

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



GOV. MSG. NO. 1222

EXECUTIVE CHAMBERS  
KE KE'ENA O KE KIA'ĀINA

June 8, 2026

The Honorable Ronald D. Kouchi  
President of the Senate,  
and Members of the Senate  
Thirty-Third State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Nadine K. Nakamura  
Speaker, and Members of the  
House of Representatives  
Thirty-Third State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on June 8, 2026, the following bill was signed into law:

H.B. NO. 1815, H.D. 1, S.D. 1,  
C.D. 1

RELATING TO THE STATE FOUNDATION ON  
CULTURE AND THE ARTS.  
**ACT 122**

Mahalo,

Josh Green, M.D.

Governor, State of Hawai'i

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# A BILL FOR AN ACT

RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS.

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

1 PART I

2 SECTION 1. Chapter 9, Hawaii Revised Statutes, is amended  
3 by amending the title of part II to read as follows:

4 "PART II. ~~[FOUNDATION]~~ GRANT ~~[PROGRAM]~~ PROGRAMS"

5 SECTION 2. Section 9-11, Hawaii Revised Statutes, is  
6 amended to read as follows:

7 "[+]§9-11[+] **Qualifying standards for ~~[foundation]~~ grant**  
8 **applications.** An applicant for a foundation grant or performing  
9 arts grants program grant shall meet the following standards:

10 (1) If the applicant is an organization:

11 (A) Be a for-profit organization incorporated under  
12 the laws of the State or a nonprofit organization  
13 exempt from the federal income tax by the  
14 Internal Revenue Service;

15 (B) In the case of a tax exempt nonprofit  
16 organization, the organization shall have a  
17 governing board whose members have no material



- 1 conflict of interest and serve without  
2 compensation;
- 3 (C) Have bylaws or policies that describe the manner  
4 in which business is conducted, prohibit  
5 nepotism, and provide for the management of  
6 potential conflict of interest situations; and
- 7 (D) Have at least one year's experience with the  
8 project or in the program or activity area for  
9 which the request for grant is being made;  
10 provided that the foundation may grant an  
11 exception where the requesting or proposing  
12 organization has demonstrated the necessary  
13 experience in the program area[-]; or
- 14 (2) If the applicant is an individual, the applicant must  
15 be determined by the foundation to be:
- 16 (A) Professionally recognized in the field of culture  
17 and the arts or history and the humanities; and
- 18 (B) Qualified to carry out the activity or program  
19 proposed for delivery to the general public or  
20 specified members of the general public."



1 SECTION 3. Section 9-12, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "[+]§9-12[+] **Conditions for [foundation] grants.**

4 Applicants to whom a grant, including a performing arts grants  
5 program grant, has been awarded shall agree to comply with the  
6 following conditions before receiving the grant:

- 7 (1) Be, employ, or have under contract persons who are  
8 qualified to engage in the program or activity to be  
9 funded by the State; provided that for nonprofit  
10 organizations, no two or more members of a family or  
11 kin of the first or second degree shall be employed or  
12 under contract by the organization unless specifically  
13 permitted in writing by the foundation;
- 14 (2) Comply with applicable federal and state laws  
15 prohibiting discrimination against any person on the  
16 basis of race, color, national origin, religion,  
17 creed, sex, age, or physical handicap;
- 18 (3) Agree not to use public funds for purposes of  
19 entertainment or perquisites;



1 (4) Comply with other requirements as the foundation may  
2 prescribe to ensure adherence to federal, state, and  
3 county laws by the grant recipient; and

4 (5) Allow the foundation, the legislative bodies, and the  
5 legislative auditor full access to records, reports,  
6 files, and other related documents so that the  
7 program, management, and fiscal practices of the grant  
8 recipient may be monitored and evaluated to assure the  
9 proper and effective expenditure of public funds."

10 SECTION 4. Section 9-13, Hawaii Revised Statutes, is  
11 amended as follows:

12 1. By amending its title and subsections (a) and (b) to  
13 read:

14 "**§9-13 Required review of requests for [foundation]**  
15 **grants.** (a) Every request for a foundation grant or performing  
16 arts grants program grant shall be reviewed in accordance with  
17 this section.

