
A BILL FOR AN ACT

RELATING TO EDUCATION.

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

1 **PART I**

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

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

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

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

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

19 The purpose of this part is to authorize the issuance of
 20 general obligation bonds and appropriate the revenues derived
 21 therefrom to reduce the backlog of repair and maintenance
 22 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 part.

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 part.

17 SECTION 4. The appropriations made for the capital
18 improvement projects authorized by this part shall not lapse at
19 the end of the fiscal biennium for which the appropriation is
20 made; provided that all moneys from the appropriations in
21 section 2 and 3 unencumbered as of June 30, 2012, shall lapse as
22 of that date.

1 **PART II**

2 SECTION 5. The purpose of this part is to provide a
3 temporary exemption from chapter 103 and 103D, Hawaii Revised
4 Statutes, to the department of education in order to expedite
5 construction projects.

6 SECTION 6. (a) Chapter 302A, Hawaii Revised Statutes,
7 notwithstanding, the department of education shall not be
8 subject to chapter 103 and 103D, Hawaii Revised Statutes, and
9 any and all other requirements of law for competitive bidding
10 for contracts related to construction projects; provided that
11 the department shall develop internal policies and procedures
12 for the procurement of goods and services relating to
13 construction projects, consistent with the goals of public
14 accountability and public procurement practices.

15 (b) The department shall submit annual reports to the
16 legislature no later than twenty days prior to the convening of
17 the regular sessions of 2010 through 2013 on the status of the
18 construction projects utilizing the exemptions established in
19 subsection (a).

20 **PART III**

21 SECTION 7. If any provision of this Act, or the
22 application thereof to any person or circumstance is held

1 invalid, the invalidity does not affect other provisions or
2 applications of the Act, which can be given effect without the
3 invalid provision or application, and to this end the provisions
4 of this Act are severable.

5 SECTION 8. This Act shall take effect on July 1, 2090, and
6 the exemptions granted in section 6 of this Act shall be
7 repealed on June 30, 2012.

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 (part I); provides a temporary exemption from procurement laws to the department of education in order to expedite repair and maintenance capital improvement projects (part II). Effective 07/01/90. (SD2)