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# A BILL FOR AN ACT

RELATING TO PUBLIC SCHOOL LANDS.

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

1           SECTION 1. The legislature finds that one of the major  
2 challenges for education is that our long-term physical  
3 infrastructure for schools does not keep up with the evolving  
4 research on learning and facility design or technological  
5 advances. While the flow of information and ideas is  
6 increasingly fluid, students are locked into physical structures  
7 that do not reflect our modern information and technology age.  
8 Building, repairing, and retrofitting, and constructing our  
9 public schools to meet the challenges of the twenty-first  
10 century will not be easy, and the costs will be considerable.  
11 However, quality school facilities can create an environment  
12 that will facilitate student achievement to prepare Hawaii's  
13 children to succeed in college and careers in the highly  
14 competitive global economy.

15           The legislature further finds that Hawaii's public school  
16 facilities, with an average age of sixty-five years, are  
17 inadequate to maximize twenty-first century learning  
18 opportunities. Most public schools are built on horizontal



1 designs that tend to be expansive campuses. These school  
2 configurations, in addition to hampering pedagogical methods,  
3 such as smaller learning communities and project-based learning,  
4 are not necessarily compatible with modern school facility  
5 designs. More modern layouts for twenty-first century schools  
6 can be more compact, enabling efficiencies in technology, energy  
7 use, security and grounds maintenance, more effective use of  
8 land, and improved sustainability for Hawaii communities.

9 Furthermore, while legislative funding has enabled a steady  
10 reduction in the department of education's repair and  
11 maintenance backlog in the last decade, the department continues  
12 to have outstanding repair and maintenance needs, and many  
13 facilities continue to have these needs due to limited budgets.  
14 This year, the department reported that it has \$266,000,000 in  
15 repair and maintenance backlog and for the upcoming biennium,  
16 \$620,975,000 in prioritized capital improvement needs. In  
17 addition, the department projects a need to construct eleven new  
18 schools in growing communities over the next six years. Despite  
19 the significant reduction in the repair and maintenance backlog,  
20 down from \$700,000,000 a decade ago, year after year, the  
21 department's need for funding school facilities, either new  
22 construction, capital improvements, or repair and maintenance,



1 continues to exceed historical appropriations that have been  
2 limited due to budget constraints.

3 The 21<sup>st</sup> Century School Fund, a national public policy  
4 institute, reported that Hawaii ranked last in the United  
5 States, including the District of Columbia, for per-student  
6 capital expenditures. In 2010, Hawaii spent \$298 per student on  
7 school capital expenditures, compared with a national average of  
8 over \$1,000 per student. Despite the need to modernize public  
9 school facilities statewide, government is left with inadequate  
10 funding for repair and maintenance or necessary investments for  
11 new or upgraded facilities to meet competitive and modern  
12 demands of twenty-first century learning. Thus, in the 2012  
13 legislative session, the legislature appropriated funds for the  
14 department of education to conduct strategic planning for  
15 facilities.

16 The legislature recognizes that because public funds to  
17 meet school facilities needs are severely limited, a new,  
18 innovative approach is needed to complement traditional general  
19 fund appropriations to bring Hawaii's public schools into the  
20 twenty-first century. The public school lands of the State's  
21 two hundred fifty-four school campuses, some of which are  
22 considered underutilized, are an untapped resource. Public-



1 private partnerships to use these lands differently would  
2 provide opportunities for the State to use available lands to  
3 enable twenty-first century facilities. Leasing the  
4 underutilized lands can generate income to upgrade existing  
5 schools or construct new schools to twenty-first century  
6 standards and opportunities. By engaging in public-private  
7 partnerships, refocusing uses of these properties will support  
8 community-driven redevelopment and help communities make better  
9 use of land while increasing educational and economic  
10 opportunities for the benefit of Hawaii's public school  
11 children. Any use of public lands must be compatible with and  
12 provide benefits to the surrounding community. Teachers,  
13 administrators, students, parents, community residents; and  
14 other stakeholders must play a meaningful role in the planning,  
15 design, and partnership between the school and surrounding  
16 community.

17 The legislature finds that the department of education is  
18 the appropriate entity to carry out the redevelopment of public  
19 school lands by engaging in public-private partnerships with  
20 other agencies and private entities to facilitate the  
21 construction of twenty-first century learning facilities.



