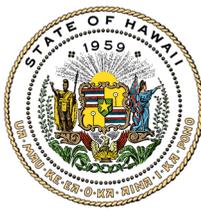


JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



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 HAWAI'I  
**DEPARTMENT OF CORRECTIONS  
AND REHABILITATION**  
*Ka 'Oihana Ho'omalau Kalaima  
a Ho'oponopono Ola*  
1177 Alakea Street  
Honolulu, Hawai'i 96813

No. \_\_\_\_\_

TESTIMONY ON HOUSE BILL 2275  
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) 2275, 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 (see 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

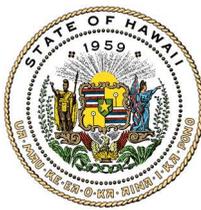
HB 2275 Relating to Funding Adjustments for State Programs.  
February 19, 2026  
Page 2

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 2275.

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'i 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
<b>Total</b>	<b>0</b>	<b>0</b>

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

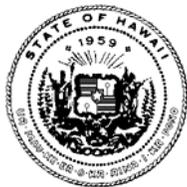
Your favorable support for this request is greatly appreciated. Should you or your staff have any questions, please contact Teresita V. Fernandez, Business Management Officer, at (808) 587-1235 or via email at [teresita.v.fernandez@hawaii.gov](mailto:teresita.v.fernandez@hawaii.gov) or Lester Lau, Operating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



RYAN I. YAMANE  
DIRECTOR  
KA LUNA HO'OKELE

JOSEPH CAMPOS II  
DEPUTY DIRECTOR  
KA HOPE LUNA HO'OKELE

STATE OF HAWAII  
KA MOKU'ĀINA O HAWAI'I  
**DEPARTMENT OF HUMAN SERVICES**  
KA 'OIHANA MĀLAMA LAWELawe KANAKA  
Office of the Director  
P. O. Box 339  
Honolulu, Hawaii 96809-0339

TRISTA SPEER  
DEPUTY DIRECTOR  
KA HOPE LUNA HO'OKELE

February 18, 2026

TO: The Honorable Representative Chris Todd, Chair  
House Committee on Finance

FROM: Ryan I. Yamane, Director

SUBJECT: **HB 2275 – RELATING TO FUNDING ADJUSTMENTS FOR STATE PROGRAMS.**

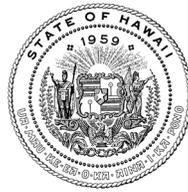
Hearing: February 19, 2026, 2:00 p.m.  
Conference Room 308 & Videoconference, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) supports this administration measure, defers to the Department of Budget & Finance, and provides comments.

DHS requires authorization to transfer funds back to the necessary program IDs to meet the 3rd Quarter State Fiscal Year 2026 requirements. These funds were initially transferred to HMS 903 in response to the 2025 federal government shutdown to prevent widespread food insecurity among Supplemental Nutrition Assistance Program recipients and other residents affected by the shutdown. The funds to be transferred back to the appropriate program IDs include \$14,248,126, which is part of the funds requested in the administration's emergency appropriation bill, HB 2310, and the Senate's version, SB 2211 SD1.

For the committee's information, DHS used the transfers to establish the Hawaii Emergency Food Assistance Program (HEFAP) and to provide additional community resources to reduce food insecurity. The HEFAP provided a one-time \$250 food benefit to eligible SNAP recipient households.

Thank you for the opportunity to provide testimony on this measure.



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. 2275

**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 these Administration proposals. B&F has attached a proposed H.D. 1 to House Bill (H.B.) No. 2275 incorporating requested transfers for the Committee's consideration.

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.

DCR has requested the transfer of \$1,000,000 in general funds from PSD 410, Intake Services Center, and \$1,600,000 in general funds from PSD 808, Non-State Facilities, for transfer to PSD 405, Hawai'i Community Correctional Center. A total transfer of \$2,600,000 is needed to fund anticipated shortfalls in payroll and operational costs in the third quarter of FY 26. Per DCR, PSD 410 and PSD 808 will not be adversely affected by the proposed transfers.

