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# 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. The legislature finds that the school  
2 facilities authority is entrusted with responsibilities relating  
3 to the development, planning, and construction of public school  
4 projects. The legislature further finds that the school  
5 facilities authority could carry out these responsibilities with  
6 greater efficiency if certain changes were made to statutes  
7 governing the authority.

8       Accordingly, the purpose of this Act is to:

9       (1) Clarify that the school facilities authority is  
10       responsible for projects related to:

11       (A) Certain facilities for prekindergarten,  
12       preschool, child care, and early learning  
13       programs;

14       (B) Workforce housing, under certain conditions; and

15       (C) Any public school development, planning, and  
16       construction assigned by the legislature,  
17       governor, or board of education; and



(2) Authorize the school facilities authority to partner with public and private development agencies to develop prekindergarten facilities.

SECTION 2. Section 302A-1703, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (a) to read:

"(a) Except as otherwise limited by this chapter, the authority shall be responsible for all public school ~~[development, planning, and construction]~~ projects related to ~~[capital improvement projects]~~;

(1) New or renovated facilities for prekindergarten, preschool, child care, or early learning programs;

(2) Workforce housing for educators and other education workers in schools serving prekindergarten, elementary, and secondary grades; provided that workforce housing may be constructed on school property or other property; and

(3) Any public school development, planning, and construction assigned by the legislature, governor, or board of education[-];



1 provided that the authority shall not be responsible for the  
2 repair or maintenance of any department of education  
3 facilities."

4 2. By amending subsection (c) to read:

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

7 (1) Have a seal and alter the same at its pleasure;

8 (2) Subject to subsection (b), make and execute contracts  
9 and all other instruments necessary or convenient for  
10 the exercise of its powers and functions under this  
11 subpart;

12 (3) Make and alter bylaws for its organization and  
13 internal management;

14 (4) Adopt rules pursuant to chapter 91 with respect to its  
15 projects, operations, properties, and facilities,  
16 including qualifications for persons and entities  
17 wishing to enter into a public-private partnership  
18 with the authority, as permitted in paragraph (7);

19 (5) Acquire or contract to acquire by grant or purchase  
20 real, personal, or mixed property or any interest  
21 therein; to clear, improve, and rehabilitate and to



1 sell, assign, exchange, transfer, convey, lease,  
2 subdivide, or otherwise dispose of or encumber the  
3 same;

4 (6) Acquire property by condemnation pursuant to chapter  
5 101;

6 (7) Enter into partnerships with qualified persons,  
7 including public-private partnerships, as defined in  
8 the authority's rules, to acquire, construct,  
9 reconstruct, rehabilitate, improve, alter, or provide  
10 for the construction, reconstruction, improvement, or  
11 alteration of any project, including prekindergarten  
12 facilities; and sell, assign, transfer, convey,  
13 exchange, lease, or otherwise dispose of or encumber  
14 any project; and in the case of the sale of any  
15 project, accept a purchase money mortgage in  
16 connection therewith;

17 (8) Grant options to purchase any project or to renew any  
18 lease entered into by it in connection with any of its  
19 projects, on terms and conditions as it deems  
20 advisable;



1       (9) Prepare or cause to be prepared plans, specifications,  
2       designs, and estimates of costs for the construction,  
3       reconstruction, rehabilitation, improvement, or  
4       alteration of any project, and from time to time to  
5       modify the plans, specifications, designs, or  
6       estimates;

7       (10) Procure insurance against any loss in connection with  
8       its property and other assets and operations in  
9       amounts and from insurers as it deems desirable;

10       (11) Apply for and accept gifts or grants in any form from  
11       any public agency or from any other source, including  
12       gifts or grants from private individuals and private  
13       entities;

14       (12) Borrow money or procure loan guarantees from the  
15       federal government for or in aid of any project the  
16       authority is authorized to undertake pursuant to this  
17       chapter. Additionally, in connection with borrowing  
18       or procurement of loan guarantees, the authority:

19       (A) Shall comply with conditions required by the  
20       federal government pursuant to applicable



1 regulation or required in any contract for  
2 federal assistance;

3 (B) Shall repay indebtedness incurred pursuant to  
4 this section, including any interest thereon;

5 (C) May execute loan and security agreements and  
6 related contracts with the federal government;

7 (D) May issue bonds pledging revenues, assessments,  
8 or other taxes as security for indebtedness  
9 incurred pursuant to this section; and

10 (E) May enter into financing agreements as that term  
11 is defined in section 37D-1;

12 (13) Appoint or retain by contract one or more attorneys  
13 who are independent of the attorney general to provide  
14 legal services solely in cases of negotiations in  
15 which the attorney general lacks the sufficient  
16 expertise; provided that the independent attorney  
17 shall consult and work in conjunction with the  
18 designated deputy attorney general;

19 (14) Use the department of human resources development to  
20 recruit, hire, and retain exempt employees,  
21 architects, engineers, existing civil service



positions, and other technical positions for the development, planning, and construction related to capital improvement projects;

(15) Partner with public and private development agencies to develop:

(A) Housing on or off campus; ~~and~~

(B) Classrooms; and

(C) Prekindergarten facilities;

(16) Request any state or county agency to render services to the authority;

(17) Transfer the property to another public agency or contract to manage the leasing and property management of housing projects; and

(18) Do any and all things necessary to carry out its purposes and exercise the powers given and granted in this subpart."

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 2025-2026 for the planning and construction of a new middle school in central Maui.



1       The sum appropriated shall be expended by the school  
2 facilities authority for the purposes of this Act.

3       SECTION 4. There is appropriated out of the general  
4 revenues of the State of Hawaii the sum of \$30,000,000 or so  
5 much thereof as may be necessary for fiscal year 2025-2026 for  
6 the planning and construction of a new elementary school in  
7 Lahaina.

8       The sum appropriated shall be expended by the school  
9 facilities authority for the purposes of this Act.

10       SECTION 5. There is appropriated out of the general  
11 revenues of the State of Hawaii the sum of \$50,000,000 or so  
12 much thereof as may be necessary for fiscal year 2025-2026 for  
13 the planning and construction of a teacher housing project in  
14 Mililani.

15       The sum appropriated shall be expended by the school  
16 facilities authority for the purposes of this Act.

17       SECTION 6. Statutory material to be repealed is bracketed  
18 and stricken. New statutory material is underscored.

19       SECTION 7. This Act shall take effect on July 1, 3000.





**Report Title:**

SFA; Department of Education; Public Schools; Early Learning Facilities; Workforce Housing; Appropriations

**Description:**

Clarifies that the School Facilities Authority is responsible for projects for facilities for prekindergarten, preschool, child care, and early learning programs; workforce housing; and any public school development, planning, and construction assigned by the Legislature, Governor, or Board of Education, under certain conditions. Authorizes the School Facilities Authority to partner with public and private development agencies to develop prekindergarten facilities. Appropriates funds. Takes effect 7/1/3000. (SD1)

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