1           The purpose of this Act is to authorize the board and the  
2 department of education to facilitate the redevelopment of  
3 public school lands, by cooperating with private enterprises,  
4 the various components of federal, state, and county  
5 governments, and the public in order to generate income to  
6 improve public school facilities and infrastructure to meet the  
7 challenges of the twenty-first century.

8           SECTION 2. Chapter 302A, Hawaii Revised Statutes, is  
9 amended by adding a new subpart to part VI to be appropriately  
10 designated and to read as follows:

11                                 "           **TWENTY-FIRST CENTURY SCHOOLS**

12           **§302A-           Definitions.** As used in this part:

13           "Public school lands" means all lands under the management  
14 of the department of education on or after July 1, 2013, that  
15 are used or dedicated for use for kindergarten, elementary, and  
16 secondary schools, and other facilities, including public  
17 libraries. "Public school lands" shall not include lands owned  
18 by the federal government or any private person or entity.

19           "Public school facilities redevelopment" includes the  
20 repair, modernization, and construction of public schools and  
21 public libraries, the use or lease of public school lands that  
22 are not required for the use of public schools, and the



1 development of lands associated with the redevelopment of public  
2 school lands.

3       **§302A- Twenty-first century schools; authorization to**  
4 **redevelop public school lands.** (a) The department of education  
5 shall be the designated agency of the State to implement this  
6 subpart.

7       (b) The department shall act as the redevelopment  
8 authority to facilitate the redevelopment of certain public  
9 school lands as identified by the department and authorized by  
10 the board. The redevelopment of public school lands shall be in  
11 accordance with the powers of the department as set forth in  
12 this subpart.

13       **§302A- Contracts for redevelopment.** (a) The board of  
14 education may contract with any private entity or other  
15 government agency for public school facilities redevelopment;  
16 provided that if the board contracts with the Hawaii community  
17 development authority to redevelop public school facilities, the  
18 redevelopment project shall not be subject to the exemptions  
19 allowed to the Hawaii community development authority under  
20 section 206E-7.



1 (b) The board shall award contracts for the redevelopment  
2 of public school facilities in accordance with the applicable  
3 provisions of chapter 103D.

4 §302A- Public school facilities redevelopment guidance  
5 policies. The following guidance policies generally shall  
6 govern the department's action in the redevelopment of public  
7 school lands:

8 (1) The redevelopment of public school lands shall be a  
9 means to advance public education and student  
10 achievement by funding twenty-first century school  
11 facilities through repair, modernization, and  
12 construction;

13 (2) Modernizing and constructing public schools shall  
14 consider energy efficiency and other sustainability  
15 measures and offer the community multiple uses of  
16 existing structures; and

17 (3) Any redevelopment involving nonschool purposes shall:

18 (A) Comply with county plans, ordinances, and zoning  
19 and development codes;

20 (B) Acquire all required government approvals and  
21 permits; and

22 (C) Be subject to all required real property taxes.



1 §302A- Twenty-first century school sites and criteria.

2 (a) The department shall identify sites and establish criteria,  
3 specifications, and standards for twenty-first century school  
4 projects; provided that during the identification and selection  
5 process, the department shall be subject to chapter 92 and shall  
6 foster school and community participation.

7 (b) The board shall approve, approve with modification, or  
8 deny any twenty-first century school projects, including  
9 proposals to develop or redevelop public school lands or public  
10 school facilities.

11 (c) Except as otherwise limited by this subpart, in  
12 carrying out the purposes of this subpart, the department may:

13 (1) Make and execute contracts and all other instruments  
14 necessary or convenient for the exercise of its powers  
15 and functions;

16 (2) Prepare or cause to be prepared a development plan for  
17 designated public school facilities redevelopment;

18 (3) Acquire or reacquire by condemnation real, personal,  
19 or mixed property or any interest therein for public  
20 school facilities redevelopment, including but not  
21 limited to streets, sidewalks, parks, schools, and  
22 other public improvements;





