

## ACT 304

H.B. NO. 1891

A Bill for an Act Relating to Education.

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

SECTION 1. The legislature finds that the state educational facilities improvement special fund is used to plan, design, construct, maintain, and acquire lands for public school facilities. The special fund finances projects that address classroom necessities. However, the special fund is currently overwhelmed with the demand for repairs. Years of under-funding maintenance projects have culminated in a massive school repair and renovation crisis. As recently as six months ago, asbestos was found under twelve sinks at Haleiwa elementary school, which disturbingly called to mind the incident a year ago when asbestos was again found in the exterior walls of two buildings at King intermediate school. Kailua intermediate school also made headlines last year when a roof collapsed on its campus. All of these potentially life-threatening situations required immediate attention and disrupted classes. Presently, the department of education major repair and maintenance backlog totals \$525,000,000.

The purpose of this Act is to provide additional funds to address this repair and maintenance backlog.

SECTION 2. Section 237-31, Hawaii Revised Statutes, is amended to read as follows:

**“§237-31 Remittances.** All remittances of taxes imposed by this chapter shall be made by money, bank draft, check, cashier’s check, money order, or certificate of deposit to the office of the department of taxation to which the return was transmitted. The department shall issue its receipts therefor to the taxpayer and shall pay the moneys into the state treasury as a state realization, to be kept and accounted for as provided by law; provided that:

- (1) The sum from all general excise tax revenues realized by the State that represents the difference between [~~\$45,000,000~~] \$90,000,000 and the proceeds from the sale of any general obligation bonds authorized for that fiscal year for the purposes of the state educational facilities improvement special fund shall be deposited in the state treasury in each fiscal year to the credit of the state educational facilities improvement special fund[;] for public school capital improvement program needs; and
- (2) A sum, not to exceed \$5,000,000, from all general excise tax revenues realized by the State shall be deposited in the state treasury in each fiscal year to the credit of the compound interest bond reserve fund[; ~~and~~
- (3) ~~A sum, not to exceed the amount necessary to meet the obligations of the integrated tax information management systems performance based~~

~~contract may be retained and deposited in the state treasury to the credit of the integrated tax information management systems special fund. The sum retained by the director of taxation for deposit to the integrated tax information management systems special fund for each fiscal year shall be limited to amounts appropriated by the legislature. This paragraph shall be repealed on July 1, 2005].”~~

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; provided that on June 30, 2008, section 2 of this Act shall be repealed and section 237-31, Hawaii Revised Statutes, is reenacted in the form in which it read on the day before the effective date of this Act.

(Became law on July 11, 2006, without the Governor’s signature, pursuant to Art. III, §16, State Constitution.)