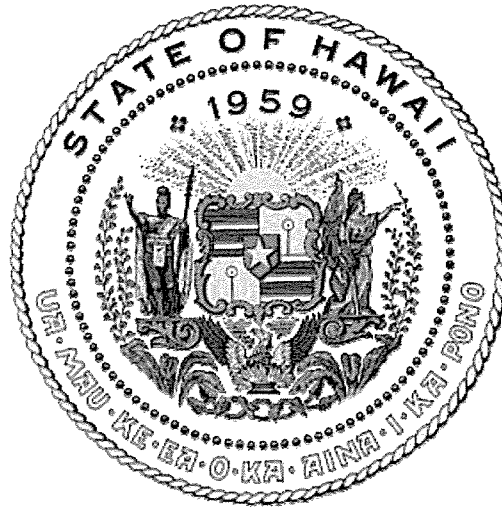


State of Hawaii



The FY 2015 Executive Supplemental Budget

Budget in Brief

Prepared by the Department of Budget and Finance
December 16, 2013

EXECUTIVE CHAMBERS
State Capitol
Honolulu, Hawaii 96813

**GOVERNOR'S MESSAGE TO THE 27TH STATE
LEGISLATURE OF HAWAII MEETING IN THE REGULAR
SESSION OF 2014**

In compliance with Article VII, Section 9, of the Hawaii Constitution, I hereby submit to the State Legislature the Executive Supplemental Budget for Fiscal Biennium (FB) 2013-15 and the updated Program and Financial Plan for the period 2013-19.

OVERVIEW

For the past three years, the Administration's financial strategy has focused on objectives that would move the State in a forward direction, toward a New Day in Hawaii. Federal funding and private partnership opportunities have been pursued to supplement State efforts and leverage State funds. These collaborative efforts and shared sacrifice to address the State's fiscal challenges have allowed us to better serve Hawaii's people during difficult times.

Fiscal prudence and revenue increases have also helped to generate a positive general fund balance at the end of each of the past three fiscal years. Moreover, the preliminary fiscal year (FY) 13 general fund balance of \$844 million is historically unprecedented. A turnaround of over \$1 billion has been achieved and the State's financial health has been restored.

We must remain mindful that federal resources and funding are uncertain. Along with the likelihood of some continued sequestration effects, there remains some question as to what the effect of Congressional budget action will be in January 2014. As State grants are one of the largest

discretionary portions yet to be determined at this time, our State budget must have some ability to adapt in the event funding for critical programs needs to be shored up. In addition, we must also remain prudent in light of the fact that the State was managing a -\$200 million plus revenue shortfall and negative general fund balances as recently as FY 11.

It is in this context and landscape that the Administration approached the construction of the FY 15 Executive Supplemental Budget. We remain committed to the need for continued fiscal management of our resources and expenditures while being respectful of managing for the future. Noting where we have been, this budget request also reflects essential program initiatives which will improve State government and the overall quality of life in Hawaii.

Strengthening Our Government and Fiscal Position

My Administration has developed a sustainable long-term fiscal plan that will ensure a firm financial base is maintained going forward. The proposed FY 15 Executive Supplemental Budget will allow a solid general fund balance to be maintained through FB 2013-15 as well as the planning period (FYs 16-19). We are confident of success for these proposals based on the Council on Revenue's (COR) current general fund tax revenue projections and the demonstrated validity of this Administration's budget discipline.

Although there are many priority needs that must be addressed, fiscal stability is essential. This plan will allow the State to address its priority needs while positioning itself to best handle uncertainties, such as economic slowdowns or the recent Federal government shutdown by building up our reserves and exercising continued fiscal prudence.

Currently, the State's improved fiscal condition allows the Administration to continue to make meaningful strides towards strengthening our State government and its fiscal health. We will:

- Restore critical State services.

We are focusing on restoring critical positions necessary to maintain and improve our programs and operations and, most importantly, restoring our ability to deliver services the public rightly expects of its government. We will ensure that the funding of these programs can be maintained.

- Recapitalize our reserves to higher than pre-recession levels.

We are duly committed to further building the financial strength of the State, and demonstrating such strengths to residents, taxpayers, and investors. As such, the Administration has set a targeted objective to build State reserves to 10% of general fund revenues. These reserves will allow the State to weather future economic downturns and mitigate against cyclical public service cutbacks.

Accordingly, the Emergency and Budget Reserve Fund will receive \$50 million in FY 14. The Hawaii Hurricane Relief Fund has received \$50 million in FY 14, which is in addition to the \$55.5 million in general excise tax revenues also transferred this fiscal year to the hurricane reserve trust fund pursuant to Act 62, Session Laws of Hawaii (SLH) 2011, Relating to the Hawaii Hurricane Relief Fund.

Through separate legislation, we will also be proposing the transfer of \$50 million to each fund in FY 15. The estimated balance of our reserves after these transfers will be over \$372 million, or 5.6% of projected general fund revenues in FY 15.

- Effectively manage our liabilities.

Our commitment to forward fund the State's Other Post Employment Benefits (OPEB) unfunded liability begins this fiscal year with a landmark payment of \$100 million and, in FY 15, a payment of \$117.4 million. We must address this major unfunded liability without delay. Failure to do so is irresponsible.

Although these are significant demands on State resources, with the cost of OPEB increasing in upcoming years, they must be accounted for to maintain the State's fiscal health. Bond rating agencies and marketplace bond purchases have acknowledged the State's favorable fiscal approach and condition. Continued commitment to forward fund OPEB and replenish our reserves will result in better bond ratings, a positive financial outlook, record bond sales and low interest rates.

New Day Initiatives

The State's positive economic outlook and our fiscal prudence have afforded us an opportunity to put into place New Day Initiatives for the benefit of the people of Hawaii. The FY 15 Executive Supplemental Budget builds on the FB 2013-15 Executive Budget by:

- Stimulating longer term job growth as we shift Hawaii's economy to a sustainable foundation.

Continuing to invest in our long-term economic and social well-being through clean energy, food security, technology, education, good health, and other aspects of our human capital. Our ongoing New Day Work Projects program for capital improvements has simultaneously helped to improve our infrastructure and economic landscape. As private construction activity is on the rise, our focus will

now shift to completing projects that are underway, improve energy efficiency, and address the backlog of major R&M for State facilities.

- Investing in education, skills and training opportunities for Hawaii's people.

Hawaii's most valuable asset, its people, must be provided the means to reach and live their lives to their fullest potential. Among the most important New Day Initiatives are the investments we make in our youngest citizens and our kupuna. Investing in early childhood development and early learning programs will build Hawaii's social, educational, and economic future. Supporting home and community-based services will help our kupuna age in place with dignity and curb rising healthcare costs.

We will continue to transform our healthcare system to align with federal resources and work collaboratively with the county and State housing agencies toward our goal to end homelessness.

- Transforming State government into an efficient and effective enterprise.

When our Administration took office, department operations had suffered through years of program cuts and personnel lapses. We are continuing to makeover State government operations to best manage our human resources. The State's ongoing Enterprise Resource Planning project will provide the necessary technological tools to improve the management of our personnel, fiscal transactions, and budget.

THE ECONOMY

The State's economic situation has continued to improve. Much of the State's economic growth came as the result of the strong performance of the visitor and hospitality industry, a

major economic driver of the local economy. Last year, the industry experienced peak growth rates of 17.9% in visitor expenditures and 10% in visitor arrivals.

Tourism market growth has reached planned capacity. For the first ten months of 2013 compared to the same period last year, total visitor expenditures and arrivals increased by 3.4% and 3.9%, respectively.

Total visitor expenditures and arrivals can be expected to level off. Spending reductions by the federal government, increasing hotel room rates, and a weakening yen need to be taken into account.

But overall economic indicators remain positive. Hawaii's construction industry, a significant contributor to the State's job growth and another major economic driver, ended its downward cycle last year after five years of contraction. After losing jobs annually since 2007, the industry generated job growth of 2.4% last year and 9.3% for the first half of 2013, a considerable increase over last year. The housing upswing and Honolulu's rail project are expected to spur further growth through 2015.

The State's economic improvement is seen in our decreasing unemployment rate of 4.4% (seasonally adjusted) for October 2013, which is approaching the lowest unemployment rate since August 2008. The expansion of the construction industry will reinforce this positive trend.

Also impacting Hawaii's economy favorably is the nation's recovery from the "Great Recession." The national seasonally adjusted unemployment rate decreased from 7.3% in October 2013 to 7% in November 2013, a five-year low.

Monthly job growth has averaged 204,000 jobs from August through November, up from 159,000 jobs from April through July, accelerating the economic recovery.

REVENUE PROJECTIONS

Preliminary actual general fund tax revenues for FY 13 grew by 9.9%, 3.2% more than the 6.7% general fund tax revenue growth rate projected by the COR in its May 30, 2013 report. In its September 10, 2013 report, the COR lowered its forecast from 8.0% to 4.1% for FY 14 but raised its forecast from 7.0% to 7.4% in FY 15; 1.5% to 7.7% in FY 16; 4.2% to 5.7% in FY 17; 5.0% to 6.1% in FY 18; and 4.7% to 5.5% in FY 19. The COR also projected 5.3% growth in FY 20.

Because the FY 13 base was higher than formerly projected, we note the impact of the COR's downward projection for FY 14 is cushioned. General fund tax revenues are projected to decrease slightly in FY 14 by \$45.3 million and FY 15 by \$22.9 million from the May 30, 2013 projections, due to the replenishment of the hurricane reserve trust fund pursuant to Act 62, SLH 2011. These transfers, which must be made by October 1st of the respective fiscal year, were not included in the COR's previous forecast.

While Hawaii is subject to national and worldwide economic factors, we are confident that our philosophy and practice in managing our State economy takes the necessary steps along a proven path to consolidate our recovery and insure its growth.

THE FY 15 EXECUTIVE SUPPLEMENTAL BUDGET

	<u>FY 14</u> <u>Appropriations</u> (\$million)	<u>FY 14</u> <u>Adjustments</u> (\$million)	<u>FY 14</u> <u>Requests</u> (\$million)
Operating Budget			
All means of financing (MOF)	11,819.3	-52.6	11,766.8*
General Fund	6,036.6	-53.2	5,983.4
Capital Improvements			
All MOF	2,246.1	-2.0	2,244.1
General Obligation Bonds	980.5	0.0	980.5

* - Difference due to rounding.

	<u>FY 15</u> <u>Appropriations</u> (\$million)	<u>FY 15</u> <u>Adjustments</u> (\$million)	<u>FY 15</u> <u>Requests</u> (\$million)
Operating Budget			
All MOF	11,988.0	283.8	12,271.8
General Fund	6,123.5	183.3	6,306.8
Capital Improvements			
All MOF	843.8	1,847.0	2,690.8
General Fund	0.0	287.1	287.1
General Obligation Bonds	387.3	351.7	739.1

The Operating Budget

In the spirit of Section 136 of Act 134, SLH 2013, and providing greater budget transparency, departments were tasked to review and submit budget requests, to the extent possible, to correct their FB 2013-15 operating budget detail items that did not align with anticipated expenditures, such as:

- Negative adjustments;

- Underfunded, unfunded and/or unbudgeted positions; and
- Other specific budget line items.

Additionally, we are also continuing the transition process for the budgeting and expenditure of federal awards with the intent of increasing transparency and improving the State's ability to meet anticipated federal reporting requirements. Consequently, the FY 15 Executive Supplemental Budget includes requests to correct the means of financing (MOF) for federal fund appropriations (MOF "N" or "P") or adjust federal fund ceilings to more accurately reflect anticipated federal award amounts, as appropriate.

The Executive Supplemental Budget includes requests for FY 14 and FY 15 that propose a number of changes and adjustments to Act 134, SLH 2013, the General Appropriations Act of 2013, which authorized funding for the two-year fiscal period that began on July 1, 2013 and ends on June 30, 2015.

The Executive Supplemental Budget includes proposed FY 14 amendments that total -\$52.6 million and FY 15 amendments that total \$283.8 million from all means of financing for operating costs. This represents a decrease of -0.4% over FY 14 appropriations and increase of 2.4% over FY 15 appropriations in the FB 2013-15 Executive Budget.

