



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

**JOSH GREEN, M.D.**  
GOVERNOR

**SYLVIA LUKE**  
LT. GOVERNOR

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Statement of  
**JAMES KUNANE TOKIOKA**  
**Director**  
Department of Business, Economic Development, and Tourism  
before the  
**HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT AND TECHNOLOGY**  
**HOUSE COMMITTEE ON LABOR**

Wednesday, February 11, 2026  
9:30 AM  
State Capitol, Conference Room 423

In consideration of  
**HB2118, HD1**  
**RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT,  
AND TOURISM.**

Chairs Ilagan and Sayama, Vice Chairs Hussey and Lee, and members of the Committees: The Department of Business, Economic Development and Tourism (DBEDT) offers comments on HB2118, HD1 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:

**Cultural Ecosystem**

Cultural preservation, heritage, identity

Public art, museums, humanities

**Creative Workforce**

Artist fellowships, arts education, access programs

Skill development in visual, performing, and media arts

**Creative Industry**

Film, digital media, music, design, fashion, gaming, immersive media

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, HD1 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.

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 ECONOMIC DEVELOPMENT & TECHNOLOGY**  
**COMMITTEE ON LABOR**

FEBRUARY 11, 2026, 9:30 A.M.  
CONFERENCE ROOM 423 AND VIA VIDEOCONFERENCE, STATE CAPITOL

H.B. 2118, H.D. 1

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

Chairs Ilagan and Sayama, Vice Chairs Hussey and Lee, and members of the  
Committees, thank you for the opportunity to submit testimony on H.B. 2118, H.D. 1.

The Department of Accounting and General Services (DAGS) offers testimony in  
**support** of H.B. 2118, H.D. 1 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).

The proposed transfer aligns with the mission and expertise of DBEDT, which is  
better positioned to support the growth and development of Hawaii's cultural and  
creative industries. DBEDT's focus on economic development and tourism provides a

natural synergy with the goals of the SFCA and the King Kamehameha Celebration Commission, which aim to preserve and promote Hawaii's rich cultural heritage and arts. By consolidating these functions within DBEDT, the State can leverage its resources more effectively to enhance the visibility and impact of Hawaii's cultural and artistic initiatives.

Additionally, the transfer of authority over the Works of Art Special Fund to DBEDT will streamline administrative processes and ensure that the fund is managed by a department with expertise in promoting arts and culture. This change will allow for more strategic use of the fund to support the creation, acquisition, and display of art that reflects Hawaii's unique identity.

In conclusion, this measure represents a thoughtful and strategic approach to enhancing the effectiveness of Hawaii's cultural and artistic programs. By transferring these functions to DBEDT, the State can better align resources and expertise to support the preservation and promotion of Hawaii's culture and arts, while also fostering economic development and tourism.

We respectfully urge the Committee to pass H.B. 2118 H.D. 1. Thank you for the opportunity to provide testimony in support of this important measure.



February 11, 2026

TESTIMONY OF THE ASSOCIATION OF HAWAIIAN CIVIC CLUBS  
To the House Committee on Economic Development & Technology and  
Committee on Labor  
In Support of

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**HB 2118 - RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC  
DEVELOPMENT, AND TOURISM**

Aloha Chair Ilagan, Chair Sayama, and members of the committees:

The Association of Hawaiian Civic Clubs submits testimony in **support** of HB 2118, which transfers the King Kamehameha Celebration Commission and the State Foundation on Culture and the Arts from the Department of Accounting and General Services to the Department of Business, Economic Development, and Tourism.

The Association of Hawaiian Civic Clubs is one of the organizations represented on the King Kamehameha Celebration Commission and we affirm this transfer reflects a better alignment between the commission and the Department of Business, Economic Development, and Tourism. The activities of the commission are deeply connected to Hawai‘i’s creative economy, cultural tourism, education, and community vitality, and DBEDT is uniquely positioned to provide administrative support that recognizes these connections while ensuring that cultural programs are resourced, coordinated, and sustained.

