

ACT 291

S.B. NO. 162

A Bill for an Act Relating to Iolani Palace.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Iolani Palace is a historic treasure, officially recognized by the State of Hawaii.

Built by King David Kalakaua in 1882, the palace served as the official royal residence until the overthrow of the monarchy in 1893. Following the overthrow, Iolani Palace was confiscated by the provisional government and used as its headquarters. It subsequently became the capitol of the Republic of Hawaii in 1894, the Territory of Hawaii in 1900, and the State of Hawaii in 1959.

In 1966, Liliuokalani Kawanānakoā Morris founded the “Friends of Iolani Palace,” a community-based, non-profit organization dedicated to carrying out the restoration of the palace and the preservation of the history of the Hawaiian monarchy. When the new state capitol was completed in 1969, the palace was vacated, and restoration began. In 1978, the palace reopened to the public as a historic house museum with docent-led guided tours.

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The legislature further recognizes that the Friends of Iolani Palace has served as the “de facto” caretaker for over forty years by maintaining Hawaii’s most significant historic house museum, preserving its irreplaceable collections; and planning and presenting its exhibits and educational programs without the benefit of regular, predictable support from state sources, and, instead, relying on private donations and small, piecemeal state subsidies. It is the intent of this Act to provide support for the palace by officially designating Iolani Palace as the “State of Hawaii Museum of Monarchy History” and exempting the museum from the standards and conditions related to the receipt of funds under chapter 42F, Hawaii Revised Statutes.

The legislature finds that the Friends of Iolani Palace provides an important public service in maintaining this significant building. The legislature further finds that the Friends of Iolani Palace deserves the financial support of the legislature through an unspecified appropriation in the state budget.

The purpose of this Act is to:

- (1) Designate the Friends of Iolani Palace as the State of Hawaii Museum of Monarchy History;
- (2) Exempt the State of Hawaii Museum of Monarchy History from the standards and conditions related to the receipt of funds contained in chapter 42F, Hawaii Revised Statutes;
- (3) Authorize the comptroller and state auditor to examine the use of funds appropriated to the State of Hawaii Museum of Monarchy History; and
- (4) Require the State of Hawaii Museum of Monarchy History to submit annual reports to the legislature of functions accomplished by state fund expenditures.

SECTION 2. Section 6E-35, Hawaii Revised Statutes, is amended to read as follows:

“~~[§6E-35]~~ **Iolani Palace.** (a) The official designation of the palace of the former monarchs of Hawaii shall be Iolani Palace.

(b) The official designation of the Friends of Iolani Palace shall be the State of Hawaii Museum of Monarchy History. The qualifying standards and conditions related to the receipt of funds under chapter 42F shall not apply to funds received by the State of Hawaii Museum of Monarchy History; provided that if the museum contracts with a recipient or provider, then the qualifying standards, conditions, and other provisions of chapter 42F shall apply to the recipient or provider and the contract.

(c) The comptroller and state auditor shall have the authority to examine the use of funds appropriated to the State of Hawaii Museum of Monarchy History.”

SECTION 3. The State of Hawaii Museum of Monarchy History shall provide to the legislature an annual report no later than twenty days prior to the convening of each regular session, which shall include an explanation of the facility maintenance and other functions accomplished by state fund expenditures in the previous fiscal year.

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

SECTION 5. This Act shall take effect upon approval.

(Became law on July 10, 2007, without the Governor’s signature, pursuant to Art. III, §16, State Constitution.)