A BILL FOR AN ACT

RELATING TO REPAIR AND MAINTENANCE.

	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:	
1	SECTI	ON 1. The purpose of this Act is to address the
2	routine re	pair and maintenance of state-owned buildings,
3	facilities	s, and other improvements.
4	More	specifically, this Act establishes a policy regarding
5	full fundi	ng for routine repair and maintenance of state-owned
6	buildings,	facilities, and other improvements. The legislature
7	finds that	this Act is necessary to:
8	(1)	Preserve the condition of state-owned buildings,
9		facilities, and other improvements for public use or
10		benefit, for the present and the future;
11	(2)	Prevent further additions to the State's deferred
12		maintenance backlog;
13	ر3)	Preserve public moneys by making near-term investments
14		for routine repair and maintenance instead of
15		incurring much more expensive capital replacement or
16		renewal costs in the future; and

(4) Promote transparency by making information about the State's liabilities available to the public.



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- 1 The legislature intends that this Act shall apply to the
- 2 judiciary by operation of section 601-2, Hawaii Revised
- 3 Statutes.
- 4 SECTION 2. Chapter 37, Hawaii Revised Statutes, is amended
- 5 by adding a new part to be appropriately designated and to read
- 6 as follows:
- 7 "PART . ROUTINE REPAIR AND MAINTENANCE
- 8 §37-A Routine repair and maintenance; definitions. As
- 9 used in this part:
- 10 "Routine repair and maintenance" means repair and
- 11 maintenance performed on a scheduled repair and maintenance
- 12 cycle.
- "State-owned building, facility, or other improvement"
- 14 means a building, facility, or other improvement owned and
- 15 managed by a state executive agency. The term shall not include
- 16 a state-owned building, facility, or other improvement that is
- 17 leased by a state executive agency to a person.
- 18 §37-B Routine repair and maintenance funding needs; report
- 19 to legislature. (a) Each state executive agency that manages a
- 20 state-owned building, facility, or other improvement shall
- 21 submit to the legislature an annual report on the funds and

- 1 positions deemed necessary by the agency to perform routine
- 2 repair and maintenance on the state-owned building, facility, or
- 3 other improvement during the fiscal year covered by the report.
- 4 The annual report shall cover the fiscal year that commences
- 5 following the submittal of the report and break down the funds
- 6 and positions deemed necessary for routine repair and
- 7 maintenance by means of financing and cost element.
- 8 (b) The annual report shall also include a comparison, for
- 9 each of the prior two fiscal years, of the:
- 10 (1) Routine repair and maintenance funds and positions
- deemed necessary by the state executive agency, as
- 12 identified in the relevant prior reports;
- (2) Actual appropriations and positions authorized for
- 14 routine repair and maintenance; and
- 15 (3) Actual expenditures and positions filled for the
- 16 routine repair and maintenance.
- 17 (c) The annual reports shall be submitted to the
- 18 legislature through the department of budget and finance with
- 19 each executive budget or supplemental budget, as applicable.
- 20 (d) The governor shall identify the state executive
- 21 agencies that are responsible for managing a state-owned

- 1 building, facility, or other improvement and, consequently,
- 2 required to submit the annual report to the legislature. The
- 3 governor shall require the identified state agencies to submit
- 4 the reports to the department of budget and finance:
- 5 (1) In a uniform format; and
- 6 (2) By a deadline intended to give the department of
- 7 budget and finance sufficient time to compile the
- 8 reports to the legislature pursuant to subsection (c).
- 9 The department of budget and finance shall not be required to
- 10 ensure the accuracy of the information in the reports."
- 11 SECTION 3. Chapter 37, Hawaii Revised Statutes, is amended
- 12 by adding a new section to part IV to be appropriately
- 13 designated and to read as follows:
- 14 "§37-C Extended lapse date for appropriation for routine
- 15 repair and maintenance. An executive budget act or supplemental
- 16 budget act may provide that the unexpended or unencumbered
- 17 balance of an appropriation for routine repair and maintenance
- 18 for a fiscal year shall not lapse at the end of that fiscal
- 19 year, but shall lapse on a subsequent date that does not violate
- 20 article VII, section 11, of the Constitution of the State of
- 21 Hawaii."

- 1 SECTION 4. Chapter 103, Hawaii Revised Statutes, is
- 2 amended by adding a new section to part II to be appropriately
- 3 designated and to read as follows:
- 4 "§103- Routine repair and maintenance plan as part of
- 5 capital improvement project. (a) As used in this section,
- 6 "state-owned building, facility, or other improvement" and
- 7 "routine repair and maintenance" shall be as defined in section
- 8 37-A.
- 9 (b) Every capital improvement project for the construction
- 10 of a new state-owned building, facility, or other improvement
- 11 shall include a recommended plan for the routine repair and
- 12 maintenance of the building, facility, or other improvement
- 13 prepared by the project contractor.
- 14 (c) The requirement for the plan shall be included in the
- 15 contract for construction of the new state-owned building,
- 16 <u>facility</u>, or <u>other</u> improvement.
- 17 (d) This section shall not apply to any project for which
- 18 the request for proposals or other solicitation was issued
- 19 before the effective date of this section."
- 20 SECTION 5. Section 37-41, Hawaii Revised Statutes, is
- 21 amended to read as follows:

1 "§37-41 Appropriations to revert to state treasury; exceptions. Unless otherwise provided by [section] sections 37-2 3 41.5 or 37-C, or any other law, every appropriation or part thereof of any kind made subject to sections 37-31 to 37-40, 4 5 remaining unexpended and unencumbered at the close of any fiscal 6 year shall lapse and be returned to the general or other fund from which the appropriation was made, in the manner prescribed 7 8 in section 40-66." SECTION 6. Section 601-2, Hawaii Revised Statutes, is 9 10 amended by amending subsection (a) to read as follows: 11 The chief justice shall be the administrative head of the judiciary. The chief justice shall make a report to the 12 legislature, at each regular session thereof, of the business of 13 14 the judiciary and of the administration of justice throughout the State. The chief justice shall present to the legislature a 15 unified budget, six-year program and financial plan, and 16 17 variance report for all of the programs of the judiciary. The chief justice also shall submit to the legislature annual 18 19 routine repair and maintenance reports for judiciary-owned buildings, facilities, and other improvements that substantially 20 comply with chapter 37, part . The chief justice shall direct 21

- 1 the administration of the judiciary, with responsibility for the
- 2 efficient operation of all of the courts and for the expeditious
- 3 dispatch of all judicial business."
- 4 SECTION 7. In codifying the new sections added by sections
- 5 2 and 3, and referenced by sections 4 and 5, of this Act, the
- 6 revisor of statutes shall substitute appropriate section numbers
- 7 for the letters used in designating the new sections in this
- 8 Act.
- 9 SECTION 8. Statutory material to be repealed is bracketed
- 10 and stricken. New statutory material is underscored.
- 11 SECTION 9. This Act shall take effect on July 1, 2016.

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Report Title:

State Facilities; Routine Repair and Maintenance; Funding Policy

Description:

Establishes a full funding policy and budgetary procedures for routine repair and maintenance of state facilities, including judiciary-owned facilities. (SD1)

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