

## ACT 54

H.B. NO. 1604

A Bill for an Act Relating to State Bonds.

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

## PART I

SECTION 1. Declaration of findings with respect to the general obligation bonds authorized by this Act. Pursuant to article VII, section 13, of the state constitution, which states: "Effective July 1, 1980, the legislature shall include a declaration of findings in every general law authorizing the issuance of general obligation bonds that the total amount of principal and interest, estimated for such bonds and for all bonds authorized and unissued and calculated for all bonds issued and outstanding, will not cause the debt limit to be exceeded at the time of issuance", the legislature finds and declares as follows:

- (1) Limitation on general obligation debt. The debt limit of the State is set forth in article VII, section 13, of the state constitution, which states in part: "General obligation bonds may be issued by the State; provided that such bonds at the time of issuance would not cause the total amount of principal and interest payable in the current or any future fiscal year, whichever is higher, on such bonds and on all outstanding general obligation bonds to exceed: a sum equal to twenty percent of the average of the general fund revenues of the State in the three fiscal years immediately preceding such issuance until June 30, 1982; and thereafter, a sum equal to eighteen and one-half percent of the average of the general fund revenues of the State in the three fiscal years immediately preceding such issuance." Article VII, section 13, of the state constitution also provides that in determining the power of the State to issue general obligation bonds, certain bonds are excludable, including "[r]eimbursable general obligation bonds issued for a public undertaking, improvement or system but only to the extent that reimbursements to the general fund are in fact made from the net revenue, or net user tax receipts, or combination of both, as determined for the immediately preceding fiscal year" and bonds constituting instruments of indebtedness under which the State incurs a contingent liability as a guarantor, but only to the extent the principal amount of those bonds does not exceed seven per cent of the principal amount of outstanding general obligation bonds not otherwise excluded under said article VII, section 13, of the state constitution.
- (2) Actual and estimated debt limits. The limit on principal and interest of general obligation bonds issued by the State, actual for fiscal year 2017-2018 and estimated for each fiscal year from 2018-2019 to 2020-2021, is as follows:

<u>Fiscal Year</u>	<u>Net General Fund Revenues</u>	<u>Debt Limit</u>
2014-2015	\$6,569,327,192	
2015-2016	7,075,981,186	
2016-2017	7,346,008,625	
2017-2018	7,511,556,000	\$1,294,464,549
2018-2019	7,712,224,000	1,352,568,658
2019-2020	8,033,135,000	1,391,803,632
2020-2021	(not applicable)	1,434,176,425

For fiscal years 2017-2018, 2018-2019, 2019-2020, and 2020-2021, respectively, the debt limit is derived by multiplying the average of the net general fund revenues for the three preceding fiscal years by eighteen and one-half per cent. The net general fund revenues for fiscal years 2014-2015, 2015-2016, and 2016-2017 are actual, as certified by the director of finance in the Statement of the Debt Limit of the State of Hawaii as of July 1, 2017, dated November 17, 2017. The net general fund revenues for fiscal years 2017-2018 to 2019-2020 are estimates, based on general fund revenue estimates made as of March 15, 2018, by the council on revenues, the body assigned by Article VII, Section 7, of the State Constitution to make such estimates, and based on estimates made by the department of budget and finance of those receipts that cannot be included as general fund revenues for the purpose of calculating the debt limit, all of which estimates the legislature finds to be reasonable.

- (3) Principal and interest on outstanding bonds applicable to the debt limit.
  - (A) According to the department of budget and finance, the total amount of principal and interest on outstanding general obligation bonds, after the exclusions permitted by article VII, section 13, of the state constitution, for determining the power of the State to issue general obligation bonds within the debt limit as of April 1, 2018, is as follows for fiscal year 2018-2019 to fiscal year 2024-2025:

<u>Fiscal Year</u>	<u>Principal and Interest</u>
2018-2019	\$774,585,675
2019-2020	786,230,762
2020-2021	721,950,216
2021-2022	706,734,112
2022-2023	688,397,734
2023-2024	674,529,233
2024-2025	635,077,597

The department of budget and finance further reports that the amount of principal and interest on outstanding bonds applicable to the debt limit generally continues to decline each year from fiscal year 2025-2026 to fiscal year 2037-2038 when the final installment of \$54,951,750 shall be due and payable.

