THE SENATE THIRTY-SECOND LEGISLATURE, 2024 STATE OF HAWAII

S.B. NO. 3281

# A BILL FOR AN ACT

RELATING TO CULTURE AND THE ARTS.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that, pursuant to 2 Act 398, Session Laws of Hawaii 1988, the Bernice Pauahi Bishop 3 Museum was designated as the State of Hawaii Museum of Natural 4 and Cultural History and, pursuant to Act 291, Session Laws of Hawaii 2007, the Friends of Iolani Palace was designated as the 5 6 State of Hawaii Museum of Monarchy History. The legislature 7 also finds that the intent of these designations was to provide 8 the museums with a reliable funding source so that they would no 9 longer be dependent on grants and private donations. The 10 legislature further finds that, during the regular session of 11 2022, \$7,500,000 was appropriated to the State of Hawaii Museum 12 of Natural and Cultural History and \$2,000,000 was appropriated 13 to the State of Hawaii Museum of Monarchy History.

14 The legislature believes that to ensure that the operations 15 of the museums are in alignment with the State's vision, two ex 16 officio, voting members, to be selected from certain state 17 agencies, should be added to board of directors of each museum.

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1 The purpose of this Act is to:

- 2 (1) Require that the State of Hawaii Museum of Natural and
  3 Cultural History and the State of Hawaii Museum of
  4 Monarchy History boards of directors include two ex
  5 officio, voting members, to be selected from the board
  6 of land and natural resources, university of Hawaii,
  7 board of agriculture, or the department of accounting
  8 and general services;
- 9 (2) Require the State of Hawaii Museum of Natural and
  10 Cultural History to submit an annual report to the
  11 legislature; and
- 12 (3) Establish standards and conditions that the State of
  13 Hawaii Museum of Natural and Cultural History must
  14 meet to receive state funds.
- 15 SECTION 2. Section 6E-35, Hawaii Revised Statutes, is 16 amended to read as follows:

17 "§6E-35 Iolani Palace. (a) The official designation of
18 the palace of the former monarchs of Hawaii shall be Iolani
19 Palace.

20 (b) The official designation of the Friends of Iolani
21 Palace shall be the State of Hawaii Museum of Monarchy

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1	History[-]; provided that effective July 1, 2024, in order for		
2	the designation to remain in effect, the board of directors		
3	shall include two ex officio, voting members, to be selected by		
4	the board from the following:		
5	(1) The chair of the board of land and natural resources,		
6	or the chair's designee;		
7	(2) The president of the university of Hawaii, or the		
8	president's designee;		
9	(3) The chair of the board of agriculture, or the chair's		
10	designee; or		
11	(4) The comptroller, or the comptroller's designee.		
12	(c) The qualifying standards and conditions related to the		
13	receipt of funds under chapter 42F shall not apply to funds		
14	received by the State of Hawaii Museum of Monarchy History;		
15	provided that if the museum contracts with a recipient or		
16	provider, then the qualifying standards, conditions, and other		
17	provisions of chapter 42F shall apply to the recipient or		
18	provider and the contract.		
19	[ <del>(c)</del> ] <u>(d)</u> To receive state funds, the State of Hawaii		
20	Museum of Monarchy History shall:		

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1	(1)	Be licensed or accredited, in accordance with federal,
2		state, or county statutes, rules, or ordinances, to
3		conduct the activities or provide the services for
4		which funds are appropriated;
5	(2)	Comply with all applicable federal and state laws
6		prohibiting discrimination against any person on the
7		basis of race, color, national origin, religion,
8		creed, sex, age, sexual orientation, or disability;
9	(3)	Agree not to use the funds for entertainment or
10		lobbying activities;
11	(4)	Be incorporated under the laws of the State;
12	(5)	Have bylaws or policies that describe the manner in
13		which the activities or services for which a grant is
14		awarded shall be conducted or provided;
15	(6)	Have been determined and designated to be a tax-exempt
16		organization by the Internal Revenue Service; and
17	(7)	Have a governing board whose [members] membership
18		shall include two ex officio, voting members, and
19		other members who shall have no material conflict of
20		interest and serve without compensation.

