

STATE OF HAWAII
HAWAII STATE PUBLIC LIBRARY SYSTEM
'OIHANA HALE WAIHONA PUKE AUPUNI O KA MOKU'ĀINA O HAWAII
OFFICE OF THE STATE LIBRARIAN
44 MERCHANT STREET
HONOLULU, HAWAII 96813

HOUSE COMMITTEE ON EDUCATION
Tuesday, March 21, 2023
Conference Room 309
2:10 pm

By Stacey A. Aldrich
State Librarian

S.B. 1232 SD1 RELATING TO THE STATE LIBRARY SYSTEM

To: Rep. Justin H. Woodson, Chair
Rep. Lisa Marten, Vice Chair
Members of the House Committee on Education

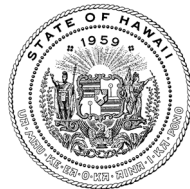
The Hawaii State Public Library System (HSPLS) **supports** S.B. 1232 SD1, which authorizes the State Librarian, with approval from the Board of Education, to impose and collect rates, rents, fees, fines and charges for the use of state library facilities and revise rates, rents, fees and charges as necessary.

Adoption of S.B. 1232 SD1 would provide the HSPLS with a simplified process to update our current fee schedule. Currently, HSPLS is required to utilize the administrative rule process set forth in chapter 91, HRS, to update our schedule of fees. Adoption of administrative rules can take more than a year and is problematic if we want to consider new pilot projects or provide temporary services. As community hubs offering a variety of services, the HSPLS needs flexibility to adjust services to meet changing community needs.

HSPLS supports the SD1 which sunsets this measure on June 30, 2028, and other technical amendments. HSPLS respectfully requests clarification that should this statutory authority expire on June 30, 2028, that the rates, rents, fees and charges in effect on June 30, 2028 shall remain in effect.

Thank you for the opportunity to provide comments on this measure.

JOSH GREEN, M.D.
GOVERNOR



LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

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DEPARTMENT OF BUDGET AND FINANCE
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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY
TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON EDUCATION
ON
SENATE BILL NO. 1232, S.D. 1

March 21, 2023
2:10 p.m.
Room 309 and Videoconference

RELATING TO THE STATE LIBRARY SYSTEM

The Department of Budget and Finance (B&F) offers comments on this bill.

Senate Bill No. 1232, S.D. 1, which amends Sections 2.1 and 4.6 of Chapter 312, HRS, authorizes the State Librarian, with approval from the Board of Education, to impose and collect rates, rents, fees, fines, and charges for the use of State Library facilities and revise rates, rents, fees, and charges as necessary.

It should be noted that a large majority of the State Library facilities are funded by tax-exempt general obligation bonds. Because tax-exempt bonds are utilized, there are Internal Revenue Code restrictions on private activity uses of these facilities. For that reason, B&F strongly recommends caution when contracting for concessions within the State Library facilities. Further, Hawai'i State Public Library System will need to work closely with B&F to ensure private activity restrictions will not be violated.

Thank you for your consideration of our comments.