- (B) The department of budget and finance further reports that the outstanding principal amount of bonds constituting instruments of indebtedness under which the State may incur a contingent liability as a guarantor is \$233,500,000, all or part of which is excludable in determining the power of the State to

- issue general obligation bonds, pursuant to article VII, section 13, of the state constitution.
- (4) Amount of authorized and unissued general obligation bonds and guaranties and proposed bonds and guaranties.
- (A) As calculated from the state comptroller's bond fund report as of March 31, 2018, adjusted for:
- (i) Appropriations to be funded by general obligation bonds or reimbursable general obligation bonds as provided in Act 49, Session Laws of Hawaii 2017 (the General Appropriations Act of 2017), to be expended in fiscal year 2018-2019, adjusted for additional appropriations provided in House Bill No. 1900, H.D. 1, S.D. 2, C.D. 1<sup>1</sup> (the Supplemental Appropriations Act of 2018);
  - (ii) Lapses as provided in House Bill No. 1900, H.D. 1, S.D. 2, C.D. 1<sup>1</sup> (the Supplemental Appropriations Act of 2018);
  - (iii) Appropriations to be funded by general obligation bonds or reimbursable general obligation bonds as provided in Act 195, Session Laws of Hawaii 2017 (the Judiciary Appropriations Act of 2017), to be expended in fiscal year 2018-2019, adjusted for additional appropriations provided in Senate Bill No. 2150, S.D. 2, H.D. 1, C.D. 1<sup>2</sup> (the Judiciary Supplemental Appropriations Act of 2018); and
  - (iv) Lapses as provided in Senate Bill No. 2150, S.D. 2, H.D. 1, C.D. 1<sup>2</sup> (the Judiciary Supplemental Appropriations Act of 2018);
- the total amount of authorized but unissued general obligation bonds is \$2,312,750,799. The total amount of general obligation bonds authorized in this Act is \$717,809,000. The total amount of general obligation bonds previously authorized and unissued, as adjusted, and the general obligation bonds authorized in this Act is \$3,030,559,799.
- (B) As reported by the department of budget and finance the outstanding principal amount of bonds constituting instruments of indebtedness under which the State may incur a contingent liability as a guarantor is \$233,500,000, all or part of which is excludable in determining the power of the State to issue general obligation bonds, pursuant to Article VII, Section 13, of the State Constitution.
- (5) Proposed general obligation bond issuance. As reported therein for the fiscal years 2018-2019, 2019-2020, and 2020-2021, the State proposes to issue \$505,000,000 in general obligation bonds during the first half of fiscal year 2018-2019, \$475,000,000 in general obligation bonds during the second half of fiscal year 2018-2019, \$500,000,000 in general obligation bonds during the first half of fiscal year 2019-2020, \$520,000,000 in general obligation bonds during the second half of fiscal year 2019-2020, \$500,000,000 in general obligation bonds during the first half of fiscal year 2020-2021, and \$550,000,000 in general obligation bonds during the second half of fiscal year 2020-2021. Generally, it has been the practice of the State to issue twenty-year serial bonds with principal repayments beginning in the third year, the bonds payable in substantially equal annual installments of principal and interest payment with interest payments commencing six months from the date of issuance and

being paid semi-annually thereafter. It is assumed that this practice will continue to be applied to the bonds that are proposed to be issued.

