

GM 435

EDT



COLLEEN HANABUSA
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RUSSELL KOKUBUN
VICE PRESIDENT

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MAJORITY LEADER

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MINORITY LEADER

The Senate

STATE CAPITOL
HONOLULU, HAWAII 96813

April 14, 2010

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NINTH DISTRICT
LES IHARA, JR.

TENTH DISTRICT
BRIAN T. TANIGUCHI

ELEVENTH DISTRICT
CAROL FUKUNAGA

TWELFTH DISTRICT
BRICKWOOD GALUTERIA

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SUZANNE CHUN OAKLAND

FOURTEENTH DISTRICT
DONNA MERCADO KIM

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ROBERT BUNDA

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CLAYTON HEE

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JILL N. TOKUDA

TWENTY-FIFTH DISTRICT
FRED HEMMINGS

CHIEF CLERK
CAROL TANIGUCHI

Clifford P. Kaponu
65 Makakai Place
Hilo, HI 96720

By E-mail: thoreauing@live.com

Re: Nomination to the State Foundation on Culture and the Arts Commission

Dear Mr. Kaponu,

It was a pleasure to meet you yesterday and learn more about your background relative to your potential service as a commissioner for the State Foundation on Culture and the Arts (SFCA).

As this would be a new undertaking for you, the Committee on Economic Development and Technology would appreciate your responding to a few additional questions that would help in determining your potential role in assisting the development of solutions to ongoing challenges facing the SFCA:

1. The State administration has responded to the economic downturn which began affecting Hawaii in 2008 by instituting reductions in force (RIFs) across all State departments to help close the budget shortfall of \$1.2 billion in the fall of 2009. Since the SFCA is a small division under the Department of Accounting and General Services, the RIFs resulted in the elimination all of the General Funds allocated to the division.

Currently, the SFCA is supporting its remaining eight (8) positions with funding from the Works of Art Special Fund, which, as you may be aware, was established by the Legislature in 1967 to support the acquisition of art to be installed in State facilities with 1% of construction funds appropriated by the Legislature and released by the Governor for State facilities.

Moreover, federal funds formerly awarded to the SFCA under the Temporary Assistance to Needy Families (TANF) program for culture/arts organizations, are now in jeopardy due to the elimination of State General Funds, which had been used as matching funds for the TANF monies in prior years.

Given that an important priority of the SFCA has been, "To increase funding in support of the culture and arts community and SFCA's overall mission," what do you see as your role and responsibility in helping the SFCA Commission pursue strategies for increasing the necessary funds to carry out its mission?

2. What public-private partnerships or other external funding relationships would you suggest to help increase the level of funding for SFCA culture and arts programming?
3. Please identify any other funding alternatives or partnerships with which you have been involved and that you believe would provide new revenue-generating opportunities that the SFCA could pursue?

I would appreciate receiving your written responses by Tuesday, April 20, 2010, as we have scheduled decision making for your nomination on Wednesday, April 21, 2010, 1:30 p.m., in Conference Room 423.

Thank you, in advance, for your cooperation and assistance.

Sincerely,



Senator Carol Fukunaga, Chair
Senate Committee on Economic Development
and Technology

Re: Nomination to the State Foundation on Culture and the Arts Commission

Additional Q&A:

1. For fiscal year ending June 30, 2009 HSFCA Financial Summary posted revenues less than \$8.5MM against incurred expenses of a little more than \$6MM for an excess of revenue over expenses of \$2,139,630.72.

Speaking to the revenue side *at a glance* Works of Art Special Fund Allotment net earnings accounted for approximately 4% of revenue less expenses with the State and Federal Government contributing 92% of the gross revenues earned and Private Contributions near 4%.

Looking at expenses that categorically debit a particular entry its corresponding credits speak to assets accumulated that have yet to be mined for significant financial leverage that might post positive with a higher net value than earned gross revenues subject to operating expense.

Discounting federal TAN revenues from the future revenue stream for HSFCA 2011 it appears that opportunities reside in fleshing out greater incentives in the form of additional tax credits or resale of these potential lucrative financial instruments. I would appear that my role and implied responsibilities would be enjoined with other commissioners to lobby for the growth and mining of the undervalued assets that are clearly available to HSFCA.

