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# A BILL FOR AN ACT

RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS.

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

1       SECTION 1. The legislature finds that the mission of the  
2 state foundation on culture and the arts is to promote,  
3 perpetuate, preserve, and encourage culture and the arts as  
4 central to the quality of life and people of the State. One of  
5 the foundation's strategic priorities includes increasing public  
6 accessibility to arts and culture.

7       The foundation administers the state art museum and the art  
8 in public places and relocatable works of art programs, using  
9 the works of art special fund created pursuant to section  
10 103-8.5, Hawaii Revised Statutes, and also issues grants through  
11 its foundation grants program. The museum and these programs  
12 aim to support, promote, and recognize the excellence of the  
13 State's diverse artists; create, display, and maintain in public  
14 places and the state art museum a collection of works of art  
15 that represent the diversity and excellence of the State's  
16 artistic expression; and provide the fullest possible access to



1 the highest quality aesthetic and educational experiences  
2 available to all the citizens of the State.

3 The legislature further finds that the performing arts also  
4 represent various mediums that express creativity through  
5 singing, dancing, theatre, and musical performances. To ensure  
6 a wide range of artistic creativity and expression in the State,  
7 performing arts should also be recognized as a medium to provide  
8 the State's residents and visitors with creative, educational,  
9 and aesthetic performances that tell meaningful stories and  
10 provide engaging experiences.

11 The purpose of this Act is to further the foundation's  
12 endeavors by:

- 13 (1) Establishing the performing arts grants program, under  
14 the foundation's existing foundation grant program, to  
15 support performing arts in the State;  
16 (2) Establishing the performing arts grants special fund;  
17 (3) Clarifying the scope of the foundation's  
18 responsibilities to include the coordination,  
19 planning, promotion, marketing, and execution of  
20 performing arts events;  
21 (4) Amending the funding sources for the state art museum;



- 1 (5) Amending the amounts required to be transferred into  
2 the works of art special fund, including an annual  
3 transfer amount, and amending the allowable  
4 expenditures from the works of art special fund;
- 5 (6) Appropriating general funds and federal funds for the  
6 operations of the state foundation on culture and the  
7 arts; and
- 8 (7) Appropriating general funds to provide grants under  
9 the performing arts grants program.

10 SECTION 2. Chapter 9, Hawaii Revised Statutes, is amended  
11 by adding two new sections to part II to be appropriately  
12 designated and to read as follows:

13 "§9- **Performing arts grants program.** (a) There is  
14 established a performing arts grants program, to be placed in  
15 the foundation for administrative purposes, to provide grants  
16 for the coordination, planning, promotion, marketing, and  
17 execution of performing arts events.

18 (b) The foundation shall administer the performing arts  
19 grants program in accordance with this part.

20 (c) The foundation shall submit an annual report to the  
21 legislature, no later than twenty days prior to the convening of



1 the regular session of 2026 and every regular session  
2 thereafter, on performing arts grants awarded and the outcomes  
3 of each performing arts event that received a grant.

4 §9- Performing arts grants special fund. (a) There is  
5 established in the state treasury the performing arts grants  
6 special fund, to be administered by the foundation. The  
7 revenues of the special fund shall consist of:

8 (1) Appropriations made by the legislature;

9 (2) Revenues or moneys derived from the foundation's  
10 operations;

11 (3) Grants, gifts, and donations received by the  
12 foundation; and

13 (4) All interest earned on moneys deposited in the fund.

14 The special fund shall be used for the coordination,  
15 planning, promotion, marketing, and execution of performing arts  
16 events.

17 (b) The foundation shall oversee and administer grants for  
18 the coordination, planning, promotion, marketing, and execution  
19 of performing arts events. Applications for grants shall be  
20 made to the foundation and contain any information as the



1 foundation shall require. At minimum, the applicant shall  
2 provide:

3 (1) The name of the requesting organization and  
4 individual;

5 (2) The purpose of the grant;

6 (3) The service to be supported by the grant;

7 (4) The target group to be benefited;

8 (5) The costs of the grant; and

9 (6) Acknowledgment the grant will be used for activities  
10 that are consistent with the purposes of this chapter.

