

Honolulu, Hawaii

March 23, 2012

RE: S.B. No. 2994
S.D. 2
H.D. 1

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

Sir:

Your Committee on Education, to which was referred S.B. No. 2994, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO STATE LIBRARIES,"

begs leave to report as follows:

The purpose of this measure is to amend provisions relating to the use public library facilities, property, and income by, among other things:

- (1) Making public library facilities available for use by tax-exempt organizations formed for the purpose of supporting libraries;
- (2) Clarifying that the Board of Education may enter into an agreement with any tax-exempt nonprofit corporation to obtain the use of the books, property, and income of the nonprofit corporation;
- (3) Requiring the head librarian of each library branch and the State Librarian to consult with the Board of Education when permitting use of library facilities and grounds;
- (4) Requiring the Board of Education to determine the amount of net income or proceeds received from the operation of any concession, vending machine, or other for-profit



business enterprise within or on state library facilities to be deposited into the Libraries Special Fund instead of the Hawaii State Library Foundation Trust Fund and the Friends of the Library of Hawaii Trust Fund; and

- (5) 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.

This measure also removes all references to the Friends of the Library of Hawaii and the Hawaii State Library Foundation and repeals the Hawaii State Library Foundation Trust Fund.

Numerous concerned individuals supported this measure. Friends of the Library of Hawaii; Friends of the Library, Kahuka, Oahu, Hawaii; the Representative from the 38th Representative District; and many concerned individuals opposed this measure. The Hawaii State Public Library System and a concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Reinstating references to the Friends of the Library of Hawaii;
- (2) Deleting the requirement that the head librarian of each library branch and the State Librarian consult with the Board of Education when permitting use of library facilities and grounds;
- (3) Allowing public library system facilities and grounds to be used only by nonprofit corporations whose sole, rather than primary, purpose is to support and benefit a specific library branch;
- (4) Deleting the requirement that the Board of Education determine the amount of net income or proceeds received from the operation of any concession, vending machine, or other for-profit business enterprise within or at state library facilities to be deposited into the Libraries Special Fund;



- (5) Deleting the requirement that the Board of Education adopt rules for the use of state library system facilities and grounds; and
- (6) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2994, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2994, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Education,



ROY TAKUMI, Chair



