A BILL FOR AN ACT

MAKING AN EMERGENCY APPROPRIATION FOR ELECTRICITY PAYMENTS STATEWIDE.

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. In accordance with section 9 of article VII of
- 5 the Constitution of the State of Hawaii and sections 37-91 and
- 6 7-93, Hawaii Revised Statutes, the legislature has determined
- 7 that the general fund expenditure ceiling for fiscal year 2006-
- 8 2007 (established at \$5,357,987,705 on November 8, 2006) has
- 9 already been exceeded by \$90,137,694 or 1.68 per cent. The
- 10 appropriations contained in this Act will cause the state
- 11 general fund expenditure ceiling for fiscal year 2006-2007 to be
- 12 exceeded by an additional \$626,000, or an additional .012 per
- 13 cent. The calculation contained in the foregoing sentence
- 14 relates only to the amount of general funds appropriated in this
- 15 Act for fiscal year 2006-2007. The reasons for exceeding the
- 16 general fund expenditure ceiling are that the appropriations

- 1 made in this Act are necessary to serve the public interest and
- 2 to meet the needs provided for by this Act.
- 3 SECTION 3. The purpose of this Act is to make an emergency
- 4 appropriation to address a projected \$626,000 deficit in
- 5 electricity payments for the department of accounting and
- 6 general services managed facilities statewide. Since local
- 7 utility companies are dependent upon oil as the primary source
- 8 of fuel, high world oil prices have directly contributed to this
- 9 shortfall. Although kilowatt per hour consumption has remained
- 10 flat or decreased, increased worldwide demand and geopolitical
- 11 concerns all contribute to keep oil prices high. Based on a
- 12 combination of actual bills paid and projected cost, the
- 13 shortfall for fiscal year 2006-2007 is anticipated to be
- 14 \$626,000 statewide. Without an emergency appropriation, the
- 15 program must defer payment on its June 2007 bill.
- 16 SECTION 4. There is appropriated out of the general
- 17 revenues of the State of Hawaii the sum of \$626,000, or so much
- 18 thereof as may be necessary, for fiscal year 2006-2007 for the
- 19 purpose of paying electricity bills. The sum appropriated shall
- 20 be expended by the department of accounting and general
- 21 services.
- 22 SECTION 5. This Act shall take effect upon its approval.

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Report Title:

Emergency Appropriation; Electricity

Description:

Makes an emergency appropriation for fiscal year 2006-2007 to cover statewide budgetary shortfalls in electricity payments for facilities assigned to DAGS. (SD1)