- (6) Sufficiency of proposed general obligation bond issuance to meet the requirements of authorized and unissued bonds, as adjusted, and bonds authorized by this Act. From the schedule reported in paragraph (5), the total amount of general obligation bonds that the State proposes to issue during the fiscal years 2018-2019 to 2019-2020 is \$2,000,000,000. An additional \$1,050,000,000 is proposed to be issued in fiscal year 2020-2021. The total amount of \$2,000,000,000 that is proposed to be issued through fiscal year 2019-2020 is sufficient to meet the requirements of the authorized and unissued bonds, as adjusted, the total amount of which is \$3,030,559,799 reported in paragraph (4), except for \$1,030,559,799. It is assumed that the appropriations to which an additional \$1,030,559,799 in bond issuance needs to be applied will have been encumbered as of June 30, 2020. The \$1,050,000,000 that is proposed to be issued in fiscal year 2020-2021 will be sufficient to meet the requirements of the June 30, 2020, encumbrances in the amount of \$1,030,559,799. The amount of assumed encumbrances as of June 30, 2020, is reasonable and conservative, based upon an inspection of June 30 encumbrances of the general obligation bond fund as reported by the state comptroller. Thus, taking into account the amount of authorized and unissued bonds, as adjusted, and the bonds authorized by this Act versus the amount of bonds proposed to be issued by June 30, 2020, and the amount of June 30, 2020, encumbrances versus the amount of bonds proposed to be issued in fiscal year 2020-2021, the legislature finds that in the aggregate, the amount of bonds proposed to be issued is sufficient to meet the requirements of all authorized and unissued bonds and the bonds authorized by this Act.
- (7) Bonds excludable in determining the power of the State to issue bonds. As noted in paragraph (1), certain bonds are excludable in determining the power of the State to issue general obligation bonds.
  - (A) General obligation reimbursable bonds can be excluded under certain conditions. It is not possible to make a conclusive determination as to the amount of reimbursable bonds which are excludable from the amount of each proposed bond issued because:
    - (i) It is not known exactly when projects for which reimbursable bonds have been authorized in prior acts and in this Act will be implemented and will require the application of proceeds from a particular bond issue; and
    - (ii) Not all reimbursable general obligation bonds may qualify for exclusion.

However, the legislature notes that with respect to the principal and interest on outstanding general obligation bonds, according to the department of budget and finance, the average proportion of principal and interest that is excludable each year from the calculation against the debt limit is 0.82 per cent for approximately ten years from fiscal year 2017-2018 to fiscal year 2026-2027. For the purpose of this declaration, the assumption is made that 0.75 per cent of each bond issue will be

excludable from the debt limit, an assumption that the legislature finds to be reasonable and conservative.

- (B) Bonds constituting instruments of indebtedness under which the State incurs a contingent liability as a guarantor can be excluded, but only to the extent the principal amount of those guaranties does not exceed seven per cent of the principal amount of outstanding general obligation bonds not otherwise excluded under subparagraph (A) of this paragraph (7); and provided that the State shall establish and maintain a reserve in an amount in reasonable proportion to the outstanding loans guaranteed by the State as provided by law. According to the department of budget and finance and the assumptions presented herein, the total principal amount of outstanding general obligation bonds and general obligation bonds proposed to be issued, which are not otherwise excluded under article VII, section 13, of the state constitution for the fiscal years 2017-2018, 2018-2019, 2019-2020, and 2020-2021, are as follows:

<u>Fiscal Year</u>	<u>Total amount of general obligation bonds not otherwise excluded by article VII, section 13 of the state constitution</u>
2017-2018	\$7,238,578,064
2018-2019	8,211,233,064
2019-2020	9,223,583,064
2020-2021	10,265,708,064

Based on the foregoing and based on the assumption that the full amount of a guaranty is immediately due and payable when such guaranty changes from a contingent liability to an actual liability, the aggregate principal amount of the portion of the outstanding guaranties and the guaranties proposed to be incurred, which does not exceed seven per cent of the average amount set forth in the last column of the above table and for which reserve funds have been or will have been established as heretofore provided, can be excluded in determining the power of the State to issue general obligation bonds. As it is not possible to predict with a reasonable degree of certainty when a guaranty will change from a contingent liability to an actual liability, it is assumed in conformity with fiscal conservatism and prudence, that all guaranties not otherwise excluded pursuant to article VII, section 13, of the state constitution will become due and payable in the same fiscal year in which the greatest amount of principal and interest on general obligation bonds, after exclusions, occurs. Thus, based on such assumptions and on the determination in paragraph (8), all of the outstanding guaranties can be excluded.

