

DAVID Y. IGE
GOVERNOR OF
HAWAII



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

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the House Committee on
CULTURE, ARTS, & INTERNATIONAL AFFAIRS**

**Wednesday, February 9, 2022
10:30 AM**

State Capitol, Conference Room 329, Via Videoconference

**In consideration of
HOUSE BILL 1924
RELATING TO THE HAWAII STATE FOUNDATION ON CULTURE AND THE ARTS**

House Bill 1924 proposes to appropriate funds to the State of 'Hawaii Museum of Monarchy History and the State of Hawaii Museum of Natural and Cultural History, to be expended by the Hawaii State Foundation on Culture and the Arts. **The Department of Land and Natural Resources (Department) offers the following comments.**

The Department appreciates the intent of the Legislature to support the State of 'Hawai'i Museum of Monarchy better known as 'Iolani Palace. The Department also feels that State support of 'Iolani Palace is essential due to its significant value to the people of 'Hawaii.

The Department executed a 25-year general lease with the Friends of 'Iolani Palace (Friends) to manage and operate 'Iolani Palace, 'Iolani Palace Barracks (Hale Koa) and the Coronation Pavilion. The Department's Division of State Parks (State Parks) regulates and manages the various public special use activities and events of the adjacent four quadrants that comprise the grounds surrounding the buildings and authorizes events that are managed by the Friends that are a primary source of operating revenue.

State Parks also administers and executes capital improvement projects for the buildings and appurtenant structures. The Department of Accounting and General Services performs all the grounds and tree maintenance functions and manages the parking areas surrounding the Palace and oversees the modern Archives Building.

The Friends have funded its operations entirely from earned revenues, donations, and grants (both private and government) for such items as salaries & benefits, repair and maintenance, and

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
FIRST DEPUTY

M. KALEO MANUEL
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

regular expenses of the Palace such as electricity, heating ventilation, and air conditioning (HVAC) maintenance, water for chillers and a security camera contract.

The Department feels that State support of 'Iolani Palace is essential due to its significant value to the people of 'Hawaii.

Thank you for the opportunity to comment on this measure.

DAVID Y. IGE
GOVERNOR OF
HAWAII



SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
FIRST DEPUTY

M. KALEO MANUEL
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

Testimony of
SUZANNE D. CASE
Chairperson

Before the House Committee on
CULTURE, ARTS, & INTERNATIONAL AFFAIRS

Wednesday, February 9, 2022
10:30 AM

State Capitol, Conference Room 329, Via Videoconference

In consideration of
HOUSE BILL 1924

RELATING TO THE HAWAII STATE FOUNDATION ON CULTURE AND THE ARTS

House Bill 1924 proposes to appropriate funds to the State of 'Hawaii Museum of Monarchy History and the State of Hawaii Museum of Natural and Cultural History, to be expended by the Hawaii State Foundation on Culture and the Arts. **The Department of Land and Natural Resources (Department) offers the following comments.**

The Department appreciates the intent of the Legislature to support the State of 'Hawai'i Museum of Monarchy better known as 'Iolani Palace. The Department also feels that State support of 'Iolani Palace is essential due to its significant value to the people of 'Hawaii.

The Department executed a 25-year general lease with the Friends of 'Iolani Palace (Friends) to manage and operate 'Iolani Palace, 'Iolani Palace Barracks (Hale Koa) and the Coronation Pavilion. The Department's Division of State Parks (State Parks) regulates and manages the various public special use activities and events of the adjacent four quadrants that comprise the grounds surrounding the buildings and authorizes events that are managed by the Friends that are a primary source of operating revenue.

State Parks also administers and executes capital improvement projects for the buildings and appurtenant structures. The Department of Accounting and General Services performs all the grounds and tree maintenance functions and manages the parking areas surrounding the Palace and oversees the modern Archives Building.

The Friends have funded its operations entirely from earned revenues, donations, and grants (both private and government) for such items as salaries & benefits, repair and maintenance, and

regular expenses of the Palace such as electricity, heating ventilation, and air conditioning (HVAC) maintenance, water for chillers and a security camera contract.

The Department feels that State support of 'Iolani Palace is essential due to its significant value to the people of 'Hawaii.

