

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



GOV. MSG. NO. 1305

EXECUTIVE CHAMBERS  
KE KE'ENA O KE KIA'ĀINA

June 24, 2025

The Honorable Ronald D. Kouchi  
President of the Senate,  
and Members of the Senate  
Thirty-Third State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Nadine Nakamura  
Speaker, and Members of the  
House of Representatives  
Thirty-Third State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on June 24, 2025, the following bill was signed into law:

H.B. NO. 329, H.D. 2,  
S.D. 2, C.D. 1

RELATING TO THE SCHOOL FACILITIES AUTHORITY.  
**ACT 204**

Mahalo,

A stylized, handwritten signature in black ink, appearing to read "Sylvia Luke".

Sylvia Luke  
Acting Governor, State of Hawai'i

JUN 24 2025

HOUSE OF REPRESENTATIVES  
THIRTY-THIRD LEGISLATURE, 2025  
STATE OF HAWAII

**ACT 204**  
**H.B. NO.** 329  
H.D. 2  
S.D. 2  
C.D. 1

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# A BILL FOR AN ACT

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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; and

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



(2) Allow the school facilities authority to use the department of education for certain recruitment and hiring responsibilities;

(3) Allow the school facilities authority to partner with public and private development agencies to develop prekindergarten, preschool, child care, and early learning program facilities; and

(4) Appropriates funds for:

(A) A new middle school in central Maui; and

(B) A workforce housing project in Mililani.

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;



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

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

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

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

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

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

15       (3) Make and alter bylaws for its organization and  
16       internal management;

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



1 (5) Acquire or contract to acquire by grant or purchase  
2 real, personal, or mixed property or any interest  
3 therein; to clear, improve, and rehabilitate and to  
4 sell, assign, exchange, transfer, convey, lease,  
5 subdivide, or otherwise dispose of or encumber the  
6 same;

7 (6) Acquire property by condemnation pursuant to  
8 chapter 101;

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

20 (8) Grant options to purchase any project or to renew any  
21 lease entered into by it in connection with any of its



1 projects, on terms and conditions as it deems

2 advisable;

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

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

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

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



- 1 (A) Shall comply with conditions required by the  
2 federal government pursuant to applicable  
3 regulation or required in any contract for  
4 federal assistance;
- 5 (B) Shall repay indebtedness incurred pursuant to  
6 this section, including any interest thereon;
- 7 (C) May execute loan and security agreements and  
8 related contracts with the federal government;
- 9 (D) May issue bonds pledging revenues, assessments,  
10 or other taxes as security for indebtedness  
11 incurred pursuant to this section; and
- 12 (E) May enter into financing agreements as that term  
13 is defined in section 37D-1;
- 14 (13) Appoint or retain by contract one or more attorneys  
15 who are independent of the attorney general to provide  
16 legal services solely in cases of negotiations in  
17 which the attorney general lacks the sufficient  
18 expertise; provided that the independent attorney  
19 shall consult and work in conjunction with the  
20 designated deputy attorney general;



- 1       (14) Use the department of human resources development or  
2       the department of education to recruit, hire, and  
3       retain exempt employees, architects, engineers,  
4       existing civil service positions, and other technical  
5       positions for the development, planning, and  
6       construction related to capital improvement projects;
- 7       (15) Partner with public and private development agencies  
8       to develop:
- 9       (A) Housing on or off campus; ~~and~~  
10      (B) Classrooms; and  
11      (C) Prekindergarten, preschool, child care, and early  
12      learning program facilities;
- 13      (16) Request any state or county agency to render services  
14      to the authority;
- 15      (17) Transfer the property to another public agency or  
16      contract to manage the leasing and property management  
17      of housing projects; and
- 18      (18) Do any and all things necessary to carry out its  
19      purposes and exercise the powers given and granted in  
20      this subpart."





1       SECTION 3. There is appropriated out of the general  
2 revenues of the State of Hawaii the sum of \$2,000,000 or so much  
3 thereof as may be necessary for fiscal year 2025-2026 for the  
4 planning and construction of a new middle school in central  
5 Maui.

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

8       SECTION 4. There is appropriated out of the general  
9 revenues of the State of Hawaii the sum of \$2,000,000 or so much  
10 thereof as may be necessary for fiscal year 2025-2026 for the  
11 planning and construction of a workforce housing project in  
12 Mililani.

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

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

17       SECTION 6. This Act shall take effect on July 1, 2025.



H.B. NO. 329  
H.D. 2  
S.D. 2  
C.D. 1

APPROVED this 24th day of June, 2025

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above the title.

ACTING GOVERNOR OF THE STATE OF HAWAII

HB No. 329, HD 2, SD 2, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 30, 2025  
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2025.

A handwritten signature in black ink, appearing to read "Nadine K. Nakamura", with a long horizontal flourish extending to the right.

Nadine K. Nakamura  
Speaker  
House of Representatives


A handwritten signature in black ink, appearing to read "Brian L. Takeshita", with a stylized, cursive script.


Brian L. Takeshita  
Chief Clerk  
House of Representatives

**THE SENATE OF THE STATE OF HAWAI‘I**

Date: April 30, 2025  
Honolulu, Hawai‘i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate  
of the Thirty-Third Legislature of the State of Hawai‘i, Regular Session of 2025.

  
President of the Senate

  
Clerk of the Senate