- (8) Determination whether the debt limit will be exceeded at the time of issuance. From the foregoing and on the assumption that all of the bonds identified in paragraph (5) will be issued at an interest rate not to exceed 5.75 per cent in fiscal years 2019 through 2021, it can be determined from the following schedule that the bonds that are proposed to be issued, which include all authorized and unissued bonds previously authorized, as adjusted, general obligation bonds,

and instruments of indebtedness under which the State incurs a contingent liability as a guarantor authorized in this Act, will not cause the debt limit to be exceeded at the time of such issuance:

<u>Time of Issuance and Amount to be Counted Against Debt Limit</u>	<u>Debt Limit at Time of Issuance</u>	<u>Greatest Amount and Year of Highest Principal and Interest on Bonds and Guaranties</u>
1st half FY 2018-2019 \$501,215,000	1,352,568,658	806,552,645 (2019-2020)
2nd half FY 2018-2019 \$471,440,000	1,352,568,658	806,552,645 (2019-2020)
1st half FY 2019-2020 \$496,250,000	1,391,803,632	829,332,457 (2021-2022)
2nd half FY 2019-2020 \$516,100,000	1,391,803,632	875,587,775 (2022-2023)
1st half FY 2020-2021 \$496,250,000	1,434,176,425	908,222,905 (2023-2024)
2nd half FY 2020-2021 \$545,875,000	1,434,176,425	957,695,717 (2023-2024)

- (9) Overall and concluding finding. From the facts, estimates, and assumptions stated in this declaration of findings, the conclusion is reached that the total amount of principal and interest estimated for the general obligation bonds authorized in this Act, and for all bonds authorized and unissued, and calculated for all bonds issued and outstanding, and all guaranties, will not cause the debt limit to be exceeded at the time of issuance.

SECTION 2. The legislature finds the bases for the declaration of findings set forth in this Act are reasonable. The assumptions set forth in this Act with respect to the principal amount of general obligation bonds that will be issued, the amount of principal and interest on reimbursable general obligation bonds that are assumed to be excludable, and the assumed maturity structure shall not be deemed to be binding, it being the understanding of the legislature that such matters must remain subject to substantial flexibility.

SECTION 3. Authorization for issuance of general obligation bonds. General obligation bonds may be issued as provided by law in an amount that may be necessary to finance projects authorized in House Bill No. 1900, H.D. 1, S.D. 2, C.D. 1<sup>1</sup> (the Supplemental Appropriations Act of 2018) and Senate Bill No. 2150, S.D. 2, H.D. 1, C.D. 1<sup>2</sup> (the Judiciary Supplemental Appropriations Act of 2018); passed by the legislature during this regular session of 2018 and designated to be financed from the general obligation bond fund and from the general obligation bond fund with debt service cost to be paid from special funds; provided that the sum total of general obligation bonds so issued shall not exceed \$717,809,000.

Any law to the contrary notwithstanding, general obligation bonds may be issued from time to time in accordance with section 39-16, Hawaii Revised Statutes, in such principal amount as may be required to refund any general obligation bonds of the State of Hawaii heretofore or hereafter issued pursuant to law.

