

1 legislative sessions for repair and maintenance projects of the
 2 department of education, the backlog remains and continues to
 3 increase. In 2008, the backlog increased to approximately
 4 \$421,000,000 and declined slightly to \$347,000,000 by September
 5 of 2009, but is expected to increase by an additional
 6 \$75,000,000 during upcoming fiscal years.

7 It is the intent of the legislature to reduce the backlog
 8 of repair and maintenance projects within the public schools to
 9 a manageable level. To meet this objective, this Act authorizes
 10 the issuance of general obligation bonds and appropriates
 11 \$155,000,000 annually through fiscal year 2012 for repair and
 12 maintenance projects of the department of education. At the
 13 rate of \$155,000,000 annually, the backlog will be reduced after
 14 three years, as follows:

15	FY2010	FY2011	FY2012
16 Current backlog	\$347,000,000	\$267,000,000	\$187,000,000
17 Annual increase	\$75,000,000	\$75,000,000	\$75,000,000
18 GO funding	(\$155,000,000)	(\$155,000,000)	(\$155,000,000)
19 Remaining R&M	\$267,000,000	\$187,000,000	\$107,000,000

20 The purpose of this part is to authorize the issuance of
 21 general obligation bonds and appropriate the revenues derived



1 therefrom to reduce the backlog of repair and maintenance
2 projects of the department of education.

3 SECTION 2. The director of finance is authorized to issue
4 general obligation bonds in the sum of \$ or so much
5 thereof as may be necessary and the same sum or so much thereof
6 as may be necessary is appropriated for fiscal year 2010-2011
7 for the purpose of funding the department of education's repair
8 and maintenance projects.

9 The sum appropriated shall be expended by the department of
10 education for the purposes of this part.

11 SECTION 3. The appropriation made for the capital
12 improvement projects authorized by this part shall not lapse at
13 the end of the fiscal biennium for which the appropriation is
14 made; provided that all moneys from the appropriation in section
15 2 unencumbered as of June 30, 2012, shall lapse as of that date.

16 **PART II**

17 SECTION 4. The purpose of this part is to provide a
18 temporary exemption from chapters 103 and 103D, Hawaii Revised
19 Statutes, to the department of education in order to expedite
20 construction projects.

21 SECTION 5. (a) Chapter 302A, Hawaii Revised Statutes,
22 notwithstanding, the department of education shall not be



1 subject to chapters 103 and 103D, Hawaii Revised Statutes, and
2 any and all other requirements of law for competitive bidding
3 for contracts related to construction projects; provided that
4 the department shall develop internal policies and procedures
5 for the procurement of goods and services relating to
6 construction projects, consistent with the goals of public
7 accountability and public procurement practices.

8 (b) The department shall submit annual reports to the
9 legislature no later than twenty days prior to the convening of
10 the regular sessions of 2011 through 2013 on the status of the
11 construction projects utilizing the exemptions established in
12 subsection (a).

13 **PART III**

14 SECTION 6. If any provision of this Act, or the
15 application thereof to any person or circumstance is held
16 invalid, the invalidity does not affect other provisions or
17 applications of the Act, which can be given effect without the
18 invalid provision or application, and to this end the provisions
19 of this Act are severable.

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1 SECTION 7. This Act shall take effect on July 1, 2010, and
2 the exemptions granted in section 5 of this Act shall be
3 repealed on June 30, 2012.

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INTRODUCED BY:

Norman Sakuma

Michelle M. Stefani

[Signature]

Shiranne Chun Oakland



Report Title:

DOE; Repair and Maintenance; GO Bonds

Description:

Authorizes the issuance of general obligation bonds to fund department of education repair and maintenance projects (part I). Provides a temporary exemption from procurement laws to the department of education in order to expedite repair and maintenance capital improvement projects (part II).

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