

STAND. COM. REP. NO. 1261

Honolulu, Hawaii

**MAR 25 2021**

RE: H.B. No. 1193  
H.D. 1  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committees on Labor, Culture and the Arts and Government Operations, to which was referred H.B. No. 1193, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CAPITAL IMPROVEMENT PROJECTS FOR THE STATE,"

beg leave to report as follows:

The purpose and intent of this measure is to appropriate funds for capital improvement projects relating to Iolani Palace and the State Archives.

Your Committees received testimony in support of this measure from the Department of Accounting and General Services; Department of Land and Natural Resources; The Friends of Iolani Palace; Oahu Economic Development Board; Aloha State Services, Ltd.; Historic Hawai'i Foundation; and ten individuals. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that Iolani Palace and the State Archives are irreplaceable parts of the State's legacy, history, culture, and identity. Iolani Palace, which was constructed in 1879, is a living restoration of a proud Hawaiian national identity, a registered National Historic Landmark, and the only palace of official royal residence in the United States. The 142-year-old palace is an important cultural and historical landmark



that represents the dignity and unique history of the people of Hawaii. According to the Department of Land and Natural Resources (DLNR), the last time portions of the palace's roof were repaired was over two decades ago in 2000, and due to increasing decay and leakage during rain, the roof and various other architectural elements of the palace are deteriorating. For example, The Friends of Iolani Palace, the non-profit corporation that preserves, restores, and protects the Iolani Palace, testified that the top-portion of the palace's decorative columns made of lead and weighing approximately three pounds, had recently broken off and fell to the ground. According to DLNR, after the last major storm event, the leakage has expanded to other areas within the palace and threatens the integrity of the exhibits.

The State Archives is responsible for collecting, arranging, describing, and making accessible the public archives of the State. According to the Department of Accounting and General Services (DAGS), the State Archives facility, which was designed in 1954, is severely outdated in both form and function. The facility is currently at ninety-four percent of its approximately 14,000 cubic feet of storage-capacity and is projected to reach full capacity in five years. The current facility's electrical grid cannot accommodate the millions of electronic records being created. Furthermore, the facility's space limitations are severely impinging upon the State Archive's ability to conduct utility classroom activities and make educational and outreach efforts to the public and school groups while serving patrons conducting archival research; display the historical artifacts it holds in the public trust; collect archives and conduct proper processing and conservation of the materials; and engage more volunteers to assist its staff, thereby reducing the number of records that can be made available to the public. Your Committees further find that the coronavirus disease 2019 pandemic, which greatly disrupted the public's ability to travel and access the State Archive records in person, highlighted the need to post more of the records online to be accessible to people around the world, twenty-four hours a day, seven days a week. However, the State Archive's current facility is incapable of providing the digitization infrastructure necessary for such large-scale access.

This measure serves to protect the unique history of Hawaii by appropriating funds for needed repairs and updates for the Iolani Palace and State Archives.



Your Committees note testimony of the Department of Budget and Finance, advising that general obligation bonds cannot be used for operating costs. Your Committees also note that H.B. No. 777, S.D. 1, scheduled to be considered by your Committee on Labor, Culture and the Arts immediately following this measure, proposes to authorize the funding of the State of Hawaii Museum of Natural and Cultural History aka the Bernice Pauahi Bishop Museum (Bishop Museum) and the State of Hawaii Museum of Monarchy History aka Iolani Palace, using the Works of Art Special Fund. The State Foundation on Culture and the Arts submitted testimony opposing H.B. No. 777, S.D. 1, stating that this measure is better suited to appropriate the funds being sought by the Bishop Museum and Iolani Palace.

Accordingly, your Committees have amended this measure by:

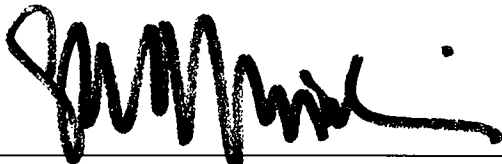
- (1) Inserting \$2,965,000 as the sum of general obligation bonds the Director of Finance is authorized to issue under this measure for the purposes of financing the following capital improvement projects:
  - (A) Iolani Palace: \$1,000,000 for construction and equipment for renovation and improvements to the roof, to be expended by DLNR;
  - (B) State Archives: \$1,000,000 for development of a state archives master plan to include the expansion and creation of new collections processing and storage, administrative, public research, exhibition, and community engagement spaces, to be expended by DAGS;
  - (C) Bishop Museum: A total of \$965,000 for plans, design, construction, and equipment for renovations and improvements, for the following, to be expended by DAGS:
    - (i) \$240,000 for installation of fire sprinkler systems in Pauahi Building;
    - (ii) \$100,000 for nitrate removal and fire safety improvements in Pauahi Building;



- (iii) \$375,000 for fire rated egress improvements for Konia Building; and
  - (iv) \$250,000 to repair water infiltration in Hale Kini Building; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Labor, Culture and the Arts and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1193, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1193, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Labor, Culture and the Arts and Government Operations,



SHARON MORIWAKI, Chair



BRIAN T. TANIGUCHI, Chair



The Senate  
 Thirty-First Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Labor, Culture and the Arts**  
**LCA**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1193, HD1	LCA/GVO, WAM	3/22/2021		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TANIGUCHI, Brian T. (C)	✓			
IHARA, Jr., Les (VC)	✓			
CHANG, Stanley	✓			
KEOHOKALOLE, Jarrett				✓
FEVELLA, Kurt	✓			
<b>TOTAL</b>	4	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes

