
A BILL FOR AN ACT

RELATING TO DEFERRED MAINTENANCE.

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

1 SECTION 1. Chapter 37, Hawaii Revised Statutes, is amended
2 by adding a new part to be appropriately designated and to read
3 as follows:

4 **"PART . DEFERRED MAINTENANCE PLAN**

5 **§37-A Definitions.** For purposes of this part, the terms
6 "deferred maintenance costs" and "state-owned building,
7 facility, or other improvement" shall have the same meaning as
8 in section 37-68(5).

9 **§37-B Deferred maintenance plan; required content.** The
10 governor shall prepare a plan to gradually eliminate all
11 deferred maintenance costs for state-owned buildings,
12 facilities, and other improvements.

13 The plan shall include at least the following:

14 (1) A target date, which shall serve as the goal by which
15 state executive agencies shall endeavor to eliminate
16 all deferred maintenance costs of state-owned
17 buildings, facilities, and other improvements;



- 1 (2) Alternative dates to the target date based on
- 2 different scenarios and contingencies;
- 3 (3) Standards and criteria for calculating the deferred
- 4 maintenance costs of state-owned buildings,
- 5 facilities, and other improvements. The standards and
- 6 criteria may differ for different types of state-owned
- 7 buildings, facilities, and other improvements;
- 8 (4) A designation of the state executive agency
- 9 responsible for calculating the deferred maintenance
- 10 costs of state-owned buildings, facilities, and other
- 11 improvements. The governor may designate one central
- 12 state executive agency to make the calculations for
- 13 all state-owned buildings, facilities, and other
- 14 improvements, two or more state executive agencies
- 15 with expertise in the matter, or each state executive
- 16 agency that manages state-owned buildings, facilities,
- 17 or other improvements;
- 18 (5) An estimate of the total amount of funds, by means of
- 19 financing, necessary to eliminate the deferred
- 20 maintenance costs of all state-owned buildings,
- 21 facilities, and other improvements;



1 (6) A proposed schedule to serve as a guide for gradually
 2 eliminating all deferred maintenance costs by the
 3 target date under paragraph (1). The proposed
 4 schedule shall include proposed annual appropriations
 5 for deferred maintenance costs projects, by fiscal
 6 year and means of financing, until the target date;
 7 and

8 (7) Alternative schedules to the proposed schedule
 9 identified under paragraph (6). The alternative
 10 schedules shall be based on the alternative dates
 11 identified under paragraph (2).

12 **§37-C Annual updates.** (a) The governor shall update the
 13 plan annually.

14 (b) Each update also shall include a progress report on
 15 the elimination of the deferred maintenance costs.

16 **§37-D Submittal of initial plan and annual updates.** The
 17 governor shall submit to the legislature:

18 (1) The initial plan with the executive budget for the
 19 fiscal biennium that ends on June 30, 2021; and

20 (2) The annual updates with each subsequent supplemental
 21 or executive budget, as applicable."



1 SECTION 2. Section 37-68, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§37-68 Responsibilities of agencies. Under rules as may
4 be prescribed by the director of finance with the approval of
5 the governor:

6 (1) Each agency assigned the task of developing programs
7 and preparing program and financial plans, budgetary
8 requests, and program performance reports shall
9 develop the programs and prepare the plans, requests,
10 and reports and submit the same to the director of
11 finance at times, on forms, and in a manner as the
12 director may prescribe. For informational purposes,
13 the University of Hawaii shall submit its program and
14 financial plans, budgetary requests, and program
15 performance reports to the legislature at the same
16 time the university submits them to the director of
17 finance. Where new programs are being proposed, each
18 agency shall demonstrate that the program:

19 (A) Is an appropriate function of state government;
20 and, as applicable



1 (B) Can be implemented by the public sector as cost-
2 effectively as the private sector while meeting
3 the same plans, goals, objectives, standards,
4 measures of effectiveness, wage, salary,
5 conditions of employment, and employee benefit
6 programs of the State;

7 (2) Each agency administering state programs and each
8 agency responsible for the formulation of programs and
9 the preparation of program and financial plans,
10 budgetary requests, and program performance reports,
11 shall furnish the department of budget and finance all
12 documents and information as the department may from
13 time to time require. Each agency shall make
14 available all documents and information, as may be
15 requested, to the legislature and any member or
16 committee of either house of the legislature;

17 (3) The director of finance or any employee of the
18 department of budget and finance, when duly
19 authorized, for the purpose of securing information,
20 shall have access to and may examine any books,
21 documents, papers, or records of any agency;



1 (4) Each agency submitting a capital improvement project
2 proposal shall furnish the department of budget and
3 finance with an estimate of operational costs for the
4 proposed capital improvement project and all documents
5 that support the estimate of operational costs. Each
6 agency shall make available all documents and related
7 information, as may be requested, to the legislature
8 and any member or committee of either house.

