



STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/20/2025

Time: 10:00 AM

Location: 308 VIA VIDEOCONFERENCE

Committee: House Finance

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Bill Title: HB 0329, HD2 RELATING TO THE SCHOOL FACILITIES AUTHORITY.

Purpose of Bill: 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. Allows the School Facilities Authority to use the Department of Education for certain recruitment and hiring responsibilities. Allows the School Facilities Authority to partner with public and private development agencies to develop prekindergarten facilities. Effective 7/1/3000. (HD2)

Department's Position:

The Hawaii State Department of Education (Department) appreciates the opportunity to offer comments on HB 329, HD 2.

The Department remains concerned about the language in HD2 that would provide the School Facilities Authority (SFA) with the responsibility for developing, planning, and constructing all new or renovated prekindergartens and preschools. The Department still has responsibility over special education and Title I preschools and is unsure as to the impact this new language would have on its existing authorities.

The Department recommends amending Section 302A-1703(a), Hawaii Revised Statutes, as follows:

"(a) Except as otherwise limited by this chapter and subject to the review and prior written approval of the department when public school lands are utilized, 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; and

(3) Any public school development, planning, and construction assigned by the legislature, governor, or board of education."

Additionally, the Department is currently facing challenges in recruiting and retaining qualified staff for the Office of Facilities and Operations. Taking on the additional recruitment responsibilities for the SFA could add to these existing challenges. The increased workload and expanded scope of duties would place additional strain on the Department's already limited recruitment staff that could result in delays and inefficiencies.

Furthermore, should this bill continue, the Department requests that only either the Department or the Department of Human Resources Development be responsible for SFA's human resource needs, but not both Departments. Having two Departments assigned will cause confusion and duplication of roles upon execution of the statute.

Thank you for this opportunity to offer comments on HB 329, HD 2.

JOSH GREEN, M.D.
GOVERNOR

RIKI FUJITANI
EXECUTIVE DIRECTOR



STATE OF HAWAII
SCHOOL FACILITIES AUTHORITY
2759 S. KING STREET, ROOM H201
HONOLULU, HAWAII 96826

House Committee on Finance

Thursday, February 20, 2025
10:00 a.m.
Hawaii State Capitol, Room 308

House Bill 329, House Draft 2, Relating to the School Facilities Authority

Dear Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee:

The School Facilities Authority (SFA) **supports the intent** of House Bill 329, House Draft 2, which would clarify that the SFA 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. This measure would also allow the SFA to use the Department of Education (DOE) for certain recruitment and hiring responsibilities and allow the SFA to partner with public and private development agencies to develop prekindergarten facilities.

Clarifying SFA's roles and responsibilities in statute would benefit policymakers, DOE, SFA, and the public and would be useful in shaping SFA's strategic vision. We recognize that the role of the SFA has the potential to be a multi-year policy debate. This measure includes just the projects that several legislative acts have already assigned to the SFA, which serves as a good starting point for this discussion.

We appreciate that the House Committee on Judiciary and Hawaiian Affairs accepted most of our suggested amendments to this measure. We have one more recommendation to make the roles and responsibilities related to projects for prekindergarten, preschool, child care, and early learning program facilities and workforce housing clearer while ensuring the SFA maintains flexibility to deliver the projects already contemplated. We recommend deleting "public school" from Page 2, Line 11. In testimony to the House Committee on Education, the Department of the Attorney General noted that because "public schools" is defined under HRS Chapter 302A as "all academic and noncollege type schools established and maintained by [DOE] and charter schools governed by chapter 302D," it could cause confusion

regarding preschool facilities and make it unclear whether workforce housing must be on school property.

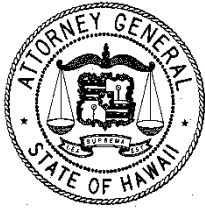
We support the option to use the DOE for recruitment and hiring. We think the intent of the enabling legislation was to allow the SFA to use either DOE or the Department of Human Resources Development for this purpose, but a lack of clarity has been a limiting factor for the SFA. We do not believe this will be an administrative burden to the DOE as it already provides recruitment and hiring support to other agencies attached to it, such as the Hawai'i Teachers Standards Board and the Executive Office of Early Learning, both of which have more positions than the SFA.

