H.B. NO. ¹⁸⁰⁷ H.D. ²

A BILL FOR AN ACT

RELATING TO THE WORKS OF ART SPECIAL FUND.

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

1 SECTION 1. The legislature finds that art feeds the human 2 spirit and offers priceless value. Art inspires, educates, and 3 challenges individuals to think differently, while making the 4 world a more beautiful and interesting place. The legislature 5 further finds that Hawaii was the first state in the nation to 6 adopt a percent-for-art law, which designated one per cent of 7 construction costs of new buildings for the acquisition of works 8 of art through Act 298, Session Laws of Hawaii 1967 (ACT 298). 9 The purpose of the law was to beautify state buildings and 10 increase public access to the arts. Act 298 statutorily 11 established that "the original construction of any state 12 building shall include ... an amount of one percent of the 13 appropriation for the acquisition of works of art which may be 14 an integral part of the structure ... " This original statute 15 was carefully crafted to maintain fiscal integrity in the use of 16 long-term capital funding.

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1 The legislature expanded on this effort by enacting Act 2 389, Session Laws of Hawaii 1989, which created the works of art 3 special fund. The legislature finds that this program has been 4 a success, with works of art enhancing the physical environment 5 of state buildings and providing educational visual arts opportunities to the public through the art in public places 6 7 program. Additionally, the State currently possesses a surplus 8 of artwork in storage for current and future uses.

9 More recent efforts have focused on the expansion of 10 programs to include performing arts and other initiatives that 11 would enhance an array of art programming across the State. 12 Even as programs evolve and change over the years, it is 13 imperative that sound financial management be exercised to 14 ensure the stability of factors that may affect the State's 15 creditworthiness.

16 Accordingly, the purpose of this Act is to:
17 (1) Specify that the works of art special fund's one per
18 cent transfer requirement shall apply only to capital
19 improvement appropriations for the original
20 construction of state buildings; and

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1 (2) Appropriate funds for performing arts and other 2 initiatives in schools. SECTION 2. Section 103-8.5, Hawaii Revised Statutes, is 3 4 amended by amending subsection (a) to read as follows: 5 "(a) There is created a works of art special fund, into 6 which shall be transferred one per cent of all state fund 7 appropriations for capital improvements designated for the 8 original construction [cost element; provided that this transfer 9 shall apply only to capital improvement appropriations that are 10 designated for the construction or renovation] of state 11 buildings. The one per cent transfer requirement shall not 12 apply to appropriations from the passenger facility charge 13 special fund established by section 261-5.5 and the rental motor vehicle customer facility charge special fund established under 14 section 261-5.6." 15 16 SECTION 3. There is appropriated out of the general

17 revenues of the State of Hawaii the sum of \$ or so
18 much thereof as may be necessary for fiscal year 2024-2025 for
19 performing arts initiatives.

20 The sum appropriated shall be expended by the state21 foundation on culture and the arts for the purposes of this Act.

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1 SECTION 4. There is appropriated out of the general 2 revenues of the State of Hawaii the sum of \$ or so 3 much thereof as may be necessary for fiscal year 2024-2025 for the state foundation on culture and the arts to expand arts 4 5 programming in schools. 6 The sum appropriated shall be expended by the state 7 foundation on culture and the arts for the purposes of this Act. SECTION 5. In accordance with section 9 of article VII of 8 9 the Hawaii State Constitution and sections 37-91 and 37-93, 10 Hawaii Revised Statutes, the legislature has determined that the 11 appropriations contained in H.B. No. , will cause the state 12 general fund expenditure ceiling for fiscal year 2024-2025 to be 13 exceeded by \$ per cent. In addition, the or 14 appropriations contained in this Act will cause the general fund 15 expenditure ceiling for fiscal year 2024-2025 to be further 16 exceeded by \$ or per cent. The combined total 17 amount of general fund appropriations contained in only these 18 two Acts will cause the state general fund expenditure ceiling 19 for fiscal year 2024-2025 to be exceeded by 20 \$ per cent. The reasons for exceeding the or general fund expenditure ceiling are that: 21

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(1) The appropriations made in this Act are necessary to
 serve the public interest; and
 (2) The appropriations made in this Act meet the needs
 addressed by this Act.
 SECTION 6. Statutory material to be repealed is bracketed
 and stricken. New statutory material is underscored.
 SECTION 7. This Act shall take effect on July 1, 3000.

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Report Title:

Works of Art Special Fund; State Foundation on Culture and the Arts; Capital Improvement Appropriations; Performing Arts; School Arts Programs; Appropriation; Expenditure Ceiling

Description:

Specifies that the works of art special fund's one per cent transfer requirement shall apply only to capital improvement appropriations for the original construction of state buildings. Appropriates funds for performing arts initiatives and expanded arts programing in schools. Effective 7/1/3000. (HD2)

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