11 (c) Grants shall only be awarded if:

12 (1) The applicant has applied for or received all  
13 applicable licenses and permits required to conduct  
14 the work for which a grant is awarded;

15 (2) The applicant agrees to comply with applicable  
16 federal, state, and county laws;

17 (3) All activities and improvements undertaken with funds  
18 received shall comply with all applicable federal,  
19 state, and county statutes and ordinances, including  
20 applicable building codes and agency rules; and



1       (4) The applicant will indemnify and hold harmless the  
2       foundation, the State, and its officers, agents, and  
3       employees from and against any and all claims arising  
4       out of or resulting from activities carried out or  
5       projects undertaken with funds provided hereunder.

6       Every grant shall be monitored by the foundation to ensure  
7       compliance with this chapter and the purposes and intent of the  
8       grant and shall be evaluated annually to determine whether the  
9       grant attained the intended results in the manner contemplated."

10       SECTION 3. Section 9-1, Hawaii Revised Statutes, is  
11 amended as follows:

12       1. By adding a new definition to be appropriately inserted  
13 and to read:

14       "Performing arts" includes arts or skills that are  
15 intended to be performed before an audience, including but not  
16 limited to dance, singing, musical performances, and theater."

17       2. By amending the definition of "arts" to read:

18       "Arts" includes music, dance, painting, drawing,  
19 sculpture, architecture, drama, poetry, prose, crafts,  
20 industrial design, interior design, fashion design, photography,  
21 television, motion picture art, unique or decorative plants,



1 landscaping, and all other performing arts and creative activity  
2 of imagination and beauty."

3 SECTION 4. Section 9-21, Hawaii Revised Statutes, is  
4 amended to read as follows:

5 "[+]§9-21[+] **Purpose.** The foundation shall administer the  
6 art in public places and relocatable works of art programs,  
7 ~~[pursuant to section 103-8.5,]~~ performing arts grants program,  
8 and the state art museum to achieve the following purposes:

9 (1) Replace in public state buildings the natural beauty  
10 displaced in construction with works of art expressive  
11 of the State's cultural, creative, and traditional  
12 arts of its various ethnic groups;

13 (2) Support, promote, and recognize excellence of the  
14 State's diverse cultural, creative, and traditional  
15 artists; and

16 (3) Create, display, and maintain in public places and the  
17 state art museum a collection of works of art, and  
18 coordinate, plan, promote, market, and execute  
19 performing arts events, that:



- 1 (A) [~~Represents~~] Represent the diversity and  
2 excellence of the State's artistic expression;  
3 and  
4 (B) [~~Provides~~] Provide to all the citizens of the  
5 State the fullest possible access to the highest  
6 quality aesthetic and educational experiences  
7 available."

8 SECTION 5. Section 9-22, Hawaii Revised Statutes, is  
9 amended to read as follows:

10 "~~[+]§9-22[+]~~ **State art museum; establishment.** The state  
11 art museum is established within the foundation. The operations  
12 of the state art museum shall be funded and supported ~~[by the~~  
13 ~~works of art special fund, pursuant to section 103-8.5.]~~ by:

- 14 (1) Appropriations from the legislature;  
15 (2) Federal grants and subsidies;  
16 (3) Voluntary contributions; and  
17 (4) Funds received pursuant to section 9-3(7)."

18 SECTION 6. Section 103-8.5, Hawaii Revised Statutes, is  
19 amended to read as follows:

20 "**§103-8.5 Works of art special fund.** (a) There is  
21 created a works of art special fund, into which shall be





1 transferred the annual transfer amount, as defined in subsection  
2 (i), made available from one per cent of all state fund  
3 appropriations for capital improvements designated for the  
4 construction cost element~~[+]~~ each year; provided that this  
5 transfer shall apply only to general obligation bond fund  
6 capital improvement appropriations that are designated for the  
7 construction or renovation of state buildings. The one per cent  
8 transfer requirement shall not apply to appropriations from the  
9 passenger facility charge special fund established by section  
10 261-5.5 and the rental motor vehicle customer facility charge  
11 special fund established under section 261-5.6.

12 (b) The works of art special fund shall be used solely for  
13 ~~[the following purposes:~~

14 ~~(1) Costs]~~ costs related to the acquisition, planning,  
15 design, and construction of works of art~~[, including~~  
16 ~~any consultant or staff services required to carry out~~  
17 ~~the art in public places and relocatable works of art~~  
18 ~~programs;~~

19 ~~(2) Site modifications, display, and interpretive work~~  
20 ~~necessary for the exhibition of works of art;~~



1       ~~(3) Upkeep services, including maintenance, repair, and~~  
2           ~~restoration of works of art,~~  
3       ~~(4) Storing and transporting works of art.]~~ and related  
4           appurtenances.