The net request for general funds totals -\$53.2 million in FY 14 and \$183.3 million in FY 15, resulting in a decrease of -0.9% in FY 14 and an increase of 3% in FY 15. Of the requested \$183.3 million in general funds in FY 15, \$43.4 million is for non-recurring costs (e.g., one-time cash infusions to special funds, equipment, motor vehicles).

Additional information on funding distribution by means of financing and department may be found in the sections that follow.

A significant portion of the requested general funds are for items that are considered non-discretionary costs. \$17.3 million for FY 14 and \$50.9 million for FY 15 are for these non-discretionary cost increases. For example:

- \$5.3 million in FY 15 for debt service payments for Department of Education (DOE), University of Hawaii (UH), and State programs other than DOE and UH.
- \$1.1 million in FY 14 and \$0.1 million in FY 15 for retirement benefit payments for UH and \$16.2 million in FY 14 and \$16.1 million in FY 15 for State programs other than DOE and UH.
- 4.00 permanent positions and \$9.2 million in FY 15 for adults with severe and persistent mental illness who are Medicaid eligible (transfer from the Department of Health (DOH) to the Department of Human Services (DHS)).
- \$2.6 million in FY 15 for the General Assistance block grant.
- \$5.5 million (and \$3 million in federal funds) in FY 15 to increase the Foster Care Board Rate.
- \$3.5 million in FY 15 to restructure payments for Child Care Subsidy programs.
- \$2.0 million (and \$18.1 million in federal funds) in FY 15 to establish the Medicaid Health Home Services program.
- \$4.0 million (and \$7.7 million in federal funds) in FY 15 to restore preventative adult dental benefits for Medicaid recipients.

The aforementioned general fund requests are offset by requests totaling -\$70.7 million in FY 14 and -\$53.1 million (differences due to rounding) in general fund reductions to reflect projected savings:

- -\$29.7 million for debt service payments savings in FY 14 due to a more favorable interest rate for the general obligation (G.O.) bond sale and refunding of previous bond issuances in 2013.

- -\$2.1 million in FY 14 and -\$0.9 million in FY 15 in FICA and pension accumulation payment savings due to updated projected requirements.
- -\$39 million in FY 14 and -\$52.3 million in FY 15 for health premium payments savings due to lower than projected rates and enrollments.

In addition to these non-discretionary cost adjustments, there are other general fund requests intended to support vital New Day Initiatives, such as early learning. This supplemental budget requests these additional investments in our youngest children in FY 15:

- \$1.2 million for additional purchase of services funds for early intervention services in DOH.
- \$2.5 million for DHS' School Readiness program - Preschool Open Doors - to reduce the high family co-payments currently required.
- \$4.5 million for the Executive Office on Early Learning (EOEL) to establish pre-kindergarten classes on DOE campuses through a Memorandum of Agreement.
- \$1 million for EOEL to provide family engagement for four-year olds through family-child interaction learning programs.
- \$218,000 for 3.00 temporary positions for EOEL.

Other significant FY 15 general fund requests for New Day Initiatives include:

- \$2 million for the New Farmer Loan program.
- \$1 million to establish the agricultural development and food security program.
- \$7 million for the High Technology Transfer Bridge to Manufacturing.
- \$6 million for the HI Growth Initiative.
- 7.50 temporary positions and \$752,870 (and 2.50 temporary positions and \$319,300 in federal funds) to expand Healthcare Transformation initiatives.

- \$4.2 million for continuation of the Kupuna Care program.
- \$427,937 for Aging and Disability Resource Centers.
- 2.00 temporary positions and \$1.5 million for the Vision and Hearing Screening program to be provided at public elementary schools.
- 1.00 temporary position and \$3.1 million to establish the REACH Initiative after-school programs for middle and intermediate schools.
- 11.00 temporary positions and \$3.5 million for the Watershed Initiative.

Other significant FY 15 general fund requests include:

- \$2 million for a Sports Development Initiative.
- \$794,959 for the County Victim Services program as part of the Justice Reinvestment Initiative.
- 9.52 permanent positions and \$299,394 (and 18.48 permanent positions; \$737,504 in other federal funds) for case management staff at the Child Support Enforcement Agency.
- 0.75 permanent position and \$1.3 million (and 2.25 permanent positions; \$2.9 million in federal funds) for National Guard facilities.
- \$14 million for the Weighted Student Formula for public schools, statewide, to address issues such as Elementary and Secondary Education Act Flex requirements, information technology support, and common core standards.
- \$9 million to address increased utility (electricity, gas, water, and sewer) costs for DOE facilities, statewide.
- \$2 million to support the Strive HI Performance system which replaces components of the U.S. DOE's "No Child Left Behind Act."
- \$3.1 million for Charter Schools' per pupil funding based on enrollment projections.
- \$600,000 for the maintenance of the Broadband Technology Opportunities program for the public library system.

- 130.00 permanent, 4.00 temporary positions, and \$5.4 million for administrative and operating expenses for the Department of Hawaiian Home Lands.
- \$3 million for the Statewide Health Information Exchange Infrastructure.
- \$22 million for the Hawaii Health Systems Corporation (HHSC) - Regions.
- \$1 million for the Invasive Species program.
- \$4 million to host the 2016 International Union for Conservation of Nature World Conservation Congress.
- 7.00 positions and \$1.0 million for the Ocean Resources Management Plan.
- 21.00 permanent positions and \$808,630 to improve mental health treatment at correctional facilities.
- 12.00 permanent positions, 2.00 temporary positions and \$1.1 million for statewide staff support for increased tax collections and processing of claims.
- \$14 million for salary restoration for the University of Hawaii Professional Assembly (UHPA).
- \$19.5 million for UHPA salary increases.

The Capital Improvements Program Budget

The focus of our New Day Work Projects program for capital improvements is to improve the public infrastructure and the economic landscape. With the resurgence of private construction, we will now focus on completing ongoing projects, improving energy efficiency and address the backlog of major repair and maintenance (R&M) for public and educational facilities. Other proposed projects address health and safety, and court-mandated or statutory requirements.

In regard to the G.O. bond capital improvements program (CIP) budget, our primary objective was to preserve the standard amortization debt profile that we have been working diligently these past three years to put into place. Being a supplemental year, our goal was to keep debt service level in the near future and not have it spike due to a large amount of CIP authorizations in FY 15.

To achieve this objective, we propose to convert \$187.4 million in G.O. bond funded major R&M projects appropriated in FY 15 of Act 134, SLH 2013, to general funded (i.e., cash) and use that margin to fund new non-R&M CIP projects along with a relatively modest amount of new G.O. bond funded CIP. To help further in keeping G.O. bond authorizations manageable, we have also proposed \$100 million of R&M-related CIP authorizations using general funds.

We are presently planning on continuing this practice in subsequent budgets because we strongly believe that cash funding is the more appropriate funding source for R&M-related CIP now that we have the financial wherewithal to handle these costs again.

For the CIP budget, proposed FY 14 amendments total -\$2 million and FY 15 amendments total \$1,847.0 million from all means of financing. This represents a decrease of -0.1% over FY 14 and increase of 218.9% over FY 15 in the FB 2013-15 Executive Budget. Of this amount, the net request for G.O. bond funds totals \$351.7 million in FY 15, resulting in an increase of 90.8%.

The proposed FY 15 G.O. bond requests include the following New Day Initiatives:

- \$4.5 million for Molokai Irrigation System improvements.
- \$40 million for the acquisition of prime agricultural land in Central Oahu/North Shore region.
- \$3.5 million for the Waimea Homestead Community Agricultural Park.
- \$22 million for construction of the High Technology Development Corporation Technology Center.
- \$2.7 million (and \$7.8 million in federal funds) for energy savings improvements and renewable energy projects for Department of Defense facilities, statewide.
- \$5 million for energy efficiency improvements at DOH facilities, statewide.
- \$5 million for the Watershed Initiative, statewide.

- \$10 million for conservation land purchase, Central Oahu/North Shore region.
- \$5 million for Central Maui Regional Park, Maui.
- \$40 million for Turtle Bay land acquisition, Oahu.

Other major FY 15 G.O. bond requests:

- \$3 million for Aloha Stadium improvements.
- \$19.4 million to be transferred to the Hawaiian Homelands Trust Fund.
- \$7 million to update the Kalaeloa Enterprise Energy Corridor.
- \$7.8 million for low income housing tax credit loans.
- \$2.7 million for Youth Challenge Academy Upgrade and Improvements at Keaukaha Military Reservation, Hawaii.
- \$12 million (and \$48 million in federal funds) to modernize Solomon Elementary School.
- \$50 million (and \$29 million in general funds) for condition, capacity, equity, and program support projects for public schools, statewide.
- \$25 million for air conditioning in schools, statewide.
- \$3.3 million (and \$5.3 million in general funds) for major R&M and CIP for existing infrastructure for Hawaiian Home Lands.
- \$13 million for Papakolea Sewer Remediation and Slope Stabilization projects.
- \$6 million for decommissioning and restoration of four dams in Anahola, Kauai.
- \$20 million (and \$10 million in general funds) for improvements for HHSC.
- \$20 million (and \$15 million in general funds) for public housing development, improvements and renovations, statewide.
- \$52.5 million (and \$56.3 million in federal funds) for the modernization and integration of the DHS' eligibility system, case management system and KOLEA eligibility system for Medicaid.

- \$25.8 million (and \$25 million in general funds) for capital renewal projects for UH - Systemwide.
- \$28 million (and \$5 million in revenue bond funds) for the College of Pharmacy, New Instructional Facility project at the UH - Hilo.
- \$32 million (and \$8 million in revenue bond funds) to renovate Kuykendall Hall at UH - Manoa.

Major FY 15 CIP requests funded by other MOF:

- \$9.8 million in general funds for the maintenance and remodeling of Department of Accounting and General Services' facilities.
- \$3 million in general funds for health and safety projects for public libraries, statewide.
- \$280 million in revenue bond funds for the New Mauka Concourse at Honolulu International Airport.
- \$70 million in revenue bond funds for Elliot Street Support Facilities at Honolulu International Airport.
- \$135 million in revenue bond funds for Rental Car Facilities Improvements, statewide.
- \$9.8 million in revenue bond funds and \$39.2 million in federal funds for 16 bridge replacement/improvement projects.
- \$21.7 million in revenue bond funds and \$29.9 million in federal funds for 16 various highway lump sum projects.
- \$198.0 million in revenue bond funds for deferred maintenance projects for UH - Systemwide.

A FOUNDATION FOR THE FUTURE

Our hard work and diligence in stabilizing and growing our economy is a reality that we can build upon with enthusiasm. We have spent the last three years on a path to fiscal stability and sustainability that will positively impact Hawaii's future in the long term. With this solid foundation in place, we can continue to meet our obligations, be fiscally responsible, and fulfill the promise of a New Day future.

Your consideration of these proposals is appreciated. I look forward to working with you.

With Aloha

A handwritten signature in black ink that reads "Neil Abercrombie". The signature is written in a cursive, flowing style.

NEIL ABERCROMBIE
Governor of Hawaii

APPENDIX TO THE GOVERNOR'S MESSAGE

A. THE FY 15 EXECUTIVE SUPPLEMENTAL BUDGET RECOMMENDATIONS

THE OPERATING BUDGET

General Funds

For **FY 14**, total proposed general fund adjustments to the operating budget amount to a net decrease of -\$53.2 million, or -0.9% less than the current appropriation level.

For **FY 15**, total proposed general fund adjustments to the operating budget amount to a net increase of \$183.3 million, or 3.0% more than the current appropriation level.

All Means of Financing

For **FY 14**, total proposed adjustments to the operating budget amount to a net decrease of -\$52.6 million, or -0.4% less than the current appropriation level for all means of financing (MOF).

For **FY 15**, total proposed adjustments to the operating budget amount to a net increase of \$283.8 million, or 2.4% more than the current appropriation level for all MOF.