## PART II

SECTION 4. House Bill No. 1900, House Draft 1, Senate Draft 2, Conference Draft 1,<sup>1</sup> Regular Session of 2018, is amended by amending section 5 as follows:

1. By amending the titles and descriptions of items B.12.01., to B.12.21., to read:

“12.01. BOY SCOUTS OF AMERICA, ALOHA COUNCIL

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATIONS AT CAMP HONOKAIA AND CAMP ALAN FAYE. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

12.02. BOYS ~~[AND]~~ & GIRLS CLUB OF MAUI, INC.

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR CLUBHOUSE AT PAUKUKALO. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

12.03. GIRL SCOUTS OF ~~[HAWAII]~~ HAWAII

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR AN ACCESS ROAD AND DRIVEWAY IMPROVEMENTS FOR CAMP PAUMALU. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

12.04. HABITAT FOR HUMANITY, HAWAII ISLAND, INC.

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR AFFORDABLE HOUSING FOR LOW-INCOME FAMILIES IN WEST HAWAII. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

12.05. HABITAT FOR HUMANITY, MAUI, INC.

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR AFFORDABLE HOUSING. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

12.06. HALE MAKUA HEALTH SERVICES

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR ELDER AND DISABLED RESIDENTS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

12.07. HAMAKUA YOUTH FOUNDATION, INC

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATIONS AND IMPROVEMENTS TO PROPERTY AT 45-3400 MAMANE STREET, HONOKAA. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

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- 12.08. HAWAII ISLAND HUMANE SOCIETY S.P.C.A.  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR AN ANIMAL COMMUNITY CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.09. HAWAII ISLAND PORTUGUESE CHAMBER OF COMMERCE CULTURAL AND EDUCATIONAL CENTER  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A PORTUGUESE CULTURAL AND EDUCATIONAL CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.10. HAWAIIAN HUMANE SOCIETY  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A HUMANE SOCIETY CAMPUS IN WEST OAHU. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.11. HONOLULU HABITAT FOR HUMANITY  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR AFFORDABLE MULTI-FAMILY HOUSING. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.12. [~~KAUAI~~] KAUAI ECONOMIC OPPORTUNITY, [INC.] INCORPORATED  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR FOOD SERVICE FACILITY. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.13. [~~KAUAI~~] HABITAT FOR HUMANITY INC.  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR AFFORDABLE HOUSING. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.14. KAUAI [~~PHILIPPINE~~] PHILIPPINE CULTURAL CENTER  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR PHOTOVOLTAIC SYSTEM. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.15. [~~LAAKEA~~] LAAKEA FOUNDATION  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR HOUSING LOW INCOME AND INTELLECTUALLY/DEVELOPMENTALLY DISABLED ADULTS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

- 12.16. MAUI ECONOMIC OPPORTUNITY, ~~HNE~~ INC.  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR TRANSIT FACILITY MAINTENANCE SHOP. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.17. MAUI FAMILY ~~YMCA~~ YOUNG MEN'S CHRISTIAN ASSOCIATION  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A GYMNASIUM. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.18. ONE NINETY NINE INITIATIVE  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR HOUSING FOR HOMELESS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.19. SPECIAL EDUCATION CENTER OF HAWAII  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR DRIVEWAY IMPROVEMENTS AND PURCHASE OF NEW VEHICLES FOR TRANSPORTATION PROGRAM. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.20. THE MEDIATION CENTER OF THE PACIFIC, INC  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR MEDIATION CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.21. YOUNG MEN'S CHRISTIAN ASSOCIATION OF HONOLULU  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RETAINING WALL. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.”

2. By amending the titles and descriptions of items E.17.01., to E.17.04., to read:

- “17.01. BLOOD BANK OF HAWAII  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A NEW BLOOD CENTER FACILITY CONTINGENT UPON THE CITY AND COUNTY OF HONOLULU PROVIDING MATCHING FUNDS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

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17.02. GREGORY HOUSE PROGRAMS

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR ACQUISITION OF PROPERTY AT 1096 AND 1098 YOUNG STREET, THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

17.03. REHABILITATION HOSPITAL OF THE PACIFIC

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR HVAC SYSTEM, THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

17.04. THE ALCOHOLIC REHABILITATION SERVICES OF HAWAII INC

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR HVAC SYSTEM, THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.”

3. By amending the title and description of item F.4.01., to read:

“4.01. PACIFIC FLEET SUBMARINE [~~MEMORIAL ASSOCIATION, INC.] MUSEUM & PARK~~

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR COMFORT STATION AND WALKWAY IMPROVEMENTS, THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.”

