# 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
- 10 section 103-8.5, Hawaii Revised Statutes, and also issues grants
- 11 through its foundation grants program. The museum and these
- 12 programs aim to support, promote, and recognize the excellence
- 13 of the State's diverse artists; create, display, and maintain in
- 14 public places and the state art museum a collection of works of
- 15 art 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) Authorizing the state foundation on culture and the
- 14 arts to acquire and own property;
- 15 (2) Establishing the performing arts grants program, under
- the foundation's existing foundation grant program, to
- support performing arts in the State;
- 18 (3) Establishing the performing arts grants special fund;
- 19 (4) Clarifying the scope of the state foundation on
- 20 culture and the arts' responsibilities to include the

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1		coordination, planning, promotion, marketing, and
2		execution of performing arts events;
3	(5)	Amending the funding sources for the state art museum;
4	(6)	Amending the amounts required to be transferred by
5		agencies into the works of art special fund and the
6		allowable uses of moneys from the works of art special
7		fund;
8	(7)	Appropriating general funds and federal funds for the
9		operations of the state foundation on culture and the
10		arts; and
11	(8)	Appropriating general funds to provide grants under
12		the performing arts grants program.
13	SECT	ION 2. Chapter 9, Hawaii Revised Statutes, is amended
14	as follow	s:
15	1.	By adding a new section to part I to be appropriately
16	designate	d and to read as follows:
17	" <u>§9-</u>	Powers; property. The foundation may acquire in
18	any lawfu	l manner any property, real, personal, or mixed,
19	tangible (	or intangible, or any interest therein; to hold,
20	maintain,	use, and operate the same; and to sell, lease, or
21	otherwise	dispose of the same at any time, in the manner and to

- 1 the extent necessary or appropriate to carry out its purpose;
- 2 provided that revenues generated from any property be used to
- 3 support the:
- 4 (1) Mission of the foundation; and
- 5 (2) Maintenance, security, operations, or renovation of
- 6 facilities controlled by the foundation."
- 7 2. By adding two new sections to part II to be
- 8 appropriately designated and to read as follows:
- 9 "§9- Performing arts grants program. (a) There is
- 10 established a performing arts grants program, to be placed in
- 11 the foundation for administrative purposes, to provide grants
- 12 for the coordination, planning, promotion, marketing, and
- 13 execution of performing arts events.
- 14 (b) The foundation shall administer the performing arts
- 15 grants program in accordance with this part.
- 16 (c) The foundation shall submit an annual report of
- 17 performing arts grants awarded and the outcomes of each
- 18 performing arts event that received a grant to the legislature
- 19 no later than twenty days prior to the convening of the regular
- 20 session of 2026 and every regular session thereafter.

1	<u>§9-</u>	Performing arts grants special fund. (a) There is
2	establish	ed in the state treasury the performing arts grants
3	special f	und, to be administered by the foundation. The
4	revenues	of the special fund shall consist of:
5	(1)	Appropriations made by the legislature;
6	(2)	Revenues or moneys derived from the foundation's
7		operations;
8	(3)	Grants, gifts, and donations received by the
9		foundation; and
10	(4)	All interest earned on moneys deposited in the fund.
11	The	special fund shall be used for the coordination,
12	planning,	promotion, marketing, and execution of performing arts
13	events.	
14	(b)	The foundation shall oversee and administer grants for
15	the coord	ination, planning, promotion, marketing, and execution
16	of perfor	ming arts events. Applications for grants shall be
17	made to t	he foundation and contain any information as the
18	foundation	n shall require. At minimum, the applicant shall show:
19	(1)	The name of the requesting organization and
20		individual;
21	(2)	The purpose of the grant;

1	(3)	The service to be supported by the grant;
2	(4)	The target group to be benefited;
3	(5)	The costs of the grant; and
4	(6)	That the grant shall be used for activities that are
5		consistent with the purposes of this chapter.
6	(c)	Grants shall only be awarded if:
7	(1)	The applicant has applied for or received all
8		applicable licenses and permits required to conduct
9		the work for which a grant is awarded;
10	(2)	The applicant agrees to comply with applicable
11		federal, state, and county laws;
12	(3)	All activities and improvements undertaken with funds
13		received shall comply with all applicable federal,
14		state, and county statutes and ordinances, including
15		applicable building codes and agency rules; and
16	(4)	The applicant will indemnify and hold harmless the
17		foundation, the State, and its officers, agents, and
18		employees from and against any and all claims arising
19		out of or resulting from activities carried out or
20		projects undertaken with funds provided hereunder.