Breakdowns by MOF are as follows:

Means of Financing	FY 14 Act 134/2013 Appropriation (\$)	FY 14 Proposed Adjustment (\$)	FY 14 Recommended Appropriation (\$)
General Funds	6,036,556,466	(53,151,500)	5,983,404,966
Special Funds	2,874,336,440	582,684	2,874,919,124
Federal Funds	1,991,849,122	.....	1,991,849,122
Other Federal Funds	200,573,310	.....	200,573,310
Private Contributions	433,067	.....	433,067
County Funds	674,179	.....	674,179
Trust Funds	227,631,039	.....	227,631,039
Interdept. Transfers	91,908,871	3,000	91,911,871
Federal Stimulus Funds	151,535	.....	151,535
Revolving Funds	384,155,766	.....	384,155,766
Other Funds	<u>11,048,393</u>	<u>.....</u>	<u>11,048,393</u>
Total	11,819,318,188	(52,565,816)	11,766,752,372

Means of Financing	FY 15 Act 134/2013 Appropriation (\$)	FY 15 Proposed Adjustment (\$)	FY 15 Recommended Appropriation (\$)
General Funds	6,123,494,985	183,279,342	6,306,774,327
Special Funds	2,931,794,332	165,352,666	3,097,146,998
Federal Funds	2,020,114,985	91,463,946	2,111,578,931
Other Federal Funds	192,488,826	(19,559,482)	172,929,344
Private Contributions	433,067	.....	433,067
County Funds	674,179	(464,458)	209,721
Trust Funds	230,908,300	(154,466,288)	76,442,012
Interdept. Transfers	92,608,271	(554,781)	92,053,490
Federal Stimulus Funds	.....	.....	.....
Revolving Funds	384,227,766	18,757,414	402,985,180
Other Funds	<u>11,255,963</u>	<u>.....</u>	<u>11,255,963</u>
Total	11,988,000,674	283,808,359	12,271,809,033

The distribution by department and the significant changes in the Operating Supplemental Budget by department are presented in the sections that follow.

THE CAPITAL IMPROVEMENT (CIP) BUDGET

General Obligation Bond Funds

For **FY 14**, there are no proposed CIP adjustments for general obligation (G.O.) bond funds. The current G.O. bond appropriation level is \$980.5 million (includes \$3 million in G.O. Reimbursable).

For **FY 15**, total proposed CIP adjustments amount to a net increase of \$351.7 million in G.O. bond funds, increasing the current G.O. bond appropriation level from \$387.3 million to \$739.1 million.

All Means of Financing

For **FY 14**, net proposed CIP adjustments amount to a net decrease of -\$2 million, or -0.1%, decreasing the current appropriation level to \$2,244.1 million.

For **FY 15**, total proposed CIP adjustments amount to a net increase of \$1,847.0 million, or 218.9%, increasing the current appropriation level to \$2,690.8 million.

Breakdowns by MOF are as follows:

Means of Financing	FY 14 Act 134/2013 Appropriation (\$)	FY 14 Proposed Adjustment (\$)	FY 14 Recommended Appropriation (\$)
General Funds	.....	.....	.....
Special Funds	46,145,000	(2,000,000)	44,145,000
G.O. Bonds	977,506,000	.....	977,506,000
G.O. Reimbursable	3,000,000	.....	3,000,000
Revenue Bonds	912,873,000	.....	912,873,000
Federal Funds	239,450,000	.....	239,450,000
Other Federal Funds	2,563,000	.....	2,563,000
Private Contributions	1,569,000	.....	1,569,000
County Funds	6,750,000	.....	6,750,000
Interdept. Transfers	.....	.....	.....
Federal Stimulus Funds	.....	.....	.....
Revolving Funds	.....	.....	.....
Other Funds	<u>56,204,000</u>	<u>.....</u>	<u>56,204,000</u>
Total	2,246,060,000	(2,000,000)	2,244,060,000

Means of Financing	FY 15 Act 134/2013 Appropriation (\$)	FY 15 Proposed Adjustment (\$)	FY 15 Recommended Appropriation (\$)
General Funds	.....	287,082,000	287,082,000
Special Funds	138,075,000	825,000	138,900,000
G.O. Bonds	387,346,000	351,716,000	739,062,000
G.O. Reimbursable	.....	.....	.....
Revenue Bonds	153,165,000	818,884,000	972,049,000
Federal Funds	161,768,000	373,344,000	535,112,000
Other Federal Funds	2,863,000	.....	2,863,000
Private Contributions	500,000	11,600,000	12,100,000
County Funds	.....	.....	.....
Interdept. Transfers	.....	2,000,000	2,000,000
Federal Stimulus Funds	.....	.....	.....
Revolving Funds	.....	1,500,000	1,500,000
Other Funds	<u>100,000</u>	<u>.....</u>	<u>100,000</u>
Total	843,817,000	1,846,951,000	2,690,768,000

The distribution by department and the highlights of the CIP program by department are presented in the sections that follow.

The New Day Work projects will provide valuable improvements to the State's infrastructure, while providing economic stimulus.

B. THE GENERAL FUND EXPENDITURE CEILING

By law, general fund appropriations must comply with the expenditure ceiling requirements that are set forth in Section 9 of Article VII of the State Constitution and Section 37-92 of the Hawaii Revised Statutes.

At the aggregate level that includes all branches of government, the total proposed appropriations from the General Fund are within the expenditure ceilings for both FY 14 and FY 15.

For the Executive Branch, the total proposed appropriations from the General Fund (which include the Executive Supplemental Budget for FB 2013-15 and other specific appropriation measures to be submitted) exceed the appropriation ceiling by \$362.5 million (or 6.2%) in FY 14 and by \$381.9 million (or 5.9%) in FY 15. These excesses are due to the substantial costs of social assistance entitlements, support for public education, and other critical requirements.

C. THE DEBT LIMIT

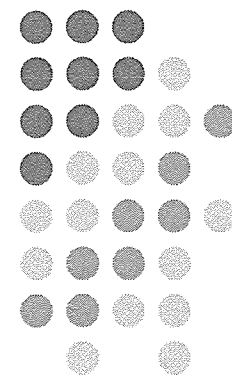
Section 13 of Article VII of the State Constitution places a debt limit on G.O. bonds that may be issued by the State. It has been determined that the total amount of principal and interest calculated on: a) all bonds issued and outstanding; b) all bonds authorized and unissued; and c) all bonds proposed in the Supplemental Budget (including State guaranties) will not cause the debt limit to be exceeded at the time of each bond issuance.

BUDGET IN BRIEF
The FY 2015 Executive Supplemental Budget

Table of Contents

	Page
Governor's Message	i - xii
The Operating and Capital Investment Budget - Statewide Summaries	1 - 18
The Operating and Capital Budget - Department Summaries and Highlights	
Plan of Organization	21
Department of Accounting and General Services	22 - 25
Department of Agriculture	26 - 29
Department of the Attorney General	30 - 35
Department of Budget and Finance	36 - 39
Department of Business, Economic Development, and Tourism	40 - 43
Department of Commerce and Consumer Affairs	44 - 47
Department of Defense	48 - 51
Department of Education	52 - 59
Office of the Governor	60 - 63
Department of Hawaiian Home Lands	64 - 67
Department of Health	68 - 75
Department of Human Resources Development	76 - 79
Department of Human Services	80 - 83
Department of Labor and Industrial Relations	84 - 87
Department of Land and Natural Resources	88 - 91
Office of the Lieutenant Governor	92 - 95
Department of Public Safety	96 - 101
Department of Taxation	102 - 105
Department of Transportation	106 - 111
University of Hawaii	112 - 116
Historical Information	117 - 128

**The Operating and Capital Budget -
Statewide Summaries**



**MULTI-YEAR FINANCIAL SUMMARY
GENERAL FUND
FISCAL YEARS 13 - 19
(in millions of dollars)**

	Actual* <u>FY 13</u>	Estimated <u>FY 14</u>	Estimated <u>FY 15</u>	Estimated <u>FY 16</u>	Estimated <u>FY 17</u>	Estimated <u>FY 18</u>	Estimated <u>FY 19</u>
REVENUES:							
Executive Branch:							
Tax revenues	5,468.3	5,690.9	6,114.9	6,587.7	6,962.7	7,388.6	7,792.5
Nontax revenues	730.5	520.2	523.2	517.5	523.5	526.9	532.8
Judicial Branch revenues	35.7	36.4	37.0	37.7	38.4	39.1	39.8
Other	-	71.0	(6.0)	13.2	12.2	12.2	12.2
TOTAL REVENUES	6,234.4	6,318.6	6,669.0	7,156.1	7,536.8	7,966.8	8,377.3
EXPENDITURES							
Executive Branch:							
Operating	5,597.9	5,983.4	6,306.8	6,468.1	6,770.8	6,775.3	6,924.3
CIP	-	-	287.1	100.0	100.0	100.0	100.0
Specific appropriations	77.9	273.5	307.1	240.5	300.2	306.5	306.5
Other	-	19.2	36.3	163.0	278.1	388.8	498.4
Sub-total - Exec Branch	5,675.8	6,276.1	6,937.2	6,971.5	7,449.1	7,570.6	7,829.3
Legislative Branch	32.3	33.2	33.8	33.8	33.8	33.8	33.8
Judicial Branch	135.0	148.7	157.0	156.2	156.2	156.2	156.2
OHA	2.4	3.1	2.7	2.7	2.7	2.7	2.7
Counties	2.3	-	-	-	-	-	-
Lapses	(182.1)	(65.0)	(65.0)	(65.0)	(65.0)	(65.0)	(65.0)
TOTAL EXPENDITURES	5,665.7	6,396.1	7,065.9	7,099.3	7,576.9	7,698.4	7,957.0
REV. OVER (UNDER) EXPEND.	568.8	(77.5)	(396.8)	56.8	(40.1)	268.4	420.3
CARRY-OVER BALANCE (DEFICIT)							
Beginning	275.3	844.0	766.5	369.7	426.5	386.4	654.8
Ending	844.0	766.5	369.7	426.5	386.4	654.8	1,075.1
Ending fund balance as % of revenues	13.54%	12.13%	5.54%	5.96%	5.13%	8.22%	12.83%
<i>Emergency & Budget Reserve Fund**</i>	24.2	83.1	141.1	153.4	165.7	175.0	184.4
<i>Hawaii Hurricane Relief Fund**</i>	20.8	126.3	231.7	231.7	231.6	231.6	231.5
<i>Total - Reserves</i>	45.0	209.4	372.8	385.1	397.3	406.6	415.9
<i>Reserves fund balances as % of revenues</i>	0.72%	3.31%	5.59%	5.38%	5.27%	5.10%	4.96%

* unaudited

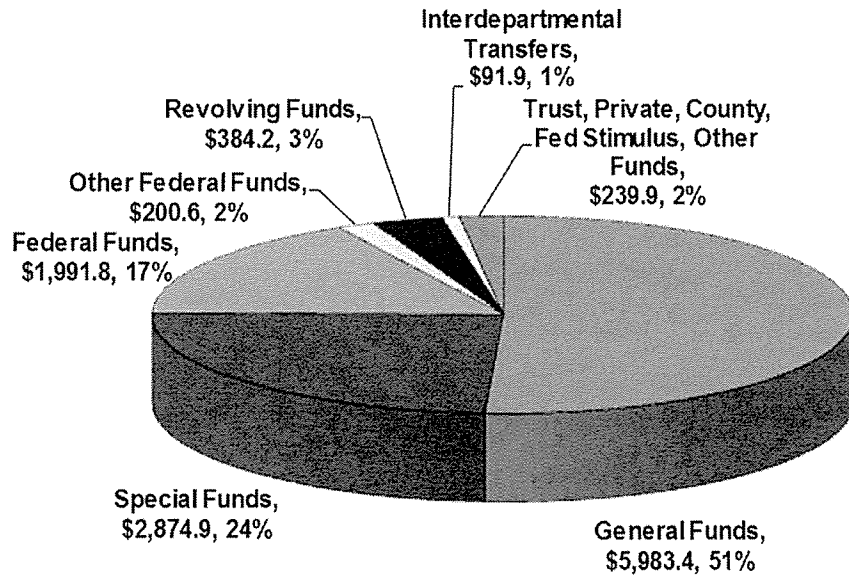
** reflects proposed additional recapitalization of EBRF and HHRF in FY 15

