
A BILL FOR AN ACT

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 \$10.5
3 billion. The average age of a school building in the State is
4 seventy-two 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 the State 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 million 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.



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 the State.

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 not less than every five 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;



- 1 (D) Air conditioning; or
- 2 (E) Other infrastructure necessary for the safe
- 3 operation of a building;
- 4 (2) Addressing capacity, such as school facilities
- 5 projects for new classrooms, buildings, or schools;
- 6 (3) Adding or enhancing functional adequacy, such as
- 7 school facilities projects that add or enhance school
- 8 administration, athletics, or other educational
- 9 programs; and
- 10 (4) Compliance with federal and state laws.
- 11 (c) No later than August 15 of each year, the authority
- 12 shall submit a report to the legislature, governor, board of
- 13 education, and superintendent to assist with statewide planning
- 14 and decision-making on school facilities projects. The report
- 15 shall include:
- 16 (1) The most current asset inventory and facilities
- 17 condition index pursuant to subsection(a);
- 18 (2) Enrollment-to-capacity ratio data pursuant to
- 19 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 not 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 facilities
13 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.



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.



S.B. NO. 2550 S.D. 1

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. (SD1)

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