

JAN 17 2025

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 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 authority is responsible for certain
10 development, planning, and construction projects for
11 prekindergarten, preschool, and child care facilities,
12 as well as workforce housing;
- 13 (2) Allow the authority to use the department of education
14 for certain recruitment and hiring responsibilities;
- 15 (3) Allow the authority to partner with public and private
16 development agencies to develop prekindergarten
17 facilities; and



1 (4) Exclude school facilities authority board workgroups
2 and subcommittees from the requirements of chapter 92,
3 Hawaii Revised Statutes, except those relating to
4 permitted interactions.

5 SECTION 2. Section 302A-1703, Hawaii Revised Statutes, is
6 amended as follows:

7 1. By amending subsection (a) to read:

8 "(a) Except as otherwise limited by this chapter, the
9 authority shall be responsible for all public school
10 development, planning, and construction related to [~~capital~~
11 ~~improvement~~]:

12 (1) New or renovated prekindergarten, preschool, and child
13 care facilities;

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

17 (3) Any other projects assigned by the legislature,
18 governor, or board of education."

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

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



- 1 (1) Have a seal and alter the same at its pleasure;
- 2 (2) Subject to subsection (b), make and execute contracts
- 3 and all other instruments necessary or convenient for
- 4 the exercise of its powers and functions under this
- 5 subpart;
- 6 (3) Make and alter bylaws for its organization and
- 7 internal management;
- 8 (4) Adopt rules pursuant to chapter 91 with respect to its
- 9 projects, operations, properties, and facilities,
- 10 including qualifications for persons and entities
- 11 wishing to enter into a public-private partnership
- 12 with the authority, as permitted in paragraph (7);
- 13 (5) Acquire or contract to acquire by grant or purchase
- 14 real, personal, or mixed property or any interest
- 15 therein; to clear, improve, and rehabilitate and to
- 16 sell, assign, exchange, transfer, convey, lease,
- 17 subdivide, or otherwise dispose of or encumber the
- 18 same;
- 19 (6) Acquire property by condemnation pursuant to chapter
- 20 101;



- 1 (7) Enter into partnerships with qualified persons,
2 including public-private partnerships, as defined in
3 the authority's rules, to acquire, construct,
4 reconstruct, rehabilitate, improve, alter, or provide
5 for the construction, reconstruction, improvement, or
6 alteration of any project, including prekindergarten
7 facilities; and sell, assign, transfer, convey,
8 exchange, lease, or otherwise dispose of or encumber
9 any project; and in the case of the sale of any
10 project, accept a purchase money mortgage in
11 connection therewith;
- 12 (8) Grant options to purchase any project or to renew any
13 lease entered into by it in connection with any of its
14 projects, on terms and conditions as it deems
15 advisable;
- 16 (9) Prepare or cause to be prepared plans, specifications,
17 designs, and estimates of costs for the construction,
18 reconstruction, rehabilitation, improvement, or
19 alteration of any project, and from time to time to
20 modify the plans, specifications, designs, or
21 estimates;



- 1 (10) Procure insurance against any loss in connection with
2 its property and other assets and operations in
3 amounts and from insurers as it deems desirable;
- 4 (11) Apply for and accept gifts or grants in any form from
5 any public agency or from any other source, including
6 gifts or grants from private individuals and private
7 entities;
- 8 (12) Borrow money or procure loan guarantees from the
9 federal government for or in aid of any project the
10 authority is authorized to undertake pursuant to this
11 chapter. Additionally, in connection with borrowing
12 or procurement of loan guarantees, the authority:
 - 13 (A) Shall comply with conditions required by the
14 federal government pursuant to applicable
15 regulation or required in any contract for
16 federal assistance;
 - 17 (B) Shall repay indebtedness incurred pursuant to
18 this section, including any interest thereon;
 - 19 (C) May execute loan and security agreements and
20 related contracts with the federal government;



- 1 (D) May issue bonds pledging revenues, assessments,
2 or other taxes as security for indebtedness
3 incurred pursuant to this section; and
- 4 (E) May enter into financing agreements as that term
5 is defined in section 37D-1;
- 6 (13) Appoint or retain by contract one or more attorneys
7 who are independent of the attorney general to provide
8 legal services solely in cases of negotiations in
9 which the attorney general lacks the sufficient
10 expertise; provided that the independent attorney
11 shall consult and work in conjunction with the
12 designated deputy attorney general;
- 13 (14) Use the department of human resources development or
14 the department of education to recruit, hire, and
15 retain exempt employees, architects, engineers,
16 existing civil service positions, and other technical
17 positions for the development, planning, and
18 construction related to capital improvement projects;
- 19 (15) Partner with public and private development agencies
20 to develop:
 - 21 (A) Housing on or off campus; [~~and~~]



- 1 (B) Classrooms; and
- 2 (C) Prekindergarten facilities;
- 3 (16) Request any state or county agency to render services
- 4 to the authority;
- 5 (17) Transfer the property to another public agency or
- 6 contract to manage the leasing and property management
- 7 of housing projects; and
- 8 (18) Do any and all things necessary to carry out its
- 9 purposes and exercise the powers given and granted in
- 10 this subpart."

11 SECTION 3. Section 302A-1704, Hawaii Revised Statutes, is
12 amended by amending subsection (e) to read as follows:

13 "(e) The board may form workgroups and subcommittees [~~that~~
14 ~~include~~] including with individuals who are not board members,
15 to:

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



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

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

9 SECTION 5. This Act shall take effect on July 1, 2025.

10

INTRODUCED BY: _____



S.B. NO. 580

Report Title:

School Facilities Authority; School Facilities Authority Board;
Public Schools; Sunshine Law

Description:

Clarifies that the School Facilities Authority is responsible for certain development, planning, and construction projects for prekindergarten, preschool, and child care facilities, as well as workforce housing. 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. Exclude School Facilities Authority Board workgroups and subcommittees from the Sunshine Law, except as it relates to permitted interactions.

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