**FY 15 Supplemental Operating Budget
Statewide Totals by Means of Financing**

	Act 134/2013 FY 2014	% of Total	Act 134/2013 FY 2015	% of Total	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	% of Total	Total FY 2015	% of Total
General Funds	34,409.38 6,036,556,466	51.1%	34,410.38 6,123,494,985	51.1%	- (53,151,500)	514.24 183,279,342	34,409.38 5,983,404,966	50.9%	34,924.62 6,306,774,327	51.4%
Special Funds	7,733.88 2,874,336,440	24.3%	7,736.88 2,931,794,332	24.5%	- 582,684	6.05 165,352,666	7,733.88 2,874,919,124	24.4%	7,742.93 3,097,146,998	25.2%
Federal Funds	2,037.14 1,991,849,122	16.9%	2,037.14 2,020,114,985	16.9%	-	12.70 91,463,946	2,037.14 1,991,849,122	16.9%	2,049.84 2,111,578,931	17.2%
Other Federal Funds	247.81 200,573,310	1.7%	247.81 192,488,826	1.6%	-	11.13 (19,559,482)	247.81 200,573,310	1.7%	258.94 172,929,344	1.4%
Private Contributions	- 433,067	0.0%	- 433,067	0.0%	-	-	- 433,067	0.0%	- 433,067	0.0%
County Funds	- 674,179	0.0%	- 674,179	0.0%	-	- (464,458)	- 674,179	0.0%	- 209,721	0.0%
Trust Funds	155.50 227,631,039	1.9%	155.50 230,908,300	1.9%	-	(74.57) (154,466,288)	155.50 227,631,039	1.9%	80.93 76,442,012	0.6%
Interdepartmental Transfers	153.86 91,908,871	0.8%	153.86 92,608,271	0.8%	- 3,000	50.00 (554,781)	153.86 91,911,871	0.8%	203.86 92,053,490	0.8%
Federal Stimulus Funds	- 151,535	0.0%	- 151,535	0.0%	-	-	- 151,535	0.0%	- -	0.0%
Revolving Funds	305.40 384,155,766	3.3%	305.40 384,227,766	3.2%	-	7.45 18,757,414	305.40 384,155,766	3.3%	312.85 402,985,180	3.3%
Other Funds	102.00 11,048,393	0.1%	102.00 11,255,963	0.1%	-	-	102.00 11,048,393	0.1%	102.00 11,255,963	0.1%
TOTAL REQUIREMENTS	45,144.97 11,819,318,188	100.0%	45,148.97 11,988,000,674	100.0%	- (52,565,816)	527.00 283,808,359	45,144.97 11,766,752,372	100.0%	45,675.97 12,271,809,033	100.0%

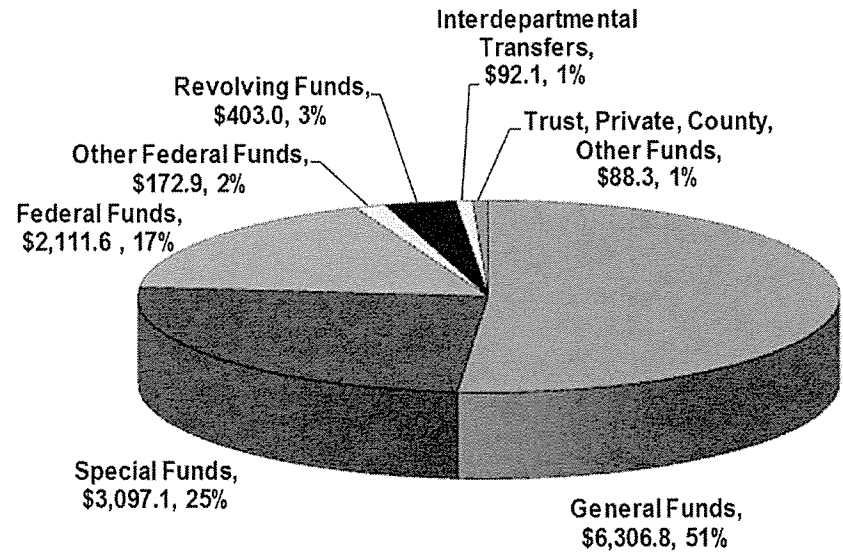
FY 15 Supplemental Operating Budget Statewide Totals by Means of Financing

**FY 2014
Supplemental Budget**



Total \$11.8 B

**FY 2015
Supplemental Budget**



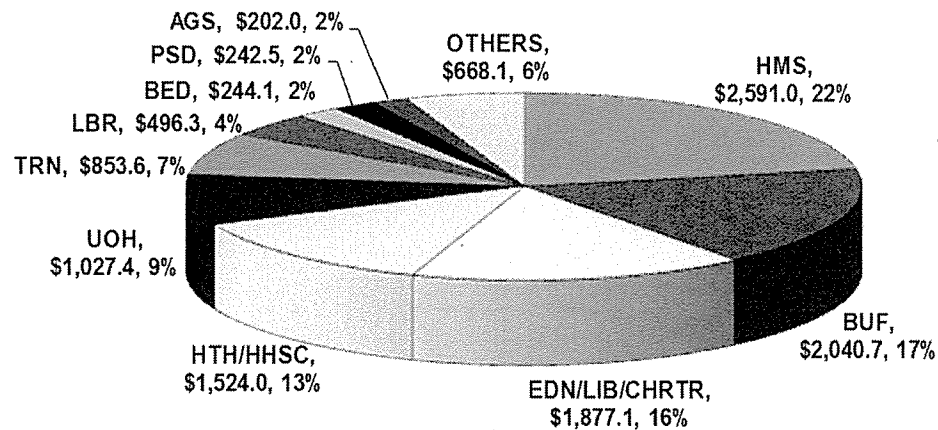
Total \$12.3 B

**FY 15 Supplemental Operating Budget
Statewide Totals By Department - All Funds**

	Act 134/2013 FY 2014	% of Total	Act 134/2013 FY 2015	% of Total	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	% of Total	Total FY 2015	% of Total
	707.00		707.00			18.50	707.00		725.50	
Accounting and General Services	201,967,776	1.7%	200,986,453	1.7%		4,832,323	201,967,776	1.7%	205,818,776	1.7%
	323.00		323.00			26.00	323.00		349.00	
Agriculture	45,903,133	0.4%	45,119,665	0.4%		5,383,020	45,903,133	0.4%	50,502,685	0.4%
	582.78		582.78			123.00	582.78		705.78	
Attorney General	73,140,520	0.6%	69,525,876	0.6%		7,376,132	73,140,520	0.6%	76,902,008	0.6%
	146.00		146.00			11.00	146.00		157.00	
Business, Econ. Dev. & Tourism	244,111,695	2.1%	242,775,141	2.0%		82,009,449	244,111,695	2.1%	324,784,590	2.6%
	361.50		361.50		-	10.00	361.50		371.50	
Budget and Finance	2,093,223,582	17.7%	2,188,189,769	18.3%	(52,565,816)	(26,015,341)	2,040,657,766	17.3%	2,162,174,428	17.6%
	409.00		409.00			13.00	409.00		422.00	
Commerce and Consumer Affairs	53,980,835	0.5%	53,040,194	0.4%		3,739,715	53,980,835	0.5%	56,779,909	0.5%
	243.25		243.25			9.00	243.25		252.25	
Defense	115,558,293	1.0%	111,551,662	0.9%		4,425,840	115,558,293	1.0%	115,977,502	0.9%
	19,974.97		19,974.97			16.00	19,974.97		19,990.97	
Education	1,778,920,730	15.1%	1,737,994,111	14.5%		31,719,818	1,778,920,730	15.1%	1,769,713,929	14.4%
	15.00		15.00			3.00	15.00		18.00	
Charter Schools	64,425,165	0.5%	68,050,379	0.6%		5,286,089	64,425,165	0.5%	73,336,468	0.6%
	547.50		547.50			2.50	547.50		550.00	
Public Libraries	33,750,855	0.3%	33,050,855	0.3%		3,489,670	33,750,855	0.3%	36,540,525	0.3%
	24.00		24.00			-	24.00		24.00	
Governor	4,334,171	0.0%	3,467,599	0.0%		8,313,378	4,334,171	0.0%	11,780,977	0.1%
	200.00		200.00			-	200.00		200.00	
Hawaiian Home Lands	202,996,040	1.7%	202,996,040	1.7%		(155,589,753)	202,996,040	1.7%	47,406,287	0.4%
	2,596.12		2,600.12			12.00	2,596.12		2,612.12	
Health	915,952,279	7.7%	915,424,293	7.6%		5,401,692	915,952,279	7.8%	920,825,985	7.5%
	2,835.25		2,835.25			-	2,835.25		2,835.25	
Health - HHSC	608,033,180	5.1%	608,033,180	5.1%		22,000,000	608,033,180	5.2%	630,033,180	5.1%
	96.00		96.00			4.00	96.00		100.00	
Human Resources Development	20,572,428	0.2%	20,746,054	0.2%		265,964	20,572,428	0.2%	21,012,018	0.2%
	2,215.25		2,215.25			36.00	2,215.25		2,251.25	
Human Services	2,591,031,919	21.9%	2,673,450,448	22.3%		122,611,274	2,591,031,919	22.0%	2,796,061,722	22.8%
	663.50		663.50			7.00	663.50		670.50	
Labor and Industrial Relations	496,302,781	4.2%	494,123,771	4.1%		910,501	496,302,781	4.2%	495,034,272	4.0%
	759.50		759.50			57.00	759.50		816.50	
Land and Natural Resources	125,378,280	1.1%	120,763,223	1.0%		25,805,487	125,378,280	1.1%	146,568,710	1.2%
	8.00		8.00			-	8.00		8.00	
Lieutenant Governor	1,695,503	0.0%	1,345,503	0.0%		702,655	1,695,503	0.0%	2,048,158	0.0%
	2,663.10		2,663.10			69.00	2,663.10		2,732.10	
Public Safety	242,473,189	2.1%	242,529,347	2.0%		4,626,710	242,473,189	2.1%	247,156,057	2.0%
	-		-			-	-		-	
Subsidies	-	0.0%	-	0.0%		-	-	0.0%	-	0.0%
	382.00		382.00			12.00	382.00		394.00	
Taxation	24,550,217	0.2%	27,152,187	0.2%		1,107,028	24,550,217	0.2%	28,259,215	0.2%
	2,209.50		2,209.50			8.00	2,209.50		2,217.50	
Transportation	853,641,662	7.2%	885,335,823	7.4%		17,736,933	853,641,662	7.3%	903,072,756	7.4%
	7,182.75		7,182.75			90.00	7,182.75		7,272.75	
University of Hawaii	1,027,373,955	8.7%	1,042,349,101	8.7%		107,669,775	1,027,373,955	8.7%	1,150,018,876	9.5%
	45,144.97		45,148.97		-	527.00	45,144.97		45,675.97	
TOTAL REQUIREMENTS	11,819,318,188	100.0%	11,988,000,674	100.0%	(52,565,816)	283,808,359	11,766,752,372	100.0%	12,271,809,033	100.0%

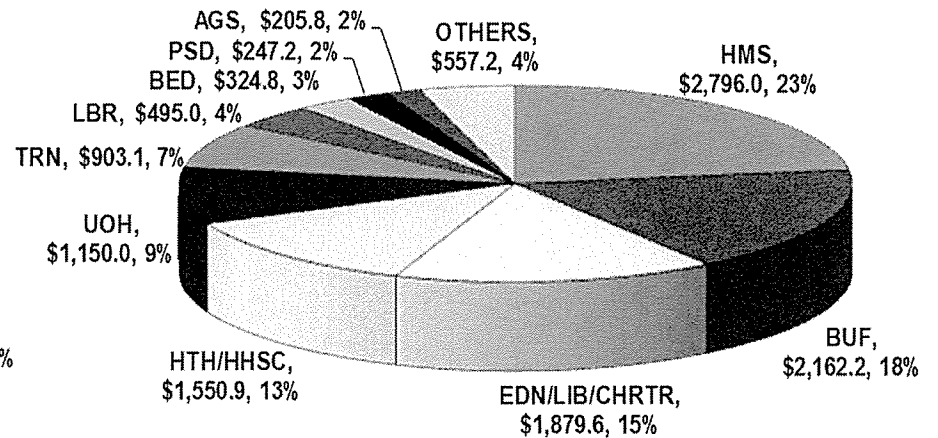
FY 15 Supplemental Operating Budget Statewide Totals by Departments - All Funds

