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TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
SENATE BILL NO. 934, S.D. 2, H.D. 1

March 27, 2025
2:00 p.m.
Room 308 and Videoconference

RELATING TO THE STATE BUDGET

The Department of Budget and Finance (B&F) offers comments on this bill.

Senate Bill No. 934, S.D. 2, H.D. 1, appropriates an unspecified amount in special fund ceiling for the Mass Transit Special Fund (MTSF) for FY 26 to make disbursements pursuant to Section 248-2.7, HRS, provided that the Director of Finance determines: 1) the development of the minimum operating segment identified in the Amended Full Funding Grant Agreement is completed; and 2) the development of the Pearl Highlands park and ride facility is completed.

The S.D. 1 version of this measure provided an appropriation amount of \$572,695,000 in special fund ceiling for the MTSF in FY 26. B&F notes that this amount is included in both FY 26 and FY 27 via the Governor's FB 2025-27 Executive Biennium Budget (House Bill No. 300), that this amount continues to be included in the H.D. 1 version of the bill, and that B&F would prefer its inclusion in the final version of the budget bill.

Thank you for your consideration of our comments.



Lori M.K. Kahikina, P.E.
Executive Director and CEO |
Po'o Ho'okō a Kahu Luna Nui Ho'okō

Rick Keene
Deputy Executive Director and COO |
Hope Po'o Ho'okō a Kahu Luna Ho'oponopono

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HOUSE COMMITTEE ON FINANCE

Thursday March 27, 2025

2 p.m.

Conference Room 308, State Capitol & Video Conference

To: Chair Yamashita, Vice Chair Takenouchi, and Members of the House Committee on Finance

From: Lori M.K. Kahikina, P.E., Executive Director and CEO

Subject: SB 934 HD1, RELATING TO THE STATE BUDGET

The HART Board of Directors (the HART Board) offers comments on this bill.

Senate Bill 934 HD1, appropriates an unspecified amount in special fund ceiling for the Mass Transit Special Fund (MTSF) for FY 26 to make disbursements pursuant to Section 248-2.7, HRS, provided that the Director of Finance determines:

- 1) The development of the minimum operating segment identified in the Amended Full Funding Grant Agreement is completed; and
- 2) The development of the Pearl Highlands park and ride facility is completed.

The HD1 version of the measure has an effective date of 7/1/3000.

The HART Board notes that the SD1 version of this measure provides an appropriation amount of \$572,695,000 in the special fund ceiling for the MTSF in FY 26. The HART Board also notes this amount is included in the Governor's 2025-27 Executive Biennium Budget (House Bill No. 300), and continues to be included in the H.D. 1 version of the bill. The HART Board, respectfully, would prefer the inclusion of this dollar amount in the final version of the budget bill without the stipulations regarding the completion of any portion of the rail project that is not included in the project scope that is defined in the Amended Full Funding Grant Agreement (FFGA). Please note that the Pearl Highlands parking garage has been deferred and is not included in the Amended FFGA's project scope, approved by the Federal Transit Administration. In addition, the defined project scope of the Amended FFGA ends at the Civic Center Station in Kakaako and is not scheduled to be completed until

2031. Should funding be withheld until then, it may adversely affect the cash flows of the project and may jeopardize the completion of the approved project scope.

Thank you for your consideration of these comments and for the opportunity to testify.

