

JAN 28 2009

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

8           In 2001, the legislature appropriated funds to help  
9 mitigate the department of education's estimated \$640,000,000  
10 backlog of repair and maintenance projects. In 2007, the  
11 estimated backlog of repair and maintenance projects was  
12 \$341,000,000 which included recurring major and minor repairs,  
13 ongoing cycle maintenance, service and contract maintenance,  
14 nonrecurring projects, and emergency repairs. Unfortunately,  
15 due in part to the governor's decision not to release  
16 \$140,000,000 previously approved by the legislature during past  
17 legislative sessions for repair and maintenance projects for the



1 department of education, the backlog remains and continues to  
 2 increase. Since last year, the backlog has increased to  
 3 approximately \$421,000,000, and is expected to increase by an  
 4 additional \$75,000,000 during the upcoming fiscal year.

5 It is the intent of the legislature to reduce the backlog  
 6 of repair and maintenance projects within the public schools to  
 7 a manageable level. To meet this objective, this Act authorizes  
 8 the issuance of general obligation bonds and appropriates  
 9 \$155,000,000 annually through fiscal year 2012 for repair and  
 10 maintenance projects of the department of education. At the  
 11 rate of \$155,000,000 annually, the backlog will be reduced after  
 12 three years, as follows:

13	FY2010	FY2011	FY2012
14 Current backlog	\$421,000,000	\$341,000,000	\$261,000,000
15 Annual increase	\$75,000,000	\$75,000,000	\$75,000,000
16 GO funding	(\$155,000,000)	(\$155,000,000)	(\$155,000,000)
17 Remaining R&M	\$341,000,000	\$261,000,000	\$181,000,000

18 The purpose of this Act is to authorize the issuance of  
 19 general obligation bonds and appropriate the revenues derived  
 20 therefrom to reduce the backlog of repair and maintenance  
 21 projects of the department of education.



1 SECTION 2. The director of finance is authorized to issue  
2 general obligation bonds in the sum of \$ or so much  
3 thereof as may be necessary and the same sum or so much thereof  
4 as may be necessary is appropriated for fiscal year 2009-2010  
5 for the purpose of funding the department of education's repair  
6 and maintenance projects.

7 The sum appropriated shall be expended by the department of  
8 education for the purposes of this Act.

9 SECTION 3. The director of finance is authorized to issue  
10 general obligation bonds in the sum of \$ or so much  
11 thereof as may be necessary and the same sum or so much thereof  
12 as may be necessary is appropriated for fiscal year 2010-2011  
13 for the purpose of funding the department of education's repair  
14 and maintenance projects.

15 The sum appropriated shall be expended by the department of  
16 education for the purposes of this Act.

17 SECTION 4. The director of finance is authorized to issue  
18 general obligation bonds in the sum of \$ or so much  
19 thereof as may be necessary and the same sum or so much thereof  
20 as may be necessary is appropriated for fiscal year 2011-2012  
21 for the purpose of funding the department of education's repair  
22 and maintenance projects.



1 The sum appropriated shall be expended by the department of  
2 education for the purposes of this Act.

3 SECTION 5. The appropriations made for the capital  
4 improvement projects authorized by this Act shall not lapse at  
5 the end of the fiscal biennium for which the appropriation is  
6 made; provided that all moneys from the appropriation  
7 unencumbered as of June 30, 2012, shall lapse as of that date.

8 SECTION 6. If any provision of this Act, or the  
9 application thereof to any person or circumstance is held  
10 invalid, the invalidity does not affect other provisions or  
11 applications of the Act, which can be given effect without the  
12 invalid provision or application, and to this end the provisions  
13 of this Act are severable.

14 SECTION 7. This Act shall take effect on July 1, 2009.  
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2009-0421

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**Report Title:**

DOE; Repair and Maintenance; GO Bonds; Majority Package.

**Description:**

Authorizes the issuance of general obligation bonds to fund department of education repair and maintenance projects.

