

JOSH GREEN, M.D.
GOVERNOR
KE KIA'AINA



KEITH A. REGAN
COMPTROLLER
KA LUNA HO'OMALU HANA LAULĀ

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DEPUTY COMPTROLLER
KA HOPE LUNA HO'OMALU HANA LAULĀ

STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | KA 'OIHANA LOIHELU A LAWELAWÉ LAULĀ
P.O. BOX 119, HONOLULU, HAWAI'I 96810-0119

WRITTEN TESTIMONY
OF
KEITH A. REGAN, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
COMMITTEE ON FINANCE

MARCH 3, 2026, 2:00 P.M.
CONFERENCE ROOM 308 AND VIA VIDEOCONFERENCE, STATE CAPITOL

H.B. 2344, H.D. 1

RELATING TO SCHOOL FACILITIES.

Chair Todd, Vice Chair Takenouchi, and members of the Committee, thank you for the opportunity to submit testimony on H.B. 2344, H.D. 1.

The Department of Accounting and General Services (DAGS) offers **comments** for H.B. 2344, H.D. 1. This measure establishes a temporary, independent Public School Realignment and Closure Commission to develop and recommend a comprehensive package of school consolidations, realignments, and closures based on federal Base Realignment and Closure Commission to develop and recommend a comprehensive package of school consolidations, realignments, and closures based on the federal Base Realignment and Closure model. Requires and expedited approval process by the Governor and Legislature.

We would recommend that the Public School Realignment and Closure Commission be placed within the Hawai'i State Department of Education (DOE) under HRS §26-12 because its responsibilities which include school consolidations, realignments, and closures are fundamentally educational decisions that require alignment with statewide academic goals and student needs. The DOE oversees public school operations and policy, ensuring these actions are informed by instructional priorities and community engagement. In contrast, the Department of Accounting and General Services (DAGS) under HRS §26-6 focuses on administrative and infrastructure support, which does not encompass the educational considerations essential to this proposed commission's work. Positioning the commission within the DOE promotes coherence, accountability, and trust in shaping Hawai'i's public education system.

We are also concerned that, should this responsibility be placed within DAGS, we lack the resources to be able to provide the commission with administrative support for them to fulfill the duties of the commission. A previous version of this proposal provided \$100,000 in funding but those funds were blanked out in this current version. The lack of funding combined with the lack of resources will result in DAGS not being able to fully support this commission as it would require DAGS to set aside its statutorily established mission. Additionally, even if the \$100,000 is restored, we do not believe that amount would be sufficient for a commission tasked with such a comprehensive and statewide review of public school facilities within the proposed timeframe. The commission's responsibilities include developing criteria, conducting public hearings, analyzing extensive data, and preparing a detailed report with justifications and cost

estimates. These tasks typically require significant resources, including hiring experts, conducting site visits, and ensuring public engagement. Additional funding may be necessary to ensure the commission can meet its deadline and deliver a meaningful report.

Thank you for the opportunity to provide testimony on this measure.



STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 03/03/2026

Time: 02:00 PM

Location: 308 VIA VIDEOCONFERENCE

Committee: FIN

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Title of Bill: HB2344, HD1, RELATING TO SCHOOL FACILITIES.

Purpose of Bill: Establishes a temporary, independent Public School Realignment and Closure Commission to develop and recommend a comprehensive package of school consolidations, realignments, and closures based on the federal Base Realignment and Closure model. Requires an expedited approval process by the Governor and Legislature. Appropriates funds. Effective 7/1/3000. (HD1)

Department's Position:

The Hawai'i State Department of Education (Department) offers comments on House Bill (HB) 2344, H.D. 1.

The Department acknowledges that enrollment has been on a steady decline of approximately 1% annually. It is important to emphasize that school enrollment has not only been declining, but has been shifting as new housing developments have rapidly grown in certain communities. While the enrollment today may mirror the enrollment in 1961, education and the Department's mission has tremendously evolved— and how space is utilized to meet the mission has changed as well. For example, many school spaces are used for various programmatic and student support purposes, e.g., career and technical education, family resource centers, transition centers, food pantries, health centers, etc. Therefore, the Department feels it is important for student learning to be a critical priority in any school consolidation process.

Recommendations and Considerations:

1. The Department recommends the following in Section 2 of the bill:

1. In subsection (c), line 18, remove "department of education" from the list of ineligible entities to serve on the commission, to conform with the amendment made by the House Committee on Education to include an educational administrator on the Commission (page 3, lines 12-13).
2. That subsection (f)(1)(D) be reworded to "Equity considerations, examination of student learning and equity, including the impact of a potential consolidation, realignment, or closure on students, particularly to students most vulnerable."

2. The Department has concerns regarding the implementation timeline in Section 3, "the board of education and department of education shall take all necessary actions

to implement the commission's approved recommendations pursuant to section 3 (k) no later than July 1, 2028." Depending on the recommendations, the Department may potentially require more time in order to ensure appropriate transitions for students, especially those most vulnerable, and personnel matters which may have collective bargaining implications.

Department Approach on School Consolidation

Section 302A-1129, Hawai'i Revised Statutes, authorizes the Board of Education (Board) to open and close schools. Chapter 8-38, Hawai'i Administrative Rules (HAR), Consolidation of Public Schools, sets forth criteria and a process for closing schools, referred to as "consolidation."

The Department is in the process of school consolidations under the requirements of Chapter 8-38, HAR. The Department's approach to school consolidation prioritizes its commitment to student learning and equity. A core value of the process is to ensure that equitable access to resources and opportunities are available for all students, particularly those most vulnerable. The Department acknowledges the fiscal savings considerations that are examined in school consolidation processes, and seeks to balance the fiscal exercise alongside an examination of student opportunities and outcomes.