DHS has several transfers related to the federal government shutdown that began on October 1, 2025. At that time, there was a lack of access to federal funding for the Supplemental Nutrition Assistance Program (SNAP). Over 168,000 individuals were expected to miss out on monthly SNAP benefits during the shutdown, beginning in November, as a result. In response, the Governor approved the release of \$12,151,160 in restrictions and the transfer of \$26,712,970 in general funds to HMS 903, General Support for Self-Sufficiency Services, pursuant to Section 49 of Act 250, SLH 2025, to fund the Hawai'i Emergency Food Benefit Program, which provided benefits to SNAP beneficiaries.

The Program IDs from which funds were transferred, and which now require cost-neutral transfers in the third quarter of FY 26, are as follows:

Program ID	Program Title
HMS 211	Cash Support for Families – Self-Sufficiency
HMS 220	Rental Housing Services
HMS 222	Rental Assistance Services
HMS 229	Hawai'i Public Housing Authority Administration
HMS 236	Case Management for Self-Sufficiency
HMS 237	Employment and Training
HMS 301	Child Protective Services
HMS 302	General Support for Child Care
HMS 401	Health Care Payments
HMS 501	In-Community Youth Programs
HMS 555	Office of Wellness and Resilience
HMS 601	Adult Protective and Community Services
HMS 777	Office on Homelessness and Housing Solutions
HMS 802	Vocational Rehabilitation
HMS 888	Hawai'i State Commission on the Status of Women
HMS 901	General Support for Social Services
HMS 902	General Support for Health Care Payments
HMS 904	General Administration for DHS

Thank you for your consideration of our comments.

Attachment

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# A BILL FOR AN ACT

RELATING TO FUNDING ADJUSTMENTS FOR STATE PROGRAMS.

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

1           SECTION 1. This Act is recommended by the governor for  
2 immediate passage in accordance with section 9 of article VII of  
3 the Constitution of the State of Hawaii.

4           SECTION 2. In prior years, the respective budget acts  
5 contained a budget proviso such as section 72 of Act 88, Session  
6 Laws of Hawaii 2021, the General Appropriations Act of 2021  
7 (Act 88), which permitted departments to transfer funds between  
8 their programs, provided that the legislature was informed of  
9 the transfers. However, section 8 of Act 248, Session Laws of  
10 Hawaii 2022, the Supplemental Appropriations Act of 2022,  
11 repealed section 72 of Act 88, and Act 250, Session Laws of  
12 Hawaii 2025, the General Appropriations Act of 2025, did not  
13 reinstate the proviso. Consequently, although funds were  
14 appropriated to various state departments for their operating  
15 programs for fiscal year 2025-2026, the proviso's elimination  
16 limits the ability of departments to transfer funds between  
17 their programs to address changing conditions.

1 The purpose of this Act is to address the omission of the  
2 transfer proviso by providing fourth quarter funding for  
3 existing programs and adjusting funding for various programs to  
4 be commensurate with their anticipated levels of activity. The  
5 emergency appropriation and the funding adjustment made in this  
6 Act are budget neutral.

7 SECTION 3. Act 250, Session Laws of Hawaii 2025, is  
8 amended by amending section 3 as follows:

9 (1) By amending item B-5 to read as follows:

10	"5. HMS802 - VOCATIONAL REHABILITATION			
11			38.73*	38.73*
12			2.00#	2.00#
13	OPERATING	HMS	<del>[5,056,561A]</del>	6,138,995A
14			<u>5,622,259A</u>	
15			73.27*	73.27*
16		HMS	19,176,876N	19,176,876N
17		HMS	2,000,000W	2,000,000W"
18				

19 (2) By amending item F-1 to read as follows:

20	"1. HMS301 - CHILD PROTECTIVE SERVICES			
21			303.75*	303.75*
22	OPERATING	HMS	<del>[50,570,717A]</del>	50,570,717A
23			<u>50,870,717A</u>	
24			1.00*	1.00*
25		HMS	6,124,053B	6,124,053B
26			84.75*	84.75*
27		HMS	49,452,950N	49,452,950N
28		HMS	400,000P	400,000P"

1 (3) By amending item F-2 to read as follows:

2 "2. HMS302 - GENERAL SUPPORT FOR CHILD CARE

		38.92*		38.92*
3 OPERATING	HMS	<del>[2,840,528A]</del>		2,840,528A
4		<u>3,158,314A</u>		
5		38.08*		38.08*
6	HMS	14,137,770N		14,137,770N"
7				
8				

