
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 "[~~f~~]**\$9-14**[~~f~~] **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 [~~controller~~] 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.



Report Title:

SFCA; Performing Arts Grants Program; Grants; King Kamehameha Celebration Commission; DAGS; DBEDT; Comptroller; Works of Art Special Fund; Transfer; Positions

Description:

Part I: Explicitly applies existing grant standards to Performing Arts Grants Program grants under the State Foundation on Culture and the Arts. Part II: Transfers 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. Transfers certain authority and responsibilities held by the Comptroller regarding the Works of Art Special Fund to the Director of Business, Economic Development, and Tourism. (CD1)

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

