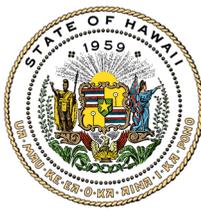


JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



TOMMY JOHNSON
DIRECTOR

Melanie Martin
Deputy Director
Administration

Vacant
Deputy Director
Correctional Institutions

Sanna Muñoz
Deputy Director
Rehabilitation Services
and
Programs

STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII
**DEPARTMENT OF CORRECTIONS
AND REHABILITATION**
*Ka 'Oihana Ho'omalua Kalaima
a Ho'oponopono Ola*
1177 Alakea Street
Honolulu, Hawaii'i 96813

No. _____

TESTIMONY ON HOUSE BILL 2274
RELATING TO FUNDING ADJUSTMENTS FOR STATE PROGRAMS.

by
Tommy Johnson, Director
Department of Corrections and Rehabilitation

House Committee on Finance
Representative Chris Todd, Chair
Representative Jenna Takenouchi, Vice Chair

February, 19, 2026; 2:00 p.m.
State Capitol, Conference Room 308 & via Videoconference

Chair Todd, Vice Chair Takenouchi, and Members of the Committee:

The Department of Corrections and Rehabilitation (DCR) **supports** House Bill (HB) 2274, which seeks to provide general fund appropriations to various departments to meet operating budget shortfalls due to the limited ability to transfer funds between programs within the same department and to make related general fund reductions to offset aforementioned additions.

DCR requests the inclusion of the following transfers, as approved by the Department of Budget and Finance on February 3, 2026 (attached approval), in the emergency appropriations for fiscal year 2025-2026 for operating shortfalls in quarter 3 funding for PSD 405 – Hawai'i Community Correctional Center (HCCC), and to adjust funding for other programs that will result for the adjustments to be budget neutral.

Transfer From:

PSD410 ISC (\$1,000,000)
PSD808 NSF (\$1,600,000)

Transfer To:

PSD405 HCCC \$2,600,000

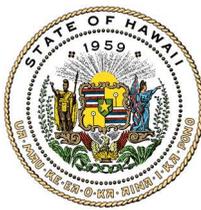
HB 2274 Relating to Funding Adjustments for State Programs.
February 19, 2026
Page 2

The transfer in to HCCC is necessary in order to make payroll obligations in the third quarter as well as other current expenses that need to be addressed.

Thank you for the opportunity to provide testimony in **support** of HB 2274.

Encl.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



TOMMY JOHNSON
DIRECTOR

Melanie Martin
Deputy Director
Administration

Vacant
Deputy Director
Correctional Institutions

Sanna Muñoz
Deputy Director
Rehabilitation Services
and
Programs

No. 2026-0061

STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII
**DEPARTMENT OF CORRECTIONS
AND REHABILITATION**
*Ka 'Oihana Ho'omalua Kalaima
a Ho'oponopono Ola*
1177 Alakea Street
Honolulu, Hawaii 96813

January 28, 2026

TO: The Honorable Seth S. Colby, Ph.D., Acting Director
Department of Budget & Finance

FROM: Tommy Johnson, Director 
Department of Corrections and Rehabilitation

SUBJECT: REQUEST FOR TRANSFER OF FUNDS TO BE INCLUDED IN
EMERGENCY APPROPRIATION TRANSFER BILL FOR THIRD
QUARTER

The Department of Corrections and Rehabilitation (DCR) requests the following additional general funds as emergency appropriations for Fiscal Year 2025-2026 for operating shortfalls in quarter 3 funding for PSD405 – Hawaii Community Correctional Center (HCCC). We request that funding adjustments be made to the DCR programs identified below to fund the emergency appropriation to make the funding adjustments budget neutral. DCR respectfully requests that these adjustments be identified in HB2275/SB3094, Relating to Funding Adjustments for State Programs or any other fund transfer option available to the Executive Branch.

Program ID	From	To
PSD410 ISC	(1,000,000)	
PSD808 NSF	(1,600,000)	
PSD405 HCCC		2,600,000
Total	0	0

PSD 405 – HCCC is the most overcrowded facility in the State. As of January 19, 2026, HCCC housed a total of 281 inmates which is 24% over its operating capacity of 226. The emergency appropriation will ensure that we have sufficient funds to pay for payroll shortfall and higher operational costs in quarter 3.

Att - 001

REQUEST FOR TRANSFER OF FUNDS TO BE
INCLUDED IN EMERGENCY APPROPRIATION TRANSFER BILL

January 28, 2026

Page 2

Your favorable support for this request is greatly appreciated. Should you or your staff have any questions, please contact Teresita V. Fernandez, Business Management Officer, at (808) 587-1235 or via email at teresita.v.fernandez@hawaii.gov or Lester Lau, Operating Budget Supervisor, at (808) 587-1238 or via email at lester.g.lau@hawaii.gov.

APPROVE / DISAPPROVE



Seth S. Colby, Ph.D.
Acting Director of Finance

Feb 3, 2026

Date



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

SETH S. COLBY, Ph.D.
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

TESTIMONY BY SETH S. COLBY, Ph.D.
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 2274

February 19, 2026
2:00 p.m.
Room 308 and Videoconference

RELATING TO FUNDING ADJUSTMENTS FOR STATE PROGRAMS

The Department of Budget and Finance (B&F) supports this Administration proposal.

The Departments of Corrections and Rehabilitation (DCR) and Human Services (DHS) have requested cost-neutral general fund transfers to address operating shortfalls. All requested departmental transfers to date may be accomplished in an amendment to H.B. No. 2275, as B&F has only received departmental transfer requests for the third quarter of FY 26.

Thank you for your consideration of our comments.