
A BILL FOR AN ACT

RELATING TO AIR CONDITIONING FOR PUBLIC SCHOOLS.

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

PART I

1
2 SECTION 1. Chapter 302A, Hawaii Revised Statutes, is
3 amended by adding a new section to be appropriately designated
4 and to read as follows:

5 "§302A- Air conditioning for public schools special
6 fund. (a) There is established the air conditioning for public
7 schools special fund to be administered by the department.

8 (b) Environmental response, energy, and food security tax
9 revenues allocated to the air conditioning for public schools
10 special fund pursuant to section 243-3.5 shall be deposited into
11 the special fund. All interest earned on the moneys in the
12 special fund shall be credited to the special fund.

13 (c) Moneys in the air conditioning for public schools
14 special fund shall be expended to reimburse the state general
15 fund for payment of debt service on general obligation bonds
16 issued to install air conditioning at all public schools.



1 (d) At the end of each fiscal quarter after general
2 obligation bonds have been issued to finance the installation of
3 air conditioning in public schools and upon a showing by the
4 director of finance of the debt service incurred by the general
5 fund, the department shall transfer the amount owed to the
6 director of finance for deposit into the general fund.

7 (e) Upon reimbursement to the state general fund of all
8 debt service on general obligation bonds issued to install air
9 conditioning at all public schools, any unencumbered and
10 unexpended moneys in the air conditioning for public schools
11 special fund shall be transferred to the general fund."

12 SECTION 2. Section 36-27, Hawaii Revised Statutes, is
13 amended by amending subsection (a) to read as follows:

14 "(a) Except as provided in this section, and
15 notwithstanding any other law to the contrary, from time to
16 time, the director of finance, for the purpose of defraying the
17 prorated estimate of central service expenses of government in
18 relation to all special funds, except the:

19 (1) Special out-of-school time instructional program fund
20 under section 302A-1310;



- 1 (2) School cafeteria special funds of the department of
2 education;
- 3 (3) Special funds of the University of Hawaii;
- 4 (4) State educational facilities improvement special fund;
- 5 (5) Convention center enterprise special fund under
6 section 201B-8;
- 7 (6) Special funds established by section 206E-6;
- 8 (7) Aloha Tower fund created by section 206J-17;
- 9 (8) Funds of the employees' retirement system created by
10 section 88-109;
- 11 (9) Hawaii hurricane relief fund established under chapter
12 431P;
- 13 (10) Hawaii health systems corporation special funds and
14 the subaccounts of its regional system boards;
- 15 (11) Tourism special fund established under section
16 201B-11;
- 17 (12) Universal service fund established under section
18 269-42;
- 19 (13) Emergency and budget reserve fund under section
20 328L-3;



- 1 (14) Public schools special fees and charges fund under
2 section 302A-1130;
- 3 (15) Sport fish special fund under section 187A-9.5;
- 4 [-] (16) [+] Neurotrauma special fund under section 321H-4;
- 5 [-] (17) [+] Glass advance disposal fee established by section
6 342G-82;
- 7 [-] (18) [+] Center for nursing special fund under section
8 304A-2163;
- 9 [-] (19) [+] Passenger facility charge special fund established
10 by section 261-5.5;
- 11 [-] (20) [+] Solicitation of funds for charitable purposes
12 special fund established by section 467B-15;
- 13 [-] (21) [+] Land conservation fund established by section
14 173A-5;
- 15 [-] (22) [+] Court interpreting services revolving fund under
16 section 607-1.5;
- 17 [-] (23) [+] Trauma system special fund under section 321-22.5;
- 18 [-] (24) [+] Hawaii cancer research special fund;
- 19 [-] (25) [+] Community health centers special fund;
- 20 [-] (26) [+] Emergency medical services special fund;



- 1 [+] (27) [+] Rental motor vehicle customer facility charge
2 special fund established under section 261-5.6;
- 3 [+] (28) [+] Shared services technology special fund under
4 section 27-43;
- 5 [+] (29) [+] Automated victim information and notification system
6 special fund established under section 353-136;
- 7 [+] (30) [+] Deposit beverage container deposit special fund
8 under section 342G-104;
- 9 [+] (31) [+] Hospital sustainability program special fund under
10 Act 217, Session Laws of Hawaii 2012, as amended;
- 11 [+] (32) [+] Nursing facility sustainability program special fund
12 under Act 156, Session Laws of Hawaii 2012;
- 13 [+] (33) [+] Hawaii 3R's school improvement fund under section
14 302A-1502.4;
- 15 [+] (34) [+] After-school plus program revolving fund under
16 section 302A-1149.5; [and]
- 17 [+] (35) [+] Civil monetary penalty special fund under section
18 321-30.2 [7]; and
- 19 (36) Air conditioning for public schools special fund under
20 section 302A-_____ ,



