



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

Date: 04/08/2026

Time: 01:03 PM

Location: CR 229 & Videoconference

Committee: EDU

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Title of Bill: SCR140, REQUESTING THE DEPARTMENT OF EDUCATION TO STUDY THE IMPACT OF MENTAL HEALTHRELATED ABSENCES ON STUDENT ATTENDANCE AND WELL-BEING.

Purpose of Bill: Requesting The Department Of Education To Study The Impact Of Mental Healthrelated Absences On Student Attendance And Well-being.

Department's Position:

The Hawaii State Department of Education (Department) supports SCR 140 Proposed SD 1 and appreciates the Legislature's focus on identifying effective approaches to aid in addressing the deferred maintenance needs of our schools statewide.

The Department acknowledges the significant challenges posed by aging public infrastructure and the escalating costs of deferred maintenance. Traditional capital improvement and repair approaches alone have not been sufficient to address these needs in a timely or sustainable manner. Energy Savings Performance Contracting (ESPCs) authorized under section 36-41, Hawaii Revised Statutes, provides a viable alternative by allowing infrastructure and energy-efficiency improvements without upfront capital investment, with project costs repaid through guaranteed energy and operational savings.

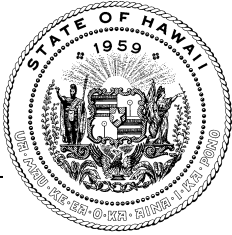
ESPC projects typically include upgrades to lighting, HVAC, water systems, and renewable energy infrastructure. These improvements reduce long-term operating costs while improving facility reliability, comfort, and performance for students and staff.

Other state agencies, including the Department of Transportation and the University of Hawaii Community Colleges, have successfully used ESPCs to reduce deferred maintenance and achieve substantial long-term savings. Their experience demonstrates the potential value of this model when implemented strategically and with appropriate oversight.

The Department is currently in the process of soliciting Energy Savings Performance Contracts and is committed to working with relevant state agencies and qualified

energy service companies to evaluate and implement projects that deliver meaningful savings and facility improvements. The Department will comply with the reporting requirements of this measure and provide the Legislature with information on planned or implemented projects, projected savings, and anticipated impacts on the deferred maintenance backlog.

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



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Testimony of
MARK B. GLICK, Chief Energy Officer

before the
SENATE COMMITTEE ON EDUCATION

Wednesday, April 8, 2026
1:03 PM

State Capitol, Conference Room 229 and Videoconference

Providing Comments on
SR 132 (Proposed SD1)

URGING THE DEPARTMENT OF EDUCATION AND UNIVERSITY OF HAWAII AT MANOA TO ADOPT ENERGY SAVINGS PERFORMANCE CONTRACTING PURSUANT TO SECTION 36-41, HAWAII REVISED STATUTES, AS A PRIMARY STRATEGY TO ADDRESS DEFERRED MAINTENANCE AND INFRASTRUCTURE MODERNIZATION AND IMPROVE ENERGY EFFICIENCY STATEWIDE.

Chair Kim, Vice Chair Kidani, and Members of the Committee, the Hawai'i State Energy Office (HSEO) offers comments on SR 132 (Proposed SD1), which urges the Department of Education and University of Hawai'i at Mānoa to adopt energy savings performance contracting pursuant to section 36-41, Hawai'i Revised Statutes, as a primary strategy to address deferred maintenance and infrastructure modernization and improve energy efficiency statewide.

Since the energy savings performance contracting (ESPC) program was introduced by HSEO in 1996, state and local government agencies in Hawai'i have saved an estimated \$1.1 billion in energy costs over the life of the contracts. In recognition of this success, Hawai'i has been recognized by the Energy Services Coalition (ESC) Race to the Top competition as the state with the highest per capita investment in ESPC projects, demonstrating national leadership and a strong track record of effective implementation.¹

¹ Energy Services Coalition. "ESPC Race to the Top Tally." <https://www.energyservicescoalition.org/espc/table>

Hawai'i State Energy Office

SR 132 (Proposed SD1) - URGING THE DEPARTMENT OF EDUCATION AND
UNIVERSITY OF HAWAII AT MANOA TO ADOPT ENERGY SAVINGS
PERFORMANCE CONTRACTING PURSUANT TO SECTION 36-41, HAWAII
REVISED STATUTES, AS A PRIMARY STRATEGY TO ADDRESS DEFERRED
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ENERGY EFFICIENCY STATEWIDE - Comments

April 8, 2026

Page 2

Pursuant to section 36-41, Hawaii Revised Statutes, ESPC provides an innovative financing mechanism that enables agencies to implement energy efficiency and infrastructure improvements without significant upfront capital investment. By leveraging guaranteed energy savings, ESPC allows agencies to modernize facilities, improve system performance, and achieve long-term cost savings while ensuring fiscal accountability.

The Department of Education's estimated \$2.4 billion deferred maintenance backlog underscores the urgent need for scalable and sustainable solutions. Traditional capital improvement funding has not kept pace with increasing repair and maintenance demands. ESPC offers a practical and proven pathway to accelerate facility modernization, reduce lifecycle costs, and systematically address deferred maintenance across public facilities.

HSEO, in partnership with ESC under the U.S. Department of Energy's ESPC Campaign, is currently assisting the Department of Education with the development of an Invitation for Proposals (IFP) for ESPC projects serving the Maui, Kea'au, and Kealakehe Complex Areas, which is anticipated to be issued at the end of April 2026.

In addition, HSEO and ESC are supporting the John A. Burns School of Medicine (JABSOM) in the development of a Request for Proposals (RFP) for an ESPC project. While a release date has not yet been determined, this effort further demonstrates the expanding use of ESPC as a strategy for addressing deferred maintenance and infrastructure modernization needs within state facilities.

The Department of Education previously initiated an Invitation for Proposals (IFP) for an ESPC project in 2024; however, the procurement was canceled due to the expiration of the State Procurement Office (SPO) Vendor List Contract for ESPC. A new SPO Vendor List Contract took effect on January 6, 2025, enabling agencies to move forward with ESPC procurements. Similarly, the University of Hawai'i issued a Request for Proposals for an ESPC project at the Mānoa campus. While that procurement did

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ENERGY EFFICIENCY STATEWIDE - Comments

April 8, 2026

Page 3

not result in a contract due to changes in the selected energy services company, it provided valuable insights that can inform future solicitations and strengthen subsequent efforts.

Given its demonstrated success, scalability, and ability to address large-scale deferred maintenance challenges, HSEO supports the adoption of ESPC as a primary strategy for modernizing public infrastructure and improving energy efficiency across state agencies, including the Department of Education and the University of Hawai'i at Mānoa.

Thank you for the opportunity to testify.

SR-132

Submitted on: 4/6/2026 8:03:08 PM

Testimony for EDU on 4/8/2026 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Johnnie-Mae L. Perry	Individual	Support	Written Testimony Only

Comments:

I, Johnnie-Mae L. Perry, Support

132 SR REQUESTING THE DEPARTMENT OF EDUCATION TO STUDY THE IMPACT OF MENTAL HEALTH-RELATED ABSENCES ON STUDENT ATTENDANCE AND WELL-BEING.

BULLYING A PROBLEM?