18 (b) Every request for a foundation grant or performing  
19 arts grants program grant shall be submitted to the foundation  
20 on an application form provided by the foundation. Each  
21 application shall contain:



- 1 (1) A statement of the purpose of the activity or program  
2 to be funded by the grant;
- 3 (2) A written description of the activity or program;
- 4 (3) Financial information regarding the activity or  
5 program;
- 6 (4) If the applicant is an organization, personnel  
7 position salaries; and
- 8 (5) Any other information the foundation requires."

9 2. By amending subsection (e) to read:

10 "(e) The foundation shall inform each foundation grant or  
11 performing arts grants program grant applicant of the  
12 disposition of the application's request."

13 SECTION 5. Section 9-14, Hawaii Revised Statutes, is  
14 amended to read as follows:

15 "[~~§~~9-14~~§~~] **Allotment.** Appropriations for foundation  
16 grants or performing arts grants program grants to be made under  
17 this chapter shall be subject to the allotment system generally  
18 applicable to all appropriations made by the legislature."

19 SECTION 6. Section 9-15, Hawaii Revised Statutes, is  
20 amended by amending subsection (a) to read as follows:



1           "(a) The foundation shall not release the public funds  
2 approved for a foundation grant or performing arts grants  
3 program grant unless a contract is entered into between the  
4 foundation and the recipient of the grant. The foundation shall  
5 develop and determine, in consultation with and subject to the  
6 review and approval of the attorney general, the specific  
7 contract form to be used."

8           SECTION 7. Section 9-16, Hawaii Revised Statutes, is  
9 amended by amending subsections (a) and (b) to read as follows:

10           "(a) Every foundation grant contract and performing arts  
11 grants program grant contract shall be monitored by the  
12 foundation to ensure compliance with this part.

13           (b) Every foundation grant contract and performing arts  
14 grants program grant contract shall be evaluated annually to  
15 determine whether the grant attained the intended results in the  
16 manner contemplated."

17           SECTION 8. Section 9-17, Hawaii Revised Statutes, is  
18 amended to read as follows:

19           "~~§9-17~~ **Continued eligibility.** Any recipient of a  
20 foundation grant or performing arts grants program grant who  
21 withholds or omits any material fact or deliberately



1 misrepresents facts to the foundation shall be in violation of  
2 this part. In addition to any other penalties provided by law,  
3 any recipient found by the foundation to have violated this part  
4 or the terms of its contract shall be prohibited from applying  
5 for any foundation grant or performing arts grants program grant  
6 for a period of five years from the date of termination."

7 SECTION 9. Section 9-18, Hawaii Revised Statutes, is  
8 amended to read as follows:

9 "[~~§~~9-18~~§~~] **Applicability and interpretation.** This part  
10 shall control all foundation grants and performing arts grants  
11 program grants made by the foundation. This part shall be  
12 liberally construed so as not to hinder or impede the  
13 application, receipt, and use of federal moneys that may become  
14 available to the State and the foundation. If unanticipated  
15 federal moneys not included in the legislature's appropriation  
16 to the foundation become available, the foundation, pursuant to  
17 chapter 29, may apply for, receive, and expend the federal  
18 moneys in accordance with the terms and conditions specified in  
19 the applicable federal statutes, regulations, or financial award  
20 documents."

