

STAND. COM. REP. NO.

559

Honolulu, Hawaii

FEB 13 , 2025

RE: H.B. No. 450
H.D. 2

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Economic Development & Technology, to which was referred H.B. No. 450, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Transfer the State Foundation on Culture and the Arts and the King Kamehameha Celebration Commission from the Department of Accounting and General Services to the Department of Business, Economic Development, and Tourism;
- (2) Transfer the authority held by the Comptroller over the Works of Art Special Fund to the Director of Business, Economic Development, and Tourism; and
- (3) Appropriate funds to assist with the transfer.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Accounting and General Services; State Foundation on Culture and the Arts; and one individual.

2025-1826 HB450 HD2 HSCR HMSO



Your Committee finds that the arts and culture sector is a vital component of the State's creative economy and tourism industry and a means of honoring and celebrating the State's history and host culture. Your Committee further finds that by changing the administrative placement of the State Foundation on Culture and the Arts and King Kamehameha Celebration Commission to the Department of Business, Economic Development, and Tourism, this measure will allow these agencies to be better supported by a department that is already engaged in support for the arts and culture through its creative industries and economic development endeavors.

Your Committee has amended this measure by:

- (1) Adding an appropriation for an administrator position within the State Foundation on Culture and the Arts;
- (2) Changing the effective date to July 1, 2026; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that there should be no reduction in the State Foundation on Culture and the Arts' funding as a result of the transition to the Department of Business, Economic Development, and Tourism as this is simply a budget neutral administrative transfer between government bodies.

As affirmed by the record of votes of the members of your Committee on Economic Development & Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 450, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 450, H.D. 2.



Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Technology,



GREGGOR ILAGAN, Chair