Thank you for the opportunity to comment on this measure.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON CULTURE, ARTS, & INTERNATIONAL AFFAIRS
ON
HOUSE BILL NO. 1924

February 9, 2022
10:30 a.m.
Room 329 and Videoconference

RELATING TO THE HAWAII STATE FOUNDATION ON CULTURE AND THE ARTS

The Department of Budget and Finance (B&F) offers comments on House Bill (H.B.) No. 1924.

H.B. No. 1924 appropriates unspecified general funds in FY 23 for the State of Hawai'i Museum of Monarchy History and the State of Hawai'i Museum of Natural and Cultural History to be expended by the State Foundation on Culture and the Arts.

B&F notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.



No. 1 Capitol District Building
250 South Hotel Street
Second Floor
Honolulu, HI 96813

Governor
David Y. Ige

Comptroller
Curt T. Otaguro

Chairperson
Lloyd I. Unebasami

Commissioners
Susan Browne
Nalani Brun
Jane Clement
Kālewa Correa
Ronald Michioka
Karen Tiller Polivka
Clyde Sakamoto
Allison Wong

Executive Director
Jonathan Johnson

Telephone
808.586.0300

Fax
808.586.0308

Website
sfca.hawaii.gov

**TESTIMONY OF
THE STATE FOUNDATION ON CULTURE AND THE ARTS
TO THE HOUSE COMMITTEE ON CULTURE, ARTS, & INTERNATIONAL AFFAIRS
February 9, 2022, Conference Room 329 & Videoconference at 10:30AM
H.B. 1924
RELATING TO THE HAWAII STATE FOUNDATION ON CULTURE AND THE ARTS**

Chair Gates and members of the Committee, I am Jonathan Johnson, Executive Director of the State Foundation on Culture and the Arts (SFCA), and we are grateful for the opportunity to testify in **SUPPORT** of H.B. 1924.

The State Foundation on Culture and the Arts recognizes the value of Iolani Palace and Bernice Pauahi Bishop Museum for the State of Hawaii. SFCA supports the appropriation of general funds to the State of Hawaii Museum of Monarchy History (Iolani Palace) and the State of Hawaii Museum of Natural and Cultural History (Bishop Museum) for fiscal year 2022-2023, to be expended by the State Foundation on Culture and the Arts, provided doing so does not replace or adversely impact priorities indicated in the Executive budget.

Hawaii's culture sector is the hardest hit in the nation. Bishop Museum and Iolani Palace have lost significant operating revenue due to the drop in attendance while each institution continues to require care for collections and repair and maintenance of their aging facilities. Funding these institutions through an annual appropriation from the general revenues of the State of Hawaii and on a consistent basis will help to support ongoing operations to preserve irreplaceable cultural treasures. Both Bishop Museum and Iolani Palace have provisions to receive State funds and an exemption from qualifying standards and conditions related to Chapter 42F. The Iolani Palace facility is in the purview of the Department of Land and Natural Resources (DLNR).

The cultural economy is one of our state's most important resources. When we invest in our cultural economy, we invest in economic stability of Hawai'i. State support of these two culturally significant institutions is an investment into cultural preservation as well as the State's economy. As the State recovers from the devastating effects of the global pandemic, visitors will return to Hawai'i and look to visit cultural establishments that in turn, support the revitalization of Hawaii's leading economy; tourism.

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

HB-1924

Submitted on: 2/7/2022 3:13:28 PM

Testimony for CAI on 2/9/2022 10:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Billy Pieper	Iolani Palace	Support	No

Comments:

Aloha!

My name is Billy Pieper and I fully support passage of HB 1924 that would provide State Funding to Iolani Palace.

The Palace is a cultural treasure for Hawaii and the world. The non-profit The Friends of Iolani Palace have done an amazing job of repairing and maintaining the Palace, as well as sharing the story of the Palace and Hawaii with people from all around the world. It's a lot and revenues do not exceed costs. This bill would provide much needed funding to continue their mission as they protect this wahi pana.

