
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 SECTION 1. Section 9-11, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "[§9-11] Qualifying standards for [foundation] grant
4 applications. An applicant for a foundation grant or performing
5 arts grants program grant shall meet the following standards:

6 (1) If the applicant is an organization:

7 (A) Be a for-profit organization incorporated under
8 the laws of the State or a nonprofit organization
9 exempt from the federal income tax by the
10 Internal Revenue Service;

11 (B) In the case of a tax exempt nonprofit
12 organization, the organization shall have a
13 governing board whose members have no material
14 conflict of interest and serve without
15 compensation;

16 (C) Have bylaws or policies that describe the manner
17 in which business is conducted, prohibit



nepotism, and provide for the management of potential conflict of interest situations; and

(D) Have at least one year's experience with the project or in the program or activity area for which the request for grant is being made; provided that the foundation may grant an exception where the requesting or proposing organization has demonstrated the necessary experience in the program area.

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

19 "[§9-12] Conditions for [foundation] grants.

20 Applicants to whom a grant, including a performing arts grants



1 program grant, has been awarded shall agree to comply with the
2 following conditions before receiving the grant:

3 (1) Be, employ, or have under contract persons who are
4 qualified to engage in the program or activity to be
5 funded by the State; provided that for nonprofit
6 organizations, no two or more members of a family or
7 kin of the first or second degree shall be employed or
8 under contract by the organization unless specifically
9 permitted in writing by the foundation;

10 (2) Comply with applicable federal and state laws
11 prohibiting discrimination against any person on the
12 basis of race, color, national origin, religion,
13 creed, sex, age, or physical handicap;

14 (3) Agree not to use public funds for purposes of
15 entertainment or perquisites;

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

19 (5) Allow the foundation, the legislative bodies, and the
20 legislative auditor full access to records, reports,
21 files, and other related documents so that the



1 program, management, and fiscal practices of the grant
2 recipient may be monitored and evaluated to assure the
3 proper and effective expenditure of public funds."

4 SECTION 3. Section 9-13, Hawaii Revised Statutes, is
5 amended as follows:

6 1. By amending its title and subsections (a) and (b) to
7 read:

8 "§9-13 Required review of requests for [foundation]
9 grants. (a) Every request for a foundation grant or performing
10 arts grants program grant shall be reviewed in accordance with
11 this section.

12 (b) Every request for a foundation grant or performing
13 arts grants program grant shall be submitted to the foundation
14 on an application form provided by the foundation. Each
15 application shall contain:

16 (1) A statement of the purpose of the activity or program
17 to be funded by the grant;
18 (2) A written description of the activity or program;
19 (3) Financial information regarding the activity or
20 program;



3 (5) Any other information the foundation requires."

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

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

8 SECTION 4. Section 9-14, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "[f]§9-14[]] **Allotment.** Appropriations for foundation
11 grants or performing arts grants program grants to be made under
12 this chapter shall be subject to the allotment system generally
13 applicable to all appropriations made by the legislature."

14 SECTION 5. Section 9-15, Hawaii Revised Statutes, is
15 amended by amending subsection (a) to read as follows:

16 "(a) The foundation shall not release the public funds
17 approved for a foundation grant or performing arts grants
18 program grant unless a contract is entered into between the
19 foundation and the recipient of the grant. The foundation shall
20 develop and determine, in consultation with and subject to the



1 review and approval of the attorney general, the specific
2 contract form to be used."

3 SECTION 6. Section 9-16, Hawaii Revised Statutes, is
4 amended by amending subsections (a) and (b) to read as follows:

5 "(a) Every foundation grant contract or performing arts
6 grants program grant contract shall be monitored by the
7 foundation to ensure compliance with this part.

8 (b) Every foundation grant and performing arts grants
9 program grant contract shall be evaluated annually to determine
10 whether the grant attained the intended results in the manner
11 contemplated."

12 SECTION 7. Section 9-17, Hawaii Revised Statutes, is
13 amended to read as follows:

14 "[§9-17] **Continued eligibility.** Any recipient of a
15 foundation grant or performing arts grants program grant who
16 withholds or omits any material fact or deliberately
17 misrepresents facts to the foundation shall be in violation of
18 this part. In addition to any other penalties provided by law,
19 any recipient found by the foundation to have violated this part
20 or the terms of its contract shall be prohibited from applying



1 for any foundation grant for a period of five years from the
2 date of termination."

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

5 "[§9-18] **Applicability and interpretation.** This part
6 shall control all foundation grants and performing arts grants
7 program grants made by the foundation. This part shall be
8 liberally construed so as not to hinder or impede the
9 application, receipt, and use of federal moneys that may become
10 available to the State and the foundation. If unanticipated
11 federal moneys not included in the legislature's appropriation
12 to the foundation become available, the foundation, pursuant to
13 chapter 29, may apply for, receive, and expend the federal
14 moneys in accordance with the terms and conditions specified in
15 the applicable federal statutes, regulations, or financial award
16 documents."

17 SECTION 9. Statutory material to be repealed is bracketed
18 and stricken. New statutory material is underscored.

19 SECTION 10. This Act shall take effect upon its approval.
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H.B. NO. 1815

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INTRODUCED BY:

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JAN 22 2026



H.B. NO. 1815

Report Title:

SFCA; Performing Arts Grants Program; Grants

Description:

Explicitly applies existing grant standards to Performing Arts Grants Program grants under the State Foundation on Culture and the Arts.

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