5       (c) The one per cent amount, which is included in all  
6       general obligation bond fund capital improvement appropriations,  
7       shall be calculated at the time ~~[the appropriation bills are~~  
8       ~~signed into law.]~~ that each appropriation becomes available.

9       The ~~[moneys shall]~~ comptroller shall cause one per cent of each  
10       general obligation bond fund capital improvement appropriation  
11       designated for the construction or renovation of state buildings  
12       to be transferred into a general obligation bond fund  
13       appropriation the legislature may make specifically for deposits  
14       to the works of art special fund [upon] after availability of  
15       moneys from the appropriations. Each agency receiving capital  
16       improvement appropriations shall calculate the one per cent  
17       amount and transfer the ~~[moneys]~~ appropriation into a general  
18       obligation bond fund appropriation the legislature may make  
19       specifically for deposits to the works of art special fund.

20       (d) The comptroller and the state foundation on culture  
21       and the arts shall decide on the specific art objects to



1 acquire, giving first consideration to placing appropriate  
2 pieces of art at the locations of the original appropriation.

3 The selection of, commissioning artists for, reviewing of  
4 design, execution, and placement of, and the acceptance of works  
5 of art shall be the responsibility of the comptroller and the  
6 state foundation on culture and the arts in consultation with  
7 the affected agency or department.

8 Expenditures from the works of art special fund shall be  
9 made by the comptroller.

10 (e) The comptroller shall:

11 (1) Provide each agency receiving capital improvement  
12 appropriations with information regarding items that  
13 shall be included and excluded from the one per cent  
14 amount;

15 (2) Ensure that each agency calculates its one per cent  
16 amount correctly; ~~and~~

17 (3) Ensure that each agency transfers the correct amount  
18 of each appropriation to a separate appropriation made  
19 for deposits to the works of art special fund ~~[in a~~  
20 ~~timely manner.]; and~~



1       (4) Transfer to the works of art special fund the annual  
2       transfer amount, as defined in subsection (i), from an  
3       appropriation the legislature may make for deposits to  
4       the works of art special fund.

5       (f) The legislature may appropriate \$1,000 of general  
6       obligation bond funds for deposits to the works of art special  
7       fund for each fiscal year. The appropriation will facilitate  
8       the ability of the comptroller to:

9       (1) Receive transfers of appropriation of one per cent of  
10       each general obligation bond fund capital improvement  
11       appropriation designated for the construction cost  
12       element for the construction or renovation of state  
13       buildings; and

14       (2) Convey the annual transfer amount from the  
15       appropriation to the works of art special fund.

16       (g) The balance of the appropriation described in  
17       subsection (f) that is not transferred to the works of art  
18       special fund shall lapse to the general obligation bond fund on  
19       June 30 of each fiscal year.

20       ~~[(f)]~~ (h) The comptroller and the executive director shall  
21 track amounts ~~[due from each agency under the one per cent~~



1 ~~requirement as provided in this section.]~~ transferred to the  
2 works of art special fund, the use of all transferred amounts,  
3 and the timing of the use of all transferred amounts by  
4 appropriation and date of transfer.

5 (i) For the purposes of this section, "annual transfer  
6 amount" means the amount determined each fiscal year that is the  
7 lesser of:

8 (1) \$3,000,000; or

9 (2) \$15,000,000 reduced by the unencumbered balance of the  
10 works of art special fund at the end of the prior  
11 fiscal year."

12 SECTION 7. The following sums or so much thereof as may be  
13 necessary for fiscal year 2025-2026 are appropriated or  
14 authorized, as the case may be, from moneys in the treasury  
15 received from general revenues and federal funds to be expended  
16 by the state foundation on culture and the arts to finance the  
17 positions and other cost items listed below. The letter symbols  
18 used with the specific appropriations indicate the source of  
19 financing and have the following meaning: (A) general revenues,  
20 (N) federal funds.