21 PART II



1 SECTION 10. Section 8-5, Hawaii Revised Statutes, is  
2 amended as follows:

3 1. By amending subsection (a) to read:

4 "(a) There shall be a commission to be known as the King  
5 Kamehameha celebration commission placed within the department  
6 of [~~accounting and general services~~] business, economic  
7 development, and tourism for administrative purposes. The  
8 commission shall consist of fifteen members to be appointed by  
9 the governor in the manner provided by section 26-34. The  
10 appointments shall be made from the following organizations,  
11 with one member from each organization:

- 12 (1) Royal Order of Kamehameha I;
- 13 (2) 'Ahahui Ka'ahumanu;
- 14 (3) Hale O Nā Ali'i O Hawai'i 'Ahahui Po'o;
- 15 (4) Daughters and Sons of Hawaiian Warriors Māmakakaua;
- 16 (5) Kamehameha Schools Alumni Association;
- 17 (6) Association of Hawaiian Civic Clubs;
- 18 (7) Waimānalo Hawaiian Homes Association;
- 19 (8) Daughters of Hawaii;
- 20 (9) Kapahulu Music Club; and
- 21 (10) Papakōlea Community Association.



1 Each organization shall maintain a certificate of good  
2 standing issued by the department of commerce and consumer  
3 affairs and an active membership list. Each organization may  
4 recommend for appointment to the commission persons capable of  
5 providing administrative guidance to the commission with regard  
6 to knowledge of Native Hawaiian culture, history and protocols,  
7 legal issues, business, accounting, marketing, philanthropy, or  
8 public relations.

9 In addition, the governor shall appoint one member to the  
10 commission from each of the following islands: Kaua'i, Lāna'i,  
11 Maui, Moloka'i, and Hawai'i. Each of these members shall be a  
12 resident of the respective island that the member represents.  
13 The governor shall appoint persons capable of providing  
14 administrative guidance with regard to legal issues, business,  
15 accounting, marketing, philanthropy, or public relations."

16 2. By amending subsections (c) and (d) to read:

17 "(c) The members of the King Kamehameha celebration  
18 commission shall serve without compensation, but shall be  
19 entitled to reimbursement for travel and necessary expenses  
20 while attending meetings and while in discharge of their duties.  
21 The [~~comptroller~~] director of business, economic development,



1 and tourism shall reimburse the members of the King Kamehameha  
2 celebration commission for all necessary expenses incurred  
3 during the discharge of their duties.

4 (d) The commission may appoint and dismiss an arts program  
5 specialist and a part-time clerk typist, without regard to  
6 chapter 76, who shall serve at the commission's pleasure, and  
7 whose salaries shall be provided through fees, public  
8 contributions, and private donations. The commission, by  
9 majority vote, shall appoint an executive director who shall be  
10 familiar with the people and culture of [~~Hawai'i,~~] the State, and  
11 shall serve without regard to chapter 76 for a term to be  
12 determined by the commission. Except for matters undertaken by  
13 the [~~comptroller~~] director of business, economic development,  
14 and tourism pursuant to subsection (f), the executive director  
15 shall be responsible for all fiscal and administrative matters,  
16 including securing public contributions and private foundation  
17 grants or donations. The executive director shall also be  
18 responsible for developing and administering programs as the  
19 commission may direct. The executive director may be removed  
20 for cause at any time by a two-thirds vote of all commission  
21 members."



1           3. By amending subsection (f) to read:

2           "(f) The [~~comptroller~~] director of business, economic  
3 development, and tourism shall account for all moneys  
4 appropriated by the legislature, may raise funds to defray  
5 administrative costs, and may accept donations of money and  
6 personal property on behalf of the commission; provided that all  
7 donations accepted from private sources shall be expended in the  
8 manner prescribed by the contributor, and all moneys received  
9 from all sources shall be deposited into the commission's trust  
10 account."

11           SECTION 11. Section 9-2, Hawaii Revised Statutes, is  
12 amended by amending subsection (a) to read as follows:

13           "(a) There is hereby created a state foundation on culture  
14 and the arts, which shall be placed within the department of  
15 [~~accounting and general services~~] business, economic  
16 development, and tourism for administrative purposes."

