

Honolulu, Hawaii

**APR 09** , 2026

RE: S.B. No. 2921  
S.D. 1  
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 S.B. No. 2921, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO STATE FUNDS,"

begs leave to report as follows:

The purpose of this measure is to transfer to the general fund the balances of various non-general fund account balances that exceed one year's operating expenses.

Your Committee received testimony in support of this measure from the Grassroot Institute of Hawaii. Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources; Department of Labor and Industrial Relations; Department of Transportation; Judiciary; Department of Education; University of Hawai'i System; Hawaii Public Housing Authority; Hawai'i State Public Library System; American Beverage Association; Hilo Benioff Medical Center Foundation; American Car Rental Association; Mohala Health; Consumer Technology Association; Hawaii Healthcare Task Force; and five individuals. Your Committee received comments on this measure from the Department of Human Services; Department of Accounting and General Services; Department of Taxation; Department of Business, Economic Development, and Tourism; Department of Health; State Council on Mental Health; Hawaii Housing Finance and Development Corporation;

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Hawai'i Tourism Authority; Hawaii Community Development Authority; State Health Planning and Development Agency; Creative Industries Division and Business Development and Support Division of the Department of Business, Economic Development, and Tourism; Tax Foundation of Hawaii; Natural Energy Laboratory of Hawaii Authority; and Manoa Botanicals.

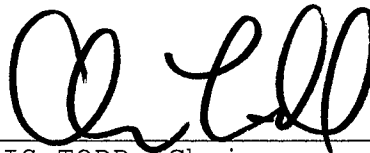
Your Committee finds that uncertainty in federal funding and broader economic conditions may adversely affect the State's fiscal stability and its ability to sustain essential programs. Your Committee further finds that transferring excess balances from non-general fund accounts will help strengthen the general fund and improve the State's preparedness to address potential fiscal disruptions.

Your Committee has amended this measure by:

- (1) Removing the various non-general fund accounts; and
- (2) Changing the effective date to July 1, 3000, to encourage further discussion.

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 S.B. No. 2921, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2921, S.D. 1, 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



