ACT 245

S.B. NO. 2704

A Bill for an Act Relating to Education.

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

SECTION 1. As a result of implementing the weighted student formula required by Act 51, Session Laws of Hawaii 2004, as amended by Act 221, Session Laws of Hawaii 2004, a number of programs with line item budget appropriations are included in the weighted funds available for principals and school community councils to budget and expend. The school-level minor repairs and maintenance accounts constitute one such program. Accordingly, the purpose of this Act is to clarify that the account established for the school-level minor repairs and maintenance program is no longer funded by general funds.

SECTION 2. Section 302A-1504, Hawaii Revised Statutes, is amended to read as follows:

"§302A-1504 School-level minor [repairs] repair and maintenance [accounts.] account. (a) The department shall establish [two] a school-level minor [repairs] repair and maintenance [accounts] account for the use [of] by each public school[, which] that shall not exceed \$25,000 each per school. The [first] account shall be comprised of [general funds appropriated to the department and the second account shall be comprised of] funds appropriated out of the school-level minor repairs and maintenance special fund pursuant to section 302A-1504.5 for school-level minor repairs and maintenance and shall not be used for any other purpose, nor shall any other funds be deposited into the [accounts. The department shall allocate funds based on the number of students at the school multiplied by a factor which recognizes the age-and condition of the school.] account.

(b) Funds in [these accounts] the account shall be expended at the direction of the school principal to contract for minor repairs and maintenance. Notwithstanding any other law to the contrary, [general or] special funds appropriated for this purpose that are unencumbered at the close of each fiscal year in [these accounts] the account shall not lapse until June 30 of the first fiscal year of the next fiscal

biennium. The department [of education] shall submit:

 A report to the director of finance, ninety days after the close of each fiscal year, <u>which</u> shall be prepared in the form prescribed by the director of finance and shall identify the total amount of funds in [each] the account that shall carry over to the next fiscal year; and

2) \overline{A} copy of this report to the legislature at least twenty days prior to the

convening of each regular session of the legislature.

[(c) Each school principal, through the superintendent, shall submit a report annually to the department of accounting and general services in the form prescribed by the comptroller on expenditures made from each account.]"

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2006.

(Approved June 28, 2006.)