

ACT 26

H.B. NO. 2275

A Bill for an Act Making an Emergency Appropriation for Electricity Payments Statewide.

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

SECTION 1. This Act is recommended by the governor for immediate passage in accordance with section 9 of article VII of the Constitution of the State of Hawaii.

SECTION 2. The purpose of this Act is to make emergency appropriations to address a \$1,276,000 deficit in electricity payments for department of accounting and general services managed facilities statewide and a \$6,400,000 deficit in electricity payments for facilities in the University of Hawaii system. Since local utility companies are dependent upon oil as the primary source of fuel, the steady rise in world oil prices has directly contributed to this shortfall. Although kilowatt

ACT 26

per hour consumption has remained flat or decreased, increased worldwide demand and natural disasters like Hurricane Katrina have increased oil prices.

Based on a combination of actual bills paid and projected cost, the shortfall for fiscal year 2005-2006 is as follows:

- (1) Department of accounting and general services facilities on:
 - (A) Oahu \$1,000,000
 - (B) Hawaii \$ 91,000
 - (C) Maui \$ 85,000
 - (D) Kauai \$ 100,000
 - Total \$1,276,000

- (2) University of Hawaii facilities:
 - (A) UOH – 100 UH – Manoa \$3,300,000
 - (B) UOH – 21 UH – Hilo 600,000
 - (C) UOH – 800 UH – Community Colleges 2,500,000
 - Total \$6,400,000

Without an emergency appropriation, these programs must defer payment on upcoming 2006 bills.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,276,000, or so much thereof as may be necessary, for fiscal year 2005-2006 for the purpose of paying electricity bills.

The sum appropriated shall be expended by the department of accounting and general services.

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$6,400,000, or so much thereof as may be necessary for fiscal year 2005-2006, for the purpose of paying electricity bills for the University of Hawaii system.

The sum appropriated shall be expended by the University of Hawaii.

SECTION 5. This Act shall take effect upon its approval.

(Approved April 25, 2006.)