
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 these projects. 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 2020
10 (Act 72), 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 capital improvement 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 capital
11 improvement projects;
- 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 capital improvement projects from the department of
17 education to the school facilities authority.

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



1 "§302A- Capital improvement 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 capital improvement projects. The
6 boundaries of these districts shall, to the extent practicable,
7 align with the school districts established for administrative
8 purposes by the department.

9 (b) Each geographically based capital improvement project
10 district shall be responsible for:

11 (1) Providing localized management and oversight of
12 capital improvement project design and construction;
13 (2) Administering project budgets and managing project
14 schedules to ensure timely and cost-effective
15 completion; and

16 (3) Serving as the primary local point of contact for
17 public schools within the district regarding capital
18 improvement projects and related needs.

19 (c) The authority shall assign dedicated staff, including
20 a district facilities manager, to each geographically based



1 capital improvement project district to carry out the functions
2 described in this section.

3 **§302A- Use of general funds for operations and**
4 **management; prohibited.** General funds shall not be expended for
5 the operations or management of the authority."

6 SECTION 3. (a) All rights, powers, functions, and duties
7 of the department of education relating to capital improvement
8 projects are transferred to the school facilities authority.

9 (b) All vacant positions within the department of
10 education's facilities development branch as of the effective
11 date of this Act, including all associated funding for salaries
12 and benefits, are transferred to the school facilities
13 authority.

14 (c) All appropriations, items of appropriation, and
15 unexpended balances of funds, including any federal funds,
16 designated for capital improvement projects within the
17 department of education are transferred to the school facilities
18 authority.

19 SECTION 4. There is appropriated out of the general
20 revenues of the State of Hawaii the sum of \$ or so
21 much thereof as may be necessary for fiscal year 2026-2027 for



1 the purposes of establishing geographically based capital
2 improvement project districts and implementing the transfer of
3 positions and funds pursuant to this Act.

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

6 SECTION 5. New statutory material is underscored.

7 SECTION 6. This Act shall take effect on July 31, 2055.



Report Title:

DOE; SFA; CIP; Districts; Transfer; Appropriation

Description:

Requires the School Facilities Authority to establish geographically based capital improvement project districts for the localized management of capital improvement projects. Transfers all capital improvement project functions, funds, and vacant Facilities Development Branch positions from the Department of Education to the School Facilities Authority. Clarifies that general funds shall not be used for operations or management of the Authority. Appropriates funds. Effective 7/31/2055. (SD2)

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