FY 2014 Supplemental Budget



Total \$11.8 B

FY 2015 Supplemental Budget



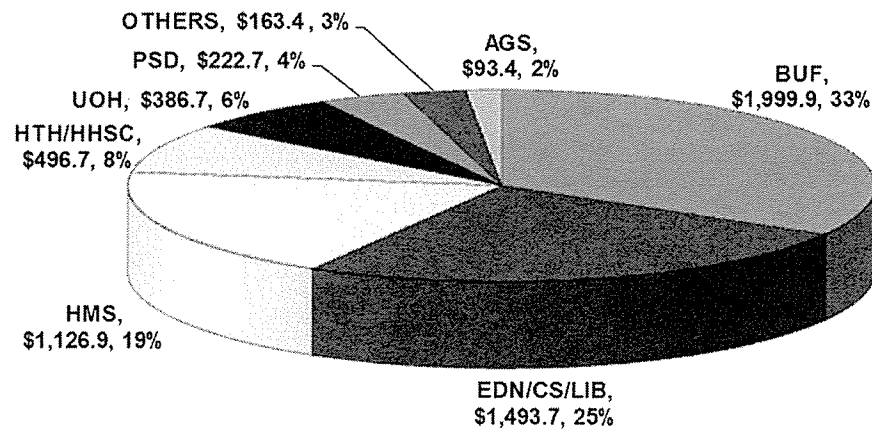
Total \$12.3 B

**FY 15 Supplemental Operating Budget
Statewide Totals By Department - General Funds**

	Act 134/2013 FY 2014	% of Total	Act 134/2013 FY 2015	% of Total	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	% of Total	Total FY 2015	% of Total
	550.50		550.50			16.82	550.50		567.32	
Accounting and General Services	93,379,038	1.5%	88,948,797	1.5%	3,974,039		93,379,038	1.6%	92,922,836	1.5%
	177.68		177.68			25.00	177.68		202.68	
Agriculture	14,392,759	0.2%	13,460,801	0.2%		4,163,080	14,392,759	0.2%	17,623,881	0.3%
	323.36		323.36			50.07	323.36		373.43	
Attorney General	25,381,893	0.4%	25,231,849	0.4%		5,330,019	25,381,893	0.4%	30,561,868	0.5%
	79.50		79.50			11.00	79.50		90.50	
Business, Econ. Dev. & Tourism	9,074,894	0.2%	8,411,939	0.1%		15,774,353	9,074,894	0.2%	24,186,292	0.4%
	134.75		134.75			4.00	134.75		138.75	
Budget and Finance	2,053,013,657	34.0%	2,142,109,115	35.0%	(53,151,500)	(30,368,061)	1,999,862,157	33.3%	2,111,741,054	33.5%
	-		-			2.00	-		2.00	
Commerce and Consumer Affairs	-	0.0%	-	0.0%		95,045	-	0.0%	95,045	0.0%
	142.60		142.60			5.25	142.60		147.85	
Defense	15,158,256	0.3%	15,100,945	0.2%		1,884,484	15,158,256	0.3%	16,985,429	0.3%
	19,224.47		19,224.47			16.00	19,224.47		19,240.47	
Education	1,400,040,614	23.2%	1,367,369,920	22.3%		31,719,818	1,400,040,614	23.3%	1,399,089,738	22.2%
	15.00		15.00			1.12	15.00		16.12	
Charter Schools	64,425,165	1.1%	68,050,379	1.1%		3,397,239	64,425,165	1.1%	71,447,618	1.1%
	547.50		547.50			2.50	547.50		550.00	
Public Libraries	29,260,611	0.5%	28,560,611	0.5%		3,489,670	29,260,611	0.5%	32,050,281	0.5%
	24.00		24.00			-	24.00		24.00	
Governor	3,247,921	0.1%	3,342,599	0.1%		7,994,078	3,247,921	0.1%	11,336,677	0.2%
	-		-			130.00	-		130.00	
Hawaiian Home Lands	9,632,000	0.2%	9,632,000	0.2%		5,387,204	9,632,000	0.2%	15,019,204	0.2%
	1,113.07		1,113.07			27.68	1,113.07		1,140.75	
Human Services	1,126,872,094	18.7%	1,173,664,405	19.2%		41,849,636	1,126,872,094	18.8%	1,215,514,041	19.3%
	96.00		96.00			3.00	96.00		99.00	
Human Resources Development	14,986,147	0.2%	15,159,773	0.2%		90,964	14,986,147	0.3%	15,250,737	0.2%
	2,010.06		2,011.06			17.00	2,010.06		2,028.06	
Health	412,305,126	6.8%	404,993,454	6.6%		8,476,533	412,305,126	6.9%	413,469,987	6.6%
	-		-			-	-		-	
Health - HHSC	84,440,000	1.4%	84,440,000	1.4%		22,000,000	84,440,000	1.4%	106,440,000	1.7%
	174.70		174.70			6.55	174.70		181.25	
Labor and Industrial Relations	15,064,472	0.2%	12,840,462	0.2%		896,963	15,064,472	0.3%	13,737,425	0.2%
	406.00		406.00			24.25	406.00		430.25	
Land and Natural Resources	31,250,400	0.5%	27,190,400	0.4%		13,688,226	31,250,400	0.5%	40,878,626	0.6%
	8.00		8.00			-	8.00		8.00	
Lieutenant Governor	1,695,503	0.0%	1,345,503	0.0%		702,655	1,695,503	0.0%	2,048,158	0.0%
	2,585.10		2,585.10			70.00	2,585.10		2,655.10	
Public Safety	222,712,329	3.7%	222,736,476	3.6%		4,099,594	222,712,329	3.7%	226,836,070	3.6%
	-		-			-	-		-	
Subsidies	-	0.0%	-	0.0%		-	-	0.0%	-	0.0%
	382.00		382.00			12.00	382.00		394.00	
Taxation	23,502,342	0.4%	26,104,312	0.4%		1,107,028	23,502,342	0.4%	27,211,340	0.4%
	-		-			-	-		-	
Transportation	-	0.0%	-	0.0%		-	-	0.0%	-	0.0%
	6,415.09		6,415.09			90.00	6,415.09		6,505.09	
University of Hawaii	386,721,245	6.4%	384,801,245	6.4%		37,526,775	386,721,245	6.5%	422,328,020	6.7%
	34,409.38		34,410.38			514.24	34,409.38		34,924.62	
TOTAL REQUIREMENTS	6,036,556,466	100.0%	6,123,494,985	100.0%	(53,151,500)	183,279,342	5,983,404,966	100.0%	6,306,774,327	100.0%

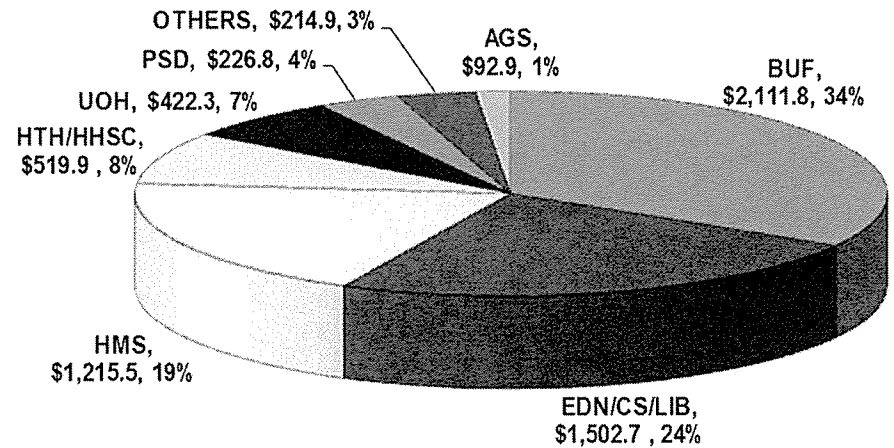
FY 15 Supplemental Operating Budget Statewide Totals by Department - General Fund

FY 2014 Supplemental Budget



Total \$6.0 B

FY 2015 Supplemental Budget



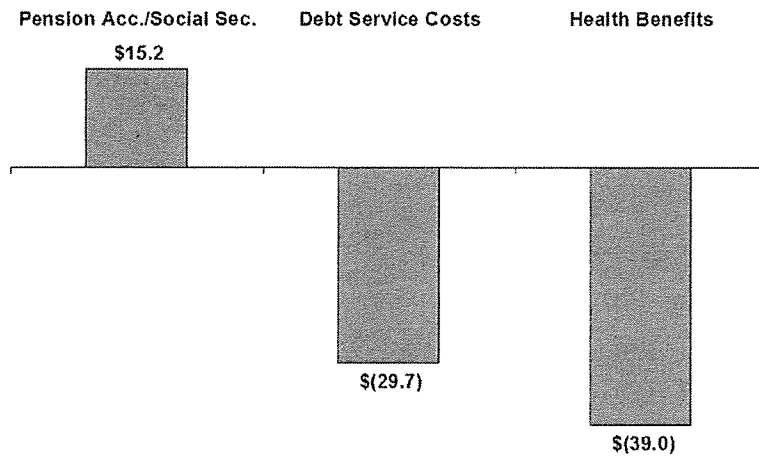
Total \$6.3 B

**FY 15 Supplemental Operating Budget
Adjustments to Statewide Non-Discretionary Costs - General Funds**

Non-Discretionary:	FY 2014		FY 2015	
Pension Accumulation/Social Security	\$	15,185,356.0	\$	15,292,859.0
Medicaid		-	\$	15,114,456.0
DHS Financial Assistance Programs		-	\$	14,188,072.0
Debt Service Costs	\$	(29,651,553.0)	\$	5,298,028.0
Health Benefits	\$	(38,951,439.0)	\$	(52,253,063.0)
Non-Discretionary Requests Total:	\$	(53,417,636.00)	\$	(2,359,648.00)

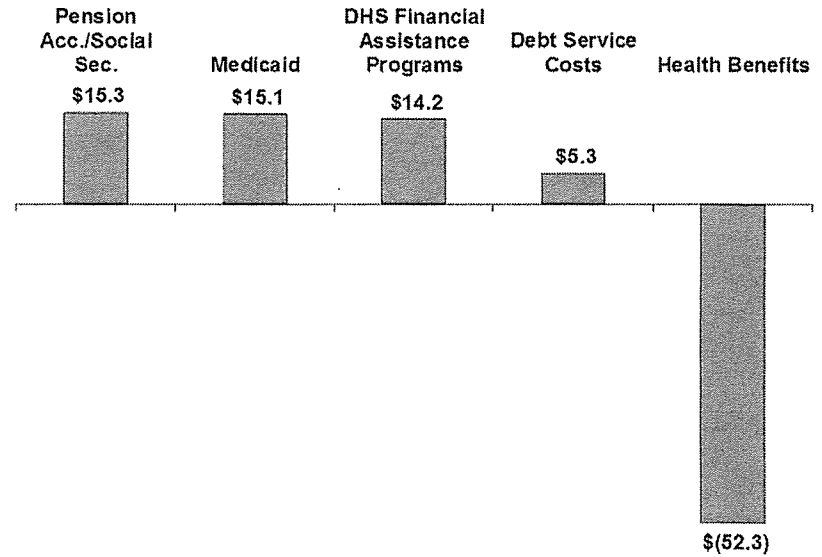
FY 15 Supplemental Operating Budget Adjustments to Statewide Non-Discretionary Costs - General Funds