17           SECTION 12. Section 9-3, Hawaii Revised Statutes, is  
18 amended to read as follows:

19           "**§9-3 Duties.** The foundation shall:

20           (1) Assist in coordinating the plans, programs, and  
21           activities of individuals, associations, corporations,



- 1 and agencies concerned with the preservation and  
2 furtherance of culture and the arts and history and  
3 the humanities;
- 4 (2) Establish written standards and criteria by which  
5 grant contracts shall be evaluated;
- 6 (3) Appraise the availability, adequacy, and accessibility  
7 of culture and the arts and history and the humanities  
8 to all persons throughout the State and devise  
9 programs whereby culture and the arts and history and  
10 the humanities can be brought to those who would  
11 otherwise not have the opportunity to participate;
- 12 (4) Stimulate, guide, and promote culture and the arts and  
13 history and the humanities throughout the State;
- 14 (5) Devise and recommend legislative and administrative  
15 action for the preservation and furtherance of culture  
16 and the arts and history and the humanities;
- 17 (6) Study the availability of private and governmental  
18 grants for the promotion and furtherance of culture  
19 and the arts and history and the humanities;
- 20 (7) Through its executive director:



- 1 (A) Administer funds allocated by grant, gift, or  
2 bequest to the foundation; accept, hold,  
3 disburse, and allocate funds that may become  
4 available from other governmental and private  
5 sources; provided that all those funds shall be  
6 disbursed or allocated in compliance with any  
7 specific designation stated by the donor and in  
8 the absence of any designation, the funds shall  
9 be disbursed or allocated for the promotion and  
10 furtherance of culture and the arts and history  
11 and the humanities; and
- 12 (B) Accept, hold, disburse, and allocate public funds  
13 that are made available to the foundation by the  
14 legislature for disbursement or allocation,  
15 pursuant to the standards and procedures  
16 established in part II, for the promotion and  
17 furtherance of culture and the arts and history  
18 and the humanities;
- 19 (8) Submit an annual report with recommendations to the  
20 governor and legislature, prior to February 1, of each  
21 year. Annual reports shall include the total number



- 1 and amount of gifts and other grants and income  
2 received, payroll disbursements, contracts entered  
3 into, and progress and accomplishments made during the  
4 year, including the efforts of the Hawaii arts  
5 education partners and its progress in implementing  
6 the Hawaii arts education strategic plan and the  
7 accomplishments of the art in public places and  
8 relocatable works of art programs and the state art  
9 museum;
- 10 (9) Convene the Hawaii arts education partners, which is  
11 composed of the department of education, the colleges  
12 of education and arts and humanities of the University  
13 of Hawaii at Manoa, the Hawaii Association of  
14 Independent Schools, and the Hawaii Arts Alliance [~~for~~  
15 ~~Art Education~~], to fully implement the terms of the  
16 Hawaii arts education strategic plan;
- 17 (10) Display student art works in public buildings, sponsor  
18 student art displays, promote arts education, and in  
19 other ways encourage the development of creative  
20 talent among the young people of [~~Hawaii,~~] the State;



- 1           (11) In cooperation with qualified organizations, conduct  
2           research, studies, and investigations in the fields of  
3           ethnohistory and the humanities[+] by:
- 4           (A) [~~Make, publish, and distribute~~] Making,  
5           publishing, and distributing works documenting  
6           the contributions of individual ethnic groups in  
7           their relationship to one another and to the  
8           whole population of [~~Hawaii,~~] the State;
- 9           (B) [~~Place~~] Placing ethnohistorical and cultural  
10          materials developed by the foundation or received  
11          by the foundation as gifts and donations in  
12          public archives, libraries, and other suitable  
13          institutions accessible to the public; and
- 14          (C) [~~Maintain~~] Maintaining a register of the location  
15          of [~~such~~] the materials;
- 16          (12) Cooperate with and assist the department of land and  
17          natural resources and other state agencies in  
18          developing and implementing programs relating to  
19          historic preservation, research, restoration, and  
20          presentation, as well as museum activities;



1 (13) Establish an individual artist fellowship program to  
2 encourage artists to remain and work in [~~Hawaii~~] the  
3 State and to reaffirm the importance of [~~Hawaii's~~]  
4 state artists and their cultural and economic  
5 contributions to the State by:

6 (A) Recognizing and honoring [~~Hawaii's~~] the State's  
7 exceptionally talented visual and performing  
8 artists for their outstanding work in and  
9 commitment to the arts; and

10 (B) Enabling these artists to further their artistic  
11 goals;

12 (14) In consultation with the [~~comptroller~~] director of  
13 business, economic development, and tourism and  
14 affected agencies and departments, administer the art  
15 in public places and relocatable works of art programs  
16 established pursuant to section 103-8.5; and

17 (15) Administer the operations of the state art museum  
18 established pursuant to section 9-22."

