

Honolulu, Hawaii

MAR 06 , 2026

RE: H.B. No. 2280
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Finance, to which was referred H.B. No. 2280 entitled:

"A BILL FOR AN ACT RELATING TO THE EMERGENCY AND BUDGET RESERVE FUND,"

begs leave to report as follows:

The purpose of this measure is to appropriate funds out of the Emergency and Budget Reserve Fund, also known as the "Rainy Day" Fund, for fiscal year 2026-2027 to maintain the levels of programs determined to be essential to education, public health, and public welfare, provide for countercyclical economic and employment programs of economic downturn, restore destroyed or damaged facilities or services disrupted by disaster, and address other emergencies or urgent needs.

Your Committee received testimony in support of this measure from the Office of the Governor; Department of Education; Department of Budget and Finance; Hawai'i Primary Care Association; and one individual.

Your Committee anticipates that the State will face fiscal pressures in fiscal year 2026-2027 due to increased costs of disaster response and recovery, to respond to public health and housing affordability challenges, and to ensure the delivery of public services in light of economic uncertainty and escalating



costs. Your Committee finds that the Emergency and Budget Reserve Fund is established as a temporary, supplemental source of funding during times of emergency, severe economic downturn, or unforeseen reduction in revenues and is an appropriate source of funds for anticipated needs during fiscal year end 2027.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2280, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2280, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



CHRIS TODD, Chair