Aloha,
Billy Pieper

HB-1924

Submitted on: 2/7/2022 12:31:33 PM

Testimony for CAI on 2/9/2022 10:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Richard Kennedy	Friends of 'Iolani Palace	Support	No

Comments:

Aloha,

I strongly support HB1924 to provide State funding for 'Iolani Palace. The Palace has struggled through COVID, and before, without an endowment or regular State support. My friends are amazed to learn that this cultural treasure of Hawai'i does not have annual funding from the State. The Palace is the piko of the state sharing the ground with the Capitol. It deserves the support of all the people of this great state. Mahalo,

Dr. Richard Kennedy

1010 Wilder, Makiki



IOLANI PALACE

Post Office Box 2259 Honolulu, HI 96804-2259 Telephone (808) 522-0822 FAX (808) 532-1051

**Testimony of
PAULA AKANA
Executive Director**

**Before the House Committees on
CAI, FIN**

**Wednesday, February 9, 2022
10:30 AM
House Conference Room 329 via Videoconference**

**In Consideration of
HOUSE BILL 1924**

**RE: Testimony in SUPPORT of HB 1924, RELATING TO THE HAWAII STATE
FOUNDATION ON CULTURE AND THE ARTS**

Aloha Chair Gates, Vice Chair Tam and Committee Members,

I'm Paula Akana, Executive Director of The Friends of Iolani Palace. We support HB 1924.

This bill would provide funding through the Hawaii State Foundation on Culture and the Arts for Iolani Palace, The State of Hawaii Museum of Monarchy History. It is our understanding this would be a general fund appropriation, separate from the state funding SFCA receives for artist and art programs, etc.

The Friends of Iolani Palace is a non-profit organization. Since 1966, our kuleana has been to protect and preserve the Palace and share its history with Hawaii and the world.

State funding is not new to The Friends. Our records show we received state funding for operations, maintenance and repairs between 1977-1998. In fact, in FY 1992, we received a little more than \$1,000,000.00 – equal to nearly \$2,000,000.00 in today's money.

That funding stopped in FY 1998. Since then, The Friends have continued to operate the Palace, offer ticketing and tours, secure the Palace structures and State Park gates, and continue paying for the maintenance and upkeep. The monies we make on ticket and retail sales, donations, memberships, grants and venue rentals is barely enough to break even. And when things break, or the cost of oil goes up, we see our costs rise. We mahalo lawmakers for last year's legislation, which provided us with ARP funding through SFCA. Without it, we may not have endured.

We fully support HB 1924, as we believe dedicated state funding is needed in order to protect Iolani Palace and to ensure the story of that poignant part of Hawaii's history continues to be shared.

Aloha,

A handwritten signature in black ink that reads "Paula Akana". The signature is written in a cursive, flowing style.

Paula Akana
Executive Director
The Friends of Iolani Palace

HB-1924

Submitted on: 2/7/2022 3:52:26 PM

Testimony for CAI on 2/9/2022 10:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Mark T. Shklov	The Friends of Iolani Palace	Support	No

Comments:

Testimony of Mark T. Shklov in Support of HB 1924

My name is Mark T. Shklov. I am a Hawaii Lawyer and a Member of the Board of Directors of The Friends of Iolani Palace.

Iolani Palace has been designated The State of Hawaii Museum of Monarchy History. It is also a National Historic Landmark and the only royal residence in the United States.

I strongly support House Bill 1924 which would provide monies necessary for fiscal year 2022-2023 for the State of Hawaii Museum of Monarchy History.

If Iolani Palace is properly preserved, restored, and protected, it can provide inspiration to Hawaii's people, especially Hawaii's youth, now and into the future. Iolani Palace is a unique asset that will continue contributing to the people of Hawaii and the world if it is appreciated and cared for.

House Bill 1924 would provide necessary funding to maintain and preserve Iolani Palace for the people of Hawaii and the World.

Mahalo,

Mark T. Shklov

Allen K. Hoe
Attorney at Law
PO Box 3589
Honolulu, Hawaii 96811
(808) 292-6845

Testimony of
Allen K. Hoe

Before the House Committee on
Culture, Arts & International Affairs

Wednesday, February 9, 2022
10:30 AM
Conference room 329 & videoconference

In Consideration of
HOUSE BILL 1924

Re: House Bill 1924, RELATING TO
THE HAWAII STATE FOUNDATION ON CULTURE AND THE ARTS

Aloha Chair ASUEGA GATES, Vice Chair TAM, and Committee members.

