

GOV. MSG. NO. 554

EXECUTIVE CHAMBERS

HONOLULU

LINDA LINGLE

March 25, 2008

The Honorable Colleen Hanabusa, President and Members of the Senate Twenty-Fourth State Legislature State Capitol, Room 409 Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

This is to inform you that on March 25, 2008, the following bill was signed into law:

HB3037

A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR ELECTRICITY, SEWER, REFUSE, AND INSURANCE PREMIUM PAYMENTS. (ACT 002)

Sincerely,

LINDA LINGLE

A BILL FOR AN ACT

MAKING AN EMERGENCY APPROPRIATION FOR ELECTRICITY, SEWER, REFUSE, AND INSURANCE PREMIUM PAYMENTS.

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

- 1 SECTION 1. This Act is recommended by the governor for
- 2 immediate passage in accordance with section 9 of article VII of
- 3 the constitution of the State of Hawaii.
- 4 SECTION 2. The purpose of this Act is to make an emergency
- 5 appropriation to address a projected \$271,852 deficit in
- 6 electricity, sewer, refuse, and insurance premium payments for
- 7 the stadium authority, department of accounting and general
- 8 services. Since local utility companies are dependent upon oil
- 9 as the primary source of fuel, high world oil prices have
- 10 directly contributed to this shortfall. Although kilowatt per
- 11 hour consumption has remained flat or decreased, increased
- 12 worldwide demand and geopolitical concerns all contribute to
- 13 keep oil prices high. Based on a combination of actual bills
- 14 paid and projected cost, the shortfall for fiscal year 2007-2008
- 15 is anticipated to be \$13,973 for the stadium authority. City-
- 16 wide increases for sewer assessments have averaged approximately
- 17 twenty-five percent beginning this summer. For the stadium

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- 1 authority, the increase is eighty-two percent (old rate \$3.42
- 2 per 1,000 gallons, new rate \$6.22 per 1,000 gallons) over last
- 3 year, resulting in an unanticipated increase of \$123,800.
- 4 Because of the increase in tipping fees and fuel oil, the
- 5 stadium authority was forced to rebid its refuse collection
- 6 contract. The old contractor simply could not continue with the
- 7 service without incurring a loss. The new contract has resulted
- 8 in a substantial increase of \$92,100 for refuse removal services
- 9 to the program. World-wide, insurance premiums have increased
- 10 for homeowners and businesses alike. The stadium authority is
- not an exception. Originally, \$30,000 had been budgeted for
- 12 this operational expense. However, the premiums for the stadium
- 13 authority more than doubled to \$71,979, leaving a shortfall of
- 14 \$41,979. Without an emergency appropriation, the program must
- 15 defer payments or not pay its June 2008 bills.
- 16 SECTION 3. There is appropriated out of the stadium
- 17 special fund of the State of Hawaii the sum of \$271,852, or so
- 18 much thereof as may be necessary, for fiscal year 2007-2008 for
- 19 the purpose of paying electricity, sewer, refuse, and insurance
- 20 premium bills. The sum appropriated shall be expended by the
- 21 stadium authority, department of accounting and general
- 22 services.

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1	SECTION 4.	This Act shall take	e effect upon its approval.
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3		INTRODUCED BY:	Colon DY /say
4			BY REQUEST
			IAN 2 2 2008

APPROVED this 25 day of

MAR

, 2008

GOVERNOR OF THE STATE OF HAWAⅡ