

Honolulu, Hawaii

APR 19, 2022

RE: S.C.R. No. 168
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Education, to which was referred S.C.R. No. 168 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE SCHOOL FACILITIES AUTHORITY TO ADOPT AND PUBLISH ADMINISTRATIVE RULES NECESSARY TO IMPLEMENT ACT 72, SESSION LAWS OF HAWAII 2020, AS AMENDED, BY NO LATER THAN JULY 1, 2023, AND THE GOVERNOR TO SUBMIT A RELATED REPORT,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Request the School Facilities Authority to adopt and publish administrative rules in accordance with chapter 91, Hawaii Revised Statutes, as necessary to implement Act 72, Session Laws of Hawaii 2020, as amended, by no later than July 1, 2023; and
- (2) Request the Governor to submit a report to the Legislature prior to the 2023 Regular Session documenting the process by which the School Facilities Authority purchases real property and executes capital improvement project contracts.

Your Committee received comments on this measure from the School Facilities Authority.



Your Committee finds that Act 72, Session Laws of Hawaii 2020 (Act 72), established the School Facilities Agency to be a body corporate and a public instrumentality of the State for the purposes of being responsible for public school capital improvement projects assigned to the Legislature, Governor, or Board of Education. Act 217, Session Laws of Hawaii 2021, subsequently renamed the School Facilities Agency as the School Facilities Authority. Your Committee notes that there are currently no administrative rules to implement Act 72, as amended, and that there is a lack of clarity regarding the process by which the School Facilities Authority purchases real property and executes capital improvement project contracts. Your Committee believes that encouraging the adoption of administrative rules to implement Act 72, as amended, will improve the School Facilities Authority's overall efficiency and effectiveness. In addition, the reporting requirement in this measure will provide greater transparency on issues surrounding real property purchases and capital improvement contracts.

Your Committee has amended this measure by:

- (1) Requesting the School Facilities Authority, rather than the Governor, to submit a report to the Legislature documenting the process by which the Authority purchases real property and executes capital improvement project contracts;
- (2) Removing the Governor from the list of entities receiving certified copies of this measure;
- (3) Amending its title in accordance with its amended purpose; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 168, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as S.C.R. No. 168, H.D. 1.



Respectfully submitted on
behalf of the members of the
Committee on Education,


sr JUSTIN H. WOODSON, Chair



