



HAWAII

STATE FOUNDATION on
CULTURE and the ARTS

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**TESTIMONY OF
THE STATE FOUNDATION ON CULTURE AND THE ARTS
TO THE COMMITTEE ON TOURISM & INTERNATIONAL AFFAIRS
February 7, 2019 at 9:00 a.m. in Rm. 312**

**H. B. 1218
RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS**

Chair Onishi 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 testify in **SUPPORT** of H.B.1218.

H.B.1218 is a request to increase the appropriation ceiling (recurring base) of the Works of Art Special Fund from \$4,508,223 to \$5,500,000 annually. This is a requested increase of \$991,777. The operating budget request in H.B.1218 appears to be reduced by collective bargaining already accounted for in HB418. The SFCA proposes amending the Programs Appropriations section of the bill to reflect the \$991,777 request.

The proliferation of State construction has resulted in increased revenue to the works of art special fund and rising demand for culture and arts programs and services. Even though the fund balance is growing, the SFCA is unable to address the demands of contributing State Departments because the budget ceiling remains static.

Increasing operational demands on the Works of Art Special fund include a Fund Assessment by Budget and Finance, repair and maintenance of the collection, interpretation of the collection including the operations and educational programming of the Hawaii State Art Museum, transporting works of art to neighbor islands and personnel costs. With a higher budget ceiling, we could meet our operational demands.

The current ceiling limits the SFCA's ability to fulfill the obligation carry out the intent of HRS 103-8.5. An increase in the SFCA's budget ceiling would not increase the R&M or CIP budgets of contributing departments, but would be drawn from the available fund balance.

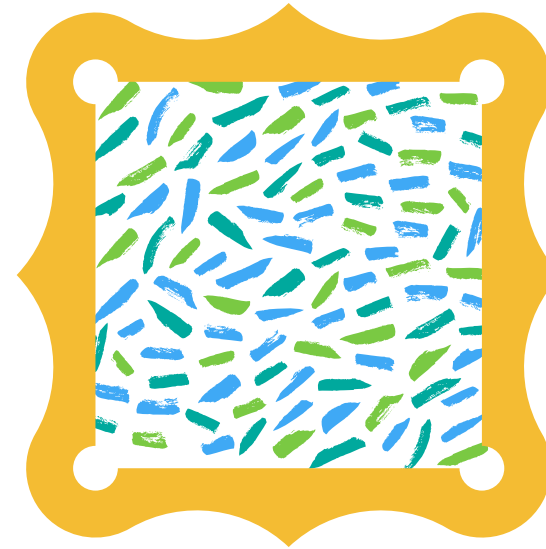
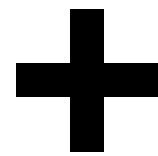
Thank you for the opportunity to submit written testimony on this matter.



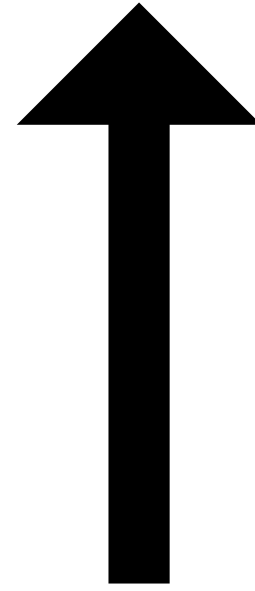
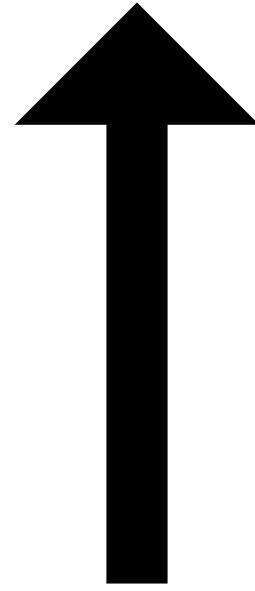
Construction boom



Rise in 1% revenue



**Rise in demand for
artwork**



**Current ceiling limits
SFCA's abilities**