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# A BILL FOR AN ACT

RELATING TO THE SCHOOL FACILITIES AUTHORITY.

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

1           SECTION 1. The legislature finds that Hawaii continues to  
2 suffer from a shortage of licensed teachers as Hawaii's teacher  
3 salaries continue to trail the nation when adjusted for cost of  
4 living. Providing financial incentives and affordable options  
5 for teacher housing are key strategies for the recruitment and  
6 retention of teachers. Teacher housing is also a well-  
7 established tool for teacher recruitment and retention of  
8 educators serving in hard-to-fill areas. As housing represents  
9 a significant portion of each teacher's paycheck, the  
10 legislature recognizes that, at minimum, three sites should be  
11 developed to provide affordable housing options to teachers to  
12 address the ongoing teacher shortage.

13           Accordingly, the purpose of this Act is to:

14           (1) Appropriate funds to the school facilities authority  
15           for the construction of teacher and educator housing  
16           and classrooms; and



1           (2) Provide the school facilities authority with powers  
2                   necessary to expedite these projects on school lands.

3           SECTION 2. Section 302A-1703, Hawaii Revised Statutes, is  
4 amended by amending subsection (c) to read as follows:

5           "(c) Except as otherwise limited by this chapter, the  
6 authority may also:

7           (1) Have a seal and alter the same at its pleasure;

8           (2) Subject to subsection (b), make and execute contracts  
9                   and all other instruments necessary or convenient for  
10                   the exercise of its powers and functions under this  
11                   subpart;

12           (3) Make and alter bylaws for its organization and  
13                   internal management;

14           (4) Adopt rules pursuant to chapter 91 with respect to its  
15                   projects, operations, properties, and facilities,  
16                   including qualifications for persons and entities  
17                   wishing to enter into a public-private partnership  
18                   with the authority, as permitted in paragraph (7);

19           (5) Acquire or contract to acquire by grant or purchase  
20                   real, personal, or mixed property or any interest  
21                   therein; to clear, improve, and rehabilitate and to



- 1 sell, assign, exchange, transfer, convey, lease, or  
2 otherwise dispose of or encumber the same;
- 3 (6) Acquire property by condemnation pursuant to chapter  
4 101;
- 5 (7) Enter into partnerships with qualified persons,  
6 including public-private partnerships, as defined in  
7 the authority's rules, to acquire, construct,  
8 reconstruct, rehabilitate, improve, alter, or provide  
9 for the construction, reconstruction, improvement, or  
10 alteration of any project; and sell, assign, transfer,  
11 convey, exchange, lease, or otherwise dispose of or  
12 encumber any project; and in the case of the sale of  
13 any project, accept a purchase money mortgage in  
14 connection therewith;
- 15 (8) Grant options to purchase any project or to renew any  
16 lease entered into by it in connection with any of its  
17 projects, on terms and conditions as it deems  
18 advisable;
- 19 (9) Prepare or cause to be prepared plans, specifications,  
20 designs, and estimates of costs for the construction,  
21 reconstruction, rehabilitation, improvement, or



1 alteration of any project, and from time to time to  
2 modify the plans, specifications, designs, or  
3 estimates;

4 (10) Procure insurance against any loss in connection with  
5 its property and other assets and operations in  
6 amounts and from insurers as it deems desirable;

7 (11) Apply for and accept gifts or grants in any form from  
8 any public agency or from any other source, including  
9 gifts or grants from private individuals and private  
10 entities;

11 (12) Borrow money or procure loan guarantees from the  
12 federal government for or in aid of any project the  
13 authority is authorized to undertake pursuant to this  
14 chapter. Additionally, in connection with borrowing  
15 or procurement of loan guarantees, the authority:

16 (A) Shall comply with conditions required by the  
17 federal government pursuant to applicable  
18 regulation or required in any contract for  
19 federal assistance;

20 (B) Shall repay indebtedness incurred pursuant to  
21 this section, including any interest thereon;



- 1 (C) May execute loan and security agreements and  
2 related contracts with the federal government;
- 3 (D) May issue bonds pledging revenues, assessments,  
4 or other taxes as security for indebtedness  
5 incurred pursuant to this section; and
- 6 (E) May enter into financing agreements as that term  
7 is defined in section 37D-1;
- 8 (13) Appoint or retain by contract one or more attorneys  
9 who are independent of the attorney general to provide  
10 legal services solely in cases of negotiations in  
11 which the attorney general lacks the sufficient  
12 expertise; provided that the independent attorney  
13 shall consult and work in conjunction with the  
14 designated deputy attorney general;
- 15 (14) Use the department of human resources development to  
16 recruit, hire, and retain exempt employees,  
17 architects, engineers, existing civil service  
18 positions, and other technical positions for the  
19 development, planning, and construction related to  
20 capital improvement projects; [~~and~~]



1        (15) Partner with public and private development agencies  
2        to develop teacher and educator housing and  
3        classrooms; and

4        [~~(15)~~] (16) Do any and all things necessary to carry out its  
5        purposes and exercise the powers given and granted in  
6        this subpart."

7        SECTION 3. With the approval of the governor, designated  
8        expending agencies for capital improvement projects authorized  
9        in this Act may delegate to other state or county agencies the  
10       authority to implement projects when it is determined  
11       advantageous to do so by both the original expending agency and  
12       the agency to which expending authority is to be delegated.

13       SECTION 4. There is appropriated out of the general  
14       revenues of the State of Hawaii the sum of \$185,000,000 or so  
15       much thereof as may be necessary for fiscal year 2023-2024 and  
16       the same sum or so much thereof as may be necessary for fiscal  
17       year 2024-2025 for the construction of teacher and educator  
18       housing and classrooms on the following campuses for the  
19       following amounts:

- |    |     |                      |              |
|----|-----|----------------------|--------------|
| 20 | (1) | Mililani high school | \$65,000,000 |
| 21 | (2) | Nanakuli high school | \$60,000,000 |



1           The sums appropriated shall be expended by the school  
2 facilities authority for the purposes of this Act.

3           SECTION 5. Statutory material to be repealed is bracketed  
4 and stricken. New statutory material is underscored.

5           SECTION 6. This Act shall take effect on July 1, 2050.



**Report Title:**

Department of Education; School Facilities Authority; Teacher Housing; Appropriation

**Description:**

Authorizes the School Facilities Authority to partner with public and private agencies to develop teacher and educator housing. Authorizes the School Facilities Authority to transfer appropriated funds to partner state agencies for the development of teacher and educator housing. Appropriates funds to the School Facilities Authority for the construction of teacher and educator housing and classrooms. Specifies Nanakuli High School, Waipahu High School, and Mililani High School as initial locations for the construction. Effective 7/1/2050. (SD2)

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