2. Public and quasi-private partnerships are available for external funding relationships if incentives are significantly tendered in the interest of the investors. I would look to develop investment pools that each county government could network with the state in a joint venture of shared HSFCA community base assets.

3. I have worked successfully with former clients in the pharmaceutical industry who are always interested in community development establishing themselves as good neighbors for which Hawaii has yet to take advantage of this fortuitous opportunity.



COLLEEN HANABUSA
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STATE CAPITOL
HONOLULU, HAWAII 96813

April 2, 2010

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CHIEF CLERK
CAROL TANIGUCHI

Clifford P. Kapono
65 Makakai Place
Hilo, HI 96720

Re: Nomination to the State Foundation on Culture and the Arts Commission

Dear Mr. Kapono,

Congratulations on being nominated by Governor Linda Lingle to serve on the State Foundation on Culture and the Arts Commission. To assist the Senate with its confirmation process, I would like to request that you submit the following information to my office by Friday, April 9, 2010.

- (1) A current resume with a list of references; and
- (2) A written statement that addresses the following:
 - (a) Why you wish to serve as a member of the State Foundation on Culture and the Arts Commission;
 - (b) Your perception of the role and responsibilities of a member of the State Foundation on Culture and the Arts Commission;
 - (c) Given your understanding of the role and responsibilities of a member of the State Foundation on Culture and the Arts Commission, provide an explanation of your qualifications for the position. Please include a brief statement of your skills, expertise, or knowledge that would specifically aid you in decision-making as a member of the State Foundation on Culture and the Arts Commission.
 - (d) Describe your accomplishments during your term of service thus far, and what you hope to accomplish during this new term?
 - (e) Name three qualities that best describe you and you believe set you apart from other potential candidates. How would the State Foundation on Culture and the Arts Commission benefit from having a member with those qualities?

- (f) Describe your previous experience that you believe would make you an asset to the State Foundation on Culture and the Arts Commission.
- (g) Can you foresee any possible conflicts of interests that could arise during your service on the State Foundation on Culture and the Arts Commission? How would you overcome any possible conflicts of interest?

We have scheduled your confirmation hearing for Monday, April 12, 2010, at 1:15 p.m., in Conference Room 016, at the State Capitol, therefore, your prompt response in providing the requested information will ensure that the Senate confirmation process can proceed in a timely manner.

Mahalo for your cooperation.

Sincerely,



Senator Carol Fukunaga, Chair
Senate Committee on Economic Development and Technology

Affidavit

I, CLIFFORD PHILIP KAPONO am honored to serve on the State Culture and Arts Commission. Believing that art is our fundamental expression of creativity the essence of thought manifest; good art moves people beyond their limitations into the future. We can never be certain of what our future might hold but our expressions of the inner self revealed on the outside suggest the very fabric by which we define ourselves as a civilization. Serving on the State Culture and Arts Commission gives me an opportunity to promote the right to creativity through the eyes of a democratic people.

My perception of the State Culture and Arts Commission suggest that it promotes cultural integrity as reflected through the impression of all the people of Hawaii. I believe that my role would be to facilitate the process and insure that equity is provided to everyone through our democratic process. The responsibility that we all share hangs squarely on the State Culture and Arts Commission as guardians of the culture of Hawaii. We are accountable to our legacy for the work we do today.

The many functions of the State Culture and Arts Commission seemingly borders on a collection of multiple skill sets each demanding its own special attention. My fundamental skill sets are in economics and education. The uniqueness of this often mutually exclusive combination allows for balance between what is often argued as a bottom line quantitative goal relative to the esoteric value of appreciation. My working experience in both quantitative and qualitative environs provides me with the objectivity necessary to support the greater good while still providing voice and value to the minority opinion. Herein equity is preserved and voice is recognized.

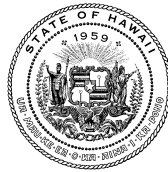
As a new member, I have no history with the State Culture and Arts Commission but looking to the future specifically to my term over the next four years in conjunction with President Obama's decision as of March 10, 2010 with inclusion of art into the science, technology, engineering and math program now an acronym known as STEAM, art becomes a national goal as well as an integral part of the US economic stimulus package to ramp up local state economies. Looking forward we are headed for profitable and exciting times as Hawaii helps to define the boarder landscape of cultural integrity for America through art.