1 shall deduct five per cent of all receipts of all other special
2 funds, which deduction shall be transferred to the general fund
3 of the State and become general realizations of the State. All
4 officers of the State and other persons having power to allocate
5 or disburse any special funds shall cooperate with the director
6 in effecting these transfers. To determine the proper revenue
7 base upon which the central service assessment is to be
8 calculated, the director shall adopt rules pursuant to chapter
9 91 for the purpose of suspending or limiting the application of
10 the central service assessment of any fund. No later than
11 twenty days prior to the convening of each regular session of
12 the legislature, the director shall report all central service
13 assessments made during the preceding fiscal year."

14 SECTION 3. Section 36-30, Hawaii Revised Statutes, is
15 amended by amending subsection (a) to read as follows:

16 "(a) Each special fund, except the:

17 (1) Special out-of-school time instructional program fund
18 under section 302A-1310;

19 (2) School cafeteria special funds of the department of
20 education;

21 (3) Special funds of the University of Hawaii;



- 1 (4) State educational facilities improvement special fund;
- 2 (5) Special funds established by section 206E-6;
- 3 (6) Aloha Tower fund created by section 206J-17;
- 4 (7) Funds of the employees' retirement system created by
- 5 section 88-109;
- 6 (8) Hawaii hurricane relief fund established under chapter
- 7 431P;
- 8 (9) Convention center enterprise special fund established
- 9 under section 201B-8;
- 10 (10) Hawaii health systems corporation special funds and
- 11 the subaccounts of its regional system boards;
- 12 (11) Tourism special fund established under section
- 13 201B-11;
- 14 (12) Universal service fund established under section
- 15 269-42;
- 16 (13) Emergency and budget reserve fund under section
- 17 328L-3;
- 18 (14) Public schools special fees and charges fund under
- 19 section 302A-1130;
- 20 (15) Sport fish special fund under section 187A-9.5;
- 21 [+](16) [+] Neurotrauma special fund under section 321H-4;



- 1 [+] (17) [+] Center for nursing special fund under section
2 304A-2163;
- 3 [+] (18) [+] Passenger facility charge special fund established
4 by section 261-5.5;
- 5 [+] (19) [+] Court interpreting services revolving fund under
6 section 607-1.5;
- 7 [+] (20) [+] Trauma system special fund under section 321-22.5;
- 8 [+] (21) [+] Hawaii cancer research special fund;
- 9 [+] (22) [+] Community health centers special fund;
- 10 [+] (23) [+] Emergency medical services special fund;
- 11 [+] (24) [+] Rental motor vehicle customer facility charge
12 special fund established under section 261-5.6;
- 13 [+] (25) [+] Shared services technology special fund under
14 section 27-43;
- 15 [+] (26) [+] Nursing facility sustainability program special fund
16 established pursuant to Act 156, Session Laws of
17 Hawaii 2012;
- 18 [+] (27) [+] Automated victim information and notification system
19 special fund established under section 353-136;



1 [+] (28) [+] Hospital sustainability program special fund under
2 Act 217, Session Laws of Hawaii 2012, as amended;
3 [and]

4 [+] (29) [+] Civil monetary penalty special fund under section
5 321-30.2 [7]; and

6 (30) Air conditioning for public schools special fund under
7 section 302A- ,

8 shall be responsible for its pro rata share of the
9 administrative expenses incurred by the department responsible
10 for the operations supported by the special fund concerned."

