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TESTIMONY OF
THE STATE FOUNDATION ON CULTURE AND THE ARTS
TO
HOUSE COMMITTEE ON TOURISM, CULTURE AND
INTERNATIONAL AFFAIRS
March 8, 2010

S.B. 2143, S.D. 2

Chair Manahan and members of the committee, I am Ronald Yamakawa, executive director of the State Foundation on Culture and the Arts and I appreciate the chance to testify before you on SB 2143, SD2.

The SFCA supports the intent of this bill to stabilize funding of personnel for our agency in the wake of losing 11 FTE positions last year. I must express concerns, however, should this legislation be approved.

There are now no positions supported with General funds in our agency. Over the past several months the support we've received from the arts community, the National Endowment for the Arts and policymakers has been tremendous and it is sincerely appreciated.

We do, however, have serious reservations about the future of the Works of Art Special Fund. Over the past 19 years, deposits into the Special Fund averaged approximately \$2.9 million per annum. Not only are 15 of the agency's 20 staff positions funded with Special funds, but a large part of programming and operations (approximately \$3 million) are made possible through Special fund support.

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Revenues to the fund were low last year and some allotment advices for this year have been cancelled. If more positions are paid with Special Funds it will be completely depleted in two to three years. Therefore, we must be particularly sensitive to any change in our enabling legislation.

We are currently funding the executive director's position and one other administrative position with Special funds and Federal funds as a result of general fund budget restrictions this year. The NEA is evaluating our request to continue funding these administrative and 3 program positions in addition to converting one account clerk position and one clerk stenographer position to be funded with 50% Federal and 50% Special funds.

The SFCA has conservatively managed the Works of Art Special Fund with careful consistency so that acquisitions and exhibitions, in addition to ongoing upkeep services, can be adequately planned. We have curated a stellar collection of site specific and relocatable works of art primarily by local artists. In partnership with the DOE, the Artists in Residence Program impacts students statewide, particularly on the neighbor islands where access to the arts is limited.

Special funds also provide support for operating the Hawaii State Art Museum (HiSAM). The museum budgets approximately \$600,000 per year for core operations, repairs, and public programming. An additional \$240,000 is spent in collaboration with the DOE for education programs that serve many of Hawaii's rural and underserved populations. We are pleased to report that public support for museum programming is steadily increasing.

While the SFCA must make every effort to preserve staffing, we must be true to the law as well. The Works of Art Special Fund was written for a specific and unique purpose. The vision of this law ensures the integrity of the State's art collection and that the one percent will benefit future generations of Hawaii's people. As such, the law and the Works of Art Special Fund were intended to last in perpetuity. Therefore, the SFCA respectfully requests that the committee consider efforts to prolong the life of the Works of Art Special Fund as well as develop options that will create new revenue streams for the agency.

Thank you for the opportunity to testify before you on this measure.

Testimony before the
Senate Committee on Tourism, Culture, & International Affairs

Monday, March 8, 2010
9:30a.m. Conference Room 312

On S.B. 2143 -- Relating to the State Foundation on Culture and the Arts

By Lori V. Thomas

Chair Manahan, Vice Chair Tokioka and members of the committee, I am Lori Thomas, Chairperson of the Hawaii State Foundation on Culture and the Arts, from Oahu. I am testifying as an individual.

While the intent of the legislation is very much appreciated, there are important concerns that I ask this panel to consider.

First, I would like to thank those who have offered this proposal for its clear intent to support the State Foundation's mission by seeking an alternative to General Fund funding for key positions during this economic crisis.

As you may know, the HSFCA has lost 11 positions out of about 30 in the last two years. These losses have clearly threatened the ability of the agency to carry out programs and services that are used and appreciated by thousands of people monthly, from the students in our public schools for whom the only art education they receive may be through State Foundation programs, to visitors who appreciate the arts and culture of Hawaii by their visits to the Hawaii State Art Museum. Of course, untold hundreds and in some months thousands of people appreciate the art on display in public buildings.

Also threatened is federal and private sector funding to carry out a range of programs, mostly aimed to provide learning and life enhancing opportunities for our students and young people that the State Foundation has committed to carrying out.

What you may not know is that the remaining staff of the State Foundation, with the strong support of the commissioners, is working hard to reorganize, adjust and revitalize their efforts to meet our commitments to our young people. We appreciate the support of the arts community, a vibrant and vocal force, to continue our efforts, as well as many government leaders and policy makers.

Our concern with this well intended legislation is that by funding more positions from the Works of Art Special Fund, the fund would be completely depleted within just a few years. Given the political difficulty with reversing this move, that would effectively bring an end not only to the state's art in public places program – the first and perhaps most respected program of its kind in the nation – but also programs that include arts education, and the ability to maintain and operate the Hawaii State Art Museum.

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The commissioners and staff of the HSFCA have worked hard to conservatively manage the Works of Art Special Fund and other programs we provide. We have sought additional private funding when possible and we have recently worked to revitalize the Friends of the Hawaii State Art Museum to support programs that are popular with thousands of Hawaii residents. We have put on hold ambitious plans to extend the reach of the agency as we continue to keep our core programs strongly present throughout the state.

We all know that while we are in a severe fiscal situation right now, better times are ahead. We must be sure that the work of the last almost 50 years “to promote, perpetuate, preserve, and encourage culture and the arts, history and the humanities as central to the quality of life of the people of Hawaii” is not lost for future generations.

Even in these difficult fiscal time, I personally ask you, and I believe many many others who have benefited from the work of the Hawaii State Foundation on Culture and the Arts, including children from end to end of our islands, would ask you to seek other revenue streams for the agency rather than put the Works of Art Special Funds at risk.

Thank you for the opportunity to testify.