19 SECTION 13. Section 9-5, Hawaii Revised Statutes, is  
20 amended to read as follows:



1           "~~{}~~§9-5~~{}~~ **Rules.** The foundation shall adopt rules in  
2 consultation with the [~~comptroller~~] director of business,  
3 economic development, and tourism for the purposes of  
4 administering this chapter. [~~Such~~] The rules shall be adopted  
5 in accordance with chapter 91."

6           SECTION 14. Section 26-6, Hawaii Revised Statutes, is  
7 amended to read as follows:

8           "**§26-6 Department of accounting and general services.** (a)

9 The department of accounting and general services shall be  
10 headed by a single executive to be known as the comptroller.

11           (b) The department shall:

12           (1) Preaudit and conduct after-the-fact audits of the  
13 financial accounts of all state departments to  
14 determine the legality of expenditures and the  
15 accuracy of accounts;

16           (2) Report to the governor and to each regular session of  
17 the legislature as to the finances of each department  
18 of the State;

19           (3) Administer the state risk management program;

20           (4) Establish and manage motor pools;



- 1           (5) Manage the preservation and disposal of all records of
- 2           the State;
- 3           (6) Undertake the program of centralized engineering and
- 4           office leasing services, including operation and
- 5           maintenance and lease buyback processing pursuant to
- 6           subsection (d) of public buildings, for departments of
- 7           the State;
- 8           (7) Undertake the functions of the state surveyor;
- 9           (8) Establish accounting and internal control systems;
- 10          (9) Have the discretion to employ persons within the
- 11          comptroller's office who shall be exempt from chapters
- 12          76 and 89 in support of communications, change
- 13          management, and business process improvement programs
- 14          as part of the State's information technology
- 15          modernization efforts; provided that the persons shall
- 16          be members of the state employees' retirement system
- 17          and shall be eligible to receive the benefits of any
- 18          state employee benefit program generally applicable to
- 19          officers and employees of the State;



- 1 (10) Provide centralized computer information management  
2 and processing services through the chief information  
3 officer;
- 4 (11) Establish a program to provide a means for public  
5 access to public information and develop an  
6 information network for state government;
- 7 (12) Assume administrative responsibility for the office of  
8 information practices; and
- 9 (13) Approve state fleet acquisitions; provided that:
- 10 (A) Beginning January 1, 2022, all new light-duty  
11 motor vehicles that are passenger cars purchased  
12 for the State's fleet shall be zero-emission  
13 vehicles;
- 14 (B) Beginning as soon as practicable but no later  
15 than January 1, 2030, all new light-duty motor  
16 vehicles that are multipurpose passenger vehicles  
17 and trucks for the State's fleet shall be zero-  
18 emission vehicles; and
- 19 (C) The comptroller may authorize an exemption for  
20 new fleet vehicle purchases if zero-emission  
21 vehicles are demonstrated to be cost-prohibitive



1 on a lifecycle basis or unsuitable for the  
2 vehicles' planned purpose, or if funds are  
3 unavailable.

4 For the purposes of this subsection:

5 "Light-duty motor vehicle" has the same meaning as defined  
6 in title 10 Code of Federal Regulations part 490.

7 "Multipurpose passenger vehicle" has the same meaning as  
8 defined in title 49 Code of Federal Regulations section 571.3.

9 "Passenger car" has the same meaning as defined in title 49  
10 Code of Federal Regulations section 571.3.

11 "Truck" has the same meaning as defined in title 49 Code of  
12 Federal Regulations section 571.3.

