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# A BILL FOR AN ACT

RELATING TO EDUCATION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that the state  
2 educational facilities improvement special fund is used to plan,  
3 design, construct, maintain, and acquire lands for public school  
4 facilities. The special fund finances projects that address  
5 classroom necessities. However, the special fund is currently  
6 overwhelmed with the demand for repairs. Years of under-funding  
7 maintenance projects has culminated in a massive school repair  
8 and renovation crisis. As recently as six months ago, asbestos  
9 was found under twelve sinks at Haleiwa elementary school, which  
10 disturbingly recalled the incident a year ago when asbestos was  
11 again found in the exterior walls of two buildings at King  
12 intermediate school. Kailua intermediate school also made  
13 headlines last year when a roof collapsed on its campus. All of  
14 these potentially life-threatening situations required immediate  
15 attention and disrupted classes. Presently, the department of  
16 education major repair and maintenance backlog totals  
17 \$525,000,000.



1 The purpose of this Act is to provide additional funds to  
2 address this repair and maintenance backlog.

3 SECTION 2. Section 237-31, Hawaii Revised Statutes, is  
4 amended to read as follows:

5 "**§237-31 Remittances.** All remittances of taxes imposed by  
6 this chapter shall be made by money, bank draft, check,  
7 cashier's check, money order, or certificate of deposit to the  
8 office of the department of taxation to which the return was  
9 transmitted. The department shall issue its receipts therefor  
10 to the taxpayer and shall pay the moneys into the state treasury  
11 as a state realization, to be kept and accounted for as provided  
12 by law; provided that:

- 13 (1) The sum from all general excise tax revenues realized  
14 by the State that represents the difference between  
15 [~~\$45,000,000~~] \$1 and the proceeds from the sale of any  
16 general obligation bonds authorized for that fiscal  
17 year for the purposes of the state educational  
18 facilities improvement special fund shall be deposited  
19 in the state treasury in each fiscal year to the  
20 credit of the state educational facilities improvement  
21 special fund[+] for public school capital improvement  
22 program needs; and



1 (2) A sum, not to exceed \$5,000,000, from all general  
2 excise tax revenues realized by the State shall be  
3 deposited in the state treasury in each fiscal year to  
4 the credit of the compound interest bond reserve  
5 fund[ ~~and~~

6 ~~(3) A sum, not to exceed the amount necessary to meet the~~  
7 ~~obligations of the integrated tax information~~  
8 ~~management systems performance-based contract may be~~  
9 ~~retained and deposited in the state treasury to the~~  
10 ~~credit of the integrated tax information management~~  
11 ~~systems special fund. The sum retained by the~~  
12 ~~director of taxation for deposit to the integrated tax~~  
13 ~~information management systems special fund for each~~  
14 ~~fiscal year shall be limited to amounts appropriated~~  
15 ~~by the legislature. This paragraph shall be repealed~~  
16 ~~on July 1, 2005]."~~

17 SECTION 3. Statutory material to be repealed is bracketed  
18 and stricken. New statutory material is underscored.

19 SECTION 4. This Act shall take effect on July 1, 2050;  
20 provided that on June 30, 2007, section 2 of this Act shall be  
21 repealed and section 237-31, Hawaii Revised Statutes, is



- 1 reenacted in the form in which it read on the day before the
- 2 effective date of this Act.



**Report Title:**

Education; State Educational Facilities Improvement Special Fund

**Description:**

Increases the funds deposited into the state educational facilities improvement special fund. (SD2)

