

ACT 47

S.B. NO. 3126

A Bill for an Act Relating to Public Schools.

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

SECTION 1. This Act is recommended by the governor for immediate passage in accordance with section 9 of article VII of the Constitution of the State of Hawaii.

SECTION 2. There is a need to install air conditioning and other heat abatement equipment in public school classrooms to preserve and promote the health and safety of students and teachers, and to foster a better and more comfortable and productive learning environment. With the current El Nino conditions, high temperatures in classrooms during the summer months will be a continuing problem that must be addressed. In order to keep the costs of operating air conditioning and heat abatement equipment in the classrooms affordable and to reduce dependence on imported fossil fuels, energy efficient lighting and other energy efficiency measures will also be necessary in conjunction with the air conditioning and other heat abatement measures.

The legislature finds that the funding is immediately available to provide air conditioning and other heat abatement measures for the public schools. On January 7, 2016, the department of budget and finance reported to the council on revenues that the State will receive approximately \$170,000,000 of increased reimbursements from the federal government, primarily for medicaid. The \$170,000,000 increased reimbursement was not anticipated by the administration when it prepared the executive supplemental budget request for fiscal year 2016-2017. The reimbursement is the realization of the general fund.

The legislature further finds that the use of general funds for providing air conditioning and heat abatement for public schools is preferable to using green infrastructure loan funds. First, the department of education will have more flexibility in using general funds for air conditioning and heat abatement measures. The types of projects that the department of education would have been able to fund with green infrastructure loan funds were unclear and apparently limited to energy efficiency and conservation projects. Second, using general funds instead of green infrastructure loan funds precludes the need for annual debt service payments. Taxpayers who already are paying a monthly green infrastructure fee on their electricity bills will benefit by not having to pay back the green infrastructure fund for principal as well as interest. Third, the green infrastructure loan funds will remain available for projects that truly promote renewable energy and energy efficiency and conservation. Using the green infrastructure loan funds for utility-scale projects, as recommended by the consumer advocate before the public utilities commission, may be a possibility in the future.

The purpose of this Act is to appropriate general funds for the installation of and equipment for air conditioning, heat abatement, energy efficient lighting, and other energy efficiency measures for schools of the department of education.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000,000 or so much thereof as may be necessary for fiscal year 2015-2016 for the purpose of funding capital improvement program equipment and installation costs for air conditioning, other heat abatement measures, energy efficient lighting, and other energy efficiency measures at public schools.

The sum appropriated shall be expended by the department of education for the purposes of this Act.

SECTION 4. The appropriation made under section 3 shall not lapse at the end of the fiscal year for which the appropriations are made; provided that all moneys from the appropriation unencumbered as of June 30, 2018, shall lapse as of that date.

SECTION 5. This Act shall take effect upon its approval.

(Approved May 5, 2016.)