

Honolulu, Hawaii

APR 04 2025

RE: H.B. No. 1378
H.D. 2
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1378, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS,"

begs leave to report as follows:

The purpose and intent of this measure is to amend certain powers, responsibilities, programs, and funding sources of the State Foundation on Culture and the Arts.

More specifically, this measure:

- (1) Authorizes the State Foundation on Culture and the Arts to acquire and own property;
- (2) Establishes the performing arts grants program under the Foundation's existing grant program to support performing arts in the State;
- (3) Establishes the performing arts special fund;
- (4) Clarifies the scope of the State Foundation on Culture and the Arts' responsibilities to include the coordination, planning, promotion, marketing, and execution of performing arts events;



- (5) Amends the funding sources for the State Art Museum;
- (6) Amends the amounts required to be transferred by agencies into the works of art special fund and the allowable uses of moneys from the works of art special fund;
- (7) Appropriates moneys from the general fund and federal funds for operations of the State Foundation on Culture and the Arts; and
- (8) Appropriates moneys from the general fund to provide grants under the performing arts grants program.

Your Committee received written comments in support of this measure from SafeHaus Wellness Services and one individual.

Your Committee received written comments in opposition to this measure from the Office of the Governor; State Foundation on Culture and the Arts; Art+Flea & MORI; Board of Directors, Hawaii Contemporary; Chamber of Sustainable Commerce; Creative West; Donkey Mill Art Center; Exhibition Grid: A Contemporary Art Experience, LLC; Hawaii Arts Alliance; Hawaii Community Foundation; Hawaii Contemporary; Hawaii Craftsmen; Hawaii Forest Industry Association; Hawaii Health and Harm Reduction Center; Hawaii Open Arts Program; Hokulani Children's Theatre of Molokai; Honolulu Printmakers; Hula Preservation Society; Kau High and Pahala Elementary School; Kona Dance and Performing Arts; Loihi Arts Foundation; Mass Cultural Council; Molokai Arts Center, Inc.; Prince Dance Company; Puuhonua Society; Rhode Island State Council on the Arts; SAG-AFTRA Hawaii Local; Small Kine Gift; The LVRG Group; and numerous individuals.

Your Committee received written comments on this measure from the Attorney General; Department of Budget and Finance; Department of Business, Economic Development, and Tourism; Hawaii Council for the Humanities; and one individual.

Your Committee finds that this measure will clarify the operations and programs of the State Foundation on Culture and the Arts to better align with legislative priorities. Your Committee further finds that increased support for the performing arts will



help provide the State's residents and visitors with additional creative, educational, and aesthetic performances that tell meaningful stories and provide engaging experiences.

Having received prior concurrence from the previous subject-matter committee Chair, and to address concerns raised in written comments by the Attorney General and Department of Budget and Finance, your Committee has amended this measure by:

- (1) Amending Section 2 of the measure to authorize the State Foundation on Culture and the Arts to enter into public-private partnerships on real property that it acquires; and
- (2) Amending Section 6 of the measure to:
 - (A) Establish that the works of art special fund balance cap shall be the amount provided in section 103-8.5(c), Hawaii Revised Statutes;
 - (B) Specify that capital improvement appropriations transferred into the works of art special fund shall be calculated from only the construction cost element of new state building construction, and repealing the reference to "renovation" of state buildings; and
 - (C) Remove references to the word "proportionate," regarding each state agency's share of the total amount of funds transferred into the works of art special fund.

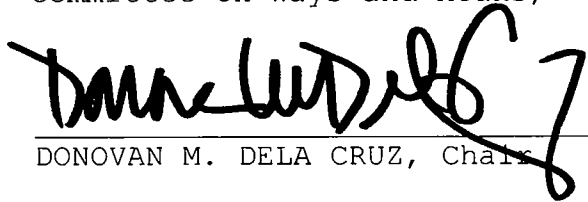
If a Committee on Conference is convened on this measure, your Committee respectfully requests that the Committee on Conference consider inserting the amount of \$15,000,000 for the works of art special fund unencumbered fund balance cap in Section 6 of the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1378, H.D. 2, S.D. 1, as amended herein, and recommends that



it pass Third Reading in the form attached hereto as H.B.
No. 1378, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* HB1378 HD2 SD1	Committee Referral: TCA, WAM	Date: 4/3/25		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
AQUINO, Henry J.C.	X			
DECOITE, Lynn	X			
ELEFANTE, Brandon J.C.	X			
HASHIMOTO, Troy N.	X			
INOUE, Lorraine R.		X		
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
WAKAI, Glenn	X			
FEVELLA, Kurt		X		
TOTAL	11	2	0	0
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature:				
<div style="display: flex; justify-content: space-between; font-size: small;"> <div style="text-align: center;"> Distribution: Original File with Committee Report </div> <div style="text-align: center;"> Yellow Clerk's Office </div> <div style="text-align: center;"> Pink Drafting Agency </div> <div style="text-align: center;"> Goldenrod Committee File Copy </div> </div>				

*Only one measure per Record of Votes