- 1           (4) Arrange or contract for the planning, replanning,  
2           opening, grading, or closing of streets, roads,  
3           roadways, alleys, or other places, or for the  
4           furnishing of facilities or for the acquisition of  
5           property or property rights or for the furnishing of  
6           property or services in connection with a twenty-first  
7           century school project;
- 8           (5) Prepare or cause to be prepared plans, specifications,  
9           designs, and estimates of costs for the construction,  
10          reconstruction, rehabilitation, improvement,  
11          alteration, or repair of any public school facilities  
12          as part of a twenty-first century schools project, and  
13          from time to time to modify those plans,  
14          specifications, designs, or estimates;
- 15          (6) Obtain advisory, consultative, training, and  
16          educational services, technical assistance, and advice  
17          to any person, partnership, or corporation, either  
18          public or private, to carry out the purposes of this  
19          subpart, and engage the services of consultants on a  
20          contractual basis for rendering professional and  
21          technical assistance and advice;



- 1 (7) Procure insurance against any loss in connection with  
2 its property and other assets and operations in those  
3 amounts and from those insurers as it deems desirable;
- 4 (8) Contract for and accept gifts or grants in any form  
5 from any public agency or from any other source; and
- 6 (9) Do any and all things necessary to carry out its  
7 purposes and exercise the powers given and granted in  
8 this subpart.

9 §302A- **Twenty-first century schools revolving fund;**  
10 **proceeds from public school lands.** (a) There is established  
11 the twenty-first century schools revolving fund into which shall  
12 be deposited all proceeds from the use or redevelopment of  
13 public school lands, including but not limited to leases,  
14 permits, and interest income generated from public school lands  
15 and facilities, and other revenue generated from the non-  
16 permanent disposition of public school lands and facilities  
17 under this part.

18 (b) The twenty-first century schools revolving fund shall  
19 be administered by the department in consultation with the  
20 board. Except as otherwise provided, all moneys in the twenty-  
21 first century schools revolving fund shall be used exclusively



1 for public school facilities redevelopment pursuant to this  
2 subpart.

3       **§302A-       Designation as public school redevelopment**  
4 **district; limitations on number of projects.** For the purposes  
5 of this subpart, all public school lands subject to this chapter  
6 in the State are designated as a public school redevelopment  
7 district. Any public school lands within the public school  
8 redevelopment district may be identified by the department for  
9 redevelopment as part of a twenty-first century school project  
10 pursuant to this subpart; provided that no more than five  
11 twenty-first century school projects may be developed pursuant  
12 to this subpart.

13       **§302A-       Rules; community engagement.** The department  
14 shall adopt rules for the public school redevelopment district,  
15 pursuant to chapter 91, and shall integrate a community  
16 engagement process in its redevelopment activities under this  
17 subpart.

18       **§302A-       Annual report to the legislature.** The  
19 department shall submit an annual report to the legislature no  
20 later than twenty days prior to the convening of each regular  
21 session. The report shall include:



- 1 (1) A summary of the department's activities and results  
2 relating to the use of public school lands for  
3 purposes other than for schools or libraries;
- 4 (2) A summary of the department's activities and results  
5 relating to public school facilities redevelopment;  
6 and
- 7 (3) An independent financial audit performed for the  
8 department on revenues and expenditures relating to  
9 the redevelopment activities on public school lands."

10 SECTION 3. All moneys in the school facilities special  
11 fund, established pursuant to section 171C-21, Hawaii Revised  
12 Statutes, as of the effective date of this Act, shall be  
13 transferred to the twenty-first century schools revolving fund  
14 established pursuant to section 2 of this Act.

15 SECTION 4. All moneys in the Hawaii public land  
16 development revolving fund, established pursuant to section  
17 171C-17, Hawaii Revised Statutes, as of the effective date of  
18 this Act, shall be transferred to the twenty-first century  
19 schools revolving fund established pursuant to section 2 of this  
20 Act.

21 SECTION 5. There is appropriated out of the general  
22 revenues of the State of Hawaii the sum of \$ or so



1 much thereof as may be necessary for fiscal year 2013-2014 and  
2 the same sum or so much thereof as may be necessary for fiscal  
3 year 2014-2015 for the purpose of implementing this Act.

4 The sums appropriated shall be expended by the department  
5 of education.

6 SECTION 6. This Act shall take effect on July 1, 2112.



**Report Title:**

Twenty-first Century Schools; DOE; Appropriation

**Description:**

Establishes a framework for the development of twenty-first century schools through the redevelopment of public school lands by the DOE. Makes an appropriation. Effective 7/1/2112. (HD1)

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

