

STAND. COM. REP. NO. 2964

Honolulu, Hawaii

**MAR 06 2026**

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

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2921 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to transfer excess balances from various non-general funds and programs to the general fund for fiscal year 2026-2027.

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 Judiciary, Department of Labor and Industrial Relations, Department of Commerce and Consumer Affairs, University of Hawaii, Department of Corrections and Rehabilitation, Department of Land and Natural Resources, Department of Education, State Procurement Office, Disability and Communication Access Board, State Foundation on Culture and the Arts, Hawaii Public Housing Authority, Hawaii State Public Library System, Crime Victim Compensation Commission, County of Hawaii Office of the Prosecuting Attorney, Hawaii Justice Foundation, American Beverage Association, Volunteer Legal Services Hawaii, The Sex Abuse Treatment Center, Consumer Technology Association, Hawaii, Hawaii State Coalition Against Domestic Violence, Legal Aid Society of Hawaii, Hawaii Access to Justice Commission, and four individuals.

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Your Committee received comments on this measure from the Department of Accounting and General Services; Department of Business, Economic Development and Tourism; Department of Hawaiian Home Lands; Department of the Attorney General; Department of Human Services; Hawaii Department of Health; Department of Taxation; Office of Planning and Sustainable Development; 911 Board; Foreign-Trade Zone; Hawaii Tourism Authority; Hawaii Housing Finance and Development Corporation; Hawaii Community Development Authority; Hawaii Green Infrastructure Authority; Agribusiness Development Corporation; Hawaii Creative Industries; Hawaii Technology Development Corporation; Natural Energy Laboratory of Hawaii Authority; Healthcare Association of Hawaii; Volunteer Legal Services Hawaii; Tax Foundation of Hawaii; State Center for Nursing; and Trust for Public Land.

Your Committee finds that the State is facing heightened fiscal uncertainty due to shifting federal policies and potential reductions in federal funding, which may impact the State's ability to sustain essential programs that currently rely on federal support. Your Committee believes that the transfers authorized by this measure will help the State maintain fiscal flexibility through the prudent management of moneys that do not require immediate use, and that the transfers are critical to ensuring the continuity of government services during a period of economic uncertainty.

Your Committee has amended this measure by:

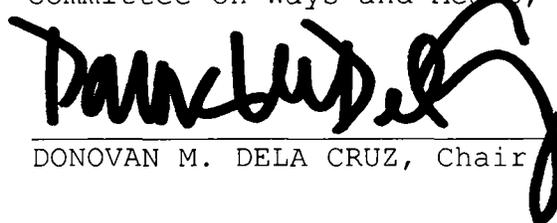
- (1) Specifying that the purpose of the measure is to transfer to the general fund certain non-general fund account balances that exceed one year's operating expenses;
- (2) Deleting various funds from the measure's list of non-general funds and programs;
- (3) Adding to the measure's list of non-general funds and programs:
  - (A) Library fee for enhanced services special fund;
  - (B) Water and land development special fund; and



- (C) Dam and appurtenance improvement or removal grant program special fund; and
- (4) Authorizing, rather than requiring, the Director of Finance to transfer certain moneys; and
- (5) Further clarifying the intent of the Act.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2921, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2921, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair



