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# A BILL FOR AN ACT

RELATING TO EDUCATION.

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

1 SECTION 1. The legislature finds that capital improvement  
2 project appropriations and facilities planning within the  
3 department of education directly affect the delivery,  
4 continuity, and quality of educational services. Delays,  
5 prolonged encumbrances, underutilization, or lack of  
6 transparency in capital improvement project implementation may  
7 impair operational effectiveness and public trust. The  
8 legislature further finds that transparency alone is  
9 insufficient if the department of education lacks the technical  
10 capacity to execute its projects and keep satisfactory records.

11 Heat Abatement, Report No. 25-09 from the Office of the Auditor,  
12 published August 2025, revealed systemic operational failures,  
13 noting that the department of education prioritized speed over  
14 planning, ignored professional engineering advice, and failed to  
15 account for long-term maintenance costs. Enhanced reporting and  
16 accountability measures are therefore necessary to ensure the  
17 efficient and effective stewardship of public funds and to



1 promote timely completion of education-related infrastructure  
2 projects.

3 The legislature further finds that a significant cause of  
4 these failures is the department of education's inability to  
5 recruit and retain qualified technical professionals. The  
6 legislature notes that existing law authorizes the school  
7 facilities authority to hire qualified staff exempt from civil  
8 service requirements at competitive market rates, allowing for  
9 greater agility and technical competence.

10 Accordingly, the purpose of this Act is to strengthen the  
11 reliability, flexibility, safety, and fiscal accountability of  
12 public education service delivery by:

13 (1) Requiring the department of education to submit annual  
14 reports to the legislature outlining specified  
15 information concerning capital improvement projects  
16 and facilities and post the reports to its website in  
17 a searchable format;  
18 (2) Requiring that any capital improvement project funds  
19 encumbered for more than five years without  
20 commencement of construction be specifically



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

12 "§302A- Capital improvement projects; facilities; annual  
13 reports. (a) The department shall submit an annual capital  
14 improvement project report to the legislature no later than  
15 thirty days prior to the convening of each regular session.

19 (1) The project title and location;

20 (2) Year or years of the appropriation and total amount  
21 appropriated;





1       (d) The report and all information required by this  
2       section shall be posted annually on the department's website in  
3       a searchable format.

4       (e) Any capital improvement project funds encumbered for  
5       more than five years without commencement of construction shall  
6       be specifically identified and justified, or shall be subject to  
7       legislative review for reversion or reassignment."

8       SECTION 3. Chapter 302A, Hawaii Revised Statutes, is  
9       amended by adding a new section to part VI to be appropriately  
10      designated and to read as follows:

11      "**S302A-      Office of facilities and operations; technical**  
12      **staff; pilot program.** (a) Notwithstanding any other law to the  
13      contrary, the superintendent may redesignate and convert any  
14      existing position within the office of facilities and operations  
15      that is funded but vacant to be exempt from chapter 76 for the  
16      purpose of hiring qualified technical professionals; provided  
17      that:

18      (1) The total number of full-time equivalent positions  
19            within the office of facilities and operations shall  
20            not increase;



1       (2) The number of exempt positions established pursuant to  
2       this section shall not exceed twenty at any one time;  
3       (3) The superintendent shall utilize existing vacant  
4       position counts to establish the exempt positions;  
5       (4) The exemption shall apply exclusively to individuals  
6       with specialized expertise in the following areas:  
7       (A) Construction project management; provided further  
8       that consultants for construction project  
9       management shall not be eligible for exempt  
10       positions established pursuant to this section;  
11       (B) Construction inspection;  
12       (C) Data management, project controls, or digital  
13       systems implementation; and  
14       (D) Recordkeeping for all capital improvement  
15       projects; and  
16       (5) Before the appointment of any exempt position under  
17       this section, the superintendent shall submit a plan  
18       to the board and legislature identifying the proposed  
19       organizational structure and specific digital project  
20       management system the office of facilities and



1        operations will implement to track project status in  
2        real-time.

3        (b) The superintendent may fix the compensation for  
4        positions redesignated and converted to positions exempt from  
5        chapter 76 under this section at rates comparable to prevailing  
6        market rates.

7        (c) The department shall submit an annual report to the  
8        legislature no later than thirty days prior to the convening of  
9        each regular session, including:

10        (1) Specific vacant positions that were redesignated as  
11        exempt under this section;  
12        (2) Deliverables achieved by newly appointed exempt  
13        professionals; and  
14        (3) The impact of exempt appointments made pursuant to  
15        this section on the efficiency of facility repair and  
16        maintenance projects."

17        SECTION 4. New statutory material is underscored.

18        SECTION 5. This Act shall take effect on July 1, 2026;  
19        provided that section 3 shall be repealed on June 30, 2031.

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**Report Title:**

DOE; Superintendent; Office of Facilities and Operations; Capital Improvement Projects; Facilities; Reports; Website; Exempt Positions; Pilot Program

**Description:**

Requires the Department of Education to submit annual reports to the Legislature outlining certain information concerning capital improvement projects and facilities. Requires the reports to be posted on DOE's website annually in a searchable format.

Provides that any CIP funds encumbered for more than five years without commencement of construction shall be specifically identified and justified, or shall be subject to legislative review for reversion or reassignment. Establishes a five-year pilot program authorizing the Superintendent of Education to redesignate funded, vacant positions in the Office of Facilities and Operations as positions exempt from Hawaii's Civil Service Laws for the purpose of hiring qualified professionals. (SD1)

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