FY 2014 Supplemental Budget Adjustments



Total -\$53.4 M

FY 2015 Supplemental Budget Adjustments



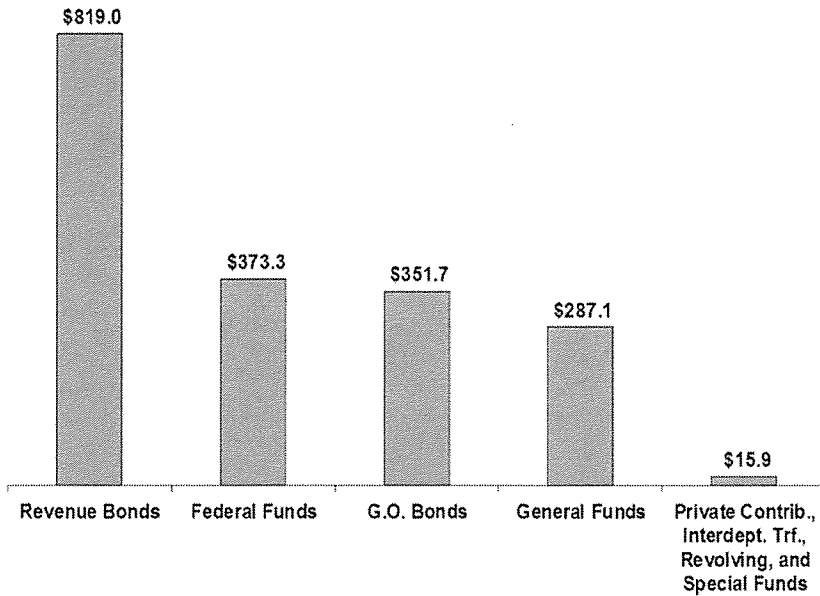
Total -\$2.4 M

**FY 15 Supplemental CIP Budget
Statewide Totals by Means of Financing**

	Act 134/2013 FY 2014	% of Total	Act 134/2013 FY 2015	% of Total	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	% of Total	Total FY 2015	% of Total
General Funds	-	0.0%	-	0.0%		287,082,000	-	0.0%	287,082,000	10.7%
Special Funds	46,145,000	2.1%	138,075,000	16.4%	(2,000,000)	825,000	44,145,000	2.0%	138,900,000	5.2%
General Obligation Bonds	977,506,000	43.5%	387,346,000	45.9%		351,716,000	977,506,000	43.6%	739,062,000	27.5%
General Obligation										
Reimbursable Bonds	3,000,000	0.1%	-	0.0%		-	3,000,000	0.1%	-	0.0%
Revenue Bonds	912,873,000	40.6%	153,165,000	18.2%		818,884,000	912,873,000	40.7%	972,049,000	36.1%
Federal Funds	239,450,000	10.7%	161,768,000	19.2%		373,344,000	239,450,000	10.7%	535,112,000	19.9%
Other Federal Funds	2,563,000	0.1%	2,863,000	0.3%		-	2,563,000	0.1%	2,863,000	0.1%
Private Contributions	1,569,000	0.1%	500,000	0.1%		11,600,000	1,569,000	0.1%	12,100,000	0.4%
County Funds	6,750,000	0.3%	-	0.0%		-	6,750,000	0.3%	-	0.0%
Interdepartmental Transfers	-	0.0%	-	0.0%		2,000,000	-	0.0%	2,000,000	0.1%
Federal Stimulus Funds	-	0.0%	-	0.0%		-	-	0.0%	-	0.0%
Revolving Funds	-	0.0%	-	0.0%		1,500,000	-	0.0%	1,500,000	0.1%
Other Funds	56,204,000	2.5%	100,000	0.0%			56,204,000	2.5%	100,000	0.0%
TOTAL REQUIREMENTS	2,246,060,000	100.0%	843,817,000	100.0%	(2,000,000)	1,846,951,000	2,244,060,000	100.0%	2,690,768,000	100.0%

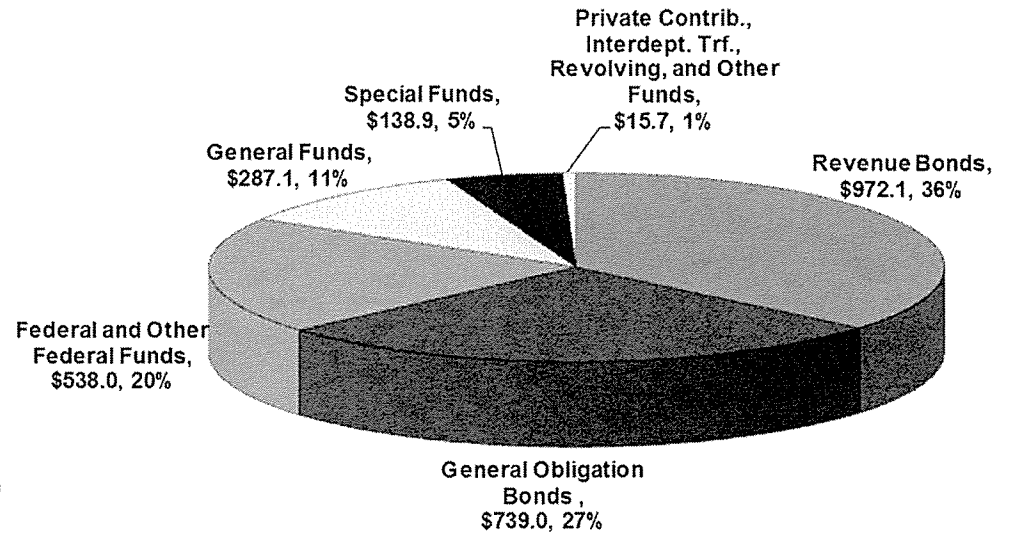
FY 15 Supplemental CIP Budget Statewide Totals by Means of Financing

FY 2015 Supplemental Budget Adjustments



Total \$1.8 B

FY 2015 Supplemental Budget



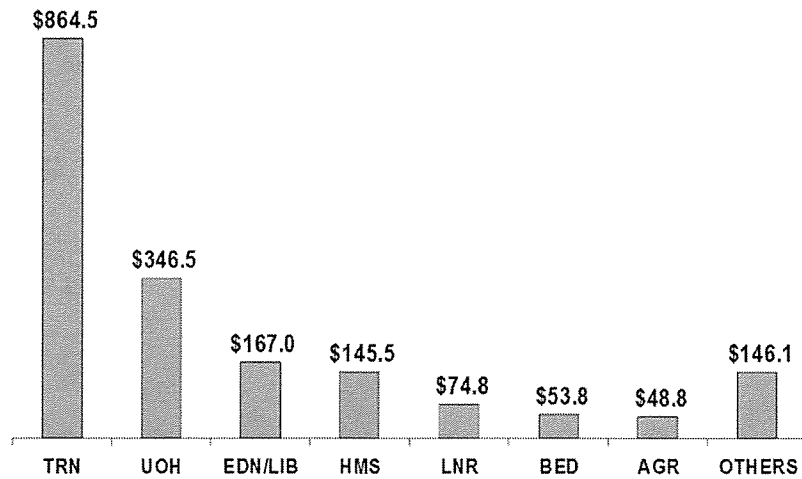
Total \$2.7 B

**FY 15 Supplemental CIP Budget
Statewide Totals By Department - All Funds**

	Act 134/2013 FY 2014	% of Total	Act 134/2013 FY 2015	% of Total	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	% of Total	Total FY 2015	% of Total
Accounting and General Services	85,432,000	3.8%	75,367,000	8.9%	-	20,627,000	85,432,000	3.8%	95,994,000	3.6%
Agriculture	220,100,000	9.8%	15,600,000	1.8%	-	48,750,000	220,100,000	9.8%	64,350,000	2.4%
Budget and Finance	83,000,000	3.7%	10,000,000	1.2%	-	19,383,000	83,000,000	3.7%	29,383,000	1.1%
Business, Econ. Dev. & Tourism	31,382,000	1.4%	16,055,000	1.9%	-	53,767,000	31,382,000	1.4%	69,822,000	2.6%
Defense	75,618,000	3.4%	5,401,000	0.6%	-	28,806,000	75,618,000	3.4%	34,207,000	1.3%
Education	238,672,000	10.6%	225,739,000	26.9%	-	164,000,000	238,672,000	10.6%	389,739,000	14.5%
Public Libraries	18,750,000	0.8%	2,000,000	0.2%	-	3,000,000	18,750,000	0.8%	5,000,000	0.2%
Charter Schools	-	0.0%	-	0.0%	-	-	-	0.0%	-	0.0%
Governor	1,000	0.0%	1,000	0.0%	-	-	1,000	0.0%	1,000	0.0%
Hawaiian Home Lands	22,900,000	1.0%	20,000,000	2.4%	-	31,600,000	22,900,000	1.0%	51,600,000	1.9%
Health	52,819,000	2.4%	28,193,000	3.3%	-	13,697,000	52,819,000	2.4%	41,890,000	1.6%
HHSC	55,783,000	2.5%	21,122,000	2.5%	-	30,000,000	55,783,000	2.5%	51,122,000	1.9%
Human Services	50,078,000	2.2%	-	0.0%	-	145,550,000	50,078,000	2.2%	145,550,000	5.4%
Labor and Industrial Relations	14,150,000	0.6%	-	0.0%	(2,000,000)	2,000,000	12,150,000	0.5%	2,000,000	0.1%
Land and Natural Resources	81,099,000	3.6%	56,552,000	6.7%	-	74,785,000	81,099,000	3.6%	131,337,000	4.9%
Public Safety	16,000,000	0.7%	16,000,000	1.9%	-	-	16,000,000	0.7%	16,000,000	0.6%
Subsidies	11,220,000	0.5%	-	0.0%	-	-	11,220,000	0.5%	-	0.0%
Taxation	16,001,000	0.7%	16,001,000	1.9%	-	-	16,001,000	0.7%	16,001,000	0.6%
Transportation	971,461,000	43.3%	304,286,000	36.1%	-	864,496,000	971,461,000	43.3%	1,168,782,000	43.4%
University of Hawaii	201,594,000	9.0%	31,500,000	3.7%	-	346,490,000	201,594,000	9.1%	377,990,000	13.9%
TOTAL REQUIREMENTS	2,246,060,000	100.0%	843,817,000	100.0%	(2,000,000)	1,846,951,000	2,244,060,000	100.0%	2,690,768,000	100.0%

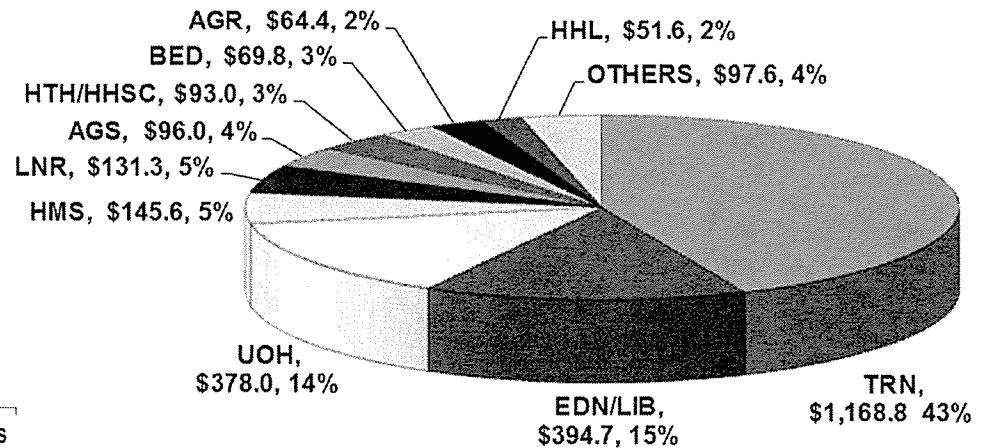
FY 15 Supplemental CIP Budget Statewide Totals by Departments - All Funds

**FY 2015
Supplemental Budget
Adjustments**



Total \$1.8 B

**FY 2015
Supplemental Budget**



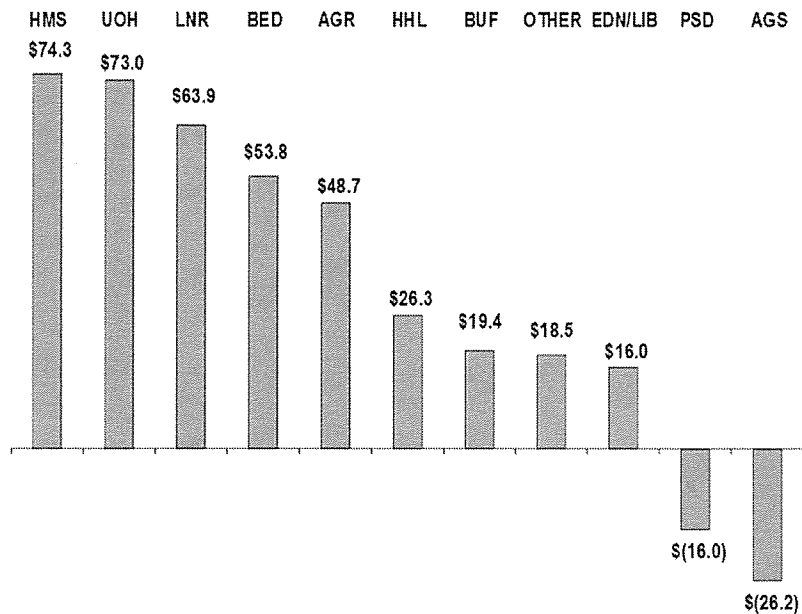
Total \$2.7 B

FY 15 Supplemental CIP Budget
Statewide Totals By Department - General Obligation (GO) and GO Reimbursable Bonds