13 "Zero-emission vehicle" has the same meaning as specified  
14 in title 40 Code of Federal Regulations section 88.1.

15 (c) The state communication system shall be established  
16 to:

17 (1) Facilitate implementation of the State's distributed  
18 information processing and information resource  
19 management plans;

20 (2) Improve data, voice, and video communications in state  
21 government;



1 (3) Provide a means for connectivity among the state,  
2 university, and county computer systems; and

3 (4) Provide a long-term means for public access to public  
4 information.

5 (d) The department shall establish, coordinate, and manage  
6 a program to facilitate facility agreements between the State  
7 and private investors for the sale of facilities, excluding  
8 facilities managed or controlled by the department of  
9 transportation, to private investors; provided that each  
10 facility agreement contains the following requirements:

11 (1) The State shall sell the facility to the private  
12 investor, who shall:

13 (A) Renovate, improve, or construct a facility for  
14 the State and may maintain the facility; and

15 (B) Lease the facility to the State, pursuant to a  
16 building lease;

17 (2) The land upon which the facility rests shall not be  
18 sold to the private investor; provided that the land  
19 may be leased at a nominal rate to the private  
20 investor for a term that would, at a minimum, allow  
21 the private investor to recover the capital investment



1           that has been made to the facility, including  
2           depreciation; and

3           (3) The State shall have the option of purchasing the  
4           facility from the private investor for the remaining  
5           balance of the debt service costs incurred by the  
6           private investor at any time.

7           For purposes of this subsection:

8           "Building lease" means a contract between the department of  
9           accounting and general services and a private investor in which  
10          the private investor leases an improved facility to the  
11          department for a specified period of time.

12          "Facility" means a building under the management and  
13          control of any state department.

14          "Facility agreement" means an agreement between the State  
15          and a private investor that, at a minimum, includes a  
16          description of the work to be done, the sale price for the  
17          facility, the duration of the agreement, the roles and  
18          responsibilities of the State and the private investor, and the  
19          terms and conditions for the lease.

20          "Private investor" means a nongovernmental entity.



1 (e) The department may adopt rules as may be necessary or  
2 desirable for the operation and maintenance of public buildings;  
3 for the operation and implementation of a program to provide a  
4 means for public access to the State's information network  
5 system and public information; and for the implementation of  
6 facility agreements pursuant to subsection (d). The rules shall  
7 be adopted pursuant to chapter 91.

8 [~~(f)~~ ~~The King Kamehameha celebration commission shall be~~  
9 ~~placed within the department of accounting and general services~~  
10 ~~for administrative purposes. The functions, duties, and powers,~~  
11 ~~subject to the administrative control of the comptroller, and~~  
12 ~~the composition of the commission shall be as heretofore~~  
13 ~~provided by law.~~

14 ~~(g)~~ (f) The functions and authority [~~heretofore~~]  
15 exercised by the comptroller, board of commissioners of public  
16 archives, the archivist, the disposal committee, and the  
17 insurance management, surplus property management, and central  
18 purchasing functions of the bureau of the budget and the  
19 nonhighway functions of the department of public works as  
20 [~~heretofore~~] constituted [~~are~~] shall be transferred to the



1 department of accounting and general services established by  
2 this chapter.

3 ~~[(h)]~~ (g) The department of accounting and general  
4 services shall preserve and protect Washington Place, including  
5 the grounds and the historic residence situated on its premises  
6 at Miller and Beretania Streets in Honolulu. The department  
7 shall administer, manage, operate, and maintain Washington Place  
8 and the trust fund created under subsection ~~[(i)]~~ (h).

9 ~~[(i)]~~ (h) There is established a trust fund in the state  
10 treasury to be known as the Washington Place trust fund, into  
11 which shall be deposited:

- 12 (1) All rents and fees collected for the use of Washington  
13 Place and from activities conducted on the premises;  
14 (2) All other money received for the fund from any other  
15 source; and  
16 (3) All income and interest earned or accrued on moneys  
17 deposited into the trust fund.