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 $\left[\frac{d}{d}\right]$  (e) The comptroller and state auditor shall have the 1 authority to examine the use of funds appropriated to the State 2 3 of Hawaii Museum of Monarchy History. [<del>(e)</del>] (f) The State of Hawaii Museum of Monarchy History 4 shall provide to the legislature an annual report no later than 5 6 twenty days prior to the convening of each regular session, which shall include an explanation of the facility maintenance 7 and other functions accomplished by state fund expenditures in 8 9 the previous fiscal year." SECTION 3. Section 6E-40, Hawaii Revised Statutes, is 10 amended to read as follows: 11 "§6E-40 Bernice Pauahi Bishop Museum. (a) The official 12 13 designation of the Bernice Pauahi Bishop Museum shall be the 14 State of Hawaii Museum of Natural and Cultural History [-] : provided that effective July 1, 2024, in order for the 15 16 designation to remain in effect, the board of directors shall include two ex officio, voting members, to be selected by the 17 18 board from the following: 19 (1) The chair of the board of land and natural resources, 20 or the chair's designee;



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1	(2)	The president of the university of Hawaii, or the		
2		president's designee;		
3	(3)	The chair of the board of agriculture, or the chair's		
4		designee; or		
5	(4)	The comptroller, or the comptroller's designee.		
6	(b)	The qualifying standards and conditions related to the		
7	receipt o	f funds contained in chapter 42F shall not apply to		
8	funds received by the State of Hawaii Museum of Natural and			
9	Cultural	History; provided that if the museum in turn contracts		
10	with a recipient or provider, then the qualifying standards,			
11	conditions, and other provisions of chapter 42F shall apply to			
12	the recipient or provider and the contract.			
13	(c) The State of Hawaii Museum of Natural and Cultural			
14	History s	hall provide to the legislature an annual report no		
15	later tha	n twenty days prior to the convening of each regular		
16	session,	which shall include an explanation of the facility		
17	maintenan	ce and other functions accomplished by state fund		
18	expenditu	res in the previous fiscal year.		
19	(d)	To receive state funds, the State of Hawaii Museum of		
20	Natural a	nd Cultural History shall:		



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1	(1)	Be licensed or accredited, in accordance with federal,
2		state, or county statutes, rules, or ordinances, to
3		conduct the activities or provide the services for
4		which funds are appropriated;
5	(2)	Comply with all applicable federal and state laws
6		prohibiting discrimination against any person on the
7		basis of race, color, national origin, religion,
8		creed, sex, age, sexual orientation, or disability;
9	(3)	Agree not to use the funds for entertainment or
10		lobbying activities;
11	(4)	Be incorporated under the laws of the State;
12	(5)	Have bylaws or policies that describe the manner in
13		which the activities or services for which a grant is
14		awarded shall be conducted or provided;
15	(6)	Have been determined and designated to be a tax-exempt
16		organization by the Internal Revenue Service; and
17	(7)	Have a governing board whose membership shall include
18		two ex officio, voting members, and other members who
		shall have no material conflict of interest and serve
19		

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SECTION 4. Statutory material to be repealed is bracketed
 and stricken. New statutory material is underscored.

3 SECTION 5. This Act shall take effect on July 1, 2024.

Darwalli

INTRODUCED BY:



#### Report Title:

State of Hawaii Museum of Natural and Cultural History; State of Hawaii Museum of Monarchy History; Annual Report; Standards and Conditions for Receipt of Funds

#### Description:

Requires that the State of Hawaii Museum of Natural and Cultural History and the State of Hawaii Museum of Monarchy History boards of directors include two ex officio, voting members, to be selected from certain state agencies. Requires the State of Hawaii Museum of Natural and Cultural History to submit an annual report to the Legislature. Establishes standards and conditions that the State of Hawaii Museum of Natural and Cultural History must meet to receive state funds.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

