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# A BILL FOR AN ACT

RELATING TO FUNDING ADJUSTMENTS FOR STATE PROGRAMS.

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

1 SECTION 1. This Act is recommended by the governor for  
2 immediate passage in accordance with section 9 of article VII of  
3 the Constitution of the State of Hawaii.

4 SECTION 2. In prior years, the respective budget acts  
5 contained a budget proviso such as section 72 of Act 88, Session  
6 Laws of Hawaii 2021, the General Appropriations Act of 2021 (Act  
7 88), which permitted departments to transfer funds between their  
8 programs provided that the legislature was informed of the  
9 transfers. However, section 8 of Act 248, Session Laws of  
10 Hawaii 2022, the Supplemental Appropriations Act of 2022,  
11 repealed section 72 of Act 88, and Act 250, Session Laws of  
12 Hawaii 2025, the General Appropriations Act of 2025, did not  
13 reinstate the proviso. Consequently, although funds were  
14 appropriated to various state departments for their operating  
15 programs for fiscal year 2025-2026, the proviso's elimination  
16 limits the ability of departments to transfer funds between  
17 their programs to address changing conditions.

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1 The purpose of this Act is to address the omission of the  
2 transfer proviso by providing fourth quarter funding for  
3 existing programs and adjusting funding for various programs to  
4 be commensurate with their anticipated levels of activity. The  
5 emergency appropriation and the funding adjustment made in this  
6 Act are budget neutral.

7 SECTION 3. Act 250, Session Laws of Hawaii 2025, is  
8 amended as follows:

9 (1) By adding new sections to read as follows:

10 "SECTION . The following sums or so much thereof as may  
11 be necessary for fiscal year 2025-2026 are appropriated out of  
12 the general revenues of the State of Hawaii to the following  
13 programs within the department of \_\_\_\_\_ for the  
14 purpose of continuing existing programs and operations.

## 15 PROGRAM AMOUNT

16 " "

17 (2) By amending sections and appropriations to read as  
18 follows:

19 "SECTION . Of the appropriations out of the general  
20 revenues of the State of Hawaii to the following programs within  
21 the department of \_\_\_\_\_, the following amounts are  
22 reduced.

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1	PROGRAM	AMOUNT
2	_____	"
3	SECTION 4. Statutory material to be repealed is bracketed	
4	and stricken. New statutory material is underscored.	

5 SECTION 5. This Act shall take effect upon its approval.

6

7 INTRODUCED BY: Nedick K. Nahm

8 BY REQUEST  
JAN 26 2026

# H.B. NO. 2274

**Report Title:**

Funds; Emergency Appropriations

**Description:**

Appropriates general funds to various programs due to anticipated operating shortfalls because of the lack of authority to transfer funds between programs.

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

JUSTIFICATION SHEET

DEPARTMENT: Budget and Finance

TITLE: A BILL FOR AN ACT RELATING TO FUNDING ADJUSTMENTS FOR STATE PROGRAMS.

PURPOSE: To provide general fund appropriations to various departments to meet operating budget shortfalls due to the limited ability to transfer funds between programs within the same department and to make related general fund reductions to offset aforementioned additions.

MEANS: Amend Act 250, Session Laws of Hawaii (SLH) 2025.

JUSTIFICATION: Act 250, SLH 2025, did not contain provisions providing the Governor with authority to transfer funds for operating purposes among programs within departments. In the past, this authority was previously used by the Governor to address program shortfalls within departments. Because this authority was removed, it is expected that programs may face operating budget shortfalls in the third quarter of fiscal year 2025-2026 that require this bill as a vehicle to address.

Impact on the public: This bill provides a means for departments to address operating budget shortfalls due to the limited ability to transfer funds. This will ensure continued departmental services and operations that serve the public good.

Impact on the department and other agencies: This bill will benefit the departments that require funds to meet operating shortfalls.

GENERAL FUND: Undetermined.

OTHER FUNDS: Undetermined.

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PPBS PROGRAM  
DESIGNATION: Various.

OTHER AFFECTED  
AGENCIES: Departments that require emergency  
appropriation to address operating  
shortfalls that were previously addressed  
through the transfer of funds.

EFFECTIVE DATE: Upon approval.