

JAN 22 2016

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# A BILL FOR AN ACT

RELATING TO REPAIR AND MAINTENANCE.

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

1           SECTION 1. The purpose of this Act is to address the  
2 routine repair and maintenance of state-owned buildings,  
3 facilities, and other improvements.

4           More specifically, this Act establishes a policy regarding  
5 full funding for routine repair and maintenance of state-owned  
6 buildings, facilities, and other improvements. The legislature  
7 finds that this Act is necessary to:

- 8           (1) Preserve the condition of state-owned buildings,  
9           facilities, and other improvements for public use or  
10           benefit, for the present and the future;
- 11           (2) Prevent further additions to the State's deferred  
12           maintenance backlog;
- 13           (3) Preserve public moneys by making near-term investments  
14           for routine repair and maintenance instead of  
15           incurring much more expensive capital replacement or  
16           renewal costs in the future; and



1 (4) Promote transparency by making information about the  
2 State's liabilities available to the public.

3 The legislature intends that this Act shall apply to the  
4 judiciary by operation of section 601-2, Hawaii Revised  
5 Statutes.

6 SECTION 2. Chapter 37, Hawaii Revised Statutes, is amended  
7 by adding a new part to be appropriately designated and to read  
8 as follows:

9 "PART . ROUTINE REPAIR AND MAINTENANCE

10 §37-A Routine repair and maintenance; definitions. For  
11 the purpose of this part:

12 "Routine repair and maintenance" means repair and  
13 maintenance performed on a scheduled repair and maintenance  
14 cycle.

15 "State-owned building, facility, or other improvement"  
16 means a building, facility, or other improvement owned and  
17 managed by a state executive agency. The term shall not include  
18 a state-owned building, facility, or other improvement that is  
19 leased by a state executive agency to a person.

20 §37-B Routine repair and maintenance funding needs;  
21 submittal to legislature. (a) Each state executive agency that



1 manages a state-owned building, facility, or other improvement  
2 shall submit to the legislature an annual report on the funds  
3 and positions deemed necessary by the agency to perform routine  
4 repair and maintenance on the state-owned building, facility, or  
5 other improvement during the fiscal year covered by the report.  
6 The annual report shall cover the fiscal year that commences  
7 following the submittal of the report and break down the funds  
8 and positions deemed necessary for routine repair and  
9 maintenance by means of financing and cost element.

10 (b) The annual report shall also include a comparison, for  
11 each of the prior two fiscal years, of the:

12 (1) Routine repair and maintenance funds and positions  
13 deemed necessary by the state executive agency, as  
14 identified in the relevant prior reports;

15 (2) Actual appropriations and positions authorized for  
16 routine repair and maintenance; and

17 (3) Actual expenditures and positions filled for the  
18 routine repair and maintenance.

19 (c) The annual reports shall be submitted to the  
20 legislature through the department of budget and finance with  
21 each executive budget or supplemental budget, as applicable.



1 (d) The governor shall identify the state executive  
2 agencies that are responsible for managing a state-owned  
3 building, facility, or other improvement and, consequently,  
4 required to submit the annual report to the legislature. The  
5 governor shall require the identified state agencies to submit  
6 the reports to the department of budget and finance:

7 (1) In a uniform format; and

8 (2) By a deadline intended to give the department of  
9 budget and finance sufficient time to compile the  
10 reports to the legislature.

11 The department of budget and finance shall not be required to  
12 ensure the accuracy of the information in the reports."

13 SECTION 3. Chapter 37, Hawaii Revised Statutes, is amended  
14 by adding a new section to part IV to be appropriately  
15 designated and to read as follows:

16 "§37-C Extended lapse date for appropriation for routine  
17 repair and maintenance. An executive budget act or supplemental  
18 budget act may provide that the unexpended or unencumbered  
19 balance of an appropriation for routine repair and maintenance  
20 for a fiscal year shall not lapse at the end of that fiscal  
21 year, but shall lapse on a subsequent date that does not violate



1 article VII, section 11, of the Constitution of the State of  
2 Hawaii."

3 SECTION 4. Chapter 103, Hawaii Revised Statutes, is  
4 amended by adding a new section to part II to be appropriately  
5 designated and to read as follows:

6 "§103- Routine repair and maintenance plan as part of  
7 capital improvement project. (a) For the purpose of this  
8 section, "state-owned building, facility, or other improvement"  
9 and "routine repair and maintenance" mean the same as defined  
10 under section 37-A.

11 (b) Every capital improvement project for the construction  
12 of a new state-owned building, facility, or other improvement  
13 shall include a recommended plan for the routine repair and  
14 maintenance of the building, facility, or other improvement  
15 prepared by the project contractor.

16 (c) The requirement for the plan shall be included in the  
17 contract for construction of the new state-owned building,  
18 facility, or other improvement.

19 (d) This section shall not apply to any project for which  
20 the request for proposals or other solicitation was issued  
21 before the effective date of this Act."



1 SECTION 5. Section 37-41, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "§37-41 Appropriations to revert to state treasury;  
4 exceptions. Unless otherwise provided by section 37-41.5,  
5 section 37-C, or any other law, every appropriation or part  
6 thereof of any kind made subject to sections 37-31 to 37-40,  
7 remaining unexpended and unencumbered at the close of any fiscal  
8 year shall lapse and be returned to the general or other fund  
9 from which the appropriation was made, in the manner prescribed  
10 in section 40-66."

11 SECTION 6. Section 601-2, Hawaii Revised Statutes, is  
12 amended by amending subsection (a) to read as follows:

13 "(a) The chief justice shall be the administrative head of  
14 the judiciary. The chief justice shall make a report to the  
15 legislature, at each regular session thereof, of the business of  
16 the judiciary and of the administration of justice throughout  
17 the State. The chief justice shall present to the legislature a  
18 unified budget, six- year program and financial plan, and  
19 variance report for all of the programs of the judiciary. The  
20 chief justice also shall submit to the legislature annual  
21 routine repair and maintenance reports for judiciary-owned



1 buildings, facilities, and other improvements that substantially  
 2 comply with chapter 37, part . The chief justice shall direct  
 3 the administration of the judiciary, with responsibility for the  
 4 efficient operation of all of the courts and for the expeditious  
 5 dispatch of all judicial business."

6 SECTION 7. In codifying the new sections added by sections  
 7 2 and 3, and referenced by sections 4 and 5, of this Act, the  
 8 revisor of statutes shall substitute appropriate section numbers  
 9 for the letters used in designating the new sections in this  
 10 Act.

11 SECTION 8. New statutory material is underscored.

12 SECTION 9. This Act shall take effect on July 1, 2016.

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INTRODUCED BY:

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# S.B. NO. 2542

**Report Title:**

State Facilities; Routine Repair and Maintenance; Funding Policy

**Description:**

Establishes a full funding policy and budgetary procedures for routine repair and maintenance of state facilities.

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

