



GOV. MSG. NO. 1148

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

May 5, 2016

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Twenty-Eighth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Eighth State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Souki, and Members of the Legislature:

This is to inform you that on May 5, 2016, the following bill was signed into law:

SB3126 SD2 HD2 CD1

RELATING TO PUBLIC SCHOOLS
ACT 047 (16)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

Approved by the Governor

on MAY 5 2016

THE SENATE
TWENTY-EIGHTH LEGISLATURE, 2016
STATE OF HAWAII

ACT 047
S.B. NO.

3126
S.D. 2
H.D. 2
C.D. 1

A BILL FOR AN ACT

RELATING TO PUBLIC SCHOOLS.

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

1 SECTION 1. This Act is recommended by the governor for
2 immediate passage in accordance with section 9 of article VII of
3 the Constitution of the State of Hawaii.

4 SECTION 2. There is a need to install air conditioning and
5 other heat abatement equipment in public school classrooms to
6 preserve and promote the health and safety of students and
7 teachers, and to foster a better and more comfortable and
8 productive learning environment. With the current El Nino
9 conditions, high temperatures in classrooms during the summer
10 months will be a continuing problem that must be addressed. In
11 order to keep the costs of operating air conditioning and heat
12 abatement equipment in the classrooms affordable and to reduce
13 dependence on imported fossil fuels, energy efficient lighting
14 and other energy efficiency measures will also be necessary in
15 conjunction with the air conditioning and other heat abatement
16 measures.

17 The legislature finds that the funding is immediately
18 available to provide air conditioning and other heat abatement



1 measures for the public schools. On January 7, 2016, the
2 department of budget and finance reported to the council on
3 revenues that the State will receive approximately \$170,000,000
4 of increased reimbursements from the federal government,
5 primarily for medicaid. The \$170,000,000 increased
6 reimbursement was not anticipated by the administration when it
7 prepared the executive supplemental budget request for fiscal
8 year 2016-2017. The reimbursement is the realization of the
9 general fund.

10 The legislature further finds that the use of general funds
11 for providing air conditioning and heat abatement for public
12 schools is preferable to using green infrastructure loan funds.
13 First, the department of education will have more flexibility in
14 using general funds for air conditioning and heat abatement
15 measures. The types of projects that the department of
16 education would have been able to fund with green infrastructure
17 loan funds were unclear and apparently limited to energy
18 efficiency and conservation projects. Second, using general
19 funds instead of green infrastructure loan funds precludes the
20 need for annual debt service payments. Taxpayers who already
21 are paying a monthly green infrastructure fee on their



1 electricity bills will benefit by not having to pay back the
2 green infrastructure fund for principal as well as interest.
3 Third, the green infrastructure loan funds will remain available
4 for projects that truly promote renewable energy and energy
5 efficiency and conservation. Using the green infrastructure
6 loan funds for utility-scale projects, as recommended by the
7 consumer advocate before the public utilities commission, may be
8 a possibility in the future.

9 The purpose of this Act is to appropriate general funds for
10 the installation of and equipment for air conditioning, heat
11 abatement, energy efficient lighting, and other energy
12 efficiency measures for schools of the department of education.

13 SECTION 3. There is appropriated out of the general
14 revenues of the State of Hawaii the sum of \$100,000,000 or so
15 much thereof as may be necessary for fiscal year 2015-2016 for
16 the purpose of funding capital improvement program equipment and
17 installation costs for air conditioning, other heat abatement
18 measures, energy efficient lighting, and other energy efficiency
19 measures at public schools.

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



1 SECTION 4. The appropriation made under section 3 shall
2 not lapse at the end of the fiscal year for which the
3 appropriations are made; provided that all moneys from the
4 appropriation unencumbered as of June 30, 2018, shall lapse as
5 of that date.

6 SECTION 5. This Act shall take effect upon its approval.

APPROVED this 5 day of MAY, 2016



GOVERNOR OF THE STATE OF HAWAII