

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



GOV. MSG. NO. 1360

EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

July 15, 2026

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

The Honorable Nadine 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:

Pursuant to the notice requirement of Section 16 Article III of the Constitution of the State of Hawaii, I am transmitting herewith the following bill with specific appropriation items stricken or reduced and my official statement of objections to the specific items contained in the bill:

S.B. 2600 RELATING TO THE GENERAL FUND.

Mahalo,

A handwritten signature in black ink, appearing to read "Josh Green".

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

EXECUTIVE CHAMBERS

HONOLULU

July 15, 2026

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 2600

Honorable Members
Thirty-Third Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, Senate Bill No. 2600, entitled "A Bill for an Act Relating to the General Fund."

The purpose of this bill is to dispose of excess general fund revenues, as required by Section 6 of Article VII of the Hawai'i Constitution, by appropriating funds to be deposited into the Emergency and Budget Reserve Fund.

This bill is objectionable because given the State's significant fiscal obligations, including the need to expand affordable housing and address the rising cost of living for our residents, the transfer of \$50,000,000 to the Emergency and Budget Reserve Fund, the State's rainy day fund, designated in section 2 on page 2 of the bill, would not be fiscally prudent. I therefore object to the transfer.

The Emergency and Budget Reserve Fund is already adequately capitalized, with an existing balance of approximately \$1,592,000,000. Considering the Fund's current financial condition, the transfer is not necessary to ensure the Fund's continued operations or financial stability. Retaining these general funds will preserve the State's fiscal flexibility and strength in its ability to respond to evolving economic conditions, unforeseen contingencies, and other critical public needs. Sound financial management requires that limited general funds be conserved and allocated to the State's highest priority obligations, particularly during this period of economic uncertainty and changing fiscal demands.

Section 16 of Article III of the Constitution of the State of Hawai'i provides that, "[e]xcept for items appropriated to be expended by the judicial and legislative branches, the governor may veto any specific item or items in any bill which

STATEMENT OF OBJECTIONS
SENATE BILL NO. 2600
Page 2

appropriates money for specific purposes by striking out or reducing the same."

Because of the foregoing objections, pursuant to my line-item veto authority, I have reduced the \$50,000,000 general fund appropriation for fiscal year 2026-2027 for deposit into the Emergency and Budget Reserve Fund in section 2 to \$1 (page 2, line 13).

For the foregoing reasons, I am returning Senate Bill No. 2600 with the reduction set forth above totaling \$49,999,999 in the general fund appropriation for fiscal year 2026-2027.

Respectfully,

A handwritten signature in black ink, appearing to read "Josh Green", with a stylized, flowing script.

JOSH GREEN, M.D.
Governor of Hawai'i

A BILL FOR AN ACT

RELATING TO THE GENERAL FUND.

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

1 SECTION 1. The legislature finds that article VII,
2 section 6, of the Hawaii State Constitution requires the
3 legislature to dispose of excess general fund revenues when
4 certain factors are met, as follows:

- 5 (1) Provide for a tax refund or tax credit to the
6 taxpayers of the State, as provided by law;
- 7 (2) Make a deposit into one or more funds, as provided by
8 law, which shall serve as temporary supplemental
9 sources of funding for the State in times of an
10 emergency, economic downturn, or unforeseen reduction
11 in revenue, as provided by law; or
- 12 (3) Appropriate general funds for the pre-payment of
13 either or both of the following, as provided by law:
- 14 (A) Debt service for general obligation bonds issued
15 by the State; or
- 16 (B) Pension or other post-employment benefit
17 liabilities accrued for state employees.



1 The legislature finds that the necessary factors have been
2 met for two successive fiscal years and that the legislature is
3 constitutionally required to dispose of excess tax revenues, as
4 authorized under article VII, section 6, of the Hawaii State
5 Constitution.

6 Accordingly, the purpose of this Act is to implement
7 article VII, section 6, of the Hawaii State Constitution by
8 making a deposit of \$50,000,000 into the emergency and budget
9 reserve fund established under section 328L-3, Hawaii Revised
10 Statutes.

11 SECTION 2. In accordance with article VII, section 6, of
12 the Hawaii State Constitution, there is appropriated out of the
13 general revenues of the State of Hawaii the sum of ~~\$50,000,000~~ ^{\$1} 9A
14 or so much thereof as may be necessary for fiscal year 2026-2027
15 for deposit into the emergency and budget reserve fund
16 established under section 328L-3, Hawaii Revised Statutes.

17 SECTION 3. This Act shall take effect on July 1, 2026.

S.B. NO. 2600
S.D. 1
H.D. 1
C.D. 1

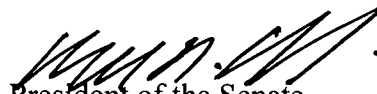
APPROVED this day of , 2026

GOVERNOR OF THE STATE OF HAWAI'I

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. 2600, SD 1, HD 1, CD 1

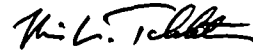
THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

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