

NEIL ABERCROMBIE  
GOVERNOR



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STATE OF HAWAII  
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February 3, 2012

TESTIMONY TO THE  
HOUSE COMMITTEE ON CULTURE AND THE ARTS

For Hearing on Saturday, February 4, 2012  
9:30 a.m., Conference Room 329

BY

BARBARA A. KRIEG  
INTERIM DIRECTOR

**House Bill No. 2435**  
**Relating to the State Foundation on Culture and the Arts**

**WRITTEN TESTIMONY ONLY**

TO CHAIRPERSON WOOLEY AND MEMBERS OF THE COMMITTEE:

The purpose of H.B. No. 2435 is to administratively place the State Foundation on Culture and the Arts within the Department of Business, Economic Development, and Tourism instead of the Department of Accounting and General Services.

The Department of Human Resources Development has **comments** on the proposed transfer. To protect the rights and benefits of the employees to be transferred, we prefer the following proposed transfer language be used in place of the transfer language pertaining to employees in Section 2 of the bill:

"All employees who occupy civil service positions and whose functions are transferred to the department of business, economic development, and tourism by this act shall retain their civil service status (permanent or temporary). Employees shall be transferred without loss

of salary, seniority, retention points, prior service credit, any vacation and sick leave credits previously earned, and other rights, benefits, and privileges, in accordance with state personnel laws and this Act, provided that the employees possess the minimum qualifications and public employment requirements for the class and/or position to which transferred or appointed, as applicable, provided further that subsequent changes in status may be made pursuant to applicable civil service and compensation laws.

Any employee who, prior to this Act, is exempt from civil service and is transferred as a consequence of this Act, may continue to retain the employee's exempt status, but shall not be appointed to a civil service position because of this Act. An exempt employee who is transferred by this Act shall not suffer any loss of prior service credit, any vacation and sick leave credits previously earned, or other employee benefits or privileges as a consequence of this Act, provided that the employees possess legal and public employment requirements for the position to which transferred or appointed, as applicable; provided that subsequent changes in status may be made pursuant to applicable employment and compensation laws. The director may prescribe the duties and qualifications of such employees and fix their salaries without regard to chapter 76, Hawaii Revised Statutes."

Thank you for the opportunity to offer comments on this measure.

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Dean H. Seki  
Interim Comptroller

Jan S. Gouveia  
Deputy Comptroller

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TESTIMONY  
OF  
DEAN H. SEKI, INTERIM COMPTROLLER  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
TO THE  
HOUSE COMMITTEE  
ON  
CULTURE & THE ARTS  
ON  
February 4, 2012

H.B. 2435

RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS

Chair Wooley and members of the Committee, thank you for the opportunity to testify on H.B. 2435.

The Department of Accounting and General Services (DAGS) supports H.B. 2435.

The State Foundation on Culture and the Arts promotes, perpetuates, preserves, and encourages culture and the arts, history, and the humanities for the citizens of Hawaii. This mission is much closer aligned to the marketing efforts of the Department of Business, Economic Development, and Tourism. In contrast, the Department of Accounting and General Services provides administrative support to executive branch departments and has a diverse group of attached agencies ranging from the State Foundation on Culture and the Arts to the Office of Elections. This bill also organizationally aligns the Executive Budget request to replace the State Foundation on Culture and the Arts' general funding of \$721,000 with Transient

Accommodation Tax funding by placing this agency in the department which will provide its funding.

Thank you for the opportunity to testify on this bill.