

REPORT TO THE THIRTY-SECOND LEGISLATURE  
2024 REGULAR SESSION

THE STATE HISTORIC PRESERVATION PROGRAM  
FOR FISCAL YEAR 2022-2023



PREPARED BY:

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES

IN RESPONSE TO  
SECTION 6E-3, HAWAII REVISED STATUTES

HONOLULU, HAWAII  
December 2023

## THE STATE HISTORIC PRESERVATION PROGRAM FOR FISCAL YEAR 2022-2023

### 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 Department's State Historic Preservation Division (SHPD) continues to work on upgrades with Hawaii Cultural Resource Information System (HICRIS), to improve its functionality for SHPD staff and make it more user friendly for external users. SHPD continues the multi-year effort to incorporate legacy data from hardcopy files, stand-alone databases, as well as various applications, enabling SHPD to leverage a part of its substantial historic preservation inventory.

Although SHPD has maintained 43 filled staff positions, it continues to work on filling 13 vacant positions, of which 11 were newly authorized by the 2022 Legislature. SHPD has recently had offers for two of the vacant positions accepted, and is in the process of onboarding the new staff. Furthermore, the salary increases for professional program staff that were also authorized by the 2022 Legislature, were approved in the first quarter of Fiscal Year (FY) 2024 by the Department's Administrative Services and Human Resources Offices. As a result, SHPD has had greater success in the filling of its vacant staff positions with compensation levels equivalent to private firms and federal agencies.

### FUTURE PROGRAMS

SHPD continues to fill the fourteen vacant positions approved by the 2022 Legislature to eliminate the backlog of reviews and meet its mandate of timely reviews. In addition, production anticipated from these filled vacant positions will assist SHPD in avoiding any potential Corrective Action Plans from National Park Service. We estimate that filling all of these positions will also provide SHPD with a sufficient professional workforce to meet the volume of permits, reports, and submittals for review under the HRS Chapter 6E and Section 106 Review and Compliance programs of 2000 to 2500 reviews annually, as well as reducing the backlog of reviews. Furthermore, it will also assist SHPD in 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.

In addition, SHPD's legal fellow recently resigned and SHPD is working with the University of Hawaii (Law School) to find a replacement. The legal fellow will assist in revising SHPD's 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. Legal Fellow also assists preparing SHPD recommendations to the Board of Land and Natural Resources regarding assessments under 6E-11, HRS.

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		\$72,391.75
Cash Transfers		\$67,500.56
Expenditures		\$(105,802.99)
Ending Cash Balance	(6/30/22)	\$34,089.32
Ending Encumbrances	(6/30/22)	\$12,828.52
Net Cash Balance		\$21,260.80

FY 23 revenues were derived from user fees (\$46,775.00), along with professional fees, and interest income (\$1,497.43), respectively. Moneys were used in large part to pay for utilities (\$46,4470.63), and the annual special fund assessment (\$18,705.00).