11 SECTION 4. Section 243-3.5, Hawaii Revised Statutes, is
12 amended by amending subsections (a) and (b) to read as follows:

13 "(a) In addition to any other taxes provided by law,
14 subject to the exemptions set forth in section 243-7, there is
15 hereby imposed a state environmental response, energy, and food
16 security tax on each barrel or fractional part of a barrel of
17 petroleum product sold by a distributor to any retail dealer or
18 end user of petroleum product, other than a refiner. The tax
19 shall be \$1.05 on each barrel or fractional part of a barrel of
20 petroleum product that is not aviation fuel; provided that of
21 the tax collected pursuant to this subsection:



- 1 (1) 5 cents of the tax on each barrel shall be deposited
2 into the environmental response revolving fund
3 established under section 128D-2;
- 4 (2) 15 cents of the tax on each barrel shall be deposited
5 into the energy security special fund established
6 under section 201-12.8;
- 7 (3) 10 cents of the tax on each barrel shall be deposited
8 into the energy systems development special fund
9 established under section 304A-2169.1; [and]
- 10 (4) 15 cents of the tax on each barrel shall be deposited
11 into the agricultural development and food security
12 special fund established under section 141-10[-]; and
- 13 (5) cents of the tax on each barrel shall be
14 deposited into the air conditioning for public schools
15 special fund established under section 302A- .

16 The tax imposed by this subsection shall be paid by the
17 distributor of the petroleum product.

18 (b) In addition to subsection (a), the tax shall also be
19 imposed on each one million British thermal units of fossil fuel
20 sold by a distributor to any retail dealer or end user, other
21 than a refiner, of fossil fuel. The tax shall be 19 cents on



1 each one million British thermal units of fossil fuel; provided
2 that of the tax collected pursuant to this subsection:

3 (1) 4.8 per cent of the tax on each one million British
4 thermal units shall be deposited into the
5 environmental response revolving fund established
6 under section 128D-2;

7 (2) 14.3 per cent of the tax on each one million British
8 thermal units shall be deposited into the energy
9 security special fund established under section 201-
10 12.8;

11 (3) 9.5 per cent of the tax on each one million British
12 thermal units shall be deposited into the energy
13 systems development special fund established under
14 section 304A-2169.1; [and]

15 (4) 14.3 per cent of the tax on each one million British
16 thermal units shall be deposited into the agricultural
17 development and food security special fund established
18 under section 141-10[-]; and

19 (5) per cent of the tax on each one million
20 British thermal units shall be deposited into the air



1 conditioning for public schools special fund
2 established under section 302A- .

3 The tax imposed by this subsection shall be paid by the
4 distributor of the fossil fuel."

5 PART II

6 SECTION 5. The director of finance is authorized to issue
7 general obligation bonds in the sum of \$ or so much
8 thereof as may be necessary and the same sum or so much thereof
9 as may be necessary is appropriated for fiscal year 2016-2017
10 for the purpose of installing air conditioning in all public
11 schools in the State.

12 SECTION 6. The director of finance is authorized to issue
13 general obligation bonds in the sum of \$ or so much
14 thereof as may be necessary and the same sum or so much thereof
15 as may be necessary is appropriated for fiscal year 2017-2018
16 for the purpose of installing air conditioning in all public
17 schools in the State.

18 SECTION 7. The director of finance is authorized to issue
19 general obligation bonds in the sum of \$ or so much
20 thereof as may be necessary and the same sum or so much thereof
21 as may be necessary is appropriated for fiscal year 2018-2019

1 for the purpose of installing air conditioning in all public
2 schools in the State.

3 SECTION 8. The director of finance is authorized to issue
4 general obligation bonds in the sum of \$ or so much
5 thereof as may be necessary and the same sum or so much thereof
6 as may be necessary is appropriated for fiscal year 2019-2020
7 for the purpose of installing air conditioning in all public
8 schools in the State.

9 SECTION 9. 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 2020-2021
13 for the purpose of installing air conditioning in all public
14 schools in the State.

15 SECTION 10. The sums appropriated shall be expended by the
16 department of education for the purposes of this Act.

17 SECTION 11. The appropriations made for the capital
18 improvement project authorized by this Act 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
21 unencumbered as of June 30, 2021, shall lapse as of that date.



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PART III

SECTION 12. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 13. This Act shall take effect on July 1, 2016.

INTRODUCED BY: *Linda Schingwe*
JAN 26 2016



H.B. NO. 2462

Report Title:

Air Conditioning for Public Schools; General Obligation Bonds; Appropriation; Special Fund; Environmental Response, Energy, and Food Security Tax

Description:

Authorizes the issuance of general obligation bonds and appropriates funds for the installation of air conditioning in all public schools in the State over 5 fiscal years. Establishes a special fund to be used to reimburse the general fund for payment of debt service on the general obligation bonds. Allocates a portion of environmental response, energy, and food security tax revenues to the special fund.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

