

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



GOV. MSG. NO. 1248

EXECUTIVE CHAMBERS  
KE KE'ENA O KE KIA'ĀINA

June 25, 2026

The Honorable Ronald D. Kouchi  
President of the Senate,  
and Members of the Senate  
Thirty-Third State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Nadine K. Nakamura  
Speaker, and Members of the  
House of Representatives  
Thirty-Third State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on June 25, 2026, the following bill was signed into law:

S.B. NO. 2598, H.D. 1, C.D. 1      RELATING TO NON-GENERAL FUNDS.  
**ACT 147**

Mahalo,

A handwritten signature in black ink that reads "Josh Green M.D.".

Josh Green, M.D.  
Governor, State of Hawai'i

# A BILL FOR AN ACT

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]~~ use 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) Acquire interests or rights in land having value to  
4 the State for agricultural production, agricultural  
5 infrastructure, irrigation, watershed protection  
6 related to agricultural viability, or other purpose  
7 consistent with this chapter. The interests or rights  
8 in land acquired may include the fee title, the  
9 establishment of a permanent conservation easement  
10 under chapter 198, an agricultural easement; or other  
11 easement or interest in the land. The acquisition  
12 shall constitute a public purpose for which public  
13 funds may be expended or advanced;

14 (3) Pay costs related to the operation, maintenance, and  
15 management of lands acquired under paragraph (2) that  
16 are necessary to protect, maintain, or restore  
17 resources that are at risk on those lands, or that  
18 provide for greater public access and enjoyment of the  
19 lands; provided that the payment of costs from the  
20 fund related to the operation, maintenance, and  
21 management of lands acquired under paragraph (2) shall



1           not exceed five per cent of the fund's annual fund  
2           revenues for the previous year;

3           (4) Pay debt service on state financial instruments  
4           relating to the acquisition of land under paragraph  
5           (2);

6           ~~(2)~~ (5) Make grants, loans, and provide other monetary  
7           forms of assistance necessary to carry out the  
8           purposes of this chapter; and

9           ~~(3)~~ (6) Purchase securities as may be lawful investments  
10           for fiduciaries in the State.

11           All appropriations, grants, contractual reimbursements, and  
12 other funds not designated for this purpose may be used to pay  
13 for the proper general expenses and to carry out the purposes of  
14 the corporation~~(-)~~, including for personnel and other operating  
15 costs.

16           Any net proceeds or revenue from the operation, management,  
17 sale, lease, or other disposition of land or the improvements on  
18 the land acquired or constructed by the board under this chapter  
19 shall be deposited into or credited to the fund."

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



1           "~~S206E-16~~ **Hawaii community development special fund.**  
2   There is created the Hawaii community development special fund  
3   into which all receipts and revenues of the authority shall be  
4   deposited. Proceeds from the fund shall be used for the  
5   purposes of this chapter~~(-)~~, including the costs of its  
6   administration."

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

9           "~~{}~~**S206M-62**~~{}~~ **Strategic development programs revolving**  
10 **fund.** (a) There is established the strategic development  
11 programs revolving fund. The following moneys shall be  
12 deposited into the strategic development programs revolving fund  
13 and shall not be considered part of the general fund: all  
14 moneys appropriated by the legislature, received as repayments  
15 of loans, earned on investments, received pursuant to a venture  
16 agreement, received as royalties, received as premiums or fees  
17 charged by the development corporation, or otherwise received by  
18 the development corporation.

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



- 1        (1) To administer and fund the cost of operations of
- 2                strategic development programs under part V of
- 3                chapter 206M; and
- 4        (2) For any other purpose deemed necessary to carry out
- 5                the purposes of part V of chapter 206M."

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

8        "(c) The school facilities special fund shall be  
9 administered by the authority and used to fund any school  
10 development, planning, or construction project, including  
11 prekindergarten facilities, within the jurisdiction of the  
12 authority[-], including the cost of operations."

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

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



S.B. NO. 2598  
H.D. 1  
C.D. 1

APPROVED this 25th day of June , 2026

A handwritten signature in black ink, appearing to read 'Ike' followed by a stylized flourish.

GOVERNOR OF THE STATE OF HAWAII


**THE SENATE OF THE STATE OF HAWAI'I**

Date: May 6, 2026  
Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Third Legislature of the State of Hawai'i, Regular Session of 2026.



President of the Senate



Clerk of the Senate

SB No. 2598, HD 1, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 6, 2026  
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2026.



Nadine K. Nakamura  
Speaker  
House of Representatives



Brian L. Takeshita  
Chief Clerk  
House of Representatives