

A Bill for an Act Making an Emergency Appropriation for Electricity, Sewer, Refuse, and Insurance Premium Payments.

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 an emergency appropriation to address a projected \$271,852 deficit in electricity, sewer, refuse, and insurance premium payments for the stadium authority, department of accounting and general services. Since local utility companies are dependent upon oil as the primary source of fuel, high world oil prices have directly contributed to this shortfall. Although kilowatt per hour consumption has remained flat or decreased, increased worldwide demand and geopolitical concerns all contribute to keep oil prices high. Based on a combination of actual bills paid and projected cost, the shortfall for fiscal year 2007-2008 is anticipated to be \$13,973 for the stadium authority. City-wide increases for sewer assessments have averaged approximately twenty-five percent beginning this summer. For the stadium authority, the increase is eighty-two percent (old rate \$3.42 per 1,000 gallons, new rate \$6.22 per 1,000 gallons) over last year, resulting in an unanticipated increase of \$123,800. Because of the increase in tipping fees and fuel oil, the stadium authority was forced to rebid its refuse collection contract. The old contractor simply could not continue with the service without incurring a loss. The new contract has resulted in a substantial increase of \$92,100 for refuse removal services to the program. World-wide, insurance premiums have increased for homeowners and businesses alike. The stadium authority is not an exception. Originally, \$30,000 had been budgeted for this operational expense. However, the premiums for the stadium authority more than doubled to \$71,979, leaving a shortfall of \$41,979. Without an emergency appropriation, the program must defer payments or not pay its June 2008 bills.

SECTION 3. There is appropriated out of the stadium special fund of the State of Hawaii the sum of \$271,852, or so much thereof as may be necessary, for fiscal year 2007-2008 for the purpose of paying electricity, sewer, refuse, and insurance premium bills. The sum appropriated shall be expended by the stadium authority, department of accounting and general services.

SECTION 4. This Act shall take effect upon its approval.

(Approved March 25, 2008.)