
A BILL FOR AN ACT

RELATING TO CHARTER SCHOOL FACILITIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that Hawaii has some of
2 the highest public school construction costs in the nation.
3 These costs make it difficult to provide adequate facilities for
4 students, particularly in areas experiencing rapid population
5 growth.

6 The legislature further finds that the school facilities
7 authority was established to deliver public school facilities in
8 a more timely and cost-effective manner, including through
9 public-private partnerships that leverage private sector
10 expertise and financing. In times of economic uncertainty, the
11 legislature recognizes the need to prioritize cost-efficiency
12 and community need.

13 The legislature additionally finds that in some
14 communities, longstanding facility needs and enrollment growth
15 have outpaced the State's ability to deliver schools through
16 traditional construction timelines, resulting in overcrowding
17 and limited access to quality public education options for



1 students and families. In the current fiscal climate, the
2 legislature believes that innovative, cost-effective delivery
3 models are even more necessary to respond to urgent community
4 needs while responsibly and transparently stewarding public
5 resources.

6 The purpose of this Act is to:

- 7 (1) Require the school facilities authority to establish a
8 pilot program for the development of proposals for
9 three new public-private partnership schools;
- 10 (2) Empower the school facilities authority to enter into
11 public-private partnerships for the development of
12 school facilities, including but not limited to long-
13 term leases, leasebacks, acquisitions, or sales of
14 land and assets; and
- 15 (3) Evaluate the effectiveness of the pilot program
16 through reports to the legislature.

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

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

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





1 the authority's rules, to acquire, construct,
2 reconstruct, rehabilitate, improve, alter, or provide
3 for the design, financing, construction,
4 reconstruction, improvement, [or] alteration, or
5 maintenance of any project, including prekindergarten
6 facilities[], public charter school facilities, and
7 projects on privately-owned land; and sell, assign,
8 transfer, convey, exchange, lease, or otherwise
9 dispose of or encumber any project; and in the case of
10 the sale of any project, accept a purchase money
11 mortgage in 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 (B) Classrooms [+] and other public school facilities,
2 including those at public charter schools; and
3 (C) Prekindergarten, preschool, child care, and early
4 learning program facilities;
5 (16) Request any state or county agency to render services
6 to the authority;
7 (17) Transfer the property to another public agency or
8 contract to manage the leasing and property management
9 of housing projects; and
10 (18) Do any and all things necessary to carry out its
11 purposes and exercise the powers given and granted in
12 this subpart."

13 SECTION 3. (a) The school facilities authority shall
14 establish a pilot program to develop three new public schools
15 located in different geographic areas based on demonstrated need
16 through public-private partnerships, which may include but are
17 not limited to long-term leases, leasebacks, acquisitions, or
18 sales of land and assets.

19 (b) The school facilities authority shall issue requests
20 for proposals, which shall be evaluated based on:





6 (1) The number of applicants;

7 (2) A summary of the project proposed by the awarded
8 proposal; and



1 (f) The pilot program shall cease to exist on June 30,
2 2028.

3 SECTION 4. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$3,000,000 or so much
5 thereof as may be necessary for fiscal year 2026-2027 to develop
6 and administer the requests for proposals for the pilot program
7 as provided in section 3 of this Act.

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

10 SECTION 5. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 6. This Act shall take effect on July 1, 2026.

13

INTRODUCED BY:

hushleChic
JAN 21 2026



H.B. NO. 1783

Report Title:

School Facilities Authority; Pilot Program; Public-private Partnership; Request for Proposals; Report; Appropriation

Description:

Requires the School Facilities Authority to establish a pilot program to develop three new public schools in areas based on demonstrated need through public-private partnerships. Authorizes the School Facilities Authority to use public-private partnerships for the development of public school facilities, including facilities at public charter schools. Requires reports to the Legislature. Appropriates funds.

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

