

---

---

# A BILL FOR AN ACT

RELATING TO HOUSING.

**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, with over one  
3 thousand vacancies each year. Having affordable options  
4 available for teacher housing can be one key strategy for the  
5 recruitment and retention of teachers in the State, particularly  
6 given that Hawaii's teacher salaries continue to trail the  
7 nation, when adjusted for cost of living. Housing costs  
8 constitute a big portion of each teacher's paycheck. A focus on  
9 teacher retention, especially those serving in hard-to-fill  
10 areas, would help reduce the high turnover rate of teachers in  
11 Hawaii. To recruit and retain effective educators, policymakers  
12 must find ways to lessen the financial burden of being a public  
13 school teacher. The experience of the University of Hawaii,  
14 through its university housing program that provides available  
15 housing resources and assistance to new full-time employees, has  
16 shown that providing housing to the education workforce can be



1 an effective initial bridge in recruiting and retaining  
2 essential employees.

3       The legislature further finds that affordable housing for  
4 educators must go hand in hand with affordable transportation.  
5 Studies done for Hawaii, such as Ulupono Initiative's report  
6 published in 2021, *The Costs of the Vehicle Economy in Hawai'i*,  
7 have shown that personal vehicles cost an additional \$8,100 per  
8 vehicle per year and \$16,200 per household per year. The state  
9 climate change mitigation and adaptation commission, in its 2023  
10 report *Investing in Transportation Choices: Recommendations for*  
11 *Safe, Sustainable, Affordable, and Reliable Mobility*, has  
12 emphasized providing options for transportation to address the  
13 disproportionate burden that lower income households bear.  
14 Incorporating transit-oriented development, complete streets,  
15 vision zero, and related strategies will also address safety,  
16 accessibility, and the State's decarbonization goals.

17       The legislature also finds that as housing stock increases,  
18 it is imperative to address transportation equity and lessen the  
19 proportion of income spent on transportation, particularly for  
20 lower income families. Such coordination should be done by  
21 incorporating active transportation plans that consider bicycle,



1 pedestrian, and other forms of transit, and other related  
2 strategies. The legislature believes that the school facilities  
3 authority should work with the relevant state and county  
4 departments and agencies to achieve transportation equity as the  
5 authority endeavors to provide housing for teachers and  
6 department of education staff.

7 The legislature additionally finds that Act 307, Session  
8 Laws of Hawaii 2022, was enacted to convey to the department of  
9 education fee simple title to those lands used by the department  
10 for public schools and offices held, at that time, by the  
11 counties of Maui and Kauai, the State, and the department of  
12 land and natural resources. Development of these lands is  
13 crucial for the construction of facilities that will support not  
14 only public schools on those lands, but can also provide  
15 educator workforce housing.

16 The legislature notes that Act 172, Session Laws of Hawaii  
17 2023 (Act 172), was enacted to provide the school facilities  
18 authority with the powers necessary to develop housing on or off  
19 campus and to appropriate funds for the construction of housing  
20 prioritized for teachers, educators, and staff. Specifically,  
21 Act 172 authorized the school facilities authority to:



- 1           (1) Partner with public and private agencies to develop
- 2                   housing on or off campus for teachers, educators, and
- 3                   staff and develop classrooms;
- 4           (2) Request any state or county agency to render services
- 5                   to the authority; and
- 6           (3) Contract to manage the leasing and property management
- 7                   of housing projects or transfer the property to
- 8                   another public agency.

9 While the establishment of the school facilities authority and  
10 the additional powers granted to it pursuant to Act 172 have  
11 been beneficial, providing additional clarity in state law will  
12 help the authority achieve its mandate of producing affordable  
13 housing for the educator workforce in an expeditious and  
14 effective manner. Establishing a mandate for a plan to achieve  
15 the goals set forth in Act 172, complete with a timeline and set  
16 of specific metrics as indicators of progress as determined  
17 jointly by the school facilities authority and department of  
18 education, will enable the authority to carry out its mandates  
19 more efficiently.

