
A BILL FOR AN ACT

RELATING TO SCHOOL FACILITIES.

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

1 SECTION 1. The legislature finds that the centralized
2 system for managing school capital improvement projects within
3 the department of education has contributed to a substantial
4 backlog of deferred maintenance. This structure has resulted in
5 delays, reduced responsiveness to the needs of individual school
6 communities, and challenges in managing project timelines and
7 budgets.

8 The legislature further finds that the school facilities
9 authority was established by Act 72, Session Laws of Hawaii
10 2020, as a specialized agency focused exclusively on the
11 development and improvement of public school facilities. Act 72
12 intended the consolidation of facilities-related expertise
13 within the authority, including the transfer of certain
14 functions and positions from the department of education. That
15 consolidation has not yet been implemented.

16 The legislature also finds that a decentralized,
17 district-based model for managing deferred maintenance projects



1 will improve efficiency, accountability, and responsiveness.
2 Localizing management within geographically based districts will
3 allow decisions to be made closer to the schools they affect and
4 provide a phased framework for the authority to assume broader
5 capital improvement responsibilities in the future.

6 The purpose of this Act is to modernize the State's school
7 facilities management by:

8 (1) Requiring the school facilities authority to establish
9 geographically based capital improvement project
10 districts for the localized management of deferred
11 maintenance;

12 (2) Transferring vacant facilities development branch
13 positions from the department of education to the
14 school facilities authority; and

15 (3) Transferring all functions, duties, and funds related
16 to deferred maintenance from the department of
17 education to the school facilities authority.

18 SECTION 2. Chapter 302A, Hawaii Revised Statutes, is
19 amended by adding a new section to part VI, subpart C, to be
20 appropriately designated and to read as follows:



1 **"§302A- Deferred maintenance project districts;**
2 **established.** (a) The authority shall establish geographically
3 based capital improvement project districts to provide for the
4 localized management of project design, construction, and
5 administration related to deferred maintenance. The boundaries
6 of these districts shall, to the extent practicable, align with
7 the school districts established for administrative purposes by
8 the department.

9 (b) Each district shall be responsible for:

10 (1) Providing localized management and oversight of
11 deferred maintenance project design and construction;

12 (2) Administering project budgets and managing project
13 schedules to ensure timely and cost-effective
14 completion; and

15 (3) Serving as the primary local point of contact for
16 public schools within the district regarding deferred
17 maintenance needs and projects.

18 (c) The authority shall assign dedicated staff, including
19 a district facilities manager, to each district to carry out the
20 functions described in this section."



1 SECTION 3. (a) All rights, powers, functions, and duties
2 of the department of education relating to deferred maintenance
3 are transferred to the school facilities authority.

4 (b) All vacant positions within the department of
5 education's facilities development branch as of the effective
6 date of this Act, including all associated funding for salaries
7 and benefits, are transferred to the school facilities
8 authority.

9 (c) All appropriations, items of appropriation, and
10 unexpended balances of funds, including any federal funds,
11 designated for deferred maintenance or facilities development
12 within the department of education, are transferred to the
13 school facilities authority.

14 SECTION 4. There is appropriated out of the general
15 revenues of the State of Hawaii the sum of \$ or so
16 much thereof as may be necessary for fiscal year 2026-2027 for
17 the purposes of establishing geographically based districts and
18 implementing the transfer of positions and funds pursuant to
19 this Act.

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



1 SECTION 5. New statutory material is underscored.

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

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INTRODUCED BY:

A handwritten signature in black ink, appearing to be "AJ. De", written over a horizontal line.

JAN 26 2026



H.B. NO. 2345

Report Title:

School Facilities Authority; Department of Education; Deferred Maintenance; Districts; Transfer

Description:

Requires the School Facilities Authority to establish geographically based capital improvement project districts for the localized management of deferred maintenance. Transfers all deferred maintenance functions, funds, and vacant facilities development branch positions from the Department of Education to the School Facilities Authority as intended and contemplated in Act 72, SLH 2020. Appropriates funds.

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