	Act 134/2013 FY 2014	% of Total	Act 134/2013 FY 2015	% of Total	FY 2015 Adjustments	Total FY 2015	% of Total
Accounting and General Services	85,432,000	8.7%	75,367,000	19.5%	(26,195,000)	49,172,000	6.7%
Agriculture	35,400,000	3.6%	14,100,000	3.6%	48,750,000	62,850,000	8.5%
Budget and Finance	83,000,000	8.5%	10,000,000	2.6%	19,383,000	29,383,000	4.0%
Business, Econ. Dev. & Tourism	31,382,000	3.2%	16,055,000	4.1%	53,767,000	69,822,000	9.4%
Defense	39,186,000	4.0%	4,400,000	1.1%	9,726,000	14,126,000	1.9%
Education	238,670,000	24.4%	125,739,000	32.6%	18,000,000	143,739,000	19.4%
Public Libraries	18,750,000	1.9%	2,000,000	0.5%	(2,000,000)	-	0.0%
Charter Schools	-	0.0%	-	0.0%	-	-	0.0%
Governor	1,000	0.0%	1,000	0.0%	-	1,000	0.0%
Hawaiian Home Lands	2,900,000	0.3%	-	0.0%	26,300,000	26,300,000	3.6%
Health	32,748,000	3.3%	8,122,000	2.1%	9,600,000	17,722,000	2.4%
HHSC	55,783,000	5.7%	21,122,000	5.5%	(763,000)	20,359,000	2.8%
Human Services	50,078,000	5.1%	-	0.0%	74,263,000	74,263,000	10.0%
Labor and Industrial Relations	12,150,000	1.2%	-	0.0%	-	-	0.0%
Land and Natural Resources	77,311,000	7.9%	46,939,000	12.1%	63,885,000	110,824,000	15.0%
Public Safety	16,000,000	1.6%	16,000,000	4.1%	(16,000,000)	-	0.0%
Subsidies	8,720,000	0.9%	-	0.0%	-	-	0.0%
Taxation	16,001,000	1.6%	16,001,000	4.1%	-	16,001,000	2.2%
Transportation	3,000,000	0.3%	-	0.0%	-	-	0.0%
University of Hawaii	173,994,000	17.8%	31,500,000	8.1%	73,000,000	104,500,000	14.1%
TOTAL REQUIREMENTS	980,506,000	100.0%	387,346,000	100.0%	351,716,000	739,062,000	100.0%
General Obligation Bonds	977,506,000	99.7%	387,346,000	100.0%	351,716,000	739,062,000	100.0%
Reimbursable G.O. Bonds	3,000,000	0.3%	-	0.0%	-	-	0.0%
TOTAL REQUIREMENTS	980,506,000	100.0%	387,346,000	100.0%	351,716,000	739,062,000	100.0%

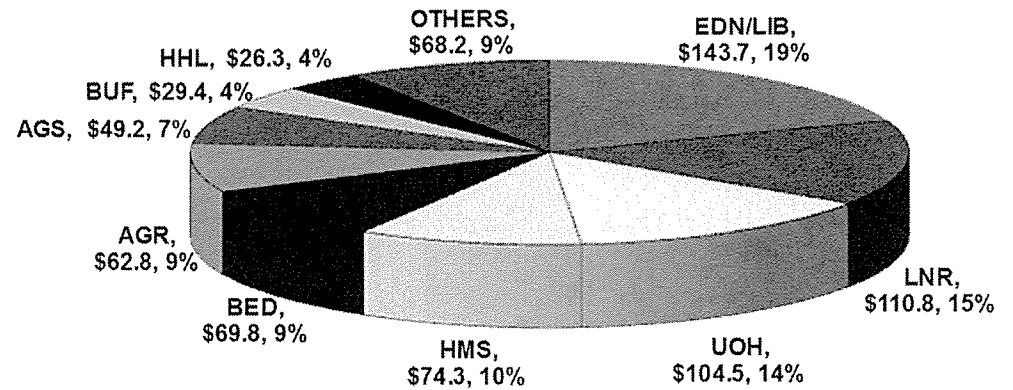
FY 15 Supplemental CIP Budget Statewide Totals by Departments - G.O./G.O.R. Bonds

FY 2015 Supplemental Budget Adjustments



Total \$351.7 M

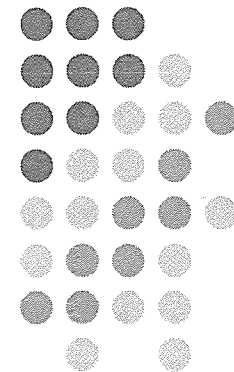
FY 2015 Supplemental Budget



Total \$739.1 M

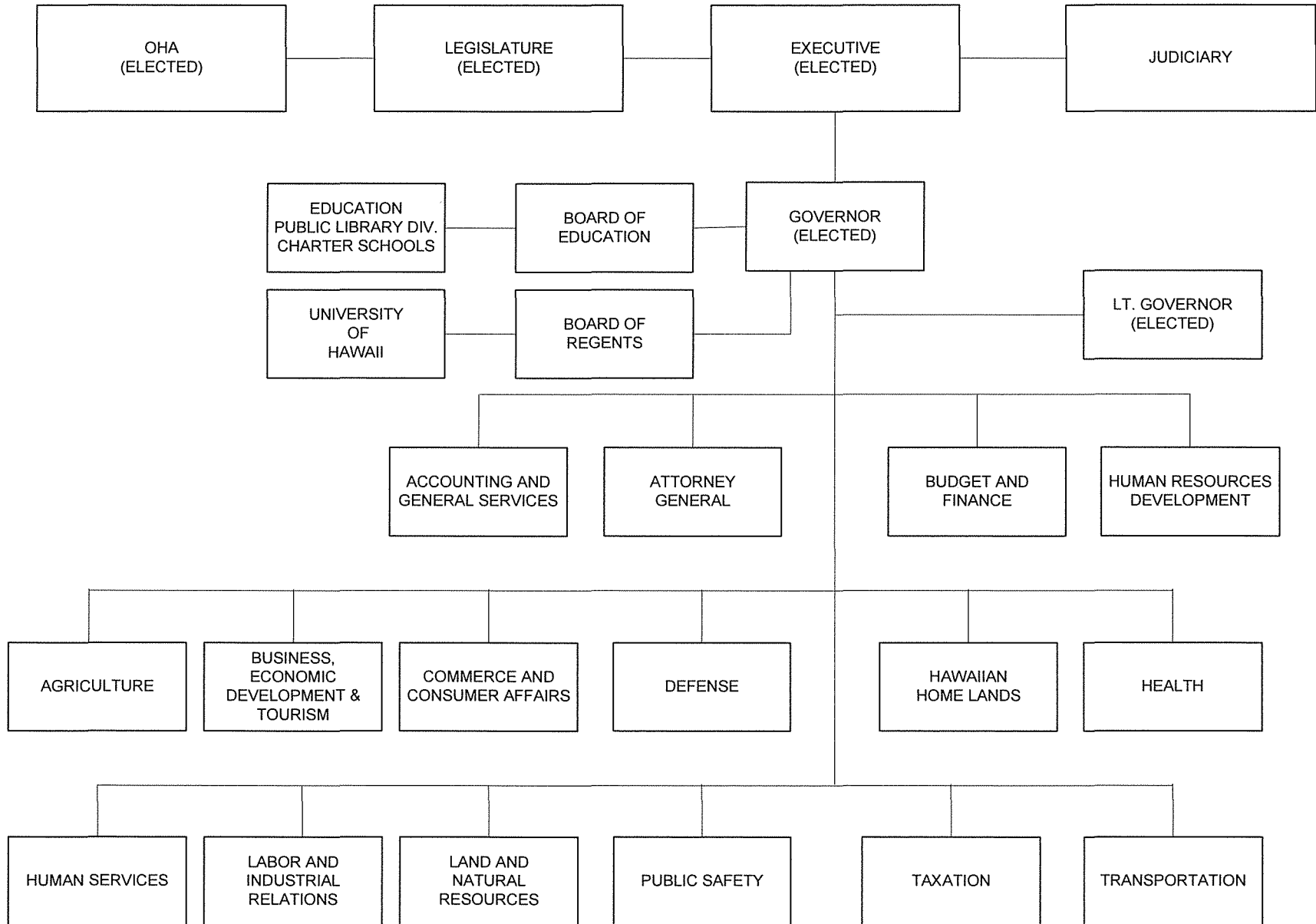
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**The Operating and Capital Budget -
Department Summaries and Highlights**



STATE GOVERNMENT OF HAWAII

PLAN OF ORGANIZATION



DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

Department Summary

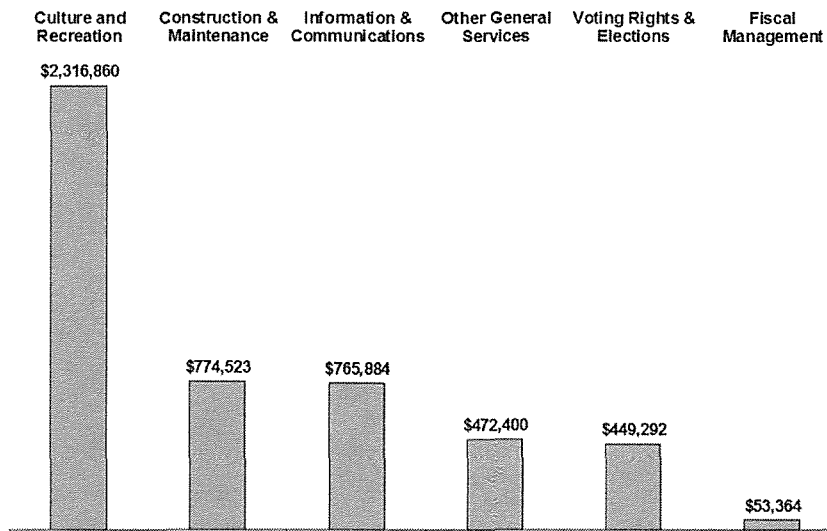
Mission Statement

To provide the physical, financial, and technical infrastructure to support state departments and agencies in accomplishing their missions.

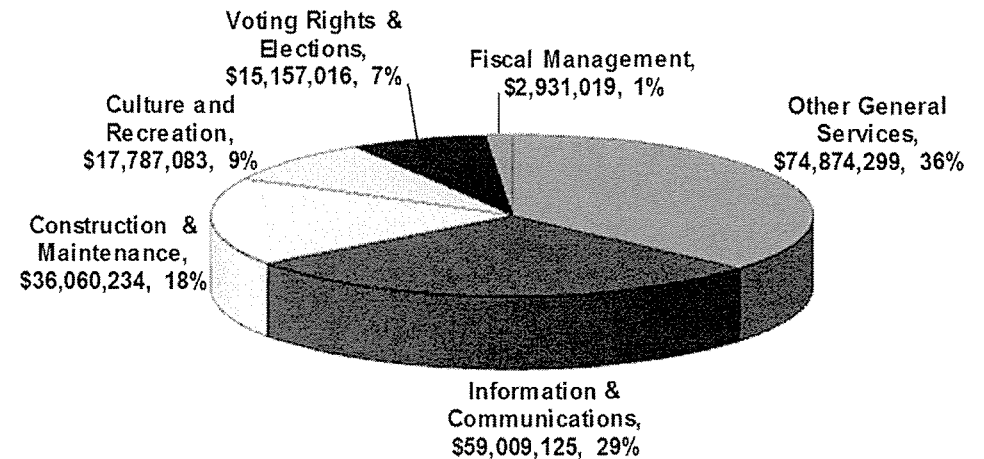
Department Goals

To strive for quality and consistency in the delivery of essential support services to other state departments and agencies. The department's activities reflect a continuing commitment towards cost efficiency, productivity, relevancy and timeliness of services.

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES MAJOR FUNCTIONS

- Maintains the State’s accounting systems; records the State’s financial transactions; verifies expenditures before payments; audits fiscal records of State agencies; and preparation of the State’s Comprehensive Annual Financial Report.
- Coordinates and directs engineering, architectural, office leasing, and centralized services that include public building and school repair and maintenance, custodial services, and grounds maintenance.
- Develops, implements, and manages statewide information technology governance, state information technology strategic plans, and technology standards.
- Administers the statewide information processing and telecommunication services and programs.
- Performs land survey work for government agencies.
- Preserves government records and historical material.
- Administers the State’s risk management activities.
- Manages the State’s motor pool and parking activities.
- Coordinates procurement activities under Chapter 103D and 103F, HRS.
- Manages and operates Aloha Stadium; guides and promotes culture, the arts, history and humanities.
- Directs the statewide elections systems; ensures full disclosure of campaign contributions and expenditures.

