

Honolulu, Hawaii

April 27 , 2012

RE: H.B. No. 1054  
H.D. 1  
S.D. 1  
C.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 1054, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

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 assist communities to more effectively support their local libraries by, among other things:

- (1) Authorizing the Board of Education to enter into arrangements or contracts approved by the Governor with any specified tax-exempt nonprofit corporation whose primary purpose is the support of a library within the Hawaii State Public Library System to obtain the use of the books, property, and income of the tax-exempt nonprofit;



- (2) Authorizing the deposit of private donations into the Libraries Special Fund and requiring that moneys specified by a donor to be for the benefit of a specific library be disbursed to that library for its sole use;
- (3) Authorizing the State Librarian to create subaccounts within the Libraries Special Fund to itemize designated private donations;
- (4) Authorizing the head librarian of each library branch, with the approval of the State Librarian in consultation with the Board of Education, to allow the use of public library system facilities and grounds;
- (5) Requiring the net income or proceeds derived from the operation of concessions, vending machines, or other for-profit business enterprises operated within or on the grounds of State library facilities to be deposited into the Libraries Special Fund, with the Board of Education determining the amount;
- (6) Clarifying that a public library is not required to permit the use of its facilities and grounds in order for any entity to establish a tax-exempt nonprofit corporation; and
- (7) Repealing all reference to the Friends of the Library of Hawaii in specified sections of the Hawaii Revised Statutes.

The role the State's public library system plays in enhancing the lives of people in Hawaii's communities has continued to grow and so too does the importance of the organizations that support these vital public institutions. A strong public library system contributes to the economic, educational, and cultural vitality of both the State and the individual communities it serves. Your Committee on Conference hopes that passage of this measure will provide the opportunity for, and encourage, additional public-private partnerships to continue to benefit the state library system at the community level.

Your Committee on Conference also wishes to acknowledge the passion and dedication of those individuals who have given so enthusiastically and selflessly of their time and energy to support the libraries in their communities. Advocates tirelessly



contributed to the development and evolution of this measure, which represents the legislative process at its finest.

Your Committee on Conference has amended this measure by:

- (1) Reinstating reference to the Friends of the Library of Hawaii;
- (2) Clarifying that the Board of Education may enter into arrangements and contracts approved by the Governor with affiliates of the Friends of the Library of Hawaii to obtain the use of the affiliate's books, property, and income;
- (3) Removing provisions permitting the deposit of private donations into the Libraries Special Fund;
- (4) Authorizing the head librarian of each library branch, under the specified conditions, to allow affiliates of the Friends of the Library of Hawaii, through and with the approval of the Friends of the Library of Hawaii, use of state library system facilities and grounds;
- (5) Deleting the requirement that the net income or proceeds derived from the operation of concessions, vending machines, or other for-profit business enterprises be deposited into the Libraries Special Fund, with the Board of Education determining the amount;
- (6) Deleting language clarifying that a public library is not required to permit the use of its facilities and grounds in order for any entity to establish a tax-exempt nonprofit corporation;
- (7) Deleting language specifying that book sales held within or on the grounds of any state library facility will not constitute concessions;
- (8) Requiring that all net proceeds received by the Friends of the Library of Hawaii from the operation of any concession, vending machine, or other activity through a state-wide contract within or on the grounds of any state library facility be deposited in the Friends of the Library of Hawaii Trust Fund;



- (9) Requiring the Friends of the Library of Hawaii, its affiliates, and any nonprofit organization that has used state library facilities for fundraising activities to:
- (A) Deposit the net proceeds of those fundraising activities into individual accounts in a federally insured financial institution with specified conditions for the use of such funds;
  - (B) Prepare and submit to the State Librarian an annual financial statement including specified criteria, with the statement of the Friends of the Library of Hawaii to include the annual financial statements of its affiliates; and
  - (C) Keep true and accurate records of their fundraising activities, subject upon demand to inspection by the State Librarian, for not less than five years;
- (10) Requiring the State Librarian, after giving ten days notice, to revoke any license, permit, concession, or right of entry issued to any organization that fails to comply with the specified requirements;
- (11) Including definitions for "affiliate of the Friends of the Library of Hawaii" and "net proceeds";
- (12) Authorizing, rather than requiring the Board of Education to adopt rules; and
- (13) Making technical, nonsubstantive amendments for clarity and consistency.


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 H.B. No. 1054, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1054, H.D. 1, S.D. 1, C.D. 1.




Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE

  
\_\_\_\_\_  
JILL TOKUDA, Chair

  
\_\_\_\_\_  
ROY TAKUMI, Co-Chair

  
\_\_\_\_\_  
MICHELLE KIDANI, Co-Chair

  
\_\_\_\_\_  
KYLE T. YAMASHITA, Co-Chair



Hawaii State Legislature

CCR 65-12

Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: <b>HB 1054, HD 1, SD 1</b>	Date/Time: <b>4/27/12 10:21 am</b>
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The recommendation of the House and Senate managers is to pass with amendments (CD).



The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
TOKUDA, Jill N., Chr.	✓				TAKUMI, Roy M., Co-Chr.	✓			
KIDANI, Michelle N., Co-Chr.	✓				YAMASHITA, Kyle T., Co-Chr.	✓			
SLOM, Sam	✓				HASHEM, Mark J.	✓			
					MIZUNO, John M.				✓
					JOHANSON, Aaron Ling	✓			
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>TOTAL</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>1</b>

A = Aye      WR = Aye with Reservations      N = Nay      E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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