The Honorable Donna Mercado Kim,
President
and Members of the Senate
Twenty-Seventh State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

Dear President Kim, Speaker Souki, and Members of the Legislature:

This is to inform you that on June 24, 2014, the following bill was signed into law:

SB3125 SD2 HD2 CD1 RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS ACT 138 (14)

Sincerely,

NEIL ABERCROMBIE
Governor, State of Hawaii
A BILL FOR AN ACT

RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS.

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

SECTION 1. The auditor shall conduct a financial and management audit of the state foundation on culture and the arts that shall include but not be limited to determining:

(1) The remaining balance within the works of art special fund;

(2) The amount and source of funds transferred into the works of art special fund;

(3) The total annual expenditures incurred for the acquisition of works of art;

(4) The total annual operating costs, along with a detailed breakdown of these costs, for the state foundation on culture and the arts;

(5) Costs associated with site modifications, display, and interpretive work for the exhibition of works of art;

(6) Costs associated with upkeep services, including maintenance, repair, and restoration of works of art;

(7) The methodology used for obtaining works of art;
The current inventory of acquired works of art under
the control of and maintained by the state foundation
on culture and the arts;

The methodology and systems currently used to monitor
and secure the inventory of acquired works of art;

Best management practices for the state foundation on
culture and the arts;

Whether the current, independent financial audit
performed annually for the state foundation on culture
and the arts, its affiliates, or pass through
entities, is substandard; and

The specific amounts of money:

(A) Spent by the department of transportation on
capital improvement construction for the
enhancement of airport facilities;

(B) Being deposited into the works of art special
fund as required by law; and

(C) Being used from the works of art special fund
solely to purchase works of art for these airport
facilities.

SECTION 2. The auditor shall submit a report of the
auditor's findings and any recommendations regarding the
financial and management audit of the state foundation on
culture and the arts, including any proposed legislation, to the
legislature no later than twenty days prior to the convening of
the regular session of 2015.

SECTION 3. This Act shall take effect on July 1, 2014.

APPROVED this 24 day of JUN, 2014

[Signature]

GOVERNOR OF THE STATE OF HAWAII