4. By amending the titles and descriptions of items F.29.07., to F.29.10., to read:

“29.07. KAILAPA COMMUNITY ASSOCIATION

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR KAILAPA COMMUNITY RESOURCE CENTER, THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

29.08. [~~LAI‘OPUA] LAI‘OPUA 2020~~

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR COMMUNITY CENTER AT LAI‘OPUA, THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

29.09. WAIOHULI HAWAIIAN HOMESTEADERS ASSOCIATION, INC.

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR IMPROVEMENTS TO COMMUNITY CENTER AND PARK FACILITIES, THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

## 29.10. WAIKIKI COMMUNITY CENTER

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATIONS AND IMPROVEMENTS AT THE CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

5. By amending the titles and descriptions of items H.3.01., and H.3.02., to read:

“3.01. [~~HAWAII~~] HAWAII NATURE CENTER, INC

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATIONS AND IMPROVEMENTS TO MAUI AND OAHU CAMPUS FACILITIES. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

## 3.02. MOANALUA GARDENS FOUNDATION, INC

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A MASTER PLAN FOR MOANALUA VALLEY. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

6. By amending the titles and descriptions of items K.33.02., to K.33.28., to read:

## “33.02. ALOHA MEDICAL MISSION

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A NEW DENTAL CLINIC. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

## 33.03. ALTERNATIVE STRUCTURES INTERNATIONAL

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A COMMUNITY KITCHEN. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

## 33.04. CHILDREN’S DISCOVERY CENTER

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR CHILDREN’S DISCOVERY CENTER RENOVATIONS, ACCESS IMPROVEMENTS, AND SAFETY IMPROVEMENTS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

33.05. DAUGHTERS OF [~~HAWAII~~] HAWAII

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR QUEEN EMMA SUMMER PALACE RENOVATIONS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

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- 33.06. DIAMOND HEAD THEATRE  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A NEW THEATER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.07. FRIENDS OF KING [KAUMUALI] KAUMUALII  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR THE CREATION AND INSTALLATION OF A STATUE OF KING KAUMUALII AND PEDESTAL AT WAIMEA BAY. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.08. FRIENDS OF KONA PACIFIC PUBLIC CHARTER SCHOOL  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A COMMUNITY KITCHEN. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.09. FRIENDS OF THE VOLCANO SCHOOL OF ARTS & SCIENCES  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR EARLY LEARNING CENTER CLASSROOMS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.10. HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL (HCEOC)  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR MECHANICAL REPAIR FACILITY AND TRAINING SITE. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.11. HAWAIIAN KAMALII, INC.  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR SAFETY AND SECURITY IMPROVEMENTS OF CANOE CLUB FACILITIES AT HOALOHA PARK. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.12. KA HALE A KE OLA HOMELESS RESOURCE [CENTER] CENTERS, INC.  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR PERMANENT SUPPORTIVE HOUSING. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.13. KA LIMA O MAUI, LTD.  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR MULTI-PURPOSE BUILDING. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

