and the King Kamehameha Celebration Commission (KKCC) from the Department of Accounting and General Services (DAGS) to DBEDT; transfers certain authority and responsibilities held by the Comptroller regarding the Works of Art Special Fund to DBEDT; and appropriates funds for positions within DBEDT.

This measure reflects an important evolution in how Hawai'i views culture and the arts, not only as heritage and identity, but also as a core economic sector and driver of innovation, workforce development, and industry growth.

SFCA's mission naturally aligns with DBEDT's Creative Industries strategy. SFCA's statutory duties include:

- Stimulating, guiding, and promoting culture and the arts statewide

- Supporting artists through fellowship programs
- Administering art in public places
- Expanding access to arts education and cultural participation
- Coordinating statewide arts and humanities initiatives

These responsibilities directly parallel and complement DBEDT's Creative Industries direction, which recognizes that today's creators operate not only in traditional arts spaces, but also in:

- Digital media production
- Film, animation, and immersive content
- Music and audio production
- Design, fashion, and product-based creative manufacturing
- Game development, virtual production, and interactive media

In today's economy, artists are content creators, and content creation is a form of high-value manufacturing, producing intellectual property, digital assets, and cultural products that are exported globally while rooted in Hawai'i's unique identity.

Placing SFCA within DBEDT strengthens a full continuum:

<b><u>Cultural Ecosystem</u></b>	<b><u>Creative Workforce</u></b>	<b><u>Creative Industry</u></b>
Cultural preservation, heritage, identity	Artist fellowships, arts education, access programs	Film, digital media, music, design, fashion, gaming, immersive media
Public art, museums, humanities	Skill development in visual, performing, and media arts	IP creation, content production, creative tech, cultural exports

SFCA's work builds the creative talent pipeline. DBEDT's Creative Industries strategy builds the industry infrastructure, markets, and economic pathways. Together, they support:

- Retention of local creators
- Growth of Hawai'i-based production capacity
- Development of globally competitive, culturally grounded content
- Expansion of careers in creative fields beyond tourism-dependent models

Hawai'i's economic diversification requires recognizing that:

- A film production is a manufacturing process
- A game studio produces exportable digital goods
- A designer or fashion technologist produces value-added products
- A musician or animator generates monetizable intellectual property
- SFCA supports the people and cultural foundations behind these sectors.

DBEDT supports the industry development, facilities, incentives, and partnerships that allow these creators to scale. This alignment ensures that cultural investment translates into:

- Jobs
- Small business growth
- Creative entrepreneurship
- Increased local ownership of content and IP

The bill also modernizes administrative alignment, including the Works of Art Special Fund and coordination roles between SFCA and DBEDT leadership. This provides:

- Stronger integration between cultural programming and economic development strategy

- Better coordination with creative facilities, innovation hubs, and production ecosystems
- Improved ability to connect arts funding, education, and industry pathways

HB 2118 recognizes that culture and the arts are not peripheral, they are foundational to Hawai'i's future economy. By aligning SFCA with DBEDT's Creative Industries direction, the State strengthens the bridge.

Mahalo for the opportunity to testify.