## A BILL FOR AN ACT

RELATING TO HISTORIC PRESERVATION.

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

- 1 SECTION 1. The legislature finds that the purposes of Act
- 2 388, Session Laws of Hawaii 1989, which established the Hawaii
- 3 historic preservation special fund, set forth a set of guiding
- 4 principles that are even more compelling and relevant today than
- 5 they were in 1989:
- 6 "The legislature...finds that as we begin to compete
- 7 economically in the Pacific Basin, we are beginning to realize
- 8 that much of our strength lies in our own uniqueness those
- 9 factors that provide us with a distinct advantage over our
- 10 competitors. The legislature further finds that another
- 11 distinct advantage that has not been fully tapped is our unique
- 12 historic heritage. The preservation and enhancement of this
- 13 valuable resource can provide an additional attraction to our
- 14 visitors in addition to our beautiful climate, environment, and
- 15 people. But more important, the preservation of special
- 16 elements of our past can instill a distinct pride in our people
- 17 and serve as a reminder, through our historic buildings,
- documents, photographs, and sites, that we are indeed a unique 2011-1469 SB333 SD2 SMA-1.doc

- 1 people and that we have a deep appreciation and sense of our
- 2 place. The purpose of this Act is to establish a Hawaii
- 3 historic preservation special fund to enhance and preserve
- 4 elements of our past that should be integrated into our daily
- 5 living."
- 6 In the current economic climate, the legislature finds that
- 7 it is difficult to pursue new financial resources, including
- 8 private and philanthropic grants, to ensure the preservation of
- 9 Hawaii's heritage assets without a corresponding commitment on
- 10 the part of the State of Hawaii to provide an underlying
- 11 baseline of state funding support.
- 12 The purpose of this Act is to expand the uses of the Hawaii
- 13 historic preservation special fund and to capitalize on
- 14 accelerated construction programming proposed by the new
- 15 administration to assist in the restoration and preservation of
- 16 such heritage assets as Bernice Pauahi Bishop Museum, Iolani
- 17 Palace, Washington Place, and other state-designated heritage
- 18 assets.
- 19 SECTION 2. Section 6E-16, Hawaii Revised Statutes, is
- 20 amended to read as follows:

| 1   | "§6E      | -16 Hawaii historic preservation special fund. (a)      |
|-----|-----------|---|
| 2   | There is  | established a Hawaii historic preservation special fund |
| . 3 | into whic | h shall be deposited the following moneys:              |
| 4   | (1)       | Appropriations by the legislature to the special fund   |
| 5   | (2)       | Gifts, donations, and grants from public agencies and   |
| 6   |           | private persons;  |
| 7   | (3)       | All proceeds collected by the department derived from   |
| 8   |           | historic preserve user fees, historic preserve leases   |
| 9   |           | or concession fees, fees charged to carry out the       |
| 10  |           | purposes of this chapter, or the sale of goods; [and]   |
| 11  | (4)       | Civil, criminal, and administrative penalties, fines,   |
| 12  |           | and other charges collected under this chapter or any   |
| 13  |           | rule adopted pursuant to this chapter [-]; and          |
| 14  | (5)       | One per cent of all state fund appropriations for       |
| 15  |           | capital improvements designated for the construction    |
| 16  |           | or renovation of state buildings.                       |
| 17  | All inter | est earned or accrued on moneys deposited in the fund   |
| 18  | shall bec | ome part of the fund. The fund shall be administered    |
| 19  | by the de | partment; provided that the department may contract     |
| 20  | with a pu | blic or private agency to provide the day-to-day        |
| 21  | managemen | t of the fund.  |

| 1  | (b)       | Subject to legislative authorization, the [department  |
|----|-----------|--|
| 2  | may expen | nd moneys from the fund: moneys in the fund shall be   |
| 3  | used sole | ely for the following purposes:                        |
| 4  | (1)       | For permanent and temporary staff positions;           |
| 5  | (2)       | To replenish goods;                                    |
| 6  | (3)       | To produce public information materials;               |
| 7  | (4)       | To provide financial assistance to public agencies and |
| 8  |           | private agencies in accordance with chapter 42F        |
| 9  |           | involved in historic preservation activities other     |
| 10 |           | than those covered by section 6E-9; [and]              |
| 11 | (5)       | To cover administrative and operational costs of the   |
| 12 |           | historic preservation program[-]; and                  |
| 13 | (6)       | Costs related to site modifications, display, and      |
| 14 |           | interpretive work necessary to enhance the visitor     |
| 15 |           | experience for the Bernice Pauahi Bishop Museum,       |
| 16 |           | Iolani Palace, and Washington Place, including         |
| 17 |           | specific preventive maintenance and repairs to restore |
| 18 |           | these facilities to a condition reflecting their       |
| 19 |           | status in Hawaii's history and the unique heritage of  |
| 20 |           | its arts and culture; provided that the ordinary       |
| 21 |           | maintenance or repair of any feature does not involve  |
| 22 |           | a change in design, material, or outer appearance or   |

