

JAN 23 2026

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# A BILL FOR AN ACT

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RELATING TO NON-GENERAL FUNDS.

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

1       SECTION 1. The legislature finds that fluctuating federal  
2 policies continue to cause widespread challenges across the  
3 country, including reduced funding for federal and state  
4 programs that provide essential community services. To address  
5 these often sudden changes, the executive branch must have the  
6 ability to adapt to fluctuating revenue projections by shifting  
7 available moneys.

8       Accordingly, the purpose of this Act is to allow the moneys  
9 in certain special or revolving funds to be used for  
10 administrative and operating costs of the related programs.

11       SECTION 2. Section 163D-17, Hawaii Revised Statutes, is  
12 amended by amending subsection (b) to read as follows:

13       "(b) The corporation shall hold the fund in an account or  
14 accounts separate from other funds. The corporation shall  
15 invest and reinvest the fund and the income thereof to:

- 16       (1) Purchase qualified securities issued by enterprises  
17       for the purpose of raising seed capital; provided that



1           the investment shall comply with the requirements of  
2           this chapter;

3           (2) Make grants, loans, and provide other monetary forms  
4           of assistance necessary to carry out the purposes of  
5           this chapter; and

6           (3) Purchase securities as may be lawful investments for  
7           fiduciaries in the State.

8           All appropriations, grants, contractual reimbursements, and  
9 other funds not designated for this purpose may be used to pay  
10 for the proper general expenses and to carry out the purposes of  
11 the corporation[~~-~~], including for personnel and other operating  
12 costs."

13           SECTION 3. Section 206E-16, Hawaii Revised Statutes, is  
14 amended to read as follows:

15           **"§206E-16 Hawaii community development special fund.**

16 There is created the Hawaii community development special fund  
17 into which all receipts and revenues of the authority shall be  
18 deposited. Proceeds from the fund shall be used for the  
19 purposes of this chapter[~~-~~], including the costs of its  
20 administration."



SECTION 4. Section 206M-62, Hawaii Revised Statutes, is amended to read as follows:

"[~~§~~206M-62~~§~~] **Strategic development programs revolving fund.** (a) There is established the strategic development programs revolving fund. The following moneys shall be deposited into the strategic development programs revolving fund and shall not be considered part of the general fund: all moneys appropriated by the legislature, received as repayments of loans, earned on investments, received pursuant to a venture agreement, received as royalties, received as premiums or fees charged by the development corporation, or otherwise received by the development corporation.

(b) Moneys in the strategic development programs revolving fund shall be used for the following purposes:

(1) To administer and fund the cost of operations of strategic development programs under part V of chapter 206M; and

(2) For any other purpose deemed necessary to carry out the purposes of part V of chapter 206M."

SECTION 5. Section 302A-1706, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

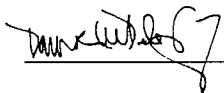


1        "(c) The school facilities special fund shall be  
2 administered by the authority and used to fund any school  
3 development, planning, or construction project, including  
4 prekindergarten facilities, within the jurisdiction of the  
5 authority~~[-]~~, including the cost of operations."

6        SECTION 6. Statutory material to be repealed is bracketed  
7 and stricken. New statutory material is underscored.

8        SECTION 7. This Act shall take effect upon its approval.

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INTRODUCED BY: 



# S.B. NO. 2598

**Report Title:**

Special Funds; Revolving Funds

**Description:**

Authorizes the use of moneys in certain special and revolving funds for operation and administration costs of the programs.

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

