

JAN 23 2026

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# A BILL FOR AN ACT

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RELATING TO SCHOOL MODERNIZATION.

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

1       SECTION 1. The legislature finds that Hawaii schools are  
2 physical assets estimated to be valued at approximately  
3 \$10,500,000,000. The average age of a school building in Hawaii  
4 is sixty years. Approximately five hundred ninety-four  
5 buildings are operating beyond their expected life.

6       The legislature finds that the construction climate is  
7 historically challenging in Hawaii and has worsened due to  
8 unprecedented escalation related to the COVID-19 pandemic. The  
9 legislature further finds that the amount of money the State  
10 spends on school-related construction and the reasons for such  
11 spending needs to be transparent and warranted expenditures.

12       The legislature also finds that for the past twelve years,  
13 the State has appropriated an annual average of approximately  
14 \$454,000,000 for capital improvement projects for the department  
15 of education, yet no data-based process for determining how and  
16 why projects are funded and prioritized for construction exists.



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1       The legislature further finds that the State needs an  
2   industry standard facilities assessment framework and inventory  
3   to answer fundamental questions regarding school-related  
4   construction in order to be able to efficiently and effectively  
5   spend capital improvement program appropriations.

6       The purpose of this Act is to establish the school  
7   modernization initiative to provide a framework as an informed,  
8   unbiased process to responsibly address all school facility-  
9   related projects in Hawaii.

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

13       "§302A-       School capital improvement project planning;  
14   legislative districts.   (a) The authority shall establish a  
15   school modernization initiative through a capital improvement  
16   project planning database for school facilities statewide. The  
17   planning database shall include, at a minimum:

- 18       (1)   An asset inventory of school properties, buildings,  
19            facilities, and infrastructure, which shall be updated  
20            no later than June 30 of each year;



1        (2) A facilities condition index, which shall provide data  
2        and ratings on the condition of all school facilities,  
3        provided that the rating of a school facility shall be  
4        updated no less than every three years; and

5        (3) Enrollment to capacity ratio data, which shall be  
6        updated no later than December 1 of each year.

7        The information in the planning database shall be organized by  
8        legislative district and complex area to allow legislators and  
9        stakeholders to assess needs and priorities specific to their  
10       communities. The information in the planning database shall  
11       also be available to the public through the authority's website.

12       (b) Using the information from the planning database  
13       established pursuant to subsection (a), the authority shall  
14       establish a school modernization initiative to identify, assess,  
15       and prioritize school facilities projects using a classification  
16       system, including school facilities projects for:

17       (1) Critical infrastructure, such as school facilities  
18       projects involving:

19       (A) Fire alarm systems;

20       (B) Electrical, sewer, or water capacity;

21       (C) Roofing or structural integrity;



(D) Air conditioning; or

(E) Other infrastructure necessary for the safe  
operation of a building;

(2) Addressing capacity, such as school facilities  
projects for new classrooms, buildings, or schools;

(3) Adding or enhancing functional adequacy, such as  
school facilities projects that add or enhance school  
administration, athletics, or other educational  
programs; and

(4) Compliance with federal and state laws.

(c) No later than August 15 of each year, the authority  
shall submit a report to the legislature, governor, board of  
education, and superintendent to assist with statewide planning  
and decision-making on school facilities projects. The report  
shall include:

(1) The most current asset inventory and facilities  
condition index, pursuant to subsection(a);

(2) Enrollment to capacity ratio data, pursuant to  
subsection(a), by school and geographic area;



1        (3) Prioritized statewide and geographic area lists of  
2        school facilities projects classified pursuant to  
3        subsection (b); and

4        (4) An analysis on school capacity utilization with  
5        recommendations for optimizing utilization.

6        (d) The authority shall report information and analysis  
7        from the school modernization initiative to the board of  
8        education as necessary, but no less than once a year, to assist  
9        the board of education in decision-making on:

10       (1) Opening new schools or closing existing schools,  
11       pursuant to section 302A-1129; and

12       (2) Repurposing schools or unused public school  
13       facilities, pursuant to section 302A-1151.1.

14       (e) For the purposes of this section, "school facilities  
15       projects" mean existing or proposed capital improvement projects  
16       for properties, buildings, facilities, or infrastructure owned  
17       by or under the control of the department or the authority."

18       SECTION 3. There is appropriated out of the general  
19       revenues of the State of Hawaii the sum of \$4,000,000 or so much  
20       thereof as may be necessary for fiscal year 2026-2027 to be  
21       deposited into the school facilities special fund.



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1       SECTION 4. There is appropriated out of the school  
2 facilities special fund the sum of \$4,000,000 or so much thereof  
3 as may be necessary for fiscal year 2026-2027 to establish the  
4 school modernization initiative.

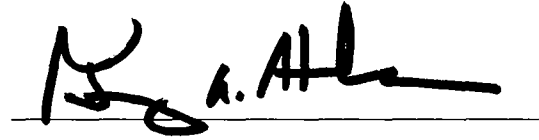
5       The sum appropriated shall be expended by the school  
6 facilities authority for the purposes of this Act.

7       SECTION 5. New statutory material is underscored.

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

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INTRODUCED BY:





# S.B. NO. 2550

**Report Title:**

School Facilities Authority; School Modernization Initiative;  
Capital Improvement Project Planning Database; Appropriation

**Description:**

Requires the School Facilities Authority to establish a school modernization initiative through a capital improvement project planning database for school facilities statewide. 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.*