If there are unique qualities to describe my contribution to the State Culture and Arts Commission it would have to hinge on me as an artist. I am a published, awarding winning native Hawaiian author with an academic and investigative history specifically in the people of Polynesia and the greater Pacific Basin in general. I have lived among the very people that claim sovereignty to the greater Pacific Ocean from the Polynesian occupied atolls of Kapingamarangi to the most southern tips of Easter Island, Rapa Nui. I see through Maori eyes. The benefit of having a person like me on board speaks to equity with voice.

My previous experience in global business management over a variety of eclectic industries provides a plethora of possible options. Multiple options over a variety of choice increase proportionately the probability of predictable positive outcomes. My acquired experience can only add to your predictable success.

I do not foresee any possible conflict of interest outside of me as a Hawaiian arguing for Hawaiian art but in Hawaii that might be considered exclusionary.

LINDA LINGLE
GOVERNOR



RUSS K. SAITO
Comptroller

SANDRA L. YAHIRO
Deputy Comptroller

**STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
AND GENERAL SERVICES**

P.O. BOX 119
HONOLULU, HAWAII 96810-0119

TESTIMONY
OF
RUSS K. SAITO, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
SENATE COMMITTEE
ON
ECONOMIC DEVELOPMENT AND TECHNOLOGY
ON
April 12, 2010

G.M. 435

Submitting for consideration and confirmation to the State Foundation on Culture and the Arts Commission, Gubernatorial Nominee, CLIFFORD P. KAPONO, for a term to expire 6-30-2014.

Chair Fukunaga, and members of the Committee, thank you for the opportunity to testify on G.M. 435.

As Director of the Department of Accounting and General Services, I strongly support the confirmation of Mr. Clifford P. Kapono to the State Foundation on Culture and the Arts.

Mr. Kapono's experience as an author and educator will make him a contributing member of the Foundation.

Thank you for the opportunity to testify on this matter.

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Dr. John L. Takeuchi Turner
850 Kulaloa Road
Hilo, HI 96720-3569
(808) 981-2717

Dr. John L. Turner

Independent Medical Evaluations and Neurologic Consultations

Author of *Medicine, Miracles and Manifestations*

February 9, 2010

Hawaii State Foundation for Culture on the Arts
235 South Beretania Street
Honolulu, HI 96813-2419

I am writing this letter on the behalf of Clifford Kapon.

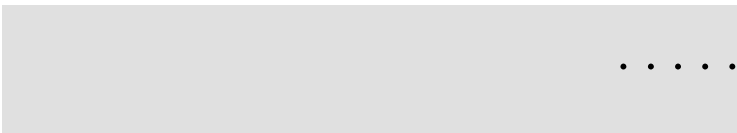
It is my understanding that he has been nominated as commissioner to the Hawai`i State Foundation for Culture on the Arts. I have known Mr. Kapon for a few years and I find him to be a staunch supporter of Hawaiian arts and culture.

I endorse him without reservation for this position. I am highly confident that he will help promulgate your goals of preserving and encouraging culture, arts, history and the humanities for the people of Hawai`i Nei.

Feel free to contact me if you should have any questions.

Sincerely,

John L. Turner, MD



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February 9, 2010

Dr. Dale J. McSherry
The Pain Center
756 Kekuanaoa Street, Suite A
Hilo, Hawaii 96720
Backman96781@aol.com

Dear Sir/Madam:

I certainly would recommend/nominate Mr. Clifford Kaponono to Hawaii State Foundation for Culture and Arts. I can speak highly of Mr. Kaponono as he has been a good friend for almost 20 years – a very intelligent, well rounded and highly educated man who as I am, a published writer, and has an excellent appreciation of the arts. Yet he has more than just an innate appreciation of the arts - but the ability to inspire creativity - to move us beyond our normal capacity into an advantageous and proactive way of thinking...and this is important during these economic trying times. Mr. Kaponono would certainly be an asset to this foundation.