9 (4) By amending item F-5 to read as follows:

10 "5. HMS501 - IN-COMMUNITY YOUTH PROGRAMS

		18.50*		18.50*
11		1.00#		1.00#
12 OPERATING	HMS	<del>[10,764,943A]</del>		10,800,451A
13		<u>11,969,283A</u>		
14		0.50*		0.50*
15		0.50#		0.50#
16	HMS	2,050,000N		1,534,135N"
17				

18 (5) By amending item F-8 to read as follows:

19 "8. HMS601 - ADULT PROTECTIVE AND COMMUNITY SERVICES

		69.48*		69.48*
20 OPERATING	HMS	<del>[6,875,326A]</del>		6,875,326A
21		<u>7,644,512A</u>		
22		7.02*		7.02*
23		3.00#		3.00#
24	HMS	838,010N		838,010N
25	HMS	10,000R		10,000R
26	HMS	387,560U		387,560U
27	HMS	1,321,390P		1,321,390P"
28				

29 (6) By amending item F-12 to read as follows:

30 "12. HMS211 - CASH SUPPORT FOR FAMILIES - SELF-SUFFICIENCY

31 OPERATING	HMS	<del>[26,715,965A]</del>		26,715,965A
32		<u>27,715,965A</u>		
33	HMS	44,000,000N		44,000,000N"

1 (7) By amending item F-13 to read as follows:

2	"13. HMS220 - RENTAL HOUSING SERVICES			
3			5.00*	5.00*
4	OPERATING	HMS	<del>[4,694,409A]</del>	4,694,409A
5			<u>5,163,849A</u>	
6			191.00*	191.00*
7			4.50#	4.50#
8		HMS	106,838,200N	112,088,200N
9			17.00*	17.00*
10		HMS	5,134,715W	5,187,506W
11	INVESTMENT CAPITAL	BED	68,000,000C	C"

12 (8) By amending item F-14 to read as follows:

13	"14. HMS229 - HAWAII PUBLIC HOUSING AUTHORITY ADMINISTRATION			
14			2.00*	2.00*
15			3.00#	3.00#
16	OPERATING	HMS	<del>[502,838A]</del>	502,838A
17			<u>559,092A</u>	
18		HMS	27,864,996N	27,840,930N
19			119.00*	119.00*
20			47.00#	47.00#
21		HMS	17,416,598W	17,676,361W"
22				

23 (9) By amending item F-15 to read as follows:

24	"15. HMS222 - RENTAL ASSISTANCE SERVICES			
25			1.00*	1.00*
26	OPERATING	HMS	<del>[1,557,121A]</del>	1,557,121A
27			<u>1,712,833A</u>	
28			34.00*	34.00*
29			1.00#	1.00#
30		HMS	73,368,975N	77,039,700N"

31 (10) By amending item F-18 to read as follows:

32	"18. HMS401 - HEALTH CARE PAYMENTS			
33	OPERATING	HMS	<del>[1,031,466,906A]</del>	1,031,466,906A
34			<u>1,048,466,906A</u>	
35		HMS	230,000,000B	230,000,000B
36		HMS	2,291,497,122N	2,291,497,122N
37		HMS	6,781,921U	6,781,921U
38		HMS	15,798,564P	15,798,564P"

1 (11) By amending item F-19 to read as follows:

2 "19. HMS236 - CASE MANAGEMENT FOR SELF-SUFFICIENCY

3			287.43*	287.43*
4	OPERATING	HMS	<del>[19,875,373A]</del>	19,673,479A
5			<u>22,098,949A</u>	
6			226.57*	226.57*
7		HMS	26,545,359N	26,393,053N
8		HMS	30,237P	30,237P"

9 (12) By amending item F-22 to read as follows:

10 "22. HMS237 - EMPLOYMENT AND TRAINING

11	OPERATING	HMS	<del>[469,505A]</del>	469,505A
12			<u>522,031A</u>	
13		HMS	2,575,945N	2,575,945N"

14 (13) By amending item F-27 to read as follows:

