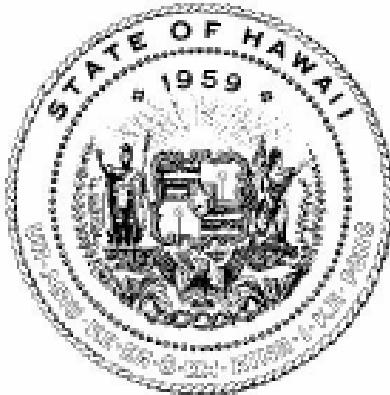


REPORT TO THE THIRTIETH LEGISLATURE
2020 REGULAR SESSION
ON
THE STATE HISTORIC PRESERVATION PROGRAM
FOR FISCAL YEAR 2018-2019



PREPARED BY:

STATE OF HAWAI'I
DEPARTMENT OF LAND AND NATURAL RESOURCES
IN RESPONSE TO
SECTION 6E-3, HAWAII REVISED STATUTES

HONOLULU, HAWAI'I
NOVEMBER 2019

**THE STATE HISTORIC PRESERVATION PROGRAM
FOR FISCAL YEAR 2018-2019**

BACKGROUND

Section 6E-3, Hawaii Revised Statutes (HRS), directs the Department of Land and Natural Resources (Department) to submit to the Governor and the Legislature an annual report detailing the accomplishments of the year, recommendations for changes in the state plan or future programs relating to historic preservation, and an accounting of all income, expenditures, and the fund balance of the Hawaii Historic Preservation Special Fund.

ACCOMPLISHMENTS

During 2018-2019, the Department's State Historic Preservation Division (SHPD) procured a vendor (VHB, Inc.) under a multi-term contract who commenced the design phase of the Hawaii Cultural Resource Information System (HICRIS). When completed with the development and installation phases in December 2020, the new system will enable SHPD to become more proactive and efficient by streamlining workflow, along with making its extensive library of cultural resource data more widely available and usable to professionals and the public via internet access. It will incorporate all legacy data from hardcopy files, stand-alone databases, as well as various applications, enabling the Division to leverage its substantial historic preservation inventory. In addition, it will enhance the Division's existing capabilities, including improving data entry, retrieval, maintenance, accessibility, and reporting functionality. Moreover, the design and development of the HICRIS will enable SHPD to complete the final element of the National Park Service (NPS) Corrective Action Plan (CAP).

SHPD has also filled several vacant positions with qualified staff including the Archaeologist IV (122489), Ethnographer (102395), Architectural Historian (112243), Assistant Archaeologist III (102064), Historic Preservation Systems Manager (102283), along with Office Assistant III(s) (26603) and (122469). There are various existing vacant positions to be filled that opened up, including: the Architecture Branch Chief (100380), Hawaii Archaeologist IV (102055), Maui Archaeologist IV (101037), Maui Archaeologist III (102393), Oahu Archaeologist IV (100379), an Architectural Historian (100377), Office Assistant III (26603) and the Hawaii Archaeologist IV (102055), which was filled by the Hawaii Assistant Archaeologist III.

Also, noteworthy is that SHPD continues to work to fill the remaining eight of the nine positions authorized by the 2018 Legislature including: the Hawaii Island Archaeologist IV (91827C), Archaeologist IV (91928C), Oahu Archaeologist III (91929C), two Burial Specialists for Hawaii (91931C) and Oahu (91932C), GIS Technical Assistant (91934C), and two Office Assistant III(s) for Hawaii (91935C) and Oahu (91936C), respectively.

Project reviews in the Archaeology branch currently reflect a 1-year backlog, as SHPD experienced increases in permit and project submissions, coupled with on-going challenges in filling position vacancies in large part due to private and federal sector competition along with lower compensation offered by the State. Thus, SHPD continues to work on increasing compensation for technical staff positions, diligently filling the vacant archaeologist, and using temporary hires and professional service consultants as a stop gap measure in meeting mandated project review requirements and due dates.

FUTURE PROGRAMS

During Fiscal Year (FY) 2019-2020, SHPD will continue to work at filling vacant positions until all funded positions are filled.

Due to the approval of funding by the 2018 Legislature, SHPD has contracted a legal fellow through the University of Hawaii (Law School) to assist in revising its Administrative Rules and issue a revised fee schedule by September 2021 to more accurately reflect the true costs incurred in the review process and to offset a larger portion of those costs. It is estimated that this will increase revenue to Hawaii Historic Preservation Special Fund three-fold.

HAWAII HISTORIC PRESERVATION SPECIAL FUND

The Hawaii Historic Preservation Special Fund (Fund) was established in Section 6E-16, HRS, by way of Act 388, Session Laws of Hawaii (SLH) 1989, to enhance and preserve elements of our past that should be integrated into our daily living. Allowable deposits into the Fund include:

- (1) Appropriations by the Legislature to the special fund;
- (2) Gifts, donations, and grants from public agencies and private persons;
- (3) All proceeds collected by the Department derived from historic preserve user fees, historic preserve leases or concession fees, fees charged to carry out the purposes of Chapter 6E, HRS, or the sale of goods; and
- (4) Civil, criminal, and administrative penalties, fines, and other charges collected under Chapter 6E, HRS, or any rule adopted pursuant to Chapter 6E, HRS.

All interest earned or accrued on moneys deposited in the Fund shall become part of the Fund. The Fund shall be administered by the Department; provided that the Department may contract with a public or private agency to provide the day-to-day management of the Fund.

Subject to legislative authorization, the Department may expend moneys from the Fund:

- (1) For permanent and temporary staff positions;
- (2) To replenish goods;
- (3) To produce public information materials;
- (4) To provide financial assistance to public agencies and private agencies in accordance with Chapter 42F, HRS, involved in historic preservation activities other than those covered by Section 6E-9, HRS; and
- (5) To cover administrative and operational costs of SHPD.

Although the appropriation was authorized to fund two positions by the 2015 Legislature, the Office Assistant III (122469), and Ethnographer (91604C) which was subsequently re-described as an Archaeologist IV (112489), SHPD continued to experience difficulty in generating sufficient revenue to cover payroll and benefits. As a result, SHPD obtained legislative authorization in 2019 to change the means of financing for these positions from special to general funding.

Appropriation Account Number: S-321-C

Beginning Cash Balance	(7/01/18)	\$ 0.00
Revenues		\$ 89,452.17
Cash Transfers		9,388.47
Expenditures		(23,237.29)
Ending Cash Balance	(6/30/19)	\$ 75,603.35
Ending Encumbrances	(6/30/19)	\$ 0.00
Net Cash Balance		\$ 75,603.35

The revenues were derived from user fees, professional fees, and interest income. Moneys were used in large part to cover Other Post-Employment Benefits or the employer's share of fringe benefit costs (\$13,781.37) in accordance with Act 17, SLH 2017, and special fund assessments of 5% (\$7,519.00) pursuant to Sections 36-27, and 36-30, HRS. The Fund is also used to pay for utilities, office supplies, rental of electronic data processing equipment and multi-purpose copiers, as well as travel related expenditures for neighbor island staff to attend historic preservation conferences and training workshops on Oahu, subject to the availability of funds.