Founded by Prince Kūhiō in 1918, the Hawaiian Civic Club movement is the oldest Native Hawaiian community-based advocacy movement. The Association of Hawaiian Civic Clubs is a not-for-profit confederation of 60 individual and autonomous Hawaiian Civic Clubs and 3,500 members located across Hawai‘i and across the continental United States.

We appreciate your favorable consideration of this measure.



**HAWAI'I**  
STATE FOUNDATION on  
CULTURE and the ARTS

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**Testimony of KAREN EWALD, Executive Director  
State Foundation on Culture and the Arts**

**Before the  
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT AND TECHNOLOGY  
and  
HOUSE COMMITTEE ON LABOR  
WEDNESDAY, FEBRUARY 11, 2026  
Conference Room 423 at 9:30AM**

**HOUSE BILL 2118 HD1  
RELATING TO  
THE DEPARTMENT OF BUSINESS ECONOMIC DEVELOPMENT AND TOURISM**

Dear Chair Ilagan, Chair Sayama and members of the Committees,

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 HD1 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. The State Foundation also appreciates that there will be time considered for this transfer to take effect to ensure that the administrative changes are accomplished in order for both organizations to continue operations without unnecessary delays.

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

**HB-2118-HD-1**

Submitted on: 2/11/2026 1:47:22 AM

Testimony for ECD on 2/11/2026 9:30:00 AM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Testify</b>       |
|---------------------|---------------------|---------------------------|----------------------|
| Angela Young        | CARES               | Support                   | Remotely Via<br>Zoom |

Comments:

Support.

**HB-2118-HD-1**

Submitted on: 2/9/2026 12:31:52 PM

Testimony for ECD on 2/11/2026 9:30:00 AM

| Submitted By    | Organization | Testifier Position | Testify                |
|-----------------|--------------|--------------------|------------------------|
| Margaret Sutrov | Individual   | Support            | Written Testimony Only |

Comments:

Dear Esteemed Legislators,

I am writing in support of HB2118, but with some concerns.

I am a professional artist, teaching artist, and small business owner, born and raised on Maui. I am on the State Foundation of Culture and the Arts Teaching Artist Roster. Through the Artists In The School grant, I have used drawing and painting as tools to teach close observation, creative problem solving, and a connection to our native species and ecosystems to students on Maui as well as online throughout Hawaii.

As a small business owner, I commend the proposed inclusion of the SFCA in the Department of Business, Economic Development, and Tourism. The skills of innovation and creative problem solving that are needed in business are learned by creating art. Art is risk-taking. Art is finding a unique solution to a challenge. Art is taking an idea in our heart and bringing it into the world. *Hawaii will not diversify its economy without growing these skills.*

While supporting this bill, I urge legislators to include clear protections for SFCA's public mission, stable and sustained funding, and strong community oversight. My hope is that this shift will magnify the role of the arts in education and in our communities, and I urge you to include language that will support this.

The role of a teaching artist is often misunderstood. Teaching artists dedicate years mastering their artforms, and also are highly skilled in engaging others with making art. Creativity is like a muscle. Everyone is creative--but more is possible and people are more whole when they engage with this part of themselves. The SFCA has taken the lead in Hawaii in providing opportunities and professional development for teaching artists--who then share their skills and experiences with the community. This role of the SFCA especially needs to be understood, maintained, and strengthened for the benefit of our island communities.

Mahalo nui loa,

Maggie Sutrov

**HB-2118-HD-1**

Submitted on: 2/10/2026 8:36:57 AM

Testimony for ECD on 2/11/2026 9:30:00 AM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Testify</b>         |
|---------------------|---------------------|---------------------------|------------------------|
| Susan Browne        | Individual          | Support                   | Written Testimony Only |

Comments:

I am in favor of moving the State Foundation on Culture and the Arts from DAGS to DBEDT. As a commissioner with SFCA, I have reviewed this move over the past two years and feel that it would elevate the arts and culture within economic development efforts. The arts bring millions of dollars into our economy every year. I believe DBEDT is aware of this and has a vested interest in keeping the arts alive and well. In addition, I believe this move will help with effective administration of the SFCA.

Susan Browne, Commissioner at-large