

JAN 25 2006

A BILL FOR AN ACT

RELATING TO THE STATE EDUCATIONAL FACILITIES IMPROVEMENT FUND.

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



1 The purpose of this Act is to address this repair and
2 maintenance backlog by increasing the amount of money deposited
3 into the special fund for one year.

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

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

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



1 improvement special fund[+] for public school capital
2 improvement program needs;

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

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

19 SECTION 3. Statutory material to be repealed is bracketed
20 and stricken. New statutory material is underscored.

21 SECTION 4. This Act shall take effect upon its approval;
22 provided that on June 30, 2007, section 2 of this Act shall be

S.B. NO.

1 repealed and section 237-31, Hawaii Revised Statutes, is
2 reenacted in the form in which it read on the day before the
3 approval of this Act.

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Report Title:

State Educational Facilities Improvement Special Fund

Description:

Increases the amount of money deposited into the state educational facilities improvement special fund.