20           The purpose of this Act is to:



1 (1) Require the school facilities authority to work with  
2 the department of education to prioritize projects for  
3 the construction of educator workforce housing that  
4 will house teachers and other staff of the department;

5 (2) Require the school facilities authority to include in  
6 its annual report to the legislature the actions the  
7 authority will take within the next year, three years,  
8 and five years toward increasing educator workforce  
9 housing; and

10 (3) Require the department of education to collaborate  
11 with the department of land and natural resources,  
12 Maui county, Kauai county, and other appropriate state  
13 departments and agencies to submit a preliminary  
14 report to the governor, board of education, and  
15 legislature on the status of lands designated to be  
16 transferred to the department of education pursuant to  
17 Act 307, Session Laws of Hawaii 2022.

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

20 "**§302A-1703 Powers; generally.** (a) Except as otherwise  
21 limited by this chapter, the authority shall be responsible for



1 all public school development, planning, and construction  
2 related to capital improvement projects assigned by the  
3 legislature, governor, or board of education.

4 (b) The authority shall comply with chapter 103D.

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



1 positions, and other technical positions for the  
2 development, planning, and construction related to  
3 capital improvement projects;  
4 (15) Partner with public and private development agencies  
5 to develop:  
6 (A) Housing on or off campus; and  
7 (B) Classrooms;  
8 (16) Request any state or county agency to render services  
9 to the authority;  
10 (17) Transfer the property to another public agency or  
11 contract to manage the leasing and property management  
12 of housing projects; and  
13 (18) Do any and all things necessary to carry out its  
14 purposes and exercise the powers given and granted in  
15 this subpart.  
16 (d) Prior to project approval, the authority shall consult  
17 with the Hawaii state public library system regarding any  
18 construction or renovation projects for school lands that are  
19 adjacent to or have Hawaii state public library facilities on  
20 them.



1       (e) With regard to the development of employee housing,  
 2 the authority shall work with the department to prioritize  
 3 identified projects for the construction of educator workforce  
 4 housing for teachers and other staff of the department."

5       SECTION 3. Section 302A-1707, Hawaii Revised Statutes, is  
 6 amended to read as follows:

7       "**§302A-1707 Annual report.** (a) At least twenty days  
 8 prior to the convening of each regular session, the authority  
 9 shall submit to the governor, board of education, and  
 10 legislature, a complete and detailed report of its activities  
 11 during the prior fiscal year.

12       (b) The annual report shall include the actions to be  
 13 taken by the authority within the next year, three years, and  
 14 five years toward increasing educator workforce housing,  
 15 including developing affordable transportation options for  
 16 individuals living in the housing, and benchmarks and metrics,  
 17 to be determined by the authority and department, to evaluate  
 18 the effectiveness of those actions."

19       SECTION 4. (a) The department of education shall submit a  
 20 preliminary report to the legislature on the status of lands  
 21 designated to be conveyed to the department pursuant to Act 307,



1 Session Laws of Hawaii 2022, no later than twenty days prior to  
2 the convening of the regular session of 2025.

3 (b) The preliminary report shall include recommendations  
4 on how to prioritize any transfers of lands to the department of  
5 education that have not yet occurred in accordance with Act 307,  
6 Session Laws of Hawaii 2022, prior to the submission of the  
7 report.

8 (c) The department of education shall collaborate with the  
9 department of land and natural resources, Maui county, Kauai  
10 county, and any other state department or agency necessary to  
11 produce the preliminary report.

12 SECTION 5. New statutory material is underscored.

13 SECTION 6. This Act shall take effect on July 1, 3000.



**Report Title:**

Department of Education; School Facilities Authority; Educator Workforce Housing; Prioritization; Reporting

**Description:**

Requires the School Facilities Authority to work with the Department of Education to prioritize projects for the construction of educator workforce housing that will house teachers and other staff of the Department. Requires the School Facilities Authority to include in its annual report to the Legislature its planned actions toward increasing educator workforce housing. Requires the Department of Education to collaborate with certain state and county agencies to submit a preliminary report to the Legislature on the status of lands designated to be transferred to the Department of Education. Effective 7/1/3000. (HD1)

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

