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H. B. 2618

RELATING TO WORKS OF ART SPECIAL FUND

Chair Ito and members of the Committee, I am Jonathan Johnson, Executive Director of the State Foundation on Culture and the Arts (SFCA), and I am grateful for the opportunity to comment on H.B 2618.

The percent for art law was created in 1967 based on the intrinsic relationship between art and architecture; where art is included as an essential part of the architectural plan, providing access and education to the people of Hawai'i. Hawai'i was the first state in the nation to adopt a percent for art law where one percent of the architectural fee is set aside for art in State buildings. Designating 1% appropriations from construction and renovation provides a consistent funding base to carry out the intent of HRS 103-8.5 Works of Art special fund. Removing renovation from the law would limit the SFCA's ability to fulfill that obligation.

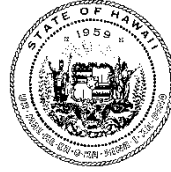
Assigning 50% of expenditures of the works of art special fund for Department of Education (DOE) art facilities, equipment and supplies would unilaterally divert contributions from the Department of Transportation, The University of Hawai'i System the Judiciary and other departments who also contribute to the works of art special fund. The SFCA is actively involved with the DOE and other departments in providing quality arts experiences to best suit the needs of each department. Assigning 50% of expenditures to the DOE would eliminate the Art in

Public Places Program's ability to provide direct service to schools and teachers by focusing our effort in the DOE on facilities, equipment and supplies. This proposed change undermines self-determination for each department and for the SFCA.

The SFCA welcomes an audit of the works of art special fund and the state foundation on culture and the arts.

Thank you for the opportunity to testify on this matter.

DAVID Y. IGE
GOVERNOR



DOUGLAS MURDOCK
Comptroller

AUDREY HIDANO
Deputy Comptroller

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

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

TESTIMONY
OF
DOUGLAS MURDOCK, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
HOUSE COMMITTEE
ON
VETERANS, MILITARY, & INTERNATIONAL AFFAIRS, & CULTURE AND THE ARTS
ON
FEBRUARY 8, 2016

H.B 2618

RELATING TO WORKS OF ART SPECIAL FUND

Chair Ito and members of the Committee, thank you for the opportunity to submit written testimony on H.B. 2618. The Department of Accounting and General Services (DAGS) provides the following comments on H.B. 2618 (the measure).

The revenue of the special fund are from tax exempt bond issuances which requires that proceeds cannot be used for operational purposes. The expenditures for supplies and possibly equipment (depending on the estimated useful life) could represent operational funding (general funds). If these expenditures are in fact operational in nature, the tax exempt status of the bonds could be lost, creating a significant negative impact on bond holders and the State increasing debt service cost and tarnishing the State's reputation in the financial markets.

Thank you for the opportunity to submit written testimony on this measure.

Hawai'i
Arts
Alliance



*A member of the
Kennedy Center
Alliance for Arts
Education Network*

LATE

Representative Ken Ito, Chair
House Committee on Veterans, Military, & International Affairs, & Culture
and the Arts

RE: **HB 2618**

Dear Chair Ito and Members of the Committee:

On behalf of the umbrella organization, Hawai'i Alliance for Arts Education, a private statewide non-profit DBA Hawai'i Arts Alliance, we are submitting testimony that finds the content of **HB 2618 unfavorable**.

As one of the six partners designated by Act 306/01, we have worked over the last several years to bring arts education into the DOE classrooms as part of the curriculum. There are very effective programs that now provide high quality **in-school** arts education/arts integration that are supported by the HSFCA Arts fund. The six partners designated by Act 306/01 are: HSFCA, DOE, UHM College of Education, UHM College of Arts & Humanities, Hawai'i Arts Alliance, Hawai'i Association of Independent Schools. We need more support to expand those effective programs, rather than division within our own slim resources.

Funding for arts education in Hawai'i has decreased dramatically over the past several years forcing many arts organizations to reduce or eliminate programs. Gold standard research continually demonstrates that arts education results in better academics, creation of key neural pathways in developing brains, better social behaviors and healthier communities. We welcome all suggestions that find support from other sectors of society (private or public) but cannot favor moving funds within our very small sector that could easily result in further removing effective and successful programs.

The arts are of deep value to all of us, essential to our cultural tourism, to the success of our creative industries, and to the complete education of all our children. You will most likely agree that the arts provide a basis for understanding like no other subject. They tell the story of humankind, and we are all participants. As one of our most famous Presidents remarked: "Art establishes the basic human truths, which must serve as the touchstone of our judgment." ~ John F. Kennedy

Mahalo,

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