I have the privilege of serving as a member of the Board of Directors of the Friends of Iolani Palace. As a native Hawaiian, it is with a deep sense of duty to my kupuna and the ancients of our culture and its legacy to all of the citizens of Hawaii.

I support the this Measure which will provide State Funding to "IOLANI PALACE".

Mahalo for your continuing support.

Allen K. Hoe

HB-1924

Submitted on: 2/8/2022 8:29:30 AM

Testimony for CAI on 2/9/2022 10:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Kaiwi Yoon	Bishop Museum	Comments	No

Comments:

While we are appreciative of continued support for our State Museum, Bishop Museum would like to confirm the source funding should this Bill pass. It is our hope that the Art in State Buildings Law is not adversely affected. Mahalo.



Testimony of Pono Shim of Oahu Economic Development Board

House Committee on Culture, Arts & International Affairs

**Friday, February 9, 2022, 10:30AM
House Conference Room 329 and Videoconference**

**In Consideration of House Bill 1924
Re: House Bill 1924, RELATING TO THE HAWAII STATE FOUNDATION ON
CULTURE AND THE ARTS**

Aloha Chair Gates, Vice Chair Tam and Committee members,

Please accept this testimony in full support of HB1924. In 2009, I was asked to join the Friends of Iolani Palace Board of Directors to provide specific skill sets to the Board and for the long term vision and recovery of our Palace. The vision and courage of Governor Burns to turn the management kuleana of the Palace to the Friends of Iolani Palace, yet sustain the government support by keeping the Palace as a State building to be maintained, like all other state buildings, is significant to the foundation of the Palace as a resource for our residents and the world.

As the Chairman of the Board of Directors for the Friends of Iolani Palace I ask that you continue to move this initiative forward. As the ugliness of the political and economic warring is happening locally and globally, we need actions and resources to serve as reminders that we are a beautiful and brilliant people. The maintenance, preservation, and restoration of the Palace and her stories is not limited to a project, and if lost, is sad. It is much more about ensuring that this resource (not project) will be a guiding resource rather than a time capsule for the future.

Mahalo for your consideration.

Pono Shim
Chairman of the Board of Directors, Friends of Iolani Palace
President and CEO, Oahu Economic Development Board

HB-1924

Submitted on: 2/7/2022 12:38:03 PM

Testimony for CAI on 2/9/2022 10:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Leilani Williams-Solomon	Individual	Support	No

Comments:

would provide State Funding to Iolani Palace.

Aloha, my name is Leilani Williams-Solomon and I humbly and strongly ask you to support HB 1924 that would provide state funding to Iolani Palace. The Palace is a cultural treasure for Hawaii and the world. The non-profit The Friends of Iolani Palace has done an amazing job of repairing and maintaining the Palace, as well as sharing the story of the Palace and Hawaii with people from all around the world. It's a time consuming and expensive effort, and costs far exceed revenues, especially maintenance costs for a unique older historic building such as the Palace. This bill would provide much needed funding to continue their mission of protecting and preserving this wahi pana.

HB-1924

Submitted on: 2/7/2022 3:31:03 PM

Testimony for CAI on 2/9/2022 10:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Kawena Beupre	Individual	Support	No

Comments:

I fully support the passage of HB 1924 which would provide State funding to Iolani Palace.

The Palace is a cultural treasure for Hawaii and the world. The non-profit ,The Friends of Iolani Palace, has done an amazing job of repairing and maintaining the Palace, as well as sharing the story of the Palace and Hawaii with people from all around the world. This bill would provide much needed funding to continue their mission as they protect this wahi pana.

Aloha, Kawena Beupre

HB-1924

Submitted on: 2/7/2022 5:01:43 PM

Testimony for CAI on 2/9/2022 10:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Malcolm Inamine	Individual	Support	No

Comments:

Aloha I'm Malcolm Inamine and I fully support passage of HB 1924 that would provide State Funding to Iolani Palace.

