
A BILL FOR AN ACT

RELATING TO THE SCHOOL FACILITIES AUTHORITY.

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

1 SECTION 1. Section 302A-1701, Hawaii Revised Statutes, is
2 amended by amending the definition of "project" to read as
3 follows:

4 "Project" means the development and construction of new
5 school facilities, including infrastructure; access and other
6 support for new school facilities; prekindergarten facilities;
7 major renovation of school facilities; public-private
8 partnership projects; new capital improvement projects funded by
9 the legislature for completion by the authority; acquisition of
10 real property, personal property, or mixed property for new
11 school facilities; and planning, development and leasing of
12 public school land or facilities to private partners pursuant to
13 section 302A-1151.1."

14 SECTION 2. Section 302A-1703, Hawaii Revised Statutes, is
15 amended by amending subsection (c) to read as follows:

16 "(c) Except as otherwise limited by this chapter, the
17 authority may also:



- 1 (1) Have a seal and alter the same at its pleasure;
- 2 (2) Subject to subsection (b), make and execute contracts
3 and all other instruments necessary or convenient for
4 the exercise of its powers and functions under this
5 subpart;
- 6 (3) Make and alter bylaws for its organization and
7 internal management;
- 8 (4) Adopt rules pursuant to chapter 91 with respect to its
9 projects, operations, properties, and facilities,
10 including qualifications for persons and entities
11 wishing to enter into a public-private partnership
12 with the authority, as permitted in paragraph (7);
- 13 (5) Acquire or contract to acquire by grant or purchase
14 real, personal, or mixed property or any interest
15 therein; to clear, improve, and rehabilitate and to
16 sell, assign, exchange, transfer, convey, lease, or
17 otherwise dispose of or encumber the same;
- 18 (6) Acquire property by condemnation pursuant to
19 chapter 101;
- 20 (7) Enter into partnerships with qualified persons,
21 including public-private partnerships, as defined in



1 the authority's rules, to acquire, construct,
2 reconstruct, rehabilitate, improve, alter, or provide
3 for the construction, reconstruction, improvement, or
4 alteration of any project[+], including
5 prekindergarten facilities; and sell, assign,
6 transfer, convey, exchange, lease, or otherwise
7 dispose of or encumber any project; and in the case of
8 the sale of any project, accept a purchase money
9 mortgage in connection therewith;

10 (8) Grant options to purchase any project or to renew any
11 lease entered into by it in connection with any of its
12 projects, on terms and conditions as it deems
13 advisable;

14 (9) Prepare or cause to be prepared plans, specifications,
15 designs, and estimates of costs for the construction,
16 reconstruction, rehabilitation, improvement, or
17 alteration of any project, and from time to time to
18 modify the plans, specifications, designs, or
19 estimates;



- 1 (10) Procure insurance against any loss in connection with
2 its property and other assets and operations in
3 amounts and from insurers as it deems desirable;
- 4 (11) Apply for and accept gifts or grants in any form from
5 any public agency or from any other source, including
6 gifts or grants from private individuals and private
7 entities;
- 8 (12) Borrow money or procure loan guarantees from the
9 federal government for or in aid of any project the
10 authority is authorized to undertake pursuant to this
11 chapter. Additionally, in connection with borrowing
12 or procurement of loan guarantees, the authority:
- 13 (A) Shall comply with conditions required by the
14 federal government pursuant to applicable
15 regulation or required in any contract for
16 federal assistance;
- 17 (B) Shall repay indebtedness incurred pursuant to
18 this section, including any interest thereon;
- 19 (C) May execute loan and security agreements and
20 related contracts with the federal government;



- 1 (D) May issue bonds pledging revenues, assessments,
2 or other taxes as security for indebtedness
3 incurred pursuant to this section; and
- 4 (E) May enter into financing agreements as that term
5 is defined in section 37D-1;
- 6 (13) Appoint or retain by contract one or more attorneys
7 who are independent of the attorney general to provide
8 legal services solely in cases of negotiations in
9 which the attorney general lacks the sufficient
10 expertise; provided that the independent attorney
11 shall consult and work in conjunction with the
12 designated deputy attorney general;
- 13 (14) Use the department of human resources development to
14 recruit, hire, and retain exempt employees,
15 architects, engineers, existing civil service
16 positions, and other technical positions for the
17 development, planning, and construction related to
18 capital improvement projects; and
- 19 (15) Do any and all things necessary to carry out its
20 purposes and exercise the powers given and granted in
21 this subpart."



1 SECTION 3. Section 302A-1706, Hawaii Revised Statutes, is
2 amended by amending subsection (c) to read as follows:

3 "(c) The school facilities special fund shall be
4 administered by the authority and used to fund any school
5 development, planning, or construction project, including
6 prekindergarten facilities, within the jurisdiction of the
7 authority."

8 SECTION 4. Act 257, Session Laws of Hawaii 2022, is
9 amended to read as follows:

10 "SECTION 1. There is appropriated out of the general
11 revenues of the State of Hawaii the sum of \$200,000,000 or so
12 much thereof as may be necessary for fiscal year [~~2022-2023~~]
13 2023-2024 to be deposited into the school facilities special
14 fund.

15 SECTION 2. There is appropriated out of the school
16 facilities special fund the sum of \$ _____ or so much
17 thereof as may be necessary for fiscal year 2023-2024 for the
18 school facilities authority to expand access to pre-kindergarten
19 to eligible children of the State. The school facilities
20 authority may expend the moneys appropriated in this section on:

21 (1) The construction of new school facilities;



1 (2) The renovation, improvement, and expansion of existing
2 school facilities to increase pre-kindergarten student
3 capacity; and

4 (3) Any other costs the school facilities authority deems
5 appropriate to increase pre-kindergarten student
6 capacity within the State.

7 The sum appropriated shall be expended by the school
8 facilities authority for the purposes of this Act; provided that
9 the appropriation authorized by this Act shall not lapse at the
10 end of the fiscal biennium for which the appropriation is made;
11 provided further that [~~all moneys from the appropriation~~
12 ~~unencumbered as of~~] the appropriation authorized by this Act
13 shall lapse on June 30, 2024[~~, shall lapse as of that date~~].

14 SECTION [~~2.~~] 3. This Act shall take effect on July 1,
15 2022."

16 SECTION 5. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 6. This Act shall take effect on June 30, 3000.



Report Title:

School Facilities Authority; DOE; Fund Transfers

Description:

Explicitly includes prekindergarten facilities within the scope of authority of the School Facilities Authority. Transfers \$200,000,000 of general funds previously appropriated to the School Facilities Authority of the Department of Education to the School Facilities Special Fund. Appropriates an unspecified amount of funds out of the School Facilities Special Fund for the School Facilities Authority to expand access to eligible children for pre-kindergarten. Effective 6/30/3000. (SD2)

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

