

ACT 239

S.B NO. 3026

A Bill for an Act Relating to School Facilities.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Hawaii's future lies in its ability to provide its youth and young adults with a quality educational system. Over the years, the State has demonstrated its commitment to this goal by establishing new policies and increasing funding to support the educational needs of Hawaii's people. However, one critical aspect of our educational system, which is sometimes overlooked, is the physical structure needed to provide students with an environment conducive to proper learning.

The legislature finds that the State has invested over \$1,700,000,000 in the construction of school facilities for the department of education and the University of Hawaii. Through the department of accounting and general services, and the

University of Hawaii, repair, maintenance, and improvement services are performed to assure the health and safety of our students. Within the past six years, however, the severe downturn in the State's economy has made it difficult to fund repair, maintenance, and improvements at required levels.

The deferral of repair, maintenance, and improvement projects is a short-sighted strategy, because any postponement of relatively inexpensive work actually costs the State untold millions of dollars in future obligations. To assure safe, structurally sound, and aesthetic educational facilities and to be fiscally responsible, the State needs to fund this repair, maintenance, and improvement backlog.

The legislature finds and determines that the quality of public education in the State is related to the condition of its public educational facilities. The physical facilities used by the department of education and the University of Hawaii provide the centerpiece around which all other educational activities exist. Adequate financing of repairs, maintenance, and improvement is necessary to keep educational facilities functional, architecturally sound, aesthetically pleasing, and in compliance with building and safety codes to support quality instruction, research, student, and community service programs.

The legislature further finds and determines that it is in the best interest of the State to allocate tax revenues for the purposes of repairing, maintaining, and improving the physical facilities used by the department of education and the University of Hawaii for public education.

Accordingly, the purpose of this Act is to appropriate general funds for repair, maintenance, and improvement projects to improve school facilities at the primary, secondary, and college levels. The general funds appropriated in this Act shall be used solely to manage, plan, design, repair, replace, maintain, renovate, and construct other related improvements to public education facilities under the management, control, and direction of the department of accounting and general services and the University of Hawaii. The funds may be used for improvements including but not limited to, reroofing, mechanical and electrical systems, renovations, resurfacing, repainting, recarpeting, waterproofing, facility audits, and other general repair projects.

SECTION 2. (a) The expenditure of appropriations made under this Act for any project with an estimated total cost of less than \$100,000 shall be exempt from the provisions of chapter 103D, Hawaii Revised Statutes; provided that:

- (1) Insofar as it is practical and based on specifications developed by the respective expending agency, adequate and reasonable competition of no fewer than three quotations shall be solicited for each project;
- (2) Considering all factors, including quality, warranty, and delivery, the award shall be made to the vendor with the most advantageous quotation; and
- (3) The procurement requirements shall not be artificially divided or parceled so as to avoid competitive bidding or competitive proposals.

(b) A separate contract file shall be maintained for each project funded under this Act. Each contract file shall contain the following:

- (1) All quotations received for the project;
- (2) An explanation, if known, whenever fewer than three quotations are received; and
- (3) A justification on the selection of the vendor.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$30,000,000 or so much thereof as may be necessary for fiscal year 2000-2001 for repair, maintenance, and improvement projects for the department of education.

The sum appropriated shall be expended by the department of accounting and general services for the purposes of this Act.

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$15,000,000 or so much thereof as may be necessary for fiscal year 2000-2001 for repair, maintenance, and improvement projects for the University of Hawaii system.

The sum appropriated shall be expended by the University of Hawaii for the purposes of this Act.

SECTION 5. Any unexpended or unencumbered balances of the appropriations made by sections 3 and 4 of this Act to be expended in fiscal year 2000-2001 shall not lapse at the end of fiscal year 2000-2001; provided that any unencumbered balances of the appropriations under section 3 and 4 of this Act as of the close of business on June 30, 2002, shall lapse as of that date.

SECTION 6. This Act shall take effect on July 1, 2000.

(Approved June 19, 2000.)