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# A BILL FOR AN ACT

RELATING TO PUBLIC LIBRARIES.

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

1           SECTION 1. Chapter 312, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4           "§312-     Pilot program for lease of public library land.

5           (a) There shall be established a pilot program for the lease of  
6 public library land, including facilities. The state librarian,  
7 in consultation with the board of education and any other  
8 appropriate agency, shall serve as the facilitator of the pilot  
9 program.

10           (b) Notwithstanding section 171-13, or any other law to  
11 the contrary, the board of education may lease public library  
12 land on terms it deems appropriate, including a leaseback of all  
13 or a portion of the improvements constructed; provided that:

14           (1) The board may identify and select up to five public  
15 library land sites as candidates for participation in  
16 the pilot program; provided that:

17           (A) During the identification and selection process,  
18 the board shall be subject to chapter 92, shall



1           hold at least one public meeting in each affected  
2           community, and shall foster library and community  
3           participation; and

4           (B) If the site is on land owned by the county, the  
5           department of education shall consult with the  
6           county;

7           (2) The board of education may lease no more than three  
8           public library land sites identified and selected by  
9           the board pursuant to paragraph (1) under leases for a  
10           term of not more than fifty-five years per lease,  
11           unless extended pursuant to section 171-36, to lessees  
12           who shall be required to modify, construct, or utilize  
13           facilities to meet the mission of the public  
14           libraries, in accordance with specific request for  
15           proposal or request for information guidelines;

16           (3) Each lease shall stipulate that the lessee may retain  
17           any revenue generated from the facilities; provided  
18           that:

19           (A) The lessee shall be obligated to maintain and  
20           operate the facilities to meet the mission of the  
21           public libraries for the length of the lease;



- 1           (B) The lessee shall be obligated to pay to the
- 2                   county all applicable property taxes on the value
- 3                   of any improvements;
- 4           (C) A leasehold premium may be charged to the lessee
- 5                   for the right to use the public library land
- 6                   based on a competitive process that complies with
- 7                   applicable sections of chapter 103D;
- 8           (D) Upon the expiration of the lease, the facilities
- 9                   shall revert to the board; and
- 10          (E) All revenues and proceeds derived by the State
- 11                   under this section shall be deposited in the
- 12                   library facilities fund pursuant to subsection
- 13                   (f); and
- 14          (4) Notwithstanding any law to the contrary, the board of
- 15                   education may enter into leaseback agreements that
- 16                   allow the board to lease or sublease the property to a
- 17                   third party. The board may lease back the property
- 18                   from the third-party lessee or sublessee for a
- 19                   contractual period of time, after which the department
- 20                   shall own any improvements.
- 21          (c) Any redevelopment involving nonlibrary purposes shall:



1       (1) Comply with county plans, ordinances, and zoning and  
2           development codes; and

3       (2) Acquire all required government approvals and permits.

4       (d) Nothing in this section shall preclude the state  
5 librarian or the board of education from working with and  
6 receiving assistance from any other department or agency in  
7 carrying out the purposes of this section.

8       (e) Any lease entered into by the board pursuant to  
9 subsection (b) shall be fully executed no later than ten years  
10 from July 1, 2018.

11       (f) There is established in the state treasury the library  
12 facilities fund. All proceeds from the leases, permits,  
13 interest income generated from public library lands, and other  
14 revenue generated from the nonpermanent disposition of public  
15 library lands, including facilities, pursuant to this section  
16 shall be deposited into the library facilities fund. Except as  
17 otherwise provided by law, all moneys in the library facilities  
18 fund shall be used for state library programs."

19       SECTION 2. The board of education shall submit a report to  
20 the legislature no later than twenty days prior to the convening  
21 of the regular session of 2020 and each regular session



1 thereafter until the completion of each project authorized  
2 pursuant to this Act. The report shall provide the following:

3 (1) A timeline for the pilot program pursuant to this Act,  
4 including but not limited to:

5 (A) A timeline for the redevelopment of each selected  
6 site;

7 (B) An estimated start and completion date for each  
8 selected site; and

9 (C) Estimates for the time required to obtain any  
10 necessary county or state approvals required to  
11 complete the redevelopment of each site;

12 (2) A summary of the state librarian's and board of  
13 education's activities, results, and recommendations  
14 to optimize the use of public library lands as a means  
15 to meet the mission of the public libraries;

16 (3) A summary of all library and community engagement  
17 efforts undertaken or that will be undertaken by the  
18 department of education in carrying out the pilot  
19 program pursuant to this Act;

20 (4) A summary of the state librarian's and board of  
21 education's current and projected budgeted expenses,



1 including the identification of any contracts with  
2 third parties and the creation of temporary positions  
3 within the department in carrying out the pilot  
4 program pursuant to this Act;

5 (5) A summary of any capacity and funding issues or  
6 challenges the state librarian or board of education  
7 has encountered in carrying out the pilot project  
8 pursuant to this Act; and

9 (6) Any proposed legislation.

10 SECTION 3. New statutory material is underscored.

11 SECTION 4. This Act shall take effect on July 1, 2018.



**Report Title:**

Public Library Lands; Leases; BOE

**Description:**

Establishes a pilot program to generate revenue through the lease of public library lands to meet the mission of the public libraries. Establishes the library facilities fund. Requires the state librarian and board of education to report to the legislature. (CD1)

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