- 1 Every grant shall be monitored by the foundation to ensure
- 2 compliance with this chapter and the purposes and intent of the
- 3 grant and shall be evaluated annually to determine whether the
- 4 grant attained the intended results in the manner contemplated."
- 5 SECTION 3. Section 9-1, Hawaii Revised Statutes, is
- 6 amended as follows:
- 7 1. By adding a new definition to be appropriately inserted
- 8 and to read:
- 9 ""Performing arts" includes arts or skills that are
- 10 intended to be performed before an audience, including but not
- 11 limited to dance, singing, musical performances, and theater."
- 12 2. By amending the definition of "arts" to read:
- ""Arts" includes music, dance, painting, drawing,
- 14 sculpture, architecture, drama, poetry, prose, crafts,
- 15 industrial design, interior design, fashion design, photography,
- 16 television, motion picture art, unique or decorative plants,
- 17 landscaping, and all other performing arts and creative activity
- 18 of imagination and beauty."
- 19 SECTION 4. Section 9-21, Hawaii Revised Statutes, is
- 20 amended to read as follows:

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1	" [ <del>-[</del> ] "	<b>9-21[]] Purpose.</b> The foundation shall administer the
2	art in pu	olic places and relocatable works of art programs,
3	[ <del>pursuant</del>	to section 103-8.5, performing arts grants program,
4	and state	art museum to achieve the following purposes:
5	(1)	Replace in public state buildings the natural beauty
6		displaced in construction with works of art expressive
7		of the State's cultural, creative, and traditional
8		arts of its various ethnic groups;
9	(2)	Support, promote, and recognize excellence of the
10		State's diverse cultural, creative, and traditional
11		artists; and
12	(3)	Create, display, and maintain in public places and the
13		state art museum a collection of works of art, and
14		coordinate, plan, promote, market, and execute
15		performing arts events, that:
16		(A) [Represents] Represent the diversity and
17		excellence of the State's artistic expression;
18		and
19		(B) [Provides] Provide to all the citizens of the
20		State the fullest possible access to the highest

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                   quality aesthetic and educational experiences
                   available."
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         SECTION 5. Section 9-22, Hawaii Revised Statutes, is
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    amended to read as follows:
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         "[f] $9-22[f] State art museum; establishment. The state
 6
    art museum is established within the foundation. The operations
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    of the state art museum shall be funded and supported [by the
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    works of art special fund, pursuant to section 103-8.5.] by:
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         (1)
              Appropriations from the legislature;
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         (2) Federal grants and subsidies;
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         (3) Voluntary contributions; and
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         (4) Funds received pursuant to section 9-3(7)."
         SECTION 6. Section 103-8.5, Hawaii Revised Statutes, is
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    amended as follows:
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         1. By amending subsections (a) through (c) to read:
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         "(a) There is created a works of art special fund, into
    which shall be transferred one per cent of all state fund
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    appropriations for capital improvements designated for the
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    construction cost element [+], up to a total amount not to exceed
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      per fiscal year; provided that this transfer shall
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    apply only to capital improvement appropriations that are
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2 buildings. The one per cent transfer requirement shall not 3 apply to appropriations from the passenger facility charge 4 special fund established by section 261-5.5 and the rental motor 5 vehicle customer facility charge special fund established under 6 section 261-5.6. 7 The works of art special fund shall be used solely for 8 [the following purposes: 9 (1) Costs costs related to the acquisition, planning, 10 design, and construction of works of art[, including any consultant or staff services required to carry out 11 12 the art in public places and relocatable works of art 13 programs; 14 (2) Site modifications, display, and interpretive work 15 necessary for the exhibition of works of art; 16 (3) Upkeep services, including maintenance, repair, and 17 restoration of works of art; 18 (4) Storing and transporting works of art.] and related

The [one per cent] total annual amount, which is

included in all capital improvement appropriations, shall be

designated for the construction or renovation of state

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appurtenances.

1	calculated at the time the appropriation bills are signed into
2	law. The moneys shall be transferred into the works of art
3	special fund upon availability of moneys from the
4	appropriations[+]; provided that the total annual amount
5	transferred into the special fund shall not cause the
6	unencumbered fund balance as of the end of the prior fiscal year
7	to exceed \$ . Each agency receiving capital
8	improvement appropriations shall calculate [the one per cent]
9	its proportionate share of the total annual amount and transfer
10	the moneys into the works of art special fund."
11	2. By amending subsection (e) to read:
12	"(e) The comptroller shall:
13	(1) Provide each agency receiving capital improvement
14	appropriations with information regarding items that
15	shall be included and excluded from [the one per cent]
16	the agency's proportionate share of the total annual
17	amount;
18	(2) Ensure that each agency calculates its [one per-cent]
19	proportionate share of the total annual amount
20	correctly; and

1 (3) Ensure that each agency transfers the correct amount 2 to the works of art special fund in a timely manner." SECTION 7. The following sums or so much thereof as may be 3 4 necessary for fiscal year 2025-2026 and fiscal year 2026-2027 5 are appropriated or authorized, as the case may be, from moneys 6 in the treasury received from general revenues and federal funds 7 to be expended by the state foundation on culture and the arts 8 to finance the positions and other cost items listed below. The 9 letter symbols used after the specific appropriations indicate 10 the source of financing and have the following meaning: (A) 11 general revenues, (N) federal funds.

