

STAND. COM. REP. NO. **2707**

Honolulu, Hawaii

FEB 24 2026

RE: S.B. No. 896
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committee on Education, to which was referred S.B. No. 896, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the Department of Education to submit annual reports to the Legislature outlining certain information concerning capital improvement projects and facilities;
- (2) Require the reports to be posted on the Department of Education's website annually in a searchable format;
- (3) Provide that any capital improvement project 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; and
- (4) Establish 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 the State's Civil Service Laws for the purpose of hiring qualified professionals.



Your Committee received testimony in support of this measure from one individual.

Your Committee received testimony in opposition to this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

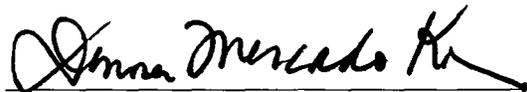
Your Committee received comments on this measure from the Department of the Attorney General and Department of Education.

Your Committee finds that delays, prolonged encumbrances, underutilization, and lack of transparency in capital improvement project implementation within the Department of Education has directly impacted the delivery, continuity, and quality of educational services. This is evidenced by the fact that the Office of the Auditor reported that the Department of Education prioritized speed over planning, which has led to systemic operational failures. Your Committee believes that it is imperative for the execution of capital improvement projects to be transparent, informed, and technically sound. Therefore, this measure will improve public education by prioritizing accountability, fiscal responsibility, and qualified expertise.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 896, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 896, S.D. 2, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Education,



DONNA MERCADO KIM, Chair



