

REPORT TO THE THIRTY-SECOND LEGISLATURE
2023 REGULAR SESSION
ON
THE STATE HISTORIC PRESERVATION PROGRAM
FOR FISCAL YEAR 2021-2022



PREPARED BY:

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

HONOLULU, HAWAII
OCTOBER, 2022

THE STATE HISTORIC PRESERVATION PROGRAM
FOR FISCAL YEAR 2021-2022

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

The State Historic Preservation Division (SHPD) continues to work on upgrades with the vendor for the recently developed and installed Hawaii Cultural Resource Information System (HICRIS), which provides a more proactive and efficient streamlined 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 also incorporates part of the legacy data from hardcopy files, stand-alone databases, as well as various applications, enabling the Division to leverage a part of its substantial historic preservation inventory. In addition, it enhances the Division's existing capabilities, including improving data entry, retrieval, maintenance, accessibility, and reporting functionality. Moreover, the implementation of HICRIS helped SHPD to fulfill the final element of the National Park Service (NPS) Corrective Action Plan (CAP) and upgrade its status from high to a medium risk program.

SHPD was able to fill all but two vacancies of its 40 staff position as authorized by the FY21 SLH. As a result, the Division has filled, two Oahu Archaeologist IVs (100379 and 122799), and the Architecture Branch Chief (100380) with qualified staff. Meanwhile, the Division continues to work with DLNR Human Resources in its search for a qualified candidates for the Architecture Historian and Ethnographer positions, respectively.

Although project reviews in the Archaeology branch continue to reflect a 6-month to 1-year backlog as the volume of permit and project submissions have risen, the 2022 Legislature approved compensation increases for new and existing professional staff positions that will help reduce the fight of Archaeology and Architectural staff to federal agencies and private firms because of higher compensation. Thus, SHPD should be able to better maintain its skilled professionals as well as encourage greater interest in vacant positions with the higher compensation package.

Also, SHPD continues to contract 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 2024 to more accurately reflect the true costs incurred in the review process and to offset a larger portion of those costs. In addition, it will assist in providing for a more workable interpretation of the rules that should allow for a more effective and coherent process. It is estimated that this will increase revenue to Hawaii Historic Preservation Special Fund three-fold.

FUTURE PROGRAMS

SHPD is working on a filling the fourteen new positions approved by the 2022 Legislature that will help to eliminate the backlog of reviews and allow it to meet its mandate of timely reviews going forward. In addition, the production anticipated from these new positions will assist SHPD in

staving off any future Corrective Action Plans from the National Park Service. These new positions will provide the Division with a sufficient professional workforce to meet the volume of permits, reports, and submittals for review under the HRS 6E and Section 106 Review and Compliance programs of 1500 to 2000 reviews annually. Furthermore, it will also assist SHPD meeting the volume of work generated under the Tax Incentive, State and National Register, Survey and Inventory, and Certified Local Government programs, respectively, which are normally worked on time permitting basis, after the higher prioritized reviews of permits, submittals, and reports.

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.

Appropriation Account Number: S-321-C

Beginning Cash Balance	(7/01/21)	\$	0.00
Revenues		\$	179,027.02
Cash Transfers			70,803.47
Expenditures			(145,564.45)
Ending Cash Balance	(6/30/22)	\$	104,266.04
Ending Encumbrances	(6/30/22)	\$	47,259.12
Net Cash Balance		\$	57,006.92

FY 22 revenues were derived from restitutions or fines (\$144,000.00), user fees (34,200.00), professional fees, and interest income. Moneys were used in large part to pay for utilities (\$16,079.59), repairs and maintenance – data processing equipment (\$16,285.28), renewal of

software licenses (\$28,267.67), and IT-consultant services for HICRIC (\$43,890.00), respectively.