

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



GOV. MSG. NO. 1325

EXECUTIVE CHAMBERS  
KE KE'ENA O KE KIA'ĀINA

June 25, 2025

The Honorable Ronald D. Kouchi  
President of the Senate,  
and Members of the Senate  
Thirty-Third State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Nadine Nakamura  
Speaker, and Members of the  
House of Representatives  
Thirty-Third State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on June 25, 2025, the following bill was signed into law:

S.B. NO. 326, S.D. 1,  
H.D. 1, C.D. 1

RELATING TO REVOLVING FUNDS.  
**ACT 223**

Mahalo,

A handwritten signature in black ink that reads "Josh Green M.D." in a cursive style.

Josh Green, M.D.  
Governor, State of Hawai'i

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# A BILL FOR AN ACT

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RELATING TO REVOLVING FUNDS.

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

1       SECTION 1. Section 37-52.4, Hawaii Revised Statutes, is  
2 amended to read as follows:

3       "**§37-52.4 Criteria for the establishment and continuance**  
4 **of revolving funds.** Revolving funds shall only be established  
5 pursuant to an act of the legislature. The legislature, in  
6 establishing or reviewing a revolving fund to determine whether  
7 it should be continued, shall ensure that the revolving fund:

8       (1) Serves a need, as demonstrated by:

9               (A) The purpose of the program to be supported by the  
10 fund;

11              (B) The scope of the program, including financial  
12 information on fees to be charged, sources of  
13 projected revenue, and costs; and

14              (C) An explanation of why the program cannot be  
15 implemented successfully under the general fund  
16 appropriation process;



1 (2) Reflects a clear nexus between the benefits sought and  
2 charges made upon the program users or beneficiaries  
3 or a clear link between the program and the sources of  
4 revenue, as opposed to serving primarily as a means to  
5 provide the program or users with an automatic means  
6 of support that is removed from the normal budget and  
7 appropriation process;

8 (3) Provides an appropriate means of financing for the  
9 program or activity that is used only when essential  
10 to the successful operation of the program or  
11 activity; and

12 (4) Demonstrates the capacity to be financially  
13 self-sustaining[-] by:

14 (A) Annual projections that show that the revolving  
15 fund will be sustainable without appropriations  
16 of general funds into the revolving fund; or

17 (B) A schedule of projected collections of  
18 outstanding payments to the revolving fund that  
19 will capitalize the revolving fund."

20 SECTION 2. Statutory material to be repealed is bracketed  
21 and stricken. New statutory material is underscored.




1 SECTION 3. This Act shall take effect upon its approval.



S.B. NO. 326  
S.D. 1  
H.D. 1  
C.D. 1

APPROVED this 25th day of June, 2025

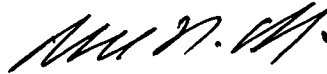
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GOVERNOR OF THE STATE OF HAWAII

**THE SENATE OF THE STATE OF HAWAI‘I**

Date: April 30, 2025  
Honolulu, Hawai‘i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate  
of the Thirty-Third Legislature of the State of Hawai‘i, Regular Session of 2025.

  
President of the Senate

  
Clerk of the Senate

SB No. 326, SD 1, HD 1, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 30, 2025  
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2025.



Nadine K. Nakamura  
Speaker  
House of Representatives



Brian L. Takeshita  
Chief Clerk  
House of Representatives