We also support clarifying that the SFA is allowed to partner with public and private development agencies to develop prekindergarten facilities. The SFA has been exploring various prekindergarten expansion models, and adding this language to statute could strengthen the options we have been considering.

Thank you for this opportunity to testify.

Sincerely,

Riki Fujitani
Executive Director



TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-THIRD LEGISLATURE, 2025

ON THE FOLLOWING MEASURE:

H.B. NO. 329, H.D. 2, RELATING TO THE SCHOOL FACILITIES AUTHORITY.

BEFORE THE:

HOUSE COMMITTEE ON FINANCE

DATE: Thursday, February 20, 2025 **TIME:** 10:00 a.m.

LOCATION: State Capitol, Room 308

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Anne T. Horiuchi or Randall M. Wat, Deputy Attorneys General

Chair Yamashita and Members of the Committee:

The Department of the Attorney General (Department) provides the following comments.

The bill: (1) clarifies that the School Facilities Authority (SFA) is responsible for projects for (a) facilities for prekindergarten, preschool, child care, and early learning programs; (b) workforce housing; and (c) any public school development, planning, and construction assigned by the Legislature, Governor, or Board of Education; (2) allows the SFA to use the Department of Education (DOE) for certain recruitment and hiring responsibilities; and (3) allows the SFA to partner with public and private development agencies to develop prekindergarten facilities.

Prekindergarten and Preschool Facilities

The bill revises section 302A-1703(a) to state that the SFA "shall be responsible for ***all public school . . . projects*** related to . . . (1) [n]ew or renovated facilities for prekindergarten, preschool, child care, or early learning programs[.]" Page 2, lines 10-15 (emphasis added). "Child care" and "early learning programs" are not on public school campuses, and the DOE does not have jurisdiction or administrative authority over such programs. The Department suggests revising section 302A-1703(a)(1), Hawaii Revised Statutes (HRS), at page 2, lines 14-15, as follows:

- (1) New or renovated facilities for **public** prekindergarten[, **or public** preschool[, ~~child care, or early learning~~]] programs;

(Suggested changes Ramseyered against the existing text of the bill and in bold.)

Additionally, it is unclear if the SFA's responsibility for all public school projects related to new or renovated facilities for prekindergarten and preschool programs includes the responsibility for the repair and maintenance of those programs on DOE or charter school campuses. If the intent is to make the SFA responsible for the repair and maintenance of public prekindergarten and public preschool facilities on DOE or charter school campuses, then the Department suggests revising new section 302A-1703(a)(1), HRS, at page 2, lines 14-15, as follows:

- (1) New or renovated facilities for **public** prekindergarten~~[;]~~ **or public** preschool~~[; **child care, or early learning**]~~ programs~~[;]~~ **including the repair and maintenance of those facilities;**

(Suggested changes Ramseyered against the existing text of the bill and in bold.)

To be consistent with that change, a new section should be inserted in the bill to amend section 302A-1128, HRS, as follows:

§302A-1128 Department powers and duties. The department shall have entire charge and control and be responsible for the conduct of all affairs pertaining to public instruction in the public schools the department establishes and operates, including operating and maintaining the capital improvement and repair and maintenance programs for department and school facilities; provided that all state-funded prekindergarten programs, and private partnership-funded prekindergarten programs in the public schools, except for special education and Title I-funded prekindergarten programs, shall be under the administrative authority of the executive office on early learning; provided further that the department shall continue to provide, and have administrative authority over, services generally provided to the schools excluding those services related to curriculum, instruction, assessment, and professional learning support, but including operating and maintaining capital improvement and repair and maintenance programs for any facility on a department school campus at which the executive office on early learning administers programs, **excluding prekindergarten and preschool classrooms,** and evaluation of teaching staff. The department may establish and maintain schools for secular instruction at such places and for such terms as in its discretion it may deem advisable and the funds at its disposal may permit. The schools may include high schools, kindergarten schools, schools or classes for special education or Title I-funded prekindergarten, boarding schools, Hawaiian language medium education schools, and evening and day schools. The department may also maintain classes for technical and

other instruction in any school where there may not be pupils sufficient in number to justify the establishment of separate schools for these purposes.

(Suggested amendments underscored and in bold.)

If it is not intended that the SFA be responsible for the repair and maintenance of new or renovated prekindergarten or preschool facilities, then the Department suggests revising new section 302A-1703(a)(1), HRS, at page 2, lines 14-15, as follows:

- (1) New or renovated facilities for public prekindergarten[;] or public preschool[, ~~child care, or early learning~~] programs[;] , but the authority shall not be responsible for the repair and maintenance of those facilities;

(Suggested changes Ramseyered against the existing text of the bill and in bold.) This change would not require a change to section 302A-1128, HRS.

Workforce Housing

The bill revises section 302A-1703(a)(2) to state that the SFA shall be responsible for *all public school . . . projects* related to: . . . "(2) [w]orkforce housing for educators and other education workers in schools serving prekindergarten, elementary, and secondary grades[.]" Page 2, lines 10-18. To clarify that the workforce housing is for educators and education workers in public schools (i.e., inclusive of DOE schools and public charter schools), the Department suggests revising section 302A-1703(a)(2), at page 2, lines 16-18, as follows:

- (2) Workforce housing for educators and other education workers in public schools serving prekindergarten, preschool, elementary, and secondary grades; and

(Suggested changes Ramseyered against the existing text of the bill and in bold.)

Additionally, the bill states that the SFA "shall be responsible for all *public school . . . projects* related to . . . [workforce housing]." (Page 2, lines 10-16 (emphasis added).) It is not clear whether or not such housing must be on public school property to qualify as "public school projects". We recommend clarifying that the SFA can build workforce housing outside of public school grounds, if that is the Legislature's intent.

Thank you for the opportunity to provide comments on this bill.

HB-329-HD-2

Submitted on: 2/18/2025 8:43:24 PM

Testimony for FIN on 2/20/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
O'Neil Gardner	EPD Corp.	Support	Written Testimony Only

Comments:

Aloha. My name is O'Neil Gardner, founder and owner of the Nonprofit EPD Corp. I support HB329 HD2 as I believe it is both a positive step in expediting the much needed development and improvement of Hawaii early education and workforce sectors, as well as provides an opportunity to share the fiscal burden with others who wish to support.

To: Representative Kyle T. Yamashita, Chair
Representative Jenna Takenouchi, Vice Chair
House Committee on Finance

From: Chevelle Davis, Director of Early Childhood & Health Policy
Hawai'i Children's Action Network Speaks!

Subject: Measure H.B. No. 329 H.D. 2 – Relating to the School Facilities Authority

Hearing: Tuesday, February 20, 2025, at 10:00 AM, Conference Room 308

POSITION: Support with amendments

Aloha e Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee,

Hawai'i Children's Action Network (HCAN) **supports the intent of H.B. No. 329 H.D. 2**, which clarifies the School Facilities Authority's (SFA) responsibility for developing prekindergarten, preschool, child care, and early learning facilities, workforce housing, and other projects assigned by the Legislature, Governor, or Board of Education. The bill also allows the SFA to collaborate with public and private development agencies and use the Department of Education (DOE) for recruitment and hiring.

Clear statutory language will help ensure effective implementation of these critical projects. We appreciate the House Committee on Judiciary and Hawaiian Affairs incorporating many of our previous recommendations. However, we suggest removing the term "**public school**" from Page 2, Line 11, to prevent confusion over jurisdiction and location requirements for preschool and workforce housing projects, as noted by the Department of the Attorney General.

Additionally, we support allowing SFA to use DOE for recruitment and hiring, as this aligns with existing practices for other agencies, and we believe it can be done without adding administrative burden. Strengthening SFA's ability to partner with public and private entities for prekindergarten expansion will further improve early learning infrastructure in Hawai'i.

We urge the Legislature to adopt these clarifications to ensure SFA can effectively deliver much-needed early learning and workforce housing projects.

Mahalo for the opportunity to testify on this critical measure.

HB-329-HD-2

Submitted on: 2/18/2025 8:08:33 PM

Testimony for FIN on 2/20/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mary Dudoit	Individual	Support	Written Testimony Only

Comments:

Aloha,

My name is Mary Dudoit and I support HB 329 HD2 for reasons state by others in support of this bill.

Mahalo!