If further information is required please do not hesitate to either contact me at my clinic at 808-935-5159 or my physical address or e-mail address. I certainly hope this information is useful in your nomination of Mr. Kaponono.

Sincerely,

Dr. Dale J. McSherry

LORI V. THOMAS
1487 HIIKALA PLACE, #12
HONOLULU, HAWAII 96816
808-737-4804
lorithomashere@aol.com

April 9, 2010

Senator Carol Fukunaga, Chair
Economic Development and Technology
Hawaii State Capitol, Room 216
415 South Beretania Street
Honolulu, HI 96813

RE: GM 435 – Clifford Kaponu
Hearing before EDT 4/12/10 at 1:15pm
Appointment of Hawaii Island Commissioner for the
Hawaii State Foundation on Culture and the Arts

Dear Senator Fukunaga:

The purpose of this letter is to recommend Cliff Kaponu of Hawaii Island as a Commissioner of the Hawaii State Foundation on Culture and the Arts.

Mr. Kaponu resided in California for many years, returning to Hawaii in recent years. His book on Hawaiian history from 1850-1960 has been published. He is well qualified to serve, having earned an MBA from Dartmouth College and an undergraduate degree in business and mechanical engineering. He is 50% Hawaiian.

As Chair of the State Foundation on Culture and the Arts for the past 3 years, I have met many candidates to fill vacancies on the Board, but none that struck me with such a sincere desire to learn more about Hawaii's rich arts and culture and how best to make them accessible to as many people as possible. His commitment to HSFCA would truly benefit the people of this state.

Thank you for your consideration of this recommendation.

Best regards,

Lori V. Thomas
Chairperson, Hawaii State Foundation on Culture and the Arts

cc: Eric Barsatan, Boards and Commissions
Ronald Yamakawa, Executive Director of the HSFCA
Cliff Kaponu

GBT

April 9, 2010

Senator Carol Fukunaga, Chair
Economic Development and Technology
Hawaii State Capitol, Room 216
415 South Beretania Street
Honolulu, HI 96813

RE: GM 435 – Clifford Kaponu
Hearing before EDT 4/12/10 at 1:15pm
Appointment of Hawaii Island Commissioner for the
Hawaii State Foundation on Culture and the Arts

Dear Senator Fukunaga:

This letter is to ask for your recommendation in support of Clifford Kaponu to the State Foundation on Culture and the Arts.. I have known and respected Cliff Kaponu for over 25 years primarily through his efforts on behalf of business and most recently through his efforts in education.

His commitment to our community is consistently reflected in both his business as well as his non-profit works. When he accepts an appointment, position on a board or committee, or supports a project, he can be counted on to add intellectual value as well as sound leadership.

Thank you for your consideration and if I can add further information, please do not hesitate to contact me.

Sincerely,

Gae Bergquist Trommald

**1010 Wilder Avenue #1201
Honolulu, Hawaii 96822**

808-781-8887 gaebt@mac.com

Peter Rosegg
2101 Nu'uanu Avenue #1305
Honolulu, Hawaii 96817-1767
Mobile: 808-371-7474
peter-rosegg@hawaii.rr.com

Testimony on GM 435
Confirmation of Clifford P. Kaponu
State Foundation on Culture & Arts term expiring June 30, 2014
Senate Committee on Economic Development and Tourism
1:15 p.m., April 12, 2010, Room 423

Chair Fukunaka, Vice Chair Baker, members of the committee:

Thank you for the opportunity to testify in support the appointment of Cliff Kaponu to the Hawaii State Foundation on Culture & the Arts. I am an HSFCA commissioner for Oahu, testifying as an individual.

I have not known Cliff Kaponu for a long time, but in the time of our acquaintance I have come to believe he would be an excellent addition to help set plans and policies for the State Foundation.

Cliff has been a business person and, more importantly, a writer and educator with strong views on the subject of education. Increasingly, as arts education is cut from the public schools, HSFCA programs have become essential to the progress of our young people.

Clearly the Native Hawaiian art tradition is one important element in our artistic and cultural tradition. I believe Cliff will bring a sensibility and point of contact to the commission not embodied in any other commissioner.

I urge you to approve Mr. Kaponu's nomination and send it to the full Senate for confirmation. Thank you.

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