

April 2, 2025 10:01 a.m.
Hawaii State Capitol
Conference Room 211 and Videoconference

To: Senate Committee on Ways and Means

Sen. Donovan M. Dela Cruz, Chair

Sen. Sharon Y. Moriwaki, Vice Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

RE: COMMENTS ON HB1424 HD1 SD1 — RELATING TO APPROPRIATIONS

Aloha Chair Dela Cruz, Vice Chair Moriwaki and other members of the Committee,

The Grassroot Institute of Hawaii would like to offer its **comments** on [HB1424 HD1 SD1](#), which would require the state director of finance to report to the Legislature after approving the transfer of funds appropriated for positions to operating expenses, and vice versa.

We are disappointed to see that this bill has been watered down from its previous version, which prohibited state government departments or agencies from using funds appropriated for positions for operating expenses, and vice versa.

The issue of funded but vacant positions has become a major budgetary concern for the state. The governor's budget allocates funding for thousands of permanent and temporary positions, yet, according to a [report](#) from the Hawaii Department of Human Resources Development, about a quarter of all state civil service positions are unfilled.

While a report that tracks the reallocation of funds would be useful, it would not have the impact of a bill that prevents agencies from using vacancies as a slush fund for other expenditures.

Greater transparency in budgeting and the use of government funds is desirable. However, we urge the Committee to consider reinstating the bill's previous language and preventing the budgetary bloat that comes from using funds appropriated for positions for other expenses, and vice versa.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii