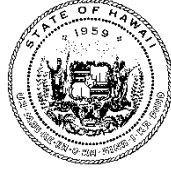


SB 333, SD1

EDT

NEIL ABERCROMBIE
GOVERNOR



BRUCE A. COPPA
Comptroller

RYAN OKAHARA
Deputy Comptroller

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
AND GENERAL SERVICES
P.O. BOX 119
HONOLULU, HAWAII 96810-0119

TESTIMONY
OF
BRUCE A. COPPA, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
SENATE COMMITTEE
ON
ECONOMIC DEVELOPMENT AND TECHNOLOGY
ON
February 16, 2011
S.B. 333, S.D. 1

RELATING TO HISTORIC PRESERVATION

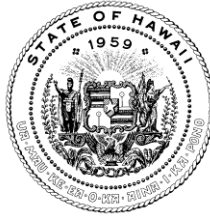
Chair Fukunaga and members of the Committee, thank you for the opportunity to testify on S.B. 333, S.D. 1.

The Department of Accounting and General Services (DAGS) supports S.B. 333, S.D. 1.

DAGS agrees that supporting the restoration and preservation of heritage assets such as Bernice Pauahi Bishop museum, Iolani Palace, and Washington Place is of great importance. DAGS stands ready to support state-designated heritage assets to carry out the intent of this bill.

DAGS welcomes the opportunity to work with the Legislature and the Department of Land and Natural Resources to make sure that any possible concerns regarding the language in this bill are addressed.

Thank you for the opportunity to testify on this matter.



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
WILLIAM J. AILA, JR.
Chairperson**

**Before the Senate Committee on
ECONOMIC DEVELOPMENT AND TECHNOLOGY**

**Wednesday, February 16, 2011
1:15 PM
State Capitol, Conference Room 016**

**In consideration of
SENATE BILL 333, SENATE DRAFT 1
RELATING TO HISTORIC PRESERVATION**

Senate Bill 333, Senate Draft 1 proposes to designate one per cent (1%) of all state capitol improvement funds to fund the Hawaii Historic Preservation Special Fund (Fund) specifically for the operations of the Department of Land and Natural Resources' (Department) State Historic Preservation Division (SHPD) and the routine maintenance of Iolani Palace, Washington Place, and the Bishop Museum. The Department supports this measure with the following amendments:

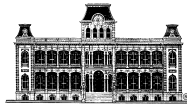
Amend the proposed paragraph (5) of §6E-16(a) to read:

- (5) One per cent of all state funds appropriations for capital improvements designated for the construction or renovation of state building including ordinary maintenance or repair of any feature that does not involve a change in design, material or outer appearance or change in those characteristics which qualified the historic property for entry onto the Hawaii register of historic places.

Amend the proposed paragraph (6) of §6E-16(b) to read:

- (6) Costs related to site modifications, display, and interpretive work necessary to enhance the visitor experience for the Bernice Pauahi Bishop Museum, Iolani Palace, and Washington Place, including specific preventive maintenance and repairs to restore these facilities to a condition reflecting their status in Hawaii's history and the unique heritage of its arts and culture and ordinary maintenance or repair of any feature that does not involve a change in design, material or outer appearance or change in those characteristics which qualified the historic property for entry onto the Hawaii register of historic places.

The Department also suggests that the first \$750,000 in the Fund should be used to pay for two positions within SHPD, fund SHPD's Kauai District Office, and as a match for federal grants in order to more broadly implement the intent of the National Park Service Grant to involve more local communities in historic preservation, and that anything above \$750,000 in the Fund be expended toward the maintenance of Iolani Palace, Washington Place, and the Bishop Museum.



IOLANI PALACE

PH (808) 522-0822 FAX (808) 532-1051

TESTIMONY OF KIPPEN DE ALBA CHU

COMMITTEE ON ECONOMIC DEVELOPMENT AND TECHNOLOGY

Senator Carol Fukunaga, Chair
Senator Glenn Wakai, Vice Chair

Wednesday, February 16, 2011
1:15 pm

SB 333 SD1

Chair Fukunaga, Vice Chair Wakai, and members of the Committee, thank you for the opportunity to testify **in strong support** of this measure with an amendment.

The expansion of the existing historic preservation special fund to include restoration and preservation of Bishop Museum, Iolani Palace, and Washington Place recognizes our indigenous history. Hawaii's uniquely complex artistic and cultural legacy from the time of the monarchy is enshrined in these three historic sites. While not exclusive to these places, this legacy represents the adoption of Western visual forms to serve as emblems of an independent nation on equal status with colonial powers of that time. This 19th century trend, which occurred throughout the world, witnessed the creation of national museums, monuments, palaces, and stately residences that represented a formal, public expression of the character of a nation to its own citizens as well as to foreigners seeking political influence.