- 33.14. KAHILU [~~THEATER~~] THEATRE FOUNDATION  
PLANS, LAND ACQUISITION, DESIGN,  
CONSTRUCTION, AND EQUIPMENT FOR  
IMPROVEMENTS AND RENOVATIONS  
FOR THEATER BUILDING. THIS PROJECT  
QUALIFIES AS A GRANT, PURSUANT TO  
CHAPTER 42F, HRS.
- 33.15. KALANI HONUA INC.  
PLANS, LAND ACQUISITION, DESIGN,  
CONSTRUCTION, AND EQUIPMENT FOR  
CONVERTING LARGE-CAPACITY CESSPOOL  
TO SEPTIC SYSTEM. THIS PROJECT  
QUALIFIES AS A GRANT, PURSUANT TO  
CHAPTER 42F, HRS.
- 33.16. KALANIHALE  
PLANS, LAND ACQUISITION, DESIGN,  
CONSTRUCTION, AND EQUIPMENT FOR  
MILOLII COMMUNITY ENRICHMENT  
AND HISTORICAL CENTER. THIS PROJECT  
QUALIFIES AS A GRANT, PURSUANT TO  
CHAPTER 42F, HRS.
- 33.17. KALIHI-PALAMA HEALTH CENTER (HALE HO'OLA HOU)  
PLANS, LAND ACQUISITION, DESIGN,  
CONSTRUCTION, AND EQUIPMENT FOR  
CLINICAL SPACE FOR WOMEN AND  
CHILDREN'S PROGRAMS. THIS PROJECT  
QUALIFIES AS A GRANT, PURSUANT TO  
CHAPTER 42F, HRS.
- 33.18. KONA HISTORICAL SOCIETY  
PLANS, LAND ACQUISITION, DESIGN,  
CONSTRUCTION, AND EQUIPMENT FOR A  
GALLERY AND MUSEUM. THIS PROJECT  
QUALIFIES AS A GRANT, PURSUANT TO  
CHAPTER 42F, HRS.
- 33.19. MAUI ARTS [~~AND CULTURE~~] & CULTURAL CENTER  
PLANS, LAND ACQUISITION, DESIGN,  
CONSTRUCTION, AND EQUIPMENT TO  
CONTINUE IMPLEMENTATION OF THE  
MAUI ARTS AND CULTURAL CENTER'S  
MASTER PLAN. THIS PROJECT QUALIFIES  
AS A GRANT, PURSUANT TO CHAPTER 42F,  
HRS.
- 33.20. MAUI COUNTY COUNCIL OF THE BOY SCOUTS OF AMERICA,  
LIMITED  
PLANS, LAND ACQUISITION, DESIGN,  
CONSTRUCTION, AND EQUIPMENT FOR A  
NEW DINING HALL AT CAMP MALUHIA.  
THIS PROJECT QUALIFIES AS A GRANT,  
PURSUANT TO CHAPTER 42F, HRS.

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- 33.21. NORTH HAWAII COMMUNITY HOSPITAL  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR EXPANSION OF THE EMERGENCY DEPARTMENT. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.22. PACIFIC GATEWAY CENTER  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR PUMP STATION IMPROVEMENTS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.23. ROYAL ORDER OF KAMEHAMEHA I, MAMALAHOA  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATION AND IMPROVEMENTS TO KAMEHAMEHA HALL. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.24. SHADE INSTITUTE  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR WAIPIO POINT ACCESS ROAD MULTIMODAL AND SAFETY IMPROVEMENT PROJECT. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.25. THE STORYBOOK THEATRE OF HAWAII  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATION OF THEATRE. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.26. THE WAHIAWA CENTER FOR COMMUNITY HEALTH  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR THE RENOVATION AND OUTFITTING OF SERVICE DELIVERY. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.27. WAHIAWA GENERAL HOSPITAL  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR PATIENT CARE FACILITIES. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.28. WAIALUA COMMUNITY ASSOCIATION  
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR COMMERCIAL KITCHEN AND INSTALLATION OF NEW GYMNASIUM FLOOR. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.”

SECTION 5. Nothing in this part shall be construed to amend the provisions of House Bill No. 1900, House Draft 1, Senate Draft 2, Conference Draft 1,<sup>1</sup> Regular Session of 2018, in a manner that appropriates any additional funds, authorizes the issuance of any additional general obligation bonds or allocates the revenues derived thereof, or adds any additional debt for the projects listed in section 4 of this Act.

**PART III**

SECTION 6. The provisions of this Act are declared to be severable and if any portion thereof is held to be invalid for any reason, the validity of the remainder of this Act shall not be affected.

SECTION 7. In printing this Act, the revisor of statutes shall substitute in sections 1, 3, 4, and 5 the corresponding act numbers for bills identified therein.

SECTION 8. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 9. This Act shall take effect upon its approval.

(Approved June 22, 2018.)

**Notes**

1. Act 53.
2. Act 26.