

S.B. NO. 1287

JAN 25 2023

A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT,
AND TOURISM.

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

1 SECTION 1. The legislature passed House Bill No. 1600,
2 H.D. 1, S.D. 1, C.D. 1, in the 2022 legislative session, which
3 appropriated funds received by the State from the American
4 Rescue Plan Act, Public Law 117-2, section 9901, to the
5 department of business, economic development, and tourism under
6 BED-100 for its building renovations in the amount of \$660,000
7 for fiscal year 2022-2023. However, the governor line-item
8 vetoed that amount among other items on July 6, 2022, before
9 enacting the remainder of the bill as Act 248, Session Laws of
10 Hawaii 2022, on July 7, 2022, mainly to comply with the
11 federally mandated Elementary and Secondary School Emergency
12 Relief Funds Maintenance of Effort requirement.

13 Due to health and safety concerns and deteriorating
14 conditions, the entire fifth floor of the No. 1 Capitol District
15 Building, located at 250 South Hotel Street, Honolulu, Hawaii,
16 needs to be completely gutted. The department of business,
17 economic development, and tourism currently occupies the fifth

S.B. NO. 1287

1 floor of the building. The department of accounting and general
2 services will be undertaking the renovation.

3 The department of business, economic development, and
4 tourism, however, will be required to pay for expenses related
5 to the building renovations, which are not included in the
6 department of accounting and general services' solicitation for
7 bid of improvements to the building infrastructure.
8 Decluttering, moving and storage of items, and replacement of
9 the partitions are not covered under the department of
10 accounting and general services solicitation for bid.

11 The purpose of this Act is to appropriate general funds to
12 the department of business, economic development, and tourism
13 for expenses related to the building renovations of its offices
14 on the fifth floor of the No. 1 Capitol District Building,
15 located at 250 South Hotel Street, Honolulu, Hawaii.

16 SECTION 2. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$660,000 or so much
18 thereof as may be necessary for fiscal year 2023-2024 to cover
19 the expenses related to the building renovations of the offices
20 of the department of business, economic development, and
21 tourism.

S.B. NO. 1287

1 The sum appropriated shall be expended by the department of
2 business, economic development, and tourism for the purpose of
3 this Act.

4 SECTION 3. This Act, upon its approval, shall take effect
5 on July 1, 2023.

6

7

INTRODUCED BY: *Wm. J. ...*

8

BY REQUEST

S.B. NO. 1287

Report Title:

Department of Business, Economic Development, and Tourism;
Building Renovations; Appropriation

Description:

Makes an appropriation to authorize general funds for the Department of Business, Economic Development, and Tourism for expenses related to building renovations.

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

JUSTIFICATION SHEET

DEPARTMENT: Business, Economic Development, and Tourism

TITLE: A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM.

PURPOSE: To appropriate \$660,000 in general funds for expenses related to the Department of Business, Economic Development, and Tourism's (DBEDT) building renovations.

MEANS: Appropriation of general fund revenues in the sum of \$660,000 for fiscal year 2023-2024.

JUSTIFICATION: The Legislature passed House Bill No. 1600, H.D. 1, S.D. 1, C.D. 1, in the 2022 legislative session, which appropriated funds received by the State from the American Rescue Plan Act, Public Law 117-2, section 9901, to DBEDT under BED-100 for its building renovations in the amount of \$660,000 for fiscal year 2022-2023. However, the Governor line-item vetoed that amount on July 6, 2022, mainly to comply with the federally mandated Elementary and Secondary School Emergency Relief Funds Maintenance of Effort requirement.

The purpose of this bill is to appropriate \$660,000 out of general revenues for DBEDT to pay for expenses related to building renovations of the DBEDT offices located on the fifth floor of No. 1 Capitol District Building, located at 250 South Hotel Street, Honolulu, Hawaii.

Decluttering, moving and storage of items are anticipated for the renovation of the fifth floor. After the renovations are completed, partitions to separate employee workspaces will need to be built. These expenses are not covered under the

Department of Accounting and General Services solicitation for bid.

This appropriation replaces the amount that was line-item vetoed by the Governor.

Impact on the public: There will be impact to the public while the fifth floor of DBEDT offices undergo renovations.

Impact on the department and other agencies: This bill will allow DBEDT to expend general funds for expenses related to its building renovations. Expenses related to the building renovations include decluttering, moving services, storage, and build-up of new partitions, which will affect DBEDT employees on the fifth floor.

GENERAL FUND: \$660,000.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: BED-142.

OTHER AFFECTED AGENCIES: Department of Budget and Finance.

EFFECTIVE DATE: July 1, 2023.