The State's support of Hawaii's artistic and cultural heritage, and especially our indigenous culture, is in everyone's best interest if we call the "Aloha State" our home.

Proposed Amendment:

Given the limited scope of the work envisioned under this bill, which includes "specific site modifications, display, interpretive work, and preventive maintenance and repair projects," I kindly request this Committee's concurrence in exempting such work from Chapter 6E, Hawai'i Revised Statutes, which requires a review by DLNR.

Thank you.

HISTORIC HAWAII FOUNDATION

VIA WEB: <http://www.capitol.hawaii.gov/emailtestimony>

To: Sen. Carol Fukunaga, Chair
Sen. Glenn Wakai, Vice Chair
Committee on Economic Development and Technology

From: Kiersten Faulkner
Executive Director, Historic Hawai'i Foundation

Committee Date: Wednesday, February 16, 2011
1:15 p.m.
Conference Room 016

Subject: **SB333 SD1, Relating to Historic Preservation**

On behalf of Historic Hawai'i Foundation (HHF), I am writing in support of SB333 SD1, Relating to Historic Preservation. The bill would require that one percent of state fund appropriations from construction and renovation of state buildings be deposited in the historic preservation special fund; and the purpose of the fund would be expanded to include site modifications, display, interpretive work and specific renovations and repairs for the Bishop Museum, 'Iolani Palace and Washington Place.

Since 1974, Historic Hawai'i Foundation has been a statewide leader for historic preservation. HHF's 850 members and numerous additional supporters work to preserve Hawaii's unique architectural and cultural heritage and believe that historic preservation is an important element in the present and future quality of life, economic viability and environmental sustainability of the state.

The historic, cultural and natural resources of Hawai'i are a great legacy and irreplaceable treasures. HHF strongly supports measures that lead to investments in Hawaii's historic places and that help keep their stories alive for present and future generations.

All three of the historic sites in the bill are designated as significant historic resources. Bishop Museum is on the historic register; Washington Place and 'Iolani Palace are both National Historic Landmarks, the highest level of historic significance and integrity. Each of these sites is an important icon for Hawai'i residents and visitors, adding to the enjoyment, education, and understanding of Hawaii's history and inspiration for the future. We support the effort to identify additional funding sources to help preserve, restore, enhance and celebrate these resources.

Historic Hawai'i Foundation

680 Iwilei Road, Suite 690 • Honolulu, HI 96817 • Tel: 808-523-2900 • FAX: 808-523-0800 • www.historichawaii.org

Historic Hawai'i Foundation was established in 1974 to encourage the preservation of historic buildings, sites and communities on all the islands of Hawai'i. As the statewide leader for historic preservation, HHF works to preserve Hawaii's unique architectural and cultural heritage and believes that historic preservation is an important element in the present and future quality of life, environmental sustainability and economic viability of the state.

HHF also supports the bill as a mechanism for enhancing the historic preservation special fund for the other purposes of the fund, including support for the state's overall historic preservation program.

The State Historic Preservation Division (SHPD) has been decimated over the past several years, with fewer than half of its approved positions filled, as well laboring under a severe reduction in the number of approved positions. The result has been a crisis for both protection of Hawaii's historic and cultural properties, and a severe slow-down in processing of private and public undertakings.

As a result of SHPD being unable to meet the requirements of the National Historic Preservation Act (NHPA), the federal government has placed the State on "high risk" status. If SHPD does not meet the terms of the corrective action plan by September 2012, the State's approval to act as a State Historic Preservation Office will be revoked. If that occurs, the State will no longer have the authority to provide review and approval of federal undertakings in Hawai'i—including construction projects on federal land (e.g. Pearl Harbor, Schofield Barracks, National Parks); funding provided by a federal agency (e.g. Honolulu High Capacity Transit; Department of Transportation projects for highways, bridges, airports and harbors); or federal permits (e.g. Army Corps of Engineers, Environmental Protection Agency).

HHF strongly urges the legislature to support any and all mechanisms by which the SHPD can be restored to full functionality, to operate with professionalism, predictability and effectiveness.

Therefore, HHF recommends that SB333 SD1 be approved.

Historic Hawai'i Foundation

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Historic Hawai'i Foundation was established in 1974 to encourage the preservation of historic buildings, sites and communities on all the islands of Hawai'i. As the statewide leader for historic preservation, HHF works to preserve Hawai'i's unique architectural and cultural heritage and believes that historic preservation is an important element in the present and future quality of life, environmental sustainability and economic viability of the state.

Testimony to the House Committee on Economic Development & Technology
Hearing Date: Wednesday, February 16, 2011
1:15 p.m. – Conference Room 016

SB333, SD1: Relating to Historic Preservation

Thank you for this opportunity to testify in support of SB333, SD1 Relating to Historic Preservation, which requires one per cent of all state fund appropriations designated for the construction and renovation of state buildings to be deposited into the Hawaii historic preservation special fund; adds the costs related to site modifications, display, and interpretive work necessary to enhance the visitor experience for the Bernice Pauahi Bishop Museum, Iolani Palace, and Washington Place to the uses of the fund; and requires reports to the governor and legislature.