Prog ID/Org	Position Title/ Program Description	Position #	MOF	FTE (P)	FY 26	FY 27
AGS 881 LA	Secretary II	16047	Α	1.00	47,004	47,004
AGS 881 LA	Administrative Services Assistant	21199	Α	0.75	47,322	47,322
AGS 881 LA	Administrative Services Assistant	21199	N	0.25	15,774	15,774
AGS 881 LA	Office Assistant III	21352	Α	0.75	28,404	28,404
AGS 881 LA	Office Assistant III	21352	N	0.25	7,560	7,560
AGS 881 LA	Arts Program Specialist III	26529	Α	1.00	71,016	71,016
AGS 881 LA	Arts Program Specialist IV	27869	Α	1.00	71,016	71,016
AGS 881 LA	Accountant IV	31184	Α	0.75	67,365	67,365
AGS 881 LA	Accountant IV	31184	N	0.25	22,455	22,455
AGS 881 LA	Arts Program Specialist II	32873	N	1.00	56,064	56,064
AGS 881 LA	Arts Program Specialist III	39045	N	1.00	58,296	58,296
AGS 881 LA	Arts Program Specialist II	36841	Α	1.00	73,836	73,836
AGS 881 LA	Information Specialist III	45697	Α	0.75	47,322	47,322

AGS 881 LA	Information Specialist III	45697	N	0.25	15,774	15,774
AGS 881 LA	Account Clerk III	45700	Α	0.75	31,356	31,356
AGS 881 LA	Account Clerk III	45700	N	0.25	10,452	10,452
AGS 881 LA	Arts Program Specialist III	47047	N	1.00	60,660	60,660
AGS 881 LA	Arts Program Specialist III	48120	Α	1.00	63,096	63,096
AGS 881 LA	Arts Program Specialist II	52285	Α	1.00	56,064	56,064
AGS 881 LA	Arts Program Specialist II	52286	Α	1.00	56,064	56,064
AGS 881 LA	Arts Program Specialist II	52287	Α	1.00	58,203	58,203
AGS 881 LA	Arts Program Specialist III	52288	Α	1.00	63,096	63,096
AGS 881 LA	Arts Program Specialist III	52290	Α	1.00	65,664	65,664
AGS 881 LA	Executive Director, SFCA	100256	Α	0.75	110,781	110,781
AGS 881 LA	Executive Director, SFCA	100256	N	0.25	36,927	36,927
AGS 881 LA	Arts Program Specialist II	112785	Α	1.00	59,748	59,748
AGS 881 LA	Arts Program Specialist II	112788	Α	1.00	63,096	63,096
AGS 881 LA	Arts Program Specialist III	122671	Α	1.00	60,660	60,660
AGS 881 LA	Hawaii State Art Museum		Α		1,857,580	1,857,580
AGS 881 LA	Interpretive Work		Α		425,000	425,000
AGS 881 LA	Operating		Α		201,923	201,923
AGS 881 LA	Consultant Services		Α		35,000	35,000
AGS 881 LA	Registration		Α		34,000	34,000
AGS 881 LA	Upkeep Services		Α		29,530	29,530
AGS 881 LA	Display		Α		285,580	285,580
AGS 881 LA	Transportation		Α		19,085	19,085
		Total	Α	17.50	4,028,811	4,028,811
			N	4.50	283,962	283,962

1 SECTION 8. There is appropriated out of the general

2 revenues of the State of Hawaii the sum of \$ or so

 ${f 3}$  much thereof as may be necessary for fiscal year 2025-2026 and

4 the same sum or so much thereof as may be necessary for fiscal

- 1 year 2026-2027 to provide grants under the performing arts
- 2 grants program.
- 3 The sums appropriated shall be expended by the state
- 4 foundation on culture and the arts for the purposes of this Act.
- 5 SECTION 9. Statutory material to be repealed is bracketed
- 6 and stricken. New statutory material is underscored.
- 7 SECTION 10. This Act shall take effect on July 1, 3000.

### 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. Allows the State Foundation of Culture and the Arts to acquire, hold, and own property. Clarifies the scope of the SFCA' 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 by agencies into the Works of Art Special Fund and the allowable uses of the Special Fund. Appropriates funds. Effective 7/1/3000. (SD1)

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