

JAN 25 2006

S.B. NO. 3103

A BILL FOR AN ACT

AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS AND MAKING AN APPROPRIATION TO REDUCE THE REPAIR AND MAINTENANCE PROJECTS BACKLOG FOR DEPARTMENT OF EDUCATION FACILITIES.

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

1 SECTION 1. Hawaii's children deserve a quality education
2 in a clean, safe environment. Many schools have leaky roofs,
3 termite-infested floors, crumbling walls, and overheated
4 classrooms. The legislature finds there is a compelling need to
5 immediately fund the backlog of repair and maintenance projects
6 in the public schools.

7 In 2001, the legislature appropriated funds to help
8 mitigate the department of education's estimated \$640,000,000
9 backlog of repair and maintenance projects. The current backlog
10 of repair and maintenance projects is estimated at \$525,000,000,
11 which includes recurring major and minor repairs, ongoing cycle
12 maintenance, service and contract maintenance, nonrecurring
13 projects, and emergency repairs.

14 A breakdown of the current backlog consists of \$235,000,000
15 on the backlog list prior to July 1, 2001, and \$290,000,000 in
16 projects added to the list after July 1, 2001.



1 The purpose of this Act is to reduce the backlog of repair
2 and maintenance projects to a manageable level of \$250,000,000
3 by 2008. In order to accomplish this, it is projected that
4 \$455,000,000 will be required in general obligation bonds and
5 general fund revenues over the next three years.

6 SECTION 2. The director of finance is authorized to issue
7 general obligation bonds in the sum of \$92,000,000, or so much
8 thereof as may be necessary, and the same sum, or so much
9 thereof as may be necessary, is appropriated for fiscal year
10 2006-2007 for the department of education's repair and
11 maintenance projects; provided that priority be given for
12 projects that have been on the repair and maintenance list for
13 the longest period of time.

14 SECTION 3. There is appropriated out of the general
15 revenues of the State of Hawaii the sum of \$60,000,000, or so
16 much thereof as may be necessary for fiscal year 2006-2007, for
17 the department of education's repair and maintenance projects;
18 provided that priority be given for projects that have been on
19 the repair and maintenance list for the longest period of time.

20 SECTION 4. The sums appropriated in sections 2 and 3 shall
21 be expended by the department of education for the purposes of
22 this Act.



1 SECTION 5. Sums appropriated under this Act shall be in
2 addition to any other funds that may be appropriated for the
3 same purposes of this Act.

4 SECTION 6. The appropriation made for the capital
5 improvement projects authorized by section 2 of this Act shall
6 not lapse at the end of the fiscal biennium for which the
7 appropriation is made; provided that all moneys from the
8 appropriation unencumbered as of June 30, 2008, shall lapse as
9 of that date.

10 SECTION 7. This Act shall take effect on July 1, 2006.

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SB. NO. 3103

Report Title:

DOE; Repair and Maintenance; Bonds; Appropriation

Description:

Authorizes the issuance of general obligation bonds and appropriates general revenues for the department of education's repair and maintenance projects.