18 All moneys deposited into the trust fund shall be expended  
19 by the department of accounting and general services and used  
20 exclusively to implement the provisions of subsection ~~[(h)]~~  
21 (g), including for staff salaries and fringe benefits, and shall



1 not be transferred, nor subject to transfer, to the general fund  
2 or any other fund in the state treasury."

3 SECTION 15. Section 103-8.5, Hawaii Revised Statutes, is  
4 amended as follows:

5 1. By amending subsections (c) through (e) to read:

6 "(c) The one per cent amount, which is included in all  
7 general obligation bond fund capital improvement appropriations,  
8 shall be calculated at the time that each appropriation becomes  
9 available. The [~~comptroller~~] director of business, economic  
10 development, and tourism shall cause one per cent of each  
11 general obligation bond fund capital improvement appropriation  
12 designated for the construction or renovation of state buildings  
13 to be transferred into a general obligation bond fund  
14 appropriation the legislature may make specifically for deposits  
15 to the works of art special fund after availability of moneys  
16 from the appropriations. Each agency receiving capital  
17 improvement appropriations shall calculate the one per cent  
18 amount and transfer the appropriation into a general obligation  
19 bond fund appropriation the legislature may make specifically  
20 for deposits to the works of art special fund.



1 (d) The [~~comptroller~~] director of business, economic  
2 development, and tourism and the state foundation on culture and  
3 the arts shall decide on the specific art objects to acquire,  
4 giving first consideration to placing appropriate pieces of art  
5 at the locations of the original appropriation.

6 [~~The~~] Notwithstanding any law to the contrary, selection  
7 of, commissioning artists for, reviewing of design, execution,  
8 and placement of, and the acceptance of works of art shall be  
9 the responsibility of the [~~comptroller~~] director of business,  
10 economic development, and tourism and the state foundation on  
11 culture and the arts in consultation with the affected agency or  
12 department.

13 Expenditures from the works of art special fund shall be  
14 made by the [~~comptroller.~~] director of business, economic  
15 development, and tourism.

16 (e) The [~~comptroller~~] director of business, economic  
17 development, and tourism shall:

18 (1) Provide each agency receiving capital improvement  
19 appropriations with information regarding items that  
20 shall be included and excluded from the one per cent  
21 amount;



1 (2) Ensure that each agency calculates its one per cent  
2 amount correctly;

3 (3) Ensure that each agency transfers the correct amount  
4 of each appropriation to a separate appropriation made  
5 for deposits to the works of art special fund; and

6 (4) Transfer to the works of art special fund the annual  
7 transfer amount, as defined in subsection (i), from an  
8 appropriation the legislature may make for deposits to  
9 the works of art special fund."

10 2. By amending subsection (h) to read:

11 "(h) The [~~comptroller~~] director of business, economic  
12 development, and tourism and the executive director of the state  
13 foundation on culture and the arts shall track amounts  
14 transferred to the works of art special fund, the use of all  
15 transferred amounts, and the timing of the use of all  
16 transferred amounts by appropriation and date of transfer."

17 SECTION 16. All appropriations, records, equipment,  
18 machines, files, supplies, contracts, books, papers, documents,  
19 maps, and other personal property heretofore made, used,  
20 acquired, or held by the department of accounting and general  
21 services relating to the functions transferred to the department



1 of business, economic development, and tourism shall be  
2 transferred with the functions to which they relate.

3 SECTION 17. All rights, powers, functions, and duties of  
4 the department of accounting and general services relating to  
5 the functions transferred to the department of business,  
6 economic development, and tourism shall be transferred with the  
7 functions to which they relate.

8 All officers and employees whose functions are transferred  
9 by this Act shall be transferred with their functions and shall  
10 continue to perform their regular duties upon their transfer,  
11 subject to the state personnel laws and this Act.

