
A BILL FOR AN ACT

RELATING TO THE HAWAII HISTORIC PRESERVATION SPECIAL FUND.

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

1 SECTION 1. The legislature finds that it is in the public
2 interest to maintain and preserve the State's historic
3 government buildings. When Hawaii became the fiftieth state,
4 key elements of its multicultural heritage and culture were
5 incorporated into its government structures. These buildings
6 reflect Hawaii's Pacific-Asian values, making these structures
7 unique within the United States and the world. At the same
8 time, older structures like Iolani Palace and other historic
9 government buildings provide critical links to Hawaii's monarchy
10 and Native Hawaiian population. In order to restore and
11 preserve the state capitol, Iolani Palace, and other historic
12 government properties, the State should adhere to the same
13 long-term planning, budgeting, and preservation standards that
14 are used to preserve privately held historic sites.

15 The legislature further finds that assistance should also
16 be provided to owners of certified historic structures that are
17 privately owned who do not qualify for the historic preservation



1 income tax credit pursuant to section 235-110.97, Hawaii Revised
2 Statutes.

3 Accordingly, the purpose of this Act is to develop a
4 holistic approach toward the restoration and preservation of the
5 State's historic properties by:

6 (1) Expressly allowing the Hawaii historic preservation
7 special fund to be used for this purpose; and

8 (2) Establishing a grant program to assist owners of
9 certified historic structures that are privately owned
10 who do not qualify for an income tax credit under
11 section 235-110.97, Hawaii Revised Statutes.

12 SECTION 2. Chapter 6E, Hawaii Revised Statutes, is amended
13 by adding a new section to be appropriately designated and to
14 read as follows:

15 **"§6E- Grant program; privately owned historic**
16 **properties.** (a) There is established in the department a grant
17 program to assist owners of certified historic structures that
18 are privately owned who do not qualify for the historic
19 preservation income tax credit pursuant to section 235-110.97.

20 (b) The program shall provide grants to qualified
21 applicants under the following terms and conditions:



- 1 (1) Grants shall be given to applicants who undertake
2 substantial rehabilitation of a certified historic
3 structure that is privately owned;
- 4 (2) No grants shall be given unless money has been spent
5 by the applicant toward substantial rehabilitation of
6 a certified historic structure that is privately
7 owned; and
- 8 (3) The total amount of a grant to any one applicant shall
9 not exceed \$ _____.
- 10 (c) The following standards shall apply to all grants
11 provided under the program:
- 12 (1) Any grant shall be used exclusively for the purposes
13 of the program;
- 14 (2) The grantee shall comply with all applicable federal,
15 state, and county laws;
- 16 (3) The grant shall not be used for purposes of
17 entertainment or perquisites;
- 18 (4) All activities undertaken with grant funds received
19 shall comply with all applicable federal, state, and
20 county statutes and ordinances;
- 21 (5) The grantee shall:



1 (A) Indemnify and hold harmless the State of Hawaii
 2 and its officers, agents, and employees from and
 3 against any and all claims arising out of or
 4 resulting from activities carried out or projects
 5 undertaken with funds received from the program;
 6 and

7 (B) Obtain sufficient insurance to provide the
 8 indemnification under subparagraph (A), if
 9 requested to do so by the department; and

10 (6) The grantee shall agree to make available to the
 11 department all records the grantee may have relating
 12 to the grant to monitor the grantee's compliance with
 13 the requirements of the program.

14 (d) The department shall adopt rules to implement the
 15 grant program. The grant applications shall be reviewed and
 16 approved by an administrative staff member of the department."

17 SECTION 3. Section 6E-16, Hawaii Revised Statutes, is
 18 amended to read as follows:

19 "**§6E-16 Hawaii historic preservation special fund.** (a)
 20 There is established a Hawaii historic preservation special fund
 21 into which shall be deposited the following moneys:



- 1 (1) Appropriations by the legislature to the special
2 fund[+], in an amount equal to one per cent of all
3 state fund appropriations for capital improvements
4 designated for the construction cost element; provided
5 that this transfer shall apply only to capital
6 improvement appropriations that are designated for the
7 construction or renovation of state buildings;
8 provided further that the one per cent transfer
9 requirement shall not apply to appropriations from the
10 passenger facility charge special fund established by
11 section 261-5.5 and the rental motor vehicle customer
12 facility charge special fund established under section
13 261-5.6;
- 14 (2) Gifts, donations, historic preservation funding from
15 non-state sources, and grants from public agencies and
16 private persons;
- 17 (3) All proceeds collected by the department derived from
18 historic preserve user fees, historic preserve leases
19 or concession fees, fees charged to carry out the
20 purposes of this chapter, or the sale of goods; and



1 (4) Civil, criminal, and administrative penalties, fines,
2 and other charges collected under this chapter or any
3 rule adopted pursuant to this chapter.

4 All interest earned or accrued on moneys deposited in the fund
5 shall become part of the fund.

6 (b) The fund shall be administered by the department;
7 provided that the department may contract with a public or
8 private agency to provide the day-to-day management of the fund.

9 [~~b~~] (c) Subject to legislative authorization, the
10 department may expend moneys from the fund:

11 (1) For permanent and temporary staff positions;

12 (2) To replenish goods;

13 (3) To produce public information materials;

14 (4) To provide financial assistance to public agencies and
15 private agencies in accordance with chapter 42F
16 involved in historic preservation activities other
17 than those covered by section 6E-9; [~~and~~]

18 (5) To cover administrative and operational costs of the
19 historic preservation program[~~;~~]; and

20 (6) To repair, maintain, and preserve historic properties,
21 as defined in this chapter, except properties



1 maintained through a separate, dedicated funding
2 source.

3 (d) The department shall submit a report to the
4 legislature no later than twenty days prior to the convening of
5 each regular session detailing the moneys deposited into and
6 expended from the fund.

7 ~~(e)~~ (e) The department shall adopt rules in accordance
8 with chapter 91 for the purposes of this section."

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

11 SECTION 5. This Act shall take effect on June 30, 3000.

12



Report Title:

Department of Land and Natural Resources; Hawaii Historic Preservation Special Fund; Historic Property; Grant Program

Description:

Clarifies that the Hawaii historic preservation special fund may be used to repair and maintain historic properties, except properties maintained through a separate, dedicated funding source. Establishes a grant program to assist owners of certified historic structures that are privately owned who do not qualify for the historic preservation income tax credit pursuant to section 235-110.97, HRS. Effective 6/30/3000.
(HD1)

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

