

JAN 24 2019

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# A BILL FOR AN ACT

RELATING TO DEFERRED MAINTENANCE.

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

1           SECTION 1. The legislature finds that the deferred  
2 maintenance of state buildings, facilities, and other  
3 improvements is a problem that needs to be addressed. The  
4 extent of the deferred maintenance backlog is substantial.  
5 According to the executive biennium budget 2019-2021, prepared  
6 by the department of budget and finance on December 17, 2018,  
7 there is a deferred maintenance backlog of approximately \$4.3  
8 billion statewide among departments. However, there is no  
9 consistent criteria for determining maintenance and repair  
10 needs, and no standardized methodology to determine needs across  
11 state departments.

12           The legislature finds that this Act is necessary to:

- 13           (1) Preserve state-owned buildings and facilities for  
14           public use or benefit, now and into the future;  
15           (2) Decrease future unfunded obligations of the State;  
16           (3) Preserve public moneys by making near-term investments  
17           for maintenance instead of incurring much more



1           expensive capital replacement or renewal costs in the  
2           future; and

3           (4) Promote transparency by publicly displaying  
4           information regarding the liabilities of the State.

5           The purpose of this Act is to convene a deferred  
6 maintenance task force to develop consistent criteria and  
7 standardized methodology for determining maintenance and repair  
8 needs, and plans to address the deferred maintenance backlog of  
9 state-owned buildings, facilities, and other improvements.

10          SECTION 2. (a) The deferred maintenance task force is  
11 established within the office of the governor for administrative  
12 purposes. The office of the governor shall provide  
13 administrative and clerical support required by the task force.

14          (b) The task force shall:

15           (1) Develop consistent criteria and standardized  
16 methodology for identifying deferred maintenance  
17 projects and priorities;

18           (2) Use agreed upon criteria and methodology in  
19 determining an accurate estimate of the total amount  
20 of deferred maintenance backlog by state departments  
21 and divisions;



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- 1           (3) Develop alternative schedules to address the backlog  
2           in deferred maintenance;
- 3           (4) Develop a recommended schedule to serve as a guide for  
4           reducing deferred maintenance costs over time,  
5           including proposed annual appropriations for deferred  
6           maintenance costs projects, by fiscal year and means  
7           of financing. The recommended schedule shall take  
8           into account on-going deferred maintenance needs; and
- 9           (5) Consider best policies, practices, and laws from other  
10          jurisdictions related to deferred maintenance of  
11          state-owned buildings, facilities, and other  
12          improvements.
- 13          (c) The deferred maintenance task force shall consist of  
14 the following members, or their designated representatives:
- 15          (1) The administrative director, who shall serve as  
16          chairperson;
- 17          (2) The comptroller;
- 18          (3) The director of finance;
- 19          (4) The president of the University of Hawaii;
- 20          (5) The chief executive officer of the Hawaii health  
21          systems corporation;



- 1 (6) The superintendent of education;
- 2 (7) The chairperson of the board of land and natural
- 3 resources;
- 4 (8) The director of transportation;
- 5 (9) A member of the house of representatives, appointed by
- 6 the speaker of the house of representatives;
- 7 (10) A member of the senate, appointed by the president of
- 8 the senate;
- 9 (11) A private sector representative, appointed by the
- 10 speaker of the house of representatives; and
- 11 (12) A private sector representative, appointed by the
- 12 president of the senate.

13 Task force members may recommend additional members with  
14 appropriate specialized expertise to join the task force, for  
15 approval by the chairperson.

16 (d) The deferred maintenance task force shall submit a  
17 report of its findings, recommendations, and any proposed  
18 legislation, to the legislature no later than October 31, 2020.

19 (e) The task force shall be dissolved on January 14, 2021.

20 SECTION 3. There is appropriated out of the general  
21 revenues of the State of Hawaii the sum of \$350,000 or so much



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1 thereof as may be necessary for fiscal year 2019-2020 and the  
2 same sum or so much thereof as may be necessary for fiscal year  
3 2020-2021 for the deferred maintenance task force to develop the  
4 plans to address deferred maintenance projects in the State,  
5 pursuant to section 2 of this Act.

6 The sums appropriated shall be expended by the office of  
7 the governor for the purposes of this Act.

8 SECTION 4. This Act shall take effect on July 1, 2019.

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INTRODUCED BY:                     *Wm. W.*                    

**By Request**



# S.B. NO. 1079

**Report Title:**

Deferred Maintenance; Task Force; Backlog; Appropriation

**Description:**

Establishes a deferred maintenance task force within the Office of the Governor to create a standardized and uniform approach to address deferred maintenance projects in the State. Makes an appropriation for the task force.

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