Bishop Museum strongly supports SB333, SD1. Enactment of SB333, SD1 will allow Bishop Museum to make Hawai'i a better, more competitive destination, consistent with the strategic initiatives adopted by the Hawai'i Tourism Authority.

As the preamble to SB333, SD1 observes, a largely untapped advantage Hawai'i possesses in economic competition within the Pacific Basin is its own unique historic heritage. Ultimately, this bill is an investment in Hawai'i's economy and its future by preserving its past while instilling pride in residents and educating visitors in the present. Mary Kawena Pukui, Bishop Museum's sage of Hawaiian culture, taught, "*A'ohe pau ka 'ike i ka hālau ho'okahi – Not all knowledge is learned in school alone.*" As one of Hawai'i's premier institutions of art, culture and heritage, Bishop Museum exemplifies this adage. The edification afforded to visitors by Bishop Museum extends beyond the four corners of a classroom, reaching into the very past of Hawai'i and the Pacific. The funding allocated by SB333, SD1 will help perpetuate Bishop Museum's vital role in educating visitors about Hawai'i's unique and rich cultural makeup and storied past, while providing a sense of place, identity, and unity for residents.

Currently, the efficacy with which Bishop Museum fulfills its charge as the State of Hawai'i's Museum of Natural and Cultural History is under siege by the economic challenges of our times. The anticipated eradication of federal earmarks by Congress has severely compounded an already grave situation. This bill will not only provide the resources necessary for Bishop Museum to fulfill its charge; it will also provide work for Hawai'i's industries. In 2010, the Hawai'i State Legislature allocated to the Museum funds for a slate of capital improvement measures. Upon release by the prior Administration in the latter half of 2010, those funds were immediately put to use by Bishop Museum to improve its aging infrastructure, providing work for a number of local contractors and ancillary professionals.

SB333, SD1 exemplifies the State of Hawai'i's recognition of the fact that its history and culture becomes an even greater asset as its economic presence in the Pacific Basin continues to expand. The Bishop Museum, along with Iolani Palace and Washington Place

are entrusted with caring for that asset for the benefit of all of Hawai'i. Bishop Museum believes the proposed amendments on page 5, lines 15 through 19 (the comptroller and institutions deciding on what projects to pursue at their respective facilities) reflect *kokua* among the institutions, of working alongside each other, collaborating and supporting each other to achieve each institution's shared goals of preserving and portraying Hawai'i's storied past and rich culture.

This bill benefits Hawai'i's economy in the short-term by providing jobs. It benefits Hawai'i's economy in the long term by making Hawai'i a better, more competitive destination for business, relaxation, and especially cultural enrichment. And it benefits Hawai'i overall by reinforcing cultural connections and preserving elements of the past that are a source of pride and identity for our people.

Bishop Museum was founded in 1889 by Charles Reed Bishop in honor of his late wife, Princess Bernice Pauahi Bishop, the last descendent of the royal Kamehameha family. Bishop Museum is designated the State Museum of Cultural and Natural History and is a non-profit corporation with the mission to study, preserve and tell the stories of the cultures and natural history of Hawai'i and the Pacific.

AIA HAWAII STATE COUNCIL

EDT / Feb 16, 2011 / 1:15 pm

February 16, 2011

Honorable Carol Fukunaga
Senate Committee on Economic Development & Technology

Re: **Senate Bill 333 SD 1**
Relating to Historic Preservation

Dear Chair Fukunaga and Members of the Committee,

My name is Daniel Chun, Government Affairs Chair of the American Institute of Architects (AIA) Hawaii State Council. AIA is **OPPOSED** to SB 333 SD1 that requires the current 1 percent of all state fund appropriations designated for construction to be deposited into the Hawaii historic preservation special fund and designates certain institutions to receive funds.

Architects were instrumental in passing the original legislation for works of art in public places. We agreed to cede 1 percent of our construction budgets for art in public places, reserving the other 99 percent for other building needs.

There is a misconception by some interests that the 1 percent is a kind of added surcharge upon state funded construction. As noted above it is actually a part of the construction budget for NEW buildings and significant renovations. Under the language of SB 333 SD1 all of our new state construction will be shorn of any public art, depriving the current generation of Hawaii architects and artists from contemporary exploration in the field of public art.

Passage of this bill will create a serious problem in that the process of state funded construction does not currently have any other means of funding public art in new public buildings. Many of the objects of the funding in SB 333 SD1 have the ability to raise private funds for their specific purposes. If the legislature wants to support these other causes, then it should make separate appropriations for those purposes. Thank you for this opportunity to **OPPOSE** Senate Bill 333 SD 1.