Prog ID/Org	Position Title/ Program Description	Position #	MOF	FTE (P)	FY 26
AGS 881 LA	Secretary II	16047	A	0.50	23,502
AGS 881 LA	Administrative Services Assistant	21199	A	0.75	47,322
AGS 881 LA	Administrative Services Assistant	21199	N	0.25	15,774
AGS 881 LA	Arts Program Specialist III	26529	A	1.00	71,016
AGS 881 LA	Arts Program Specialist IV	27869	A	1.00	71,016
AGS 881 LA	Accountant IV	31184	A	0.75	67,365
AGS 881 LA	Accountant IV	31184	N	0.25	22,455
AGS 881 LA	Arts Program Specialist II	32873	N	1.00	56,064
AGS 881 LA	Arts Program Specialist III	39045	N	1.00	58,296
AGS 881 LA	Arts Program Specialist II	36841	A	1.00	73,836
AGS 881 LA	Information Specialist III	45697	A	0.75	47,322
AGS 881 LA	Information Specialist III	45697	N	0.25	15,774
AGS 881 LA	Account Clerk III	45700	A	0.75	31,356
AGS 881 LA	Account Clerk III	45700	N	0.25	10,452
AGS 881 LA	Arts Program Specialist III	47047	N	1.00	60,660
AGS 881 LA	Arts Program Specialist III	48120	A	1.00	63,096
AGS 881 LA	Arts Program Specialist II	52285	A	1.00	56,064
AGS 881 LA	Arts Program Specialist II	52286	A	1.00	56,064
AGS 881 LA	Arts Program Specialist II	52287	A	1.00	58,203
AGS 881 LA	Arts Program Specialist III	52288	A	1.00	63,096
AGS 881 LA	Arts Program Specialist III	52290	A	1.00	65,664
AGS 881 LA	Executive Director, SFCA	100256	A	0.75	110,781
AGS 881 LA	Executive Director, SFCA	100256	N	0.25	36,927
AGS 881 LA	Arts Program Specialist II	112785	A	1.00	59,748
AGS 881 LA	Arts Program Specialist II	112788	A	1.00	63,096
AGS 881 LA	Arts Program Specialist III	122671	A	1.00	60,660
AGS 881 LA	Collective Bargaining		A		13,518
AGS 881 LA	Fringe Benefits		N		184,576
AGS 881 LA	Adjustment		A		6,978
AGS 881 LA	Adjustment		N		8,719
AGS 881 LA	Hawaii State Art Museum		A		1,857,580



<b>AGS 881 LA</b>	Interpretive Work		A		425,000
<b>AGS 881 LA</b>	Operating		A		201,923
<b>AGS 881 LA</b>	Consultant Services		A		35,000
<b>AGS 881 LA</b>	Registration		A		34,000
<b>AGS 881 LA</b>	Upkeep Services		A		29,530
<b>AGS 881 LA</b>	Display		A		285,580
<b>AGS 881 LA</b>	Transportation		A		19,085
		Total	A	16.25	3,997,401
			N	4.25	469,697

1       SECTION 8. There is appropriated out of the general  
 2 revenues of the State of Hawaii the sum of \$300,000 or so much  
 3 thereof as may be necessary for fiscal year 2025-2026 and the  
 4 same sum or so much thereof as may be necessary for fiscal year  
 5 2026-2027 to provide grants under the performing arts grants  
 6 program.

7       The sums appropriated shall be expended by the state  
 8 foundation on culture and the arts for the purposes of this Act.

9       SECTION 9. There is appropriated out of the general  
 10 obligation bond funds of the State of Hawaii the sum of \$1,000  
 11 or so much thereof as may be necessary for fiscal year 2025-2026  
 12 and the same sum or so much thereof as may be necessary for  
 13 fiscal year 2026-2027 to provide for the annual transfer amount  
 14 to the works of art special fund pursuant to section 103-8.5,  
 15 Hawaii Revised Statutes.



1       The sums appropriated shall be expended by the department  
2 of accounting and general services for the purposes of this Act.

3       SECTION 10. Statutory material to be repealed is bracketed  
4 and stricken. New statutory material is underscored.

5       SECTION 11. This Act shall take effect upon its approval;  
6 provided that sections 7, 8, and 9 shall take effect on July 1,  
7 2025.





**Report Title:**

SFCA; State Art Museum; Performing Arts Grants Program;  
Performing Arts Grants Special Fund; Works of Art Special Fund;  
Appropriations

**Description:**

Establishes the Performing Arts Grants Program and Performing Arts Grants Special Fund to support performing arts in the State. Clarifies the scope of the SFCA's responsibilities to include the coordination, planning, promotion, marketing, and execution of performing arts events. Amends the funding sources for the State Art Museum. Amends the amounts required to be transferred into, including an annual transfer amount and the allowable expenditures from, the Works of Art Special Fund. Appropriates funds. (CD1)

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

