

JAN 25 2006

S.B. NO. 2309

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# A BILL FOR AN ACT

MAKING AN EMERGENCY APPROPRIATION FOR DEPARTMENT OF EDUCATION  
ELECTRICITY.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

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

4           SECTION 2. The purpose of this Act is to appropriate funds  
5 to fund the cost of the department of education's electricity  
6 usage. Increasing usage and cost of electricity has created a  
7 critical funding emergency for fiscal year 2005-2006. The  
8 department of education will not have sufficient funds to pay  
9 for electricity with the current appropriation amount. An  
10 emergency appropriation is needed to fund the program for the  
11 first year of the biennium.

12           SECTION 3. There is appropriated out of the general  
13 revenues of the State of Hawaii the sum of \$5,169,458, or so  
14 much thereof as may be necessary, for fiscal year 2005-2006 for  
15 the purposes of this Act.

16           The sum appropriated shall be expended by the department of  
17 education.

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

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INTRODUCED BY:  \_\_\_\_\_  
BY REQUEST

JUSTIFICATION SHEET

**SB. NO. 2309**

DEPARTMENT: Education

TITLE: A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR DEPARTMENT OF EDUCATION ELECTRICITY.

PURPOSE: To meet the projected shortfall in the electricity appropriation.

MEANS: General fund emergency appropriation.

JUSTIFICATION: Electricity costs of the Department of Education are centrally budgeted within the Office of Business Services. Additional funding is required to make payments for the public school systems electricity usage.

The projected shortfall is due to actual and anticipated electricity usage and the increased cost per kilowatt-hour.

Act 178, Session Laws of Hawaii 2005, provides \$23,853,680 in general funds for fiscal year 2005-2006. Program expense projections for fiscal year 2005-2006 are \$31,517,103. On November 3, 2005 \$2,493,965 of Impact Aid was allocated to the electricity budget. The projected unmet need as of November 2005 is \$5,169,458.

| Electricity                    | FY06                   |
|--------------------------------|------------------------|
| Appropriation                  | \$ 23,853,680          |
| Actual/Projected               |                        |
| <u>Expenditure</u>             | <u>\$ (31,517,447)</u> |
| Difference                     | \$ (7,663,767)         |
| <u>Impact Aid Allocation</u>   | <u>\$ 2,493,965</u>    |
| Shortfall as of January 2006   | \$ (5,169,458)         |
| FY 2005-2006 Emergency Request | \$ 5,169,458           |

The general fund recommendation included in this measure has been made in accordance with the statutorily defined appropriation

ceiling for the Executive Branch pursuant to section 37-92, Hawaii Revised Statutes. Including appropriations made up to and including the regular and special sessions of 2005, the Executive Branch appropriation ceiling for fiscal year 2005-2006 has already been exceeded by \$165,665,981 or 3.83 percent. Funding requested in this measure for electricity will result in the appropriation ceiling for the Executive Branch to now be exceeded in fiscal year 2005-2006 by \$5,169,458 or 0.12 percent. This current declaration takes into account additional general fund appropriations authorized for fiscal year 2005-2006 in this measure only, and does not include other general fund appropriations for fiscal year 2005-2006 that may be authorized for the Executive Branch in other legislation submitted to the Legislature during the regular session of 2006.

GENERAL FUND:               \$5,169,458

OTHER FUNDS:               None.

PPBS PROGRAM  
DESIGNATION:               0701400204               EDN 400

OTHER AFFECTED  
AGENCIES:                 None.

EFFECTIVE DATE:            Upon approval.