9 The director of finance shall provide a summary
10 of this information in the multi-year program and
11 financial plan and budget submitted to the legislature
12 before the regular session of each odd-numbered year
13 and the supplemental budget submitted to the
14 legislature before the regular session of each even-
15 numbered year; and

16 (5) Each agency responsible for operating or maintaining a
17 state-owned building, facility, or other improvement
18 shall furnish the department of budget and finance
19 with an estimate of the deferred maintenance costs for
20 the building, facility, or other improvement.



1 The director of finance shall provide a summary
2 of this information in the multi-year program and
3 financial plan and budget submitted to the legislature
4 before the regular session of each odd-numbered year
5 and the supplemental budget submitted to the
6 legislature before the regular session of each even-
7 numbered year.

8 For the purposes of this paragraph[, ~~"deferred"~~]:

9 "Deferred maintenance costs" means the costs
10 to catch up on the repair and maintenance of the
11 state-owned building, facility, or other
12 improvement that has been delayed past the
13 ordinarily scheduled repair and maintenance
14 cycle. The [~~department of budget and finance~~]
15 governor or a state executive agency designated
16 by the governor may further refine this
17 definition in [~~its~~] instructions to the agencies
18 furnishing the information[~~-~~]; and

19 "State-owned building, facility, or other
20 improvement" means a building, facility, or other
21 improvement owned by a state executive agency;



1 provided that a building, facility, or other
2 improvement shall not be deemed "owned" by a
3 state executive agency if leased by the agency to
4 a person."

5 SECTION 3. Section 601-2, Hawaii Revised Statutes, is
6 amended by amending subsection (a) to read as follows:

7 "(a) The chief justice shall be the administrative head of
8 the judiciary. The chief justice shall make a report to the
9 legislature, at each regular session thereof, of the business of
10 the judiciary and of the administration of justice throughout
11 the State. The chief justice shall present to the legislature a
12 unified budget, six-year program and financial plan, and
13 variance report for all of the programs of the judiciary.

14 The chief justice shall also submit to the legislature
15 [~~annual~~]:

16 (1) Annual routine repair and maintenance reports for
17 judiciary-owned buildings, facilities, and other
18 improvements that substantially comply with chapter
19 37, part VII[-]; and

20 (2) A deferred maintenance plan for judiciary-owned
21 buildings, facilities, and other improvements and



1 annual updates that substantially comply with chapter
 2 37, part ; provided that, with regard to the
 3 judiciary's deferred maintenance plan, the chief
 4 justice shall perform the duties otherwise delegated
 5 to the governor under chapter 37, part .

6 The chief justice shall direct the administration of the
 7 judiciary, with responsibility for the efficient operation of
 8 all of the courts and for the expeditious dispatch of all
 9 judicial business."

10 SECTION 4. There is appropriated out of the general
 11 revenues of the State of Hawaii the sum of \$ or so much
 12 thereof as may be necessary for fiscal year 2017-2018 for the
 13 preparation of the deferred maintenance plan required under
 14 section 1 of this Act.

15 The sum appropriated shall be expended by the office of the
 16 governor for the purposes of this Act.

17 SECTION 5. There is appropriated out of the general
 18 revenues of the State of Hawaii the sum of \$ or so much
 19 thereof as may be necessary for fiscal year 2017-2018 for the
 20 preparation of the deferred maintenance plan required under



1 section 601-2(a), Hawaii Revised Statutes, as amended by this
2 Act.

3 The sum appropriated shall be expended by the judiciary for
4 the purposes of this Act.

5 SECTION 6. In codifying the new sections added by section
6 1 of this Act, the revisor of statutes shall substitute
7 appropriate section numbers for the letters used in designating
8 the new sections in this Act.

9 SECTION 7. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 8. This Act shall take effect on July 1, 2050.



Report Title:

Deferred Maintenance Plan

Description:

Requires the Governor to prepare a deferred maintenance plan to gradually eliminate the deferred maintenance costs of all state-owned buildings, facilities, and other improvements. Requires the initial plan to be submitted to the Legislature with the executive budget for the fiscal biennium 2019-2021. Requires the Governor to prepare annual updates. Imposes the same requirements on the Chief Justice for Judiciary-owned buildings, facilities, and other improvements. Makes an appropriation to the Office of the Governor and to the Judiciary. (SB719 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

