
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 Hawaii continues to
2 suffer from a shortage of licensed teachers as Hawaii's teacher
3 salaries continue to trail the nation when adjusted for cost of
4 living. Providing financial incentives and affordable options
5 for teacher housing are key strategies for teacher recruitment
6 and retention. Teacher housing is also a well-established tool
7 for teacher recruitment and retention of educators serving in
8 hard-to-fill areas. As housing represents a significant portion
9 of each teacher's paycheck, the legislature recognizes that
10 sites should be developed to provide affordable housing options
11 to teachers to address the ongoing teacher shortage.

12 Accordingly, the purpose of this Act is to:

- 13 (1) Provide the school facilities authority with powers
14 necessary to develop housing projects on school lands;
15 and
16 (2) Appropriate funds, out of the school facilities
17 special fund for the construction of housing



1 prioritized for teachers, educators, and staff and
2 classrooms.

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

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; and sell, assign, transfer,
12 convey, exchange, lease, or otherwise dispose of or
13 encumber any project; and in the case of the sale of
14 any project, accept a purchase money mortgage in
15 connection therewith;
- 16 (8) Grant options to purchase any project or to renew any
17 lease entered into by it in connection with any of its
18 projects, on terms and conditions as it deems
19 advisable;
- 20 (9) Prepare or cause to be prepared plans, specifications,
21 designs, and estimates of costs for the construction,



1 reconstruction, rehabilitation, improvement, or
2 alteration of any project, and from time to time to
3 modify the plans, specifications, designs, or
4 estimates;

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

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

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

17 (A) Shall comply with conditions required by the
18 federal government pursuant to applicable
19 regulation or required in any contract for
20 federal assistance;



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



1 development, planning, and construction related to
2 capital improvement projects; [~~and~~]

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

5 (A) Housing on or off campus; and

6 (B) Classrooms;

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

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

12 [~~(15)~~] (18) Do any and all things necessary to carry out its
13 purposes and exercise the powers given and granted in
14 this subpart."

15 SECTION 3. With the approval of the governor, designated
16 expending agencies for capital improvement projects authorized
17 in this Act may delegate to other state or county agencies the
18 authority to implement projects when it is determined
19 advantageous to do so by both the original expending agency and
20 the agency to which expending authority is to be delegated.



1 SECTION 4. The general fund appropriation for the school
2 facilities authority for fiscal year 2023-2024 for teacher
3 housing in H.B. No. 300, H.D. 1, S.D. 1, C.D. 1 (2023), shall be
4 deposited into the school facilities special fund.

5 SECTION 5. There is appropriated out of the school
6 facilities special fund the sum of \$170,000,000 or so much
7 thereof as may be necessary for fiscal year 2023-2024 and the
8 same sum or so much thereof as may be necessary for fiscal year
9 2024-2025 for:

- 10 (1) The construction of housing prioritized for teachers,
11 educators, and staff; and
- 12 (2) Personnel and other related expenses as deemed
13 appropriate.

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

16 SECTION 6. Housing developed pursuant to section 5 of this
17 Act shall be prioritized for teachers, educators, and staff.
18 The school facilities authority may adopt rules pursuant to
19 chapter 91, Hawaii Revised Statutes, with respect to leasing
20 housing developed by the school facilities authority.



1 SECTION 7. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 8. This Act shall take effect on July 1, 2023.



Report Title:

Department of Education; School Facilities Authority; Teacher Housing; Workforce Housing; Classrooms; School Facilities Special Fund; Rules; Appropriation

Description:

Authorizes the School Facilities Authority to partner with public and private agencies to develop housing on or off campus for teachers, educators, and staff and develop classrooms. Authorizes the School Facilities Authority to request any state or county agency to render services to the Authority. Authorizes the School Facilities Authority to contract to manage the leasing and property management of housing projects or transfer the property to another public agency. Authorizes the School Facilities Authority to transfer appropriated funds to partner state agencies for the development of housing and classrooms, subject to approval by the Governor. Appropriates funds out of the School Facilities Special Fund to be expended by the School Facilities Authority for the construction of housing and classrooms. Authorizes the School Facilities Authority to adopt administrative rules to lease vacant housing. (CD1)

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

