

JAN 21 2011

A BILL FOR AN ACT

RELATING TO THE ARTS, CULTURE, AND HERITAGE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. In recent years, Hawaii has experienced the
2 largest economic downturn in the State's history, and full
3 recovery is still years away. Given the enormity of the cuts in
4 the current biennium budget and uncertainties surrounding the
5 State's budget for the coming biennium, it is likely that the
6 funding for arts, culture, and heritage programs throughout the
7 islands will continue to suffer from funding shortfalls.

8 The demise of the Honolulu Symphony, the uncertain future
9 of Kumu Kahua Theatre, the potential merger of two of Hawaii's
10 largest private museums - the Honolulu Academy of Arts and the
11 Contemporary Museum - and program and staffing cuts throughout
12 the State's arts, culture, and heritage organizations have had a
13 devastating impact on communities statewide.

14 For example, the state foundation on culture and the arts
15 grants budget of \$2,200,000 in fiscal biennium 2007-2009,
16 leveraged an additional \$28,200,000 into Hawaii's economy and
17 was, in effect, more than a twelve-to-one match from federal and
18 private sources. Elimination of that funding could result in



1 the loss of 2,357 jobs that contribute over \$1,000,000 to the
2 State's economy in taxable income.

3 During these economically challenging times, Hawaii's
4 diverse range of arts, culture, and heritage offerings also
5 plays an important role in preserving the uniqueness of the
6 Hawaii visitor experience and maintaining a steady flow of
7 visitors to Hawaii's shores from the mainland and overseas.

8 The legislature finds that, in the current economic
9 climate, it is necessary to draw upon alternative funding
10 sources to protect the viability of Hawaii's unique arts,
11 culture, and heritage programs. The legislature further finds
12 that, as a result of projected accelerated construction
13 programming, the works of art special fund will experience an
14 increase in the level of bond proceeds deposited into the fund.

15 The purpose of this Act is to expand the uses of the works
16 of art special fund and to rename the fund to reflect this new
17 direction.

18 SECTION 2. Section 9-22, Hawaii Revised Statutes, is
19 amended to read as follows:

20 "[~~§~~9-22~~§~~] **State art museum; establishment.** The state
21 art museum is established within the foundation. The operations
22 of the state art museum shall be funded and supported by the



1 ~~[works of art]~~ arts, culture, and heritage special fund,
2 pursuant to section 103-8.5."

3 SECTION 3. Section 103-8.5, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "§103-8.5 ~~[Works of art]~~ Arts, culture, and heritage
6 **special fund.** (a) There is created ~~[a works of art]~~ an arts,
7 culture, and heritage special fund, into which shall be
8 transferred one per cent of all state fund appropriations for
9 capital improvements designated for the construction cost
10 element; provided that this transfer shall apply only to capital
11 improvement appropriations that are designated for the
12 construction or renovation of state buildings. The one per cent
13 transfer requirement shall not apply to appropriations from the
14 passenger facility charge special fund established by section
15 261-5.5 and the rental motor vehicle customer facility charge
16 special fund established under section 261-5.6.

17 (b) The ~~[works of art]~~ arts, culture, and heritage special
18 fund shall be used solely for the following purposes:

19 (1) Costs related to the acquisition of works of art,
20 including any consultant or staff services required to
21 carry out the art in public places and relocatable
22 works of art programs;



- 1 (2) Site modifications, display, and interpretive work
- 2 necessary for the exhibition of works of art;
- 3 (3) Upkeep services, including maintenance, repair, and
- 4 restoration of works of art;
- 5 (4) Storing and transporting works of art[-]; and
- 6 (5) Costs related to site modifications, display, and
- 7 interpretive work necessary to enhance the visitor
- 8 experience for the Bernice Pauahi Bishop Museum,
- 9 Iolani Palace, and Washington Place, including
- 10 specific renovations and repairs to restore these
- 11 facilities to a condition reflecting their status in
- 12 Hawaii's history and the unique heritage of its arts
- 13 and culture.

14 (c) The one per cent amount, which is included in all

15 capital improvement appropriations, shall be calculated at the

16 time the appropriation bills are signed into law. The moneys

17 shall be transferred into the [~~works of art~~] arts, culture, and

18 heritage special fund upon availability of moneys from the

19 appropriations[-] for expenditure by the comptroller in

20 consultation with the state foundation on culture and the arts

21 pursuant to subsection (d) and (f); provided that from July 1,

22 2011, through June 30, 2015, when the transferred moneys exceed



1 \$ _____ annually, any moneys in excess of \$ _____, but
2 not more than \$ _____, shall be expended by the comptroller
3 for the purposes of subsection (b) (5), pursuant to subsection
4 (e). Each agency receiving capital improvement appropriations
5 shall calculate the one per cent amount and transfer the moneys
6 into the [~~works of art~~] arts, culture, and heritage special
7 fund.

8 (d) The comptroller and the state foundation on culture
9 and the arts shall decide on the specific art objects to
10 acquire, giving first consideration to placing appropriate
11 pieces of art at the locations of the original appropriation.

12 The selection of, commissioning artists for, reviewing of
13 design, execution, and placement of, and the acceptance of works
14 of art shall be the responsibility of the comptroller and the
15 state foundation on culture and the arts in consultation with
16 the affected agency or department.

17 (e) The comptroller and the Bernice Pauahi Bishop Museum,
18 Iolani Palace, and Washington Place shall decide on the specific
19 site modifications, display, interpretive work, and renovations
20 and repair projects to be undertaken at the respective
21 facilities.



1 (f) Expenditures from the [~~works of art~~] arts, culture,
2 and heritage special fund shall be made by the comptroller.

3 [~~e~~] (g) The comptroller shall:

4 (1) Provide each agency receiving capital improvement
5 appropriations with information regarding items that
6 shall be included and excluded from the one per cent
7 amount;

8 (2) Ensure that each agency calculates its one per cent
9 amount correctly; and

10 (3) Ensure that each agency transfers the correct amount
11 to the [~~works of art~~] arts, culture, and heritage
12 special fund in a timely manner.

13 [~~f~~] (h) The comptroller and the executive director shall
14 track amounts due from each agency under the one per cent
15 requirement as provided in this section."

16 SECTION 4. The comptroller shall submit to the governor
17 and the legislature:

18 (1) At least twenty days prior to the convening of the
19 regular sessions of 2012, 2013, and 2014, a complete
20 and detailed report on any site modifications,
21 display, interpretive work, and specific renovations



1 and repairs for the Bernice Pauahi Bishop Museum,
2 Iolani Palace, and Washington Place; and
3 (2) At least twenty days prior to the convening of the
4 regular session of 2015, a final report on the
5 projects and expenditures for Bernice Pauahi Bishop
6 Museum, Iolani Palace, and Washington Place, as well
7 as recommendations for a long-term plan to restore and
8 protect state-owned historic heritage properties and
9 facilities to ensure that all Hawaii residents and
10 visitors are able to access and benefit from the arts,
11 culture, and heritage experiences they provide.

12 SECTION 5. Statutory material to be repealed is bracketed
13 and stricken. New statutory material is underscored.

14 SECTION 6. This Act shall take effect on July 1, 2011.

15

INTRODUCED BY: *Carol Fukunaga*

Report Title:

Works of Art Special Fund

Description:

Changes the name of the works of art special fund to an arts, culture, and heritage special fund; expands the uses of the fund to include site modifications, display, interpretive work, and specific renovations and repairs for the Bernice Pauahi Bishop Museum, Iolani Palace, and Washington Place for the period from July 1, 2011, to June 30, 2015; requires report and long-range plan.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

