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FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON LABOR, CULTURE AND THE ARTS
ON
SENATE BILL NO. 2731

February 4, 2022
3:00 p.m.
Room 225 and Videoconference

RELATING TO THE BERNICE PAUAHI BISHOP MUSEUM

The Department of Budget and Finance (B&F) offers comments on this bill.

Senate Bill No. 2731 appropriates an unspecified amount of general funds for B&F in FY 23 to provide additional funding support for the Bernice Pauahi Bishop Museum, provided that existing funding for the museum in B&F's budget shall not be supplanted.

B&F notes that Act 88, SLH 2021, removed the recurring operating subsidy of \$626,000 in general funds for the museum from B&F's base budget and replaced it with appropriations of \$626,000 in American Rescue Plan (ARP) Act funds in FY 22 and FY 23 that were made to the State Foundation on Culture and the Arts within the Department of Accounting and General Services (DAGS). Any additional subsidy funding for the museum in FY 23 may be more suitably appropriated to DAGS.

B&F also 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 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.



HAWAII

STATE FOUNDATION on
CULTURE and the ARTS

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**TESTIMONY OF
THE STATE FOUNDATION ON CULTURE AND THE ARTS
TO THE SENATE COMMITTEE ON LABOR, CULTURE AND THE ARTS
February 4, 2022, Conference Room 225 & Videoconference at 3:00PM
S.B. 2731
RELATING TO THE BERNICE PAUAHI BISHOP MUSEUM**

Chair Taniguchi 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 S.B. 2731.

The State Foundation on Culture and the Arts recognizes the value of Bernice Pauahi Bishop Museum for the State of Hawaii. SFCA supports the appropriation of general funds to the State of Hawaii Museum of Natural and Cultural History (Bishop Museum) for fiscal year 2022-2023 as presented in S.B. 2731.

Hawaii's culture sector is the hardest hit in the nation. Bishop Museum has lost significant operating revenue due to the drop in attendance while continuing the required care for collections as well as repair and maintenance of an aging facility. Funding Bernice Pauahi Bishop Museum 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. Bishop Museum has provisions to receive State funds and an exemption from qualifying standards and conditions related to Chapter 42F.

The cultural economy is an important resource. When we invest in our cultural economy, we invest in the economic stability of Hawai'i. State support of 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.



February 2, 2022

TO: Senate Committee on Labor, Culture and the Arts

Senate Committee on Ways and Means

FR: Kanaeokana Network

RE: IN SUPPORT OF SB2731 RELATING TO BISHOP MUSEUM

Aloha Senator Taniguchi and Committee Members,

Kanaeokana Network is in full support of SB2731 to appropriate funds to support the Bernice Pauahi Bishop Museum. Our network of schools recognize the unique nature of the Bishop Museum to history and learning and it remains an unparalleled repository of treasures of both ancient and modern Hawai'i. As an educational resource for Hawai'i's school children, it is imperative that our tax dollars support the continuance and strengthening of this institution.

Kanaeokana Kula Hawai'i Network includes membership of DOE Hawaiian Language Immersion Program sites, all 17 Hawaiian Focused Charter Schools (HFCS), and over 50 other Hawaiian education organizations.

We humbly ask all committee members to support SB2731.

Mahalo,

Kanaeokana
advocacy@kanaeokana.net



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David Y. Ige
Governor

John De Fries
President and Chief Executive Officer

Statement of
JOHN DE FRIES

Hawai'i Tourism Authority
before the
COMMITTEE ON LABOR, CULTURE AND THE ARTS

February 4, 2022
3:00 p.m.
State Capitol
via videoconference

In consideration of
SENATE BILL NO. 2731
RELATING TO THE BERNICE PAUAHI BISHOP MUSEUM

Aloha Chair Taniguchi, Vice Chair Ihara, and members of the Committee on Labor, Culture and the Arts.

The Hawai'i Tourism Authority (HTA) appreciates the opportunity to offer this testimony in **support** of SB2731, which appropriates moneys to support the Bernice Pauahi Bishop Museum.

Bishop Museum's important work as the officially designated State of Hawai'i Museum of Natural and Cultural History is critical to understanding and contextualizing Hawai'i's natural resources, native culture, and our community. HTA's work is framed by four interacting pillars: Natural Resources, Hawaiian Culture, Community, and Branding – the last of which is dependent upon the strength of the first three.

Our efforts to educate visitors rely upon the kind of work that happens at Bishop Museum, and these efforts are further strengthened by the direct educational experiences visitors and kama'āina alike enjoy at the museum.

We appreciate the opportunity to provide this testimony in **support** of SB2731. Mahalo.

Committee on Labor, Culture and the Arts

Senator Brian T. Taniguchi, Chair

Senator Les Ihara, Jr., Vice Chair

Friday, February 4, 2022 at 3:00 PM

Conference Room 225 & Videoconference

SUPPORT of Senate Bill 2731, Relating to the Bernice Pauahi Bishop Museum



Aloha Chair Taniguchi and Committee Members:

The organizations represented in this written testimony support SB 2731. The Museum stewards more than 25 million catalogued objects, and actively generates and shares knowledge associated with its collections. Its work supports over 50 state and federal government agencies, departments, and affiliated organizations; and without whom many basic questions concerning Hawaii's

people, plants, and animals could not be answered with efficiency and confidence. The collections include over 1.2 million cultural artifacts, representing Native Hawaiian, Pacific Island, and Hawai'i immigrant life; more than 125,000 historical publications, including many in the Hawaiian language; 1 million historical photographs, films, works of art, and publications; and over 22 million plant and animal specimens.

Museum researchers have discovered over 17,000 species of plants, animals, and insects throughout the Pacific region, and have made countless discoveries related to the migration, settlement, and daily life of Pacific peoples. The Museum's educational programs provide science and cultural education opportunities to thousands of Hawai'i's schoolchildren each year, and it is estimated that the Museum has hosted more than 10 million visitors over its history.

Passage of this bill enables our committed staff to protect Hawai'i's irreplaceable collections and primary source knowledge, which is a global resource essential for the perpetuation of our natural and cultural heritage. Thank you for your consideration and for the opportunity to provide testimony in support of this important bill.

Me ka ha'a ha'a,

A handwritten signature in black ink, appearing to read 'Melanie Y. Ide', written in a cursive style.

Melanie Y. Ide
President & CEO
Bishop Museum