

**ACT 61**

S.B. NO. 531

A Bill for an Act Relating to Education.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The legislature finds that the school facilities authority is tasked with an important mission to ensure the development, planning, and construction of all public schools in the State. By ensuring that each public school's facilities provide students, educators, and communities with high quality and healthy learning environments, the school facilities authority actively supports public education. However, for the school facilities authority to fulfill its mission

to support public education in the State, the school facilities authority requires effective leadership.

The legislature further finds that other agencies administratively attached to the department of education, such as the executive office on early learning, the state public charter school commission, and the state library system, require their respective boards to appoint their executive director. However, the school facilities authority executive director is appointed by the governor, with the advice and consent of the senate. As a result, the selection of the executive director of the school facilities authority is not consistent with other similar agencies. To promote uniformity, the school facilities authority executive director should be appointed by the authority's board members.

Therefore, the purpose of this Act is to authorize the school facilities authority board, rather than the governor, to appoint the executive director of the school facility authority.

SECTION 2. Section 302A-1702, Hawaii Revised Statutes, is amended to read as follows:

**“§302A-1702 School facilities authority; established.** (a) There is established the school facilities authority, which shall be a body corporate and a public instrumentality of the State. The authority shall be placed within the department for administrative purposes only.

~~[(b) The authority shall employ an executive director exempt from chapters 76 and 89. The governor shall appoint the executive director in the manner prescribed in section 26-34; provided that the executive director's term shall be for six years, which shall commence on the day the senate advises and consents to the executive director's nomination and the executive director shall not be limited in the number of terms served. If a vacancy occurs during a term, the governor shall appoint an interim executive director whose appointment shall expire if the senate does not advise and consent to the nomination of an executive director at the next regular session of the legislature after the vacancy occurs. The salary of the executive director shall be set by the school facilities board and the executive director shall be included in any benefit program generally applicable to the officers and employees of the State.~~

~~(e)] (b)~~ The executive director appointed pursuant to section 302A-1704(f) shall:

- (1) Serve as the authority's chief executive officer and chief procurement officer;
- (2) Be responsible for carrying out the purposes of the authority; and
- (3) Serve on a full-time basis.”

SECTION 3. Section 302A-1704, Hawaii Revised Statutes, is amended to read as follows:

**“§302A-1704 School facilities authority board.** (a) There is established the school facilities authority board, which shall head and oversee the authority.

- (b) The board shall consist of five voting members. The members shall:
  - (1) Be appointed by the governor pursuant to section 26-34;
  - (2) Have an interest in public school facilities;
  - (3) Include one member actively or previously engaged in the construction industry for at least five years; and
  - (4) Serve without compensation but may be reimbursed for expenses, including travel expenses, necessary for the performance of their duties.
- (c) The board shall be responsible for:
- (1) All matters related to the projects the authority is authorized and responsible for initiating and completing under this subpart, including preferred strategies to complete those projects; and

(2) Evaluating the performance of the authority's executive director on an annual basis.

(d) The board shall select a chairperson by a majority vote of its voting members. A majority of the voting members serving on the board shall constitute a quorum to conduct business. The concurrence of the majority of the voting members serving on the board shall be necessary to make any action of the board valid.

(e) The board may form workgroups and subcommittees that include individuals who are not board members, to:

- (1) Obtain resource information from construction and education professionals and other individuals as deemed necessary by the board;
- (2) Make recommendations to the board; and
- (3) Perform other functions as deemed necessary by the board to fulfill its duties and responsibilities.

Two or more board members, but less than a quorum, may discuss matters relating to official board business in the course of their participation in a workgroup or subcommittee, and these discussions shall be a permitted interaction as provided for in section 92-2.5; provided that all other provisions of chapter 92 shall apply.

(f) The board shall appoint an executive director of the school facilities authority who shall be exempt from chapters 76 and 89. The salary of the executive director shall be set by the board and the executive director shall be included in any benefit program generally applicable to the officers and employees of the State."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved June 5, 2023.)