

JAN 23 2009

A BILL FOR AN ACT

RELATING TO THE ARTS.

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

1 SECTION 1. Since the 2008 regular legislative session, the
2 State of Hawaii has experienced the largest economic downturn in
3 the State's history, with recent forecasts from the council on
4 revenues projecting a \$2,000,000,000 shortfall in revenues from
5 fiscal year 2009 to fiscal year 2011. Given the enormity of
6 budget cuts that may be needed during the upcoming legislative
7 biennium, it is likely that the Hawaii state foundation on
8 culture and the arts will not be able to fund its normal culture
9 and arts grants or contracts through traditional general fund
10 revenues.

11 However, the agency's grants budget of \$2,200,000 in fiscal
12 biennium 2007-2009 leveraged an additional \$28,200,000 into
13 Hawaii's economy and was, in effect, more than a twelve to one
14 match from federal and private sources. The elimination of the
15 funding provided through the agency's grant programs could
16 result in the loss of 2,357 jobs that contribute over \$1,000,000
17 to the State's economy in taxable income.



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

6 The legislature finds that, in the current economic
7 downturn, it is necessary to draw upon alternative funding
8 sources to protect the viability of Hawaii's culture and arts
9 community of performing artists, creative media practitioners,
10 writers and playwrights, and many others. The state
11 administration announced an economic stimulus package that will
12 expedite approximately \$1,800,000,000 of funds for much needed
13 repairs and upgrades of Hawaii's schools, higher educational
14 facilities, and transportation infrastructure facilities, which
15 will infuse the local economy with government spending.

16 The legislature further finds that, as a result of
17 accelerated construction programming during 2009 and 2010, the
18 works of art special fund will experience an increase in the
19 level of bond proceeds deposited into the fund.

20 The purpose of this Act is to authorize the use of bond
21 proceeds deposited into the State's works of art special fund to
22 support the culture and arts organizations that would otherwise



1 be funded by the Hawaii state foundation on culture and the arts
2 for a temporary period from 2009 to 2012.

3 SECTION 2. Section 9-7, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "[+]§9-7[+] Requirement for artists receiving an
6 individual artist fellowship. (a) Each artist who, after
7 meeting the qualifications set out in section 9-6, receives an
8 individual artist fellowship from the foundation, is required to
9 hold an exhibition or give a performance for the benefit of the
10 people of Hawaii.

11 (b) Any person satisfying the requirements set forth in
12 subsection (a) shall receive a grant in accordance with part II
13 of this chapter."

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

16 "§103-8.5 Works of art special fund. (a) There is
17 created a works of art special fund, into which shall be
18 transferred one per cent for works of art and an additional
19 per cent for works of performing art of all state fund
20 appropriations for capital improvements designated for the
21 construction cost element; provided that this transfer shall
22 apply only to capital improvement appropriations that are



1 designated for the construction or renovation of state
2 buildings. The [~~one per cent~~] percentage transfer requirement
3 shall not apply to appropriations from the passenger facility
4 charge special fund established by section 261-5.5 and the
5 rental motor vehicle customer facility charge special fund
6 established under section 261-5.6.

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

- 9 (1) Costs related to the acquisition of works of art,
10 including any consultant or staff services required to
11 carry out the art in public places and relocatable
12 works of art programs;
- 13 (2) Site modifications, display, and interpretive work
14 necessary for the exhibition of works of art;
- 15 (3) Upkeep services, including maintenance, repair, and
16 restoration of works of art; and
- 17 (4) Storing and transporting works of art.

18 (c) The [~~one per cent~~] percentage amount, which is
19 included in all capital improvement appropriations, shall be
20 calculated at the time the appropriation bills are signed into
21 law. The moneys shall be transferred into the works of art
22 special fund upon availability of moneys from the



1 appropriations. Each agency receiving capital improvement
2 appropriations shall calculate the [~~one per cent~~] percentage
3 amount and transfer the moneys into the works of art special
4 fund.

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

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

14 Expenditures from the works of art special fund shall be
15 made by the comptroller.

16 (e) The comptroller shall:

17 (1) Provide each agency receiving capital improvement
18 appropriations with information regarding items that
19 shall be included and excluded from the [~~one per cent~~]
20 percentage amount;

21 (2) Ensure that each agency calculates its [~~one per cent~~]
22 percentage amount correctly; and



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

3 (f) The comptroller and the executive director shall track
4 amounts due from each agency under the [~~one per cent~~] percentage
5 requirement as provided in this section.

6 (g) For the purposes of this section:

7 "Permanent display" means the process of capturing and
8 preserving a live performance by creating a visual and audio
9 recording or other permanent record from digital or electronic
10 media.

11 "Works of art" includes "arts" as defined in section 9-1,
12 as well as live performing arts, which include, but are not
13 limited to, live music, dance, drama, choreographed athletic or
14 acrobatic performances, poetry readings, speeches, and lectures,
15 and any process by which arts and live performances can be made
16 into a permanent display."

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

19 SECTION 5. This Act shall take effect on July 1, 2009.

20

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Uphold

Report Title:

Culture and Arts; Works of Art

Description:

Amends the requirements relating to an artist that receives a fellowship, dedicates an unspecified percentage of applicable state fund appropriations for capital improvements for the works of art special fund for performing arts, and defines permanent display and works of art.

