## **ACT 207**

H.B. NO. 2598

A Bill for an Act Relating to Hawaii 3R's.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Hawaii 3R's, a Hawaii nonprofit organization, brings private financing and human resources together to tackle the repair and maintenance backlog in Hawaii's public schools. The legislature finds that for more than a decade, Hawaii 3R's provided a valuable service of bringing much-needed

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improvements to the public schools. Section 235-102.5(b), Hawaii Revised Statutes, enables taxpayers to elect to make donations toward the school-level minor repairs and maintenance special fund by checking off a box on tax returns. When enacted, the section was intended to facilitate funding for the repair and maintenance of Hawaii's public schools.

The purpose of this Act is to:

- (1) Rename the Hawaii 3R's school repair and maintenance fund as the Hawaii 3R's school improvement fund; and
- (2) Require the transfer of moneys collected pursuant to section 235-102.5(b), Hawaii Revised Statutes, and authorize the transfer of any other moneys received in the form of grants and donations for school-level improvement and minor repairs and maintenance to the Hawaii 3R's school improvement fund.

SECTION 2. Section 302A-1502.4, Hawaii Revised Statutes, is amended as follows:

1. By amending the title to read:

"§302A-1502.4 Hawaii 3R's school [repair and maintenance] improvement fund."

2. By amending subsections (a) through (c) to read:

"(a) There is established the Hawaii 3R's school [repair and maintenance] <u>improvement</u> fund (hereinafter, "fund") as a separate <u>restricted</u> fund of Hawaii 3R's, a Hawaii nonprofit organization. Moneys received from the State, county, or federal government, private contributions of cash or other property, and the income and capital gains earned by the fund shall constitute its assets.

(b) Hawaii 3R's shall expend moneys from the fund in the form of either grants to organizations or contracts with private vendors for the [repair and maintenance] improvement of public schools and benefit of students in Hawaii in accordance with this section.

(c) The fund may receive contributions, grants, endowments, or gifts in cash or otherwise from all sources, including corporations or other businesses, foundations, government, individuals, and other interested parties. The fund shall also receive moneys transferred to it from the school-level minor repairs and maintenance special fund established under section 302A-1504.5. The legislature intends that public and private sectors review and investigate all potential funding sources. The State may appropriate moneys to the fund; provided that any appropriations made by the State are not intended to supplant the funding of any existing [school-level minor repairs and maintenance] programs."

B. By amending subsection (e) to read:

"(e) The fund shall not be placed in the state treasury, and [the State shall not administer the fund, nor shall] the State shall not be liable for the operation or solvency of the fund or Hawaii 3R's."

SECTION 3. Section 302A-1504.5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) There is established within the state treasury a special fund to be known as the school-level minor repairs and maintenance special fund, into which shall be deposited all moneys collected pursuant to section 235-102.5(b), and any other moneys received by the department in the form of grants and donations for school-level <u>improvements and</u> minor repairs and maintenance. The special fund shall be administered by the department and used to fund schoollevel minor repairs and maintenance. <u>The department shall transfer moneys</u> collected pursuant to section 235-102.5(b), and may transfer any other moneys

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received in the form of grants and donations for school-level improvements and minor repairs and maintenance to the Hawaii 3R's school improvement fund established pursuant to section 302A-1502.4."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval. (Approved July 2, 2014.)

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