In alignment with Chapter 8-38, HAR, the Department developed a timeline and phased methodological approach to identifying clusters of schools to be recommended to be studied for potential consolidation. In March 2025, the Department presented to the Board a timeline and approach to conducting a school consolidation study, which began with extensive stakeholder feedback that took place between Fall 2024 to Summer 2025. This engagement included discussions with principals in each of the state's 15 complex areas, former leads and staff during previous school consolidations, and experts and staff from other states that conducted school consolidations. There were common themes raised:

1. Concerns with the timeline and ensuring that teachers and staff would have ample time and opportunity to apply for transfers in the event their school was selected for consolidation, and to allow students and families ample transition time.
2. Maintaining a connection to the school upon its closure. Hawai'i high school graduates, perhaps more than most states, have a strong connection to their schools - it is often part of their identity. Teachers, administrators, and staff also develop a strong connection to their schools. If a school were to close, people have expressed the desire either for something to commemorate the school, or for the school facility/property to be used for a community purpose.
3. Recognition that while there is a steady decline in enrollment statewide, there are areas where the population is growing and schools are running out of space to accommodate the need.

Thank you for the opportunity to testify and offer comments on HB2344, H.D. 1.

JOSH GREEN, M.D.
GOVERNOR



ROY M. TAKUMI
CHAIRPERSON

**STATE OF HAWAII
BOARD OF EDUCATION
PAPA HO'ONA'AUAO**
P.O. BOX 2360
HONOLULU, HAWAII 96804

House Committee on Finance
Tuesday, March 3, 2026
2:00 p.m.
Hawaii State Capitol, Room 308

Measure: House Bill 2344 HD1, Relating to School Facilities

Purpose of Measure:

Establishes a temporary, independent Public School Realignment and Closure Commission to develop and recommend a comprehensive package of school consolidations, realignments, and closures based on the federal Base Realignment and Closure model. Requires an expedited approval process by the Governor and Legislature. Appropriates funds. Effective 7/1/3000.

Aloha Chair Todd, Vice Chair Takenouchi, and Members of the Committee:

The Board of Education (Board) recognizes the intent of and approach proposed in HB2344 HD1 to optimize school facilities, and respectfully offers comments.

The Board agrees the legislation warrants further discussion. The Board also notes that the Department of Education has been steadfastly working on a process to address the downward trend in student enrollment projections – including conducting extensive stakeholder engagement in 2025 – and defers to the Department for specific details on this work.

Mahalo for this opportunity to testify on behalf of the Board.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirty-Third Legislature, State of Hawaii
House of Representatives
Committee on Finance

Testimony by
Hawaii Government Employees Association

March 3, 2026

H.B. 2344, H.D. 1 – RELATING TO SCHOOL FACILITIES

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly opposes the intent and purpose of H.B. 2344 which establishes a temporary, independent Public School Realignment and Closure Commission to develop and recommend a comprehensive package of school consolidations, realignments, and closures based on the federal Base Realignment and Closure model.

The Board of Education (BOE) already maintains a clear, community-centered framework for school consolidation. Chapter 8-38, Hawaii Administrative Rules, outlines the conditions that trigger a consolidation study, establishes required procedures and analytical criteria, and mandates public notice and hearings to ensure meaningful community input before any decisions are made.

The Department of Education has testified that it is currently following this established process and plans to identify schools for potential consolidation by Summer 2027. Creating a new commission at this time is unnecessary. It risks duplicating, conflicting with, or delaying the work already underway.

Thank you for the opportunity to provide testimony on H.B. 2344, H.D. 1.

Respectfully submitted,

Randy Perreira
Executive Director



UNITED PUBLIC WORKERS

AFSCME Local 646, AFL-CIO

**HOUSE OF REPRESENTATIVES
THE THIRTY-THIRD LEGISLATURE
REGULAR SESSION OF 2026**

COMMITTEE ON FINANCE
Rep. Chris Todd, Chair
Rep. Jenna Takenouchi, Vice Chair

Tuesday, March 3, 2026, 2:00 PM
Conference Room 308 & Videoconference

Re: Testimony on HB2344, HD1 – RELATING TO SCHOOL FACILITIES

Chair Todd, Vice Chair Takenouchi, and Members of the Committee:

The United Public Workers, AFSCME Local 646, AFL-CIO (“UPW”) is the exclusive bargaining representative for approximately 14,000 public employees, which includes blue collar, non-supervisory employees in Bargaining Unit 1 and institutional, health, and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties.

UPW is **opposed** to HB2344, HD1, which establishes a temporary, independent Public School Realignment and Closure Commission to develop and recommend a comprehensive package of school consolidations, realignments, and closures based on the federal Base Realignment and Closure (“BRAC”) model. This bill also requires an expedited approval process by the Governor and Legislature.

This bill proposes a process to establish a comprehensive package of school consolidations, realignments, and closures based on a federal BRAC model. We are greatly concerned with applying the BRAC process to determine school consolidation, realignment, and closure. While the primary drivers for BRAC are operational readiness and savings, which may be analogous to right-sizing the number of Hawaii public schools, job loss and community impact are also part of its evaluation criteria.

The disposal of a school, which can often serve as the pride of a community, will have a long-lasting, irreversible effect on targeted communities, especially those that are underserved and rural. Any model developed to address the consolidation or elimination of a military installation is simply not appropriate for schools, particularly given the prescribed timeline in this bill.

We urge the committee to defer this bill.

Mahalo for the opportunity to testify on this measure.

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