May 5, 2016

The Honorable Ronald D. Kouchi,  
President  
and Members of the Senate  
Twenty-Eighth State Legislature  
State Capitol, Room 409  
Honolulu, Hawai‘i 96813

The Honorable Joseph M. Souki,  
Speaker and Members of the  
House of Representatives  
Twenty-Eighth State Legislature  
State Capitol, Room 431  
Honolulu, Hawai‘i 96813

Dear President Kouchi, Speaker Souki, and Members of the Legislature:

This is to inform you that on May 5, 2016, the following bill was signed into law:

SB3126 SD2 HD2 CD1 RELATING TO PUBLIC SCHOOLS  
ACT 047 (16)

Sincerely,

DAVID Y. IGE  
Governor, State of Hawai‘i
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 this 5 day of MAY, 2016

[Signature]
GOVERNOR OF THE STATE OF HAWAII