
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:

1 SECTION 1. The legislature finds that the state foundation
2 on culture and the arts was established by the legislature in
3 1965, to promote, perpetuate, preserve, and encourage culture
4 and the arts, history, and the humanities as central to the
5 quality of life of the people of Hawaii.

6 Since its inception, the foundation has provided millions
7 of dollars to arts and cultural programming statewide, and the
8 art in public places program, established in 1967, was the first
9 such program in the nation created to help local artists through
10 a separate method of funding the arts by accessing one per cent
11 of the construction cost of new state buildings. Currently, the
12 foundation is responsible for: the artists in the schools
13 program, which provides opportunities for K-12 public school
14 students to work with professional artists (established in
15 1970); the folk arts program, initiated through a grant from the
16 National Endowment for the Arts, to promote and perpetuate
17 traditional folk arts throughout the State (1983); the works of

1 art special fund, which created a non-lapsing fund allowing for
2 the long-term planning and completion of public art projects
3 (1989); the individual artist fellowship program to recognize
4 and honor exceptionally talented visual and performing artists
5 (1993); and the Hawaii state art museum, which opened in the
6 fall of 2002 with three galleries featuring artworks from the
7 art in public places collection.

8 In 2008, foundation grants comprised \$249,000 in state
9 general funds and generated matching funds of \$1,026,000 from
10 private, federal, and other sources. Artists in the schools
11 received \$215,000 in general funds and \$225,000 in private
12 matching funds. Arts first received \$640,391 in state funding
13 and \$1,828,963 in private and federal funds. These three
14 programs alone generated \$3,079,963 in non-state revenue to
15 match \$1,104,391 in state support. It is estimated that these
16 grants partially funded more than 2,300 tax-paying jobs and
17 resulted in arts organizations attracting more than \$12,000,000
18 to the State's economy.

19 The legislature is concerned that cuts in either program
20 funding or personnel to support these programs will have a
21 widespread detrimental effect on Hawaii's diverse array of
22 culture and arts network of artists, performing arts

1 organizations, museums, galleries and art retailers, ethnic
2 neighborhoods, entertainers, musicians, and school arts programs
3 throughout the State. In addition, Hawaii's unique cultural and
4 arts offerings play an important role in enhancing the Hawaii
5 visitor experience and maintaining a steady flow of visitors to
6 Hawaii's shores from the mainland and overseas.

7 The state foundation on culture and the arts is also the
8 designated arts agency for partnership with the National
9 Endowment for the Arts, and in its forty-four-year association,
10 the foundation has consistently met the National Endowment for
11 the Arts criteria to receive and distribute federal funds. The
12 legislature is concerned that the loss of foundation staff may
13 jeopardize the foundation's ability to satisfactorily meet
14 federal requirements, which could result in the foundation
15 losing its status as the National Endowment for the Arts partner
16 and eliminate the largest source of public funding for arts in
17 the State.

18 The purpose of this Act is to enhance the fiscal stability
19 of the state foundation on culture and the arts by authorizing
20 use of the works of art special fund to fund the position costs
21 of the executive director of the state foundation on culture and

1 the arts and grants-making and contracts administration
2 employees of the foundation, for a five-year period.

3 SECTION 2. Section 103-8.5, Hawaii Revised Statutes, is
4 amended as follows:

5 1. By amending subsection (b) to read:

6 "(b) The works of art special fund shall be used solely
7 for the following purposes:

8 (1) Costs related to the acquisition of works of art,
9 including any consultant or staff services required to
10 carry out the art in public places and relocatable
11 works of art programs;

12 (2) Site modifications, display, and interpretive work
13 necessary for the exhibition of works of art;

14 (3) Upkeep services, including maintenance, repair, and
15 restoration of works of art;

16 (4) Storing and transporting works of art~~[]~~; and

17 (5) Paying the personnel costs of administrative, grants,
18 and contracts personnel of the foundation hired
19 pursuant to chapter 9."

20 2. By amending subsections (d), (e), and (f) to read:

21 "(d) The comptroller and the state foundation on culture
22 and the arts shall decide on the specific art objects to

1 acquire, giving first consideration to placing appropriate
2 pieces of art at the locations of the original appropriation.

3 The selection of, commissioning artists for, reviewing of
4 design, execution, and placement of, and the acceptance of works
5 of art shall be the responsibility of the [~~comptroller and the~~]
6 state foundation on culture and the arts in consultation with
7 the affected agency or department.

8 Expenditures from the works of art special fund shall be
9 made by the comptroller.

10 (e) The comptroller shall:

11 (1) Provide each agency receiving capital improvement
12 appropriations with information regarding items that
13 shall be included [~~and excluded from~~] in the one per
14 cent amount;

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

17 (3) Ensure that each agency transfers the correct amount
18 to the works of art special fund in a timely manner.

19 (f) The comptroller and the executive director shall track
20 amounts due from each agency under the one per cent requirement
21 as provided in this section[~~-~~] and shall report the information

1 required under this subsection and subsection (c) annually to
2 the governor and the legislature."

3 SECTION 3. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 4. This Act shall take effect on July 1, 2050;
6 provided that the amendments made to section 103-8.5(b), Hawaii
7 Revised Statutes, shall be repealed on June 30, 2015, and
8 section 103-8.5(b), Hawaii Revised Statutes, shall be reenacted
9 in the form in which it read on the day before the effective
10 date of this Act.

11

Report Title:

State Foundation on Culture and the Arts; Staff Funding

Description:

Authorizes the use of moneys from the works of art special fund for specific state foundation on culture and the arts personnel costs; deletes exclusion from the one per cent amount; requires an annual report to the governor and the legislature; use of the fund for personnel costs sunsets June 30, 2015; effective July 1, 2050. (SD1)

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