| 1  | change in those characteristics that qualified the               |  |
|----|--|--|
| 2  | historic property for entry onto the Hawaii register             |  |
| 3  | of historic places.  |  |
| 4  | (c) The [department shall adopt rules in accordance with         |  |
| 5  | chapter 91 for the purposes of this section.] one per cent       |  |
| 6  | amount under subsection (a)(5), which is included in all capital |  |
| 7  | improvement appropriations, shall be calculated at the time the  |  |
| 8  | appropriation bills are signed into law. The moneys shall be     |  |
| 9  | transferred into the Hawaii historic preservation special fund   |  |
| 10 | upon availability of moneys from the appropriations for          |  |
| 11 | expenditure by the department in consultation with the           |  |
| 12 | comptroller; provided that from July 1, 2011, through June 30,   |  |
| 13 | 2015, when the transferred moneys exceed \$750,000 annually, any |  |
| 14 | moneys in excess of \$ , but not more than \$ ,                  |  |
| 15 | shall be expended by the comptroller for the purposes of         |  |
| 16 | subsection (b)(6), pursuant to subsection (e). Each agency       |  |
| 17 | receiving capital improvement appropriations shall calculate the |  |
| 18 | one per cent amount and transfer the moneys into the Hawaii      |  |
| 19 | historic preservation special fund.                              |  |
| 20 | (d) The comptroller and the Bernice Pauahi Bishop Museum,        |  |
| 21 | the Friends of Iolani Palace, and Washington Place shall decide  |  |
| 22 | on the specific site modifications, display, interpretive work,  |  |
|    |  |  |

| 1  | and preventive maintenance and repair projects to be undertaken |  |
|----|---|--|
| 2  | at the re   | spective facilities.                                   |
| 3  | (e)   | Expenditures from the Hawaii historic preservation     |
| 4  | special f   | und shall be made by the comptroller.                  |
| 5  | <u>(f)</u>  | The comptroller shall:                                 |
| 6  | (1)   | Provide each agency receiving capital improvement      |
| 7  |   | appropriations with information regarding items that   |
| 8  |   | shall be included and excluded from the one per cent   |
| 9  |   | amount for historic preservation;                      |
| 10 | (2)   | Ensure that each agency calculates its one per cent    |
| 11 |   | amount correctly; and                                  |
| 12 | (3,)  | Ensure that each agency transfers the correct amount   |
| 13 |   | to the Hawaii historic preservation special fund in a  |
| 14 |   | timely manner.   |
| 15 | (g)   | The comptroller and the department of land and natural |
| 16 | resources   | shall track amounts due from each agency under the one |
| 17 | per cent  | requirement as provided in this section."              |
| 18 | SECT  | ION 3. The comptroller shall submit to the governor    |
| 19 | and the 1   | egislature:  |
| 20 | (1)   | At least twenty days prior to the convening of the     |
| 21 |   | regular sessions of 2012, 2013, and 2014, a complete   |
| 22 |   | and detailed report on any site modifications,         |

2011-1469 SB333 SD2 SMA-1.doc

| 1  |           | display, interpretive work, and specific preventive    |
|----|-----------|--|
| 2  |           | maintenance and repairs for the Bernice Pauahi Bishop  |
| 3  |           | Museum, Iolani Palace, and Washington Place; and       |
| 4  | (2)       | At least twenty days prior to the convening of the     |
| 5  |           | regular session of 2015, a final report on the         |
| 6  |           | projects and expenditures for Bernice Pauahi Bishop    |
| 7  |           | Museum, Iolani Palace, and Washington Place, as well   |
| 8  |           | as recommendations for a long-term plan to restore and |
| 9  | ·         | protect state-owned historic heritage properties and   |
| 10 |           | facilities to ensure that all Hawaii residents and     |
| 11 |           | visitors are able to access and benefit from the arts, |
| 12 |           | culture, and heritage experiences that these           |
| 13 |           | properties and facilities provide.                     |
| 14 | SECT      | ION 4. Statutory material to be repealed is bracketed  |
| 15 | and stric | ken. New statutory material is underscored.            |
| 16 | SECT      | ION 5. This Act shall take effect on July 1, 2050.     |
| 17 |           |  |

## Report Title:

Hawaii Historic Preservation Special Fund; Uses

## Description:

Requires one per cent of all state fund appropriations designated for the construction and renovation of state buildings to be deposited into the Hawaii historic preservation special fund; adds the costs related to site modifications, display, and interpretive work necessary to enhance the visitor experience for the Bernice Pauahi Bishop Museum, Iolani Palace, and Washington Place to the uses of the fund; requires reports to the governor and legislature. Effective 7/1/2050. (SD2)

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