

Honolulu, Hawaii

APR 30 2015

RE: S.B. No. 1177
S.D. 1
H.D. 1
C.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1177, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to address the Auditor's findings contained in Report No. 14-11, "Audit of the Hawaii State Foundation on Culture and the Arts," by appropriating funds to establish four full-time equivalent positions (4.0 FTE) with the Hawaii State Foundation on Culture and the Arts (Foundation).

Your Committee on Conference finds that the Foundation is responsible for a collection of nearly six thousand three hundred pieces of art and approximately \$3,000,000 per year in revenue from the works of art special fund. Your Committee on Conference further finds that a recent audit of the Foundation found it needs to



improve its management to ensure the accountability, accessibility, and protection of these important assets and resources.

Your Committee on Conference notes that adequate staffing is critical to the performance of these duties and other strategic goals of the Foundation. Your Committee on Conference understands the challenge of promptly establishing additional staff positions to fulfill the necessary and crucial duties of an organization. The continuance of staff positions is also a critical factor in the successful operation of the Foundation, achievement of its goals, and the preservation of art as a central part of life for the people of Hawaii.

Your Committee on Conference has amended this measure by inserting an appropriation amount of \$113,663 for fiscal year 2015-2016 and \$227,325 for fiscal year 2016-2017 to establish four full-time equivalent positions (4.0 FTE) with the Foundation.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1177, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1177, S.D. 1, H.D. 1, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE



KEN ITO, Co-Chair



SYLVIA LUKE, Co-Chair

ON THE PART OF THE SENATE



BRIAN T. TANIGUCHI, Chair



LORRAINE R. INOUE, Co-Chair