12 No officer or employee of the State having tenure shall  
13 suffer any loss of salary, seniority, prior service credit,  
14 vacation, sick leave, or other employee benefit or privilege as  
15 a consequence of this Act, and the officer or employee may be  
16 transferred or appointed to a civil service position without the  
17 necessity of examination; provided that the officer or employee  
18 possesses the minimum qualifications for the position to which  
19 transferred or appointed; provided further that subsequent  
20 changes in status may be made pursuant to applicable civil  
21 service and compensation laws.



1 An officer or employee of the State who does not have  
2 tenure and who may be transferred or appointed to a civil  
3 service position as a consequence of this Act shall become a  
4 civil service employee without the loss of salary, seniority,  
5 prior service credit, vacation, sick leave, or other employee  
6 benefits or privileges and without the necessity of examination;  
7 provided that the officer or employee possesses the minimum  
8 qualifications for the position to which transferred or  
9 appointed.

10 If an office or position held by an officer or employee  
11 having tenure is abolished, the officer or employee shall not  
12 thereby be separated from public employment, but shall remain in  
13 the employment of the State with the same pay and classification  
14 and shall be transferred to some other office or position for  
15 which the officer or employee is eligible under the personnel  
16 laws of the State as determined by the head of the department or  
17 the governor.

18 SECTION 18. All rules, policies, procedures, guidelines,  
19 and other material adopted or developed by the department of  
20 accounting and general services to implement provisions of the  
21 Hawaii Revised Statutes that are reenacted or made applicable to



1 the department of business, economic development, and tourism by  
2 this Act shall remain in full force and effect until amended or  
3 repealed by the department of business, economic development,  
4 and tourism pursuant to chapter 91, Hawaii Revised Statutes.

5 In the interim, every reference to the department of  
6 accounting and general services or comptroller in those rules,  
7 policies, procedures, guidelines, and other material is amended  
8 to refer to the department of business, economic development,  
9 and tourism or director of business, economic development, and  
10 tourism, as appropriate.

11 SECTION 19. All deeds, leases, contracts, loans,  
12 agreements, permits, or other documents executed or entered into  
13 by or on behalf of the department of accounting and general  
14 services, pursuant to the provisions of the Hawaii Revised  
15 Statutes that are reenacted or made applicable to the department  
16 of business, economic development, and tourism by this Act shall  
17 remain in full force and effect. Upon the effective date of  
18 this Act, every reference to the department of accounting and  
19 general services or the comptroller therein shall be construed  
20 as a reference to the department of business, economic



1 development, and tourism or the director of business, economic  
2 development, and tourism, as appropriate.

3 SECTION 20. All appropriations, records, equipment,  
4 machines, files, supplies, contracts, books, papers, documents,  
5 maps, and other personal property heretofore made, used,  
6 acquired, or held by the department of accounting and general  
7 services relating to the functions transferred to the department  
8 of business, economic development, and tourism shall be  
9 transferred with the functions to which they relate.

10 PART III

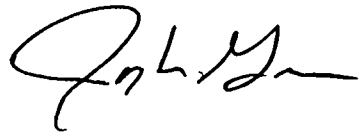
11 SECTION 21. Statutory material to be repealed is bracketed  
12 and stricken. New statutory material is underscored.

13 SECTION 22. This Act shall take effect on July 1, 2026.



H.B. NO. 1815  
H.D. 1  
S.D. 1  
C.D. 1

APPROVED this 8th day of June, 2026



GOVERNOR OF THE STATE OF HAWAII

HB No. 1815, HD 1, SD 1, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 6, 2026  
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2026.



Nadine K. Nakamura  
Speaker  
House of Representatives

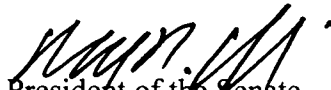


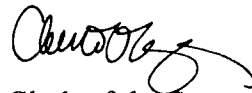
Brian L. Takeshita  
Chief Clerk  
House of Representatives

**THE SENATE OF THE STATE OF HAWAI'I**

Date: May 6, 2026  
Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Third Legislature of the State of Hawai'i, Regular Session of 2026.

  
President of the Senate

  
Clerk of the Senate