

Honolulu, Hawaii

FEB 19 2021

RE: S.B. No. 1380
S.D. 1

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

Sir:

Your Committee on Labor, Culture and the Arts, to which was referred S.B. No. 1380 entitled:

"A BILL FOR AN ACT RELATING TO CAPITAL IMPROVEMENT PROJECTS FOR IOLANI PALACE,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the issuance of general obligation bonds in the sum of \$1,000,000 to finance capital improvement projects for Iolani Palace to be expended by the Department of Accounting and General Services; specifically, as funding for the construction for roof repairs and improvements to the palace.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; The Friends of Iolani Palace; Aloha State Services, Ltd.; Oahu Economic Development Board; and five individuals.

Your Committee finds that Iolani Palace, 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, the last time portions of the palace's roof were repaired was 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. Your Committee also acknowledges that The Friends of Iolani Palace, the non-profit corporation that preserves, restores, and protects the Iolani Palace, receives no financial subsidy from the State for operational support. As such, the corporation relies solely on ticket sales, gift shop sales, and donations to develop the cultural exhibits and functions held at the palace to educate people about Hawaii's history and culture. According to the testimony of The Friends of Iolani Palace, the disruption caused by the coronavirus disease 2019 (COVID-19) pandemic required the palace to close for nearly four months, resulting in the corporation cutting their employees' salaries and terminating nearly half of its staff. During such disruption, the roof of the palace continued to leak, and a new leak was discovered recently during heavy rains. This measure will provide funding to address the critical need for roof repair and improvements to the palace to protect the integrity of various antiquities and elements of this treasured historical site.

Your Committee also notes the testimony of the Department of Land and Natural Resources regarding the allocation of departmental duties regarding the maintenance and management of Iolani Palace. Specifically, the Department of Accounting and General Services is responsible for the maintenance and management of the grounds, trees, and parking areas surrounding Iolani Palace, whereas capital improvements for the buildings and appurtenant structures are administered by the Department of Land and Natural Resources. As such, the funding for the construction of roof repair and improvements to the Iolani Palace should be expended by the Department of Land and Natural Resources.

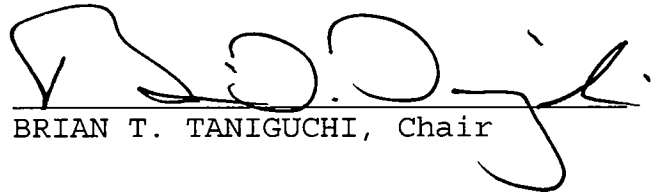
Your Committee has amended this measure by:

- (1) Amending section 2 to reflect that the sum appropriated for this measure be expended by the Department of Land and Natural Resources; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.



As affirmed by the record of votes of the members of your Committee on Labor, Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1380, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1380, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Labor, Culture and
the Arts,




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:		
SB 1380	LCA, WAM	2/12/21		
<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				✓
KEOHOKALOPE, Jarrett	✓			
FEVELLA, Kurt	✓			
TOTAL	4	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes