

JAN 17 2020

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# A BILL FOR AN ACT

RELATING TO GRANT-IN-AID AWARDS.

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

1           SECTION 1. Section 42F-102, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "§42F-102 Applications for grants. Requests for grants  
4 shall be submitted to the appropriate standing committees of the  
5 legislature at the start of each regular session of the  
6 legislature. Each request shall state:

7           (1) The name of the requesting organization or individual;

8           (2) The public purpose for the grant;

9           (3) The services to be supported by the grant;

10          (4) The target group; [and]

11          (5) The cost of the grant and the budget[-]; and

12          (6) The potential environmental impacts of the grant."

13          SECTION 2. Section 42F-103, Hawaii Revised Statutes, is  
14 amended to read as follows:

15          "§42F-103 Standards for the award of grants. (a) Grants  
16 shall be awarded only to individuals who, and organizations  
17 that:



- 1           (1) Are licensed or accredited, in accordance with  
2           federal, state, or county statutes, rules, or  
3           ordinances, to conduct the activities or provide the  
4           services for which a grant is awarded;
- 5           (2) Comply with all applicable federal and state laws  
6           prohibiting discrimination against any person on the  
7           basis of race, color, national origin, religion,  
8           creed, sex, age, sexual orientation, or disability;
- 9           (3) Agree not to use state funds for entertainment or  
10          lobbying activities; and
- 11          (4) Allow the state agency to which funds for the grant  
12          were appropriated for expenditure, legislative  
13          committees and their staff, and the auditor full  
14          access to their records, reports, files, and other  
15          related documents and information for purposes of  
16          monitoring, measuring the effectiveness, and ensuring  
17          the proper expenditure of the grant.
- 18          (b) In addition, a grant may be made to an organization  
19          only if the organization:
- 20          (1) Is incorporated under the laws of the State; and



1           (2) Has bylaws or policies that describe the manner in  
2           which the activities or services for which a grant is  
3           awarded shall be conducted or provided.

4           (c) Further, a grant may be awarded to a nonprofit  
5 organization only if the organization:

6           (1) Has been determined and designated to be a nonprofit  
7           organization by the Internal Revenue Service; and

8           (2) Has a governing board whose members have no material  
9           conflict of interest and serve without compensation.

10          (d) Awards shall be prioritized in relation to the grant's  
11 potential environmental impacts, with highest priority given to  
12 those grants that will promote sustainability and enhance the  
13 quality of the environment. Grants with potential negative  
14 environmental impacts shall be given lowest priority or  
15 disqualified, as determined by the house finance committee or  
16 senate ways and means committee, as appropriate.

17          ~~[(d)]~~ (e) If a grant is used by an organization for the  
18 acquisition of land, when the organization discontinues the  
19 activities or services on the land acquired for which the grant  
20 was awarded and disposes of the land in fee simple or by lease,  
21 the organization shall negotiate with the expending agency for a



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1 lump sum or installment repayment to the State of the amount of  
 2 the grant used for the acquisition of the land. This  
 3 restriction shall be registered, recorded, and indexed in the  
 4 bureau of conveyances or with the assistant registrar of the  
 5 land court as an encumbrance on the property. Amounts received  
 6 from the repayment of a grant under this subsection shall be  
 7 deposited into the general fund."

8 SECTION 3. This Act does not affect rights and duties that  
 9 matured, penalties that were incurred, and proceedings that were  
 10 begun before its effective date.

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

13 SECTION 5. This Act shall take effect upon its approval.  
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INTRODUCED BY:

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Kal Nhus  
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# S.B. NO. 2449

**Report Title:**

Grant-In-Aid Awards; Applications; Standards; Prioritization;  
Environmental Impacts

**Description:**

Requires grant-in-aid applications to list any potential environmental impacts of the grant. Requires grant-in-aid awards to be prioritized in relation to the grant's potential environmental impacts, with highest priority given to those grants that promote the quality of the environment.

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