The Palace is a cultural treasure for Hawaii and the world. The non-profit The Friends of Iolani Palace have done an amazing job of repairing and maintaining the Palace, as well as sharing the story of the Palace and Hawaii with people from all around the world. It's a lot and revenues do not exceed costs. This bill would provide much needed funding to continue their mission as they protect this wahi pana.

Aloha,

Malcolm

HB-1924

Submitted on: 2/8/2022 6:27:08 AM

Testimony for CAI on 2/9/2022 10:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Julie Crabb	Individual	Support	No

Comments:

Aloha,

I fully support passage of HB 1924 that would provide State Funding to Iolani Palace.

The Palace is a cultural treasure for Hawaii and the world. The non-profit The Friends of Iolani Palace have done an amazing job of repairing and maintaining the Palace, as well as sharing the story of the Palace and Hawaii with people from all around the world. It's a lot and revenues do not exceed costs. This bill would provide much needed funding to continue their mission as they protect this wahi pana.

Aloha, Julie Crabb

HB-1924

Submitted on: 2/8/2022 6:46:46 AM

Testimony for CAI on 2/9/2022 10:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Brennon T. Morioka	Individual	Support	No

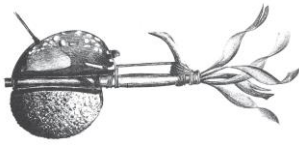
Comments:

I am currently a Board Member with the Friends of Iolani Palace and fully support HB1924 as it provides funding for one of truest Hawaii's treasures. It is important that we support this palace from all aspects of our community from the general public, to our visitors, as well as both the public and private sectors.

I ask for your favorable consideration.

Aloha

Brennon Morioka



SOCIETY FOR HAWAIIAN ARCHAEOLOGY

P.O. BOX 22458 HONOLULU, HAWAII 96823

TO: Senator Cedric Asuega Gates, Chair
Senator Adrian K. Tam, Vice Chair
Committee on Culture, Arts, & International Affairs (CAI)

Senator Sylvia Luke, Chair
Senator Ty Cullen, Vice Chair
Committee on Finance (FIN)

FROM: Mara Mulrooney, Ph.D.
President, Society for Hawaiian Archaeology
membership@hawaiianarchaeology.org

HEARING: February 9, 2022, 10:30AM, Conference Room 329 & Videoconference

SUBJECT: Testimony regarding HB 1924, Relating to the Hawai'i State Foundation on Culture and the Arts

I am Mara Mulrooney, President of the Society for Hawaiian Archaeology (SHA). We have over 150 members including professional archaeologists and advocates of historic preservation. On behalf of SHA, **we would like to provide comments on HB 1924 as written.**

The intent of HB 1924 is to appropriate funds to the State of Hawai'i Museum of Monarchy History, known as 'Iolani Palace, and the State of Hawaii Museum of Natural and Cultural History, known as the Bishop Museum, to be expended by the Hawai'i State Foundation on Culture and the Arts.

HB 1924 ensures the protection of Hawai'i's irreplaceable cultural objects that are housed within these museums with the appropriate funding. However, the language that the bill presents is concerning. The Hawai'i State Foundation on Culture and the Arts (HSFCA) presents strict guidelines for funding. HSFCA currently administers a competitive grant program to which the State of Hawai'i Museum of Monarchy History and the State of Hawaii Museum of Natural and Cultural History could apply for funding. HB 1924 does not clearly state if HSFCA will provide the State of Hawai'i Museum of Monarchy History and the State of Hawaii Museum of Natural and Cultural History with separate funding to fulfill the house bill's mission.

Should you have any questions, please feel free to contact me at the above email.

Mahalo for the opportunity to comment.

<https://hawaiianarchaeology.org/>

The Society for Hawaiian Archaeology is a registered tax-exempt organization established in 1980 to promote and stimulate interest and research in the archaeology of the Hawaiian Islands, encourage a more rational public appreciation of the aims and limitations of archaeological research, serve as a bond among those interested in Hawaiian archaeology, both professionals and non-professionals, and aid in directing their efforts into more scientific channels as well as encourage the publication of their results, advocate and assist in the conservation of archaeological data, discourage unethical commercialism in the archaeological field and work for its elimination.