15 "27. HMS902 - GENERAL SUPPORT FOR HEALTH CARE PAYMENTS

16			137.00*	137.00*
17			4.50#	4.50#
18	OPERATING	HMS	<del>[16,133,771A]</del>	16,133,771A
19			<u>17,938,753A</u>	
20			0.87*	0.87*
21		HMS	30,104,367B	30,104,367B
22			145.63*	145.63*
23			16.50#	16.50#
24		HMS	96,345,000N	96,345,000N
25		HMS	1,200,000P	1,200,000P"

26 (14) By amending item F-28 to read as follows:

27 "28. HMS903 - GENERAL SUPPORT FOR SELF-SUFFICIENCY SERVICES

28			51.30*	51.30*
29	OPERATING	HMS	<del>[48,609,196A]</del>	48,604,950A
30			<u>21,896,226A</u>	
31			46.70*	46.70*
32		HMS	95,422,009N	95,418,155N
33		HMS	19,560,000P	19,560,000P"

1	(15)	By amending item F-29 to read as follows:		
2	"29.	HMS904 - GENERAL ADMINISTRATION - DHS		
3			151.59*	151.59*
4			8.00#	5.00#
5	OPERATING	HMS	[ <del>18,703,261A</del> ]	14,292,045A
6			<u>18,777,503A</u>	
7			31.41*	31.41*
8			6.00#	#
9		HMS	17,288,921N	4,788,768N
10	INVESTMENT CAPITAL	HMS	10,000,000C	C"
11	(16)	By amending item F-30 to read as follows:		
12	"30.	HMS901 - GENERAL SUPPORT FOR SOCIAL SERVICES		
13			33.50*	33.50*
14	OPERATING	HMS	[ <del>4,287,230A</del> ]	3,487,230A
15			<u>4,766,868A</u>	
16			9.50*	9.50*
17		HMS	3,246,986N	3,246,986N"
18				
19	(17)	By amending item F-31 to read as follows:		
20	"31.	HMS777 - OFFICE ON HOMELESSNESS AND HOUSING SOLUTIONS		
21			8.00*	8.00*
22	OPERATING	HMS	[ <del>611,040A</del> ]	611,040A
23			<u>679,400A</u>	
24	INVESTMENT CAPITAL	HMS	24,400,000C	13,000,000C"
25	(18)	By amending item F-32 to read as follows:		
26	"32.	HMS555 - OFFICE OF WELLNESS AND RESILIENCE		
27			12.00*	12.00*
28	OPERATING	HMS	[ <del>1,346,000A</del> ]	1,346,000A"
29			<u>1,496,584A</u>	
30	(19)	By amending item J-16 to read as follows:		
31	"16.	HMS888 - COMMISSION ON THE STATUS OF WOMEN		
32			1.00*	1.00*
33			1.00#	1.00#
34	OPERATING	HMS	[ <del>184,462A</del> ]	184,462A"
35			<u>205,098A</u>	

1 (20) By amending item I-4 to read as follows:

2	"4. PSD405 - HAWAII COMMUNITY CORRECTIONAL CENTER			
3			193.00*	193.00*
4	OPERATING	PSD	[ <del>15,855,815A</del> ]	15,855,815A"
5			<u>18,455,815A</u>	

6 (21) By amending item I-9 to read as follows:

7	"9. PSD410 - INTAKE SERVICE CENTERS			
8			73.00*	73.00*
9	OPERATING	PSD	[ <del>5,891,809A</del> ]	5,891,809A"
10			<u>4,891,809A</u>	
11				

12 and;

13 (22) By amending item I-13 to read as follows:

14	"13. PSD808 - NON-STATE FACILITIES			
15			9.00*	9.00*
16	OPERATING	PSD	[ <del>42,589,908A</del> ]	42,589,908A"
17			<u>40,989,908A</u>	

18 SECTION 4. Statutory material to be repealed is bracketed  
19 and stricken. New statutory material is underscored.

20 SECTION 5. This Act shall take effect upon its approval.

21

**Report Title:**

Funds; Emergency Appropriations

**Description:**

Appropriates general funds among programs within the Department of Human Services and the Department of Corrections and Rehabilitation due to anticipated operating shortfalls because of the lack of authority to transfer funds between programs.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*