MAJOR PROGRAM AREAS

The Department of Accounting and General Services has programs in the following major program areas:

Formal Education

AGS 807 School Repair & Maintenance,
Neighbor Island Districts

Culture and Recreation

AGS 818 King Kamehameha
Celebration Commission
AGS 881 State Foundation on Culture
& the Arts
AGS 889 Spectator Events and Shows
– Aloha Stadium

Government-Wide Support

AGS 101 Accounting Sys Dev &
Maintenance

AGS 102 Expenditure Examination
AGS 103 Recording and Reporting
AGS 104 Internal Post Audit
AGS 111 Archives – Records
Management
AGS 130 Information Management and
Technology Services
AGS 131 Information Processing &
Communication Services
AGS 203 State Risk Management and
Insurance Administration
AGS 211 Land Survey
AGS 221 Public Works – Planning,
Design, & Construction
AGS 223 Office Leasing

AGS 231 Central Services – Custodial
AGS 232 Central Services – Grounds
Maintenance
AGS 233 Central Services - Building
Repairs and Alterations
AGS 240 State Procurement
AGS 244 Surplus Property Management
AGS 251 Automotive Management – Motor
Pool
AGS 252 Automotive Management –
Parking Control
AGS 871 Campaign Spending Commission
AGS 879 Office of Elections
AGS 891 Wireless Enhanced 911 Board
AGS 901 General Administrative Services

**Department of Accounting and General Services
Operating Budget**

			Act 134/2013	Act 134/2013	FY 2014	FY 2015	Total	Total
			FY 2014	FY 2015	Adjustments	Adjustments	FY 2014	FY 2015
Funding Sources:	Positions	Perm	550.50	550.50	-	16.82	550.50	567.32
		Temp	13.44	13.44	-	(2.00)	13.44	11.44
General Funds		\$	93,379,038	88,948,797	-	3,974,039	93,379,038	92,922,836
		Perm	62.00	62.00	-	0.75	62.00	62.75
Special Funds		Temp	3.00	3.00	-	-	3.00	3.00
		\$	23,104,199	23,464,788	-	652,384	23,104,199	24,117,172
Federal Funds		Perm	5.50	5.50	-	-	5.50	5.50
		Temp	1.00	1.00	-	-	1.00	1.00
Trust Funds		\$	8,780,650	8,780,650	-	-	8,780,650	8,780,650
		Perm	5.00	5.00	-	0.93	5.00	5.93
Interdepartmental Transfers		Temp	1.00	1.00	-	-	1.00	1.00
		\$	1,165,925	4,740,925	-	205,900	1,165,925	4,946,825
Revolving Funds		Perm	35.00	35.00	-	-	35.00	35.00
		Temp	-	-	-	-	-	-
Total Requirements		\$	37,543,171	37,543,171	-	-	37,543,171	37,543,171
		Perm	49.00	49.00	-	-	49.00	49.00
		Temp	-	-	-	-	-	-
		\$	37,994,793	37,508,122	-	-	37,994,793	37,508,122
		Perm	707.00	707.00	-	18.50	707.00	725.50
		Temp	18.44	18.44	-	(2.00)	18.44	16.44
Total Requirements		\$	201,967,776	200,986,453	-	4,832,323	201,967,776	205,818,776

Comments: (general funds and FY 15 unless otherwise noted)

1. Adds 3.00 positions and \$53,000 for custodial services and 5.00 positions and \$183,148 for grounds maintenance on Oahu.
2. Adds 1.00 position and \$346,668 for the Office of Elections to establish a statewide voter registration system.
3. Adds 1.00 position and \$87,071 for School Repair and Maintenance, Neighbor Island Districts.
4. Adds \$2,000,000 for Aloha Stadium to support the Office of the Lieutenant Governor's Sports Development Initiative.
5. Adds \$380,000 for the State Procurement Office to improve procurement training.

**Department of Accounting and General Services
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	46,822,000	-	46,822,000
General Obligation Bonds	85,432,000	75,367,000	-	(26,195,000)	85,432,000	49,172,000
Federal Funds	-	-	-	-	-	-
Total Requirements	85,432,000	75,367,000	-	20,627,000	85,432,000	95,994,000

Comments on Dept CIP Budget Request: (general obligation bonds and FY 15 unless otherwise noted)

1. Adds \$3,000,000 in construction for repairs, alterations, and improvements to the Aloha Stadium to meet code, safety, or operational
2. Adds \$8,820,000 general funds in design and construction for improvements and maintenance of public facilities and sites, statewide.
3. Adds \$5,000,000 in construction to address health and safety needs at Washington Place.

DEPARTMENT OF AGRICULTURE

Department Summary

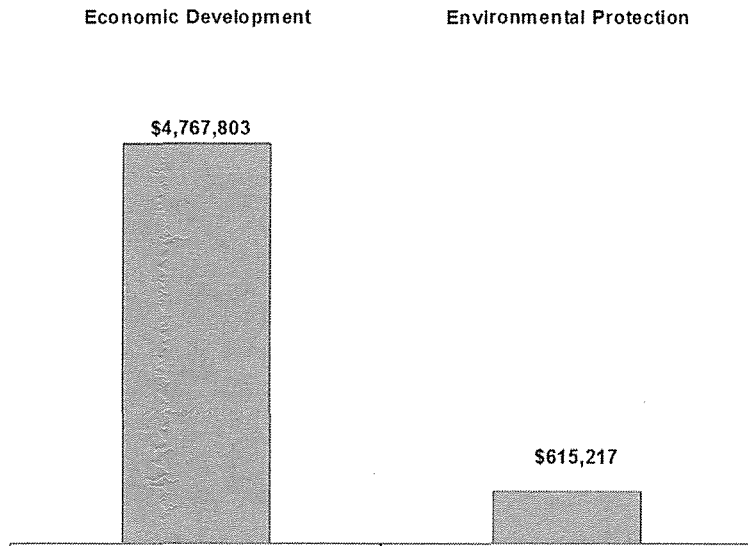
Mission Statement

To develop and promote agriculture as a significant and respected driver of Hawaii's economy.

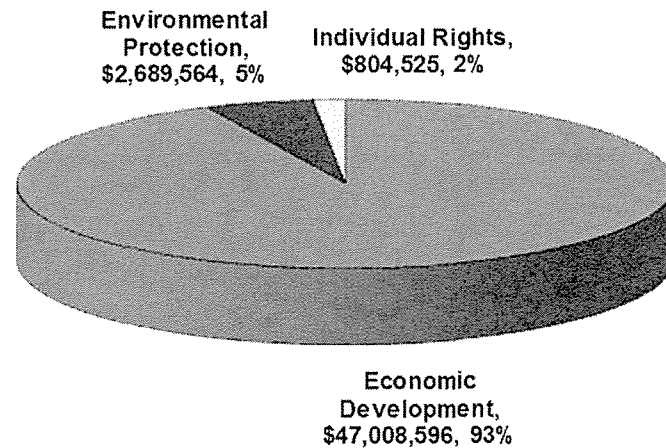
Department Goals

To conserve and develop essential agricultural resources and infrastructure; to gain access and develop local, domestic, and international markets for Hawaii's agricultural products; to raise awareness of the importance of agriculture to the State's economy, environment, and as a profession; to implement programs to safeguard Hawaii's farmers, consumers, and natural resources; and to prevent the introduction and establishment of plants, animals and disease that are detrimental to Hawaii's agriculture and environment.

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



DEPARTMENT OF AGRICULTURE MAJOR FUNCTIONS

- Carries out programs to conserve, develop, and utilize the agricultural resources and infrastructure of the State and facilitates the transition of plantation agriculture to diversified farming.
- Enforces laws, and formulates and enforces rules and regulations to further control the management of these resources.
- Reviews and develops agricultural goals and objectives compatible with statewide expansion and diversification of Hawaii's agricultural base.
- Prevents the introduction of plant pests and diseases, provides certification services to facilitate the export of certain plant materials, and controls and eradicates insects and noxious weeds and controls the distribution and usage of pesticides.
- Administers the aquaculture development, state animal health, and agricultural and aquacultural loan programs.
- Maintains official State primary measurement standards; ensures accuracy of commercial measuring devices.
- Establishes and enforces grade standards for agricultural commodities producers in the State in cooperation with the industry, and achieves stability within the State milk industry by ensuring the availability of an adequate supply of wholesale milk for the consuming public.
- Supports the marketing of various agricultural commodities.

MAJOR PROGRAM AREAS

The Department of Agriculture has programs in the following major program areas:

Economic Development

AGR 101	Financial Assistance for Agriculture
AGR 122	Plant Pest and Disease Control
AGR 131	Rabies Quarantine
AGR 132	Animal Disease Control
AGR 141	Agricultural Resource Management
AGR 151	Quality and Price Assurance
AGR 153	Aquaculture Development
AGR 161	Agribusiness Development and Research

AGR 171	Agricultural Development and Marketing
AGR 192	General Administration for Agriculture

Environmental Protection

AGR 846	Pesticides
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Individual Rights

AGR 812	Measurement Standards
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**Department of Agriculture
Operating Budget**

			Act 134/2013	Act 134/2013	FY 2014	FY 2015	Total	Total
			FY 2014	FY 2015	Adjustments	Adjustments	FY 2014	FY 2015
Funding Sources:	Positions	Perm	177.68	177.68	-	25.00	177.68	202.68
		Temp	8.00	8.00	-	(8.00)	8.00	-
General Funds		\$	14,392,759	13,460,801	-	4,163,080	14,392,759	17,623,881
Special Funds		Perm	127.82	127.82	-	1.00	127.82	128.82
		Temp	1.25	1.25	-	-	1.25	1.25
		\$	17,139,106	17,287,596	-	24,937	17,139,106	17,312,533
Federal Funds		Perm	2.00	2.00	-	(2.00)	2.00	-
		Temp	9.00	9.00	-	(9.00)	9.00	-
		\$	1,833,517	1,833,517	-	(1,646,517)	1,833,517	187,000
Other Federal Funds		Perm	-	-	-	2.00	-	2.00
		Temp	-	-	-	8.00	-	8.00
		\$	-	-	-	1,558,251	-	1,558,251
Trust Funds		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
		\$	812,962	812,962	-	-	812,962	812,962
Interdepartmental Transfers		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
		\$	44,270	44,270	-	410,000	44,270	454,270
Revolving Funds		Perm	15.50	15.50	-	-	15.50	15.50
		Temp	21.00	21.00	-	-	21.00	21.00
		\$	11,680,519	11,680,519	-	873,269	11,680,519	12,553,788
Total Requirements		Perm	323.00	323.00	-	26.00	323.00	349.00
		Temp	39.25	39.25	-	(9.00)	39.25	30.25
		\$	45,903,133	45,119,665	-	5,383,020	45,903,133	50,502,685

Comments: (general funds and FY 15 unless otherwise noted)

1. Adds 8.00 positions and \$188,269 in revolving funds for the Pesticides program.
2. Adds \$2,000,000 for the New Farmer Loan Program.
3. Adds \$1,000,000 to establish the agricultural development & food security program.
4. Adds 3.00 positions and \$250,000 to expand/improve branding & labeling programs for locally grown foods.
5. Adds 3.00 positions and \$250,000 for market research & agricultural statistics program.

**Department of Agriculture
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	35,400,000	14,100,000	-	48,750,000	35,400,000	62,850,000
Revenue Bonds	175,000,000	-	-	-	175,000,000	-
Federal Funds	6,700,000	1,500,000	-	-	6,700,000	1,500,000
County Funds	3,000,000	-	-	-	3,000,000	-
Total Requirements	220,100,000	15,600,000	-	48,750,000	220,100,000	64,350,000

Comments on Dept CIP Budget Request: (general obligation bonds and FY 15 unless otherwise noted)

1. Adds \$4,500,000 for improvements to the Molokai Irrigation Systems.
2. Adds \$40,000,000 to acquire 20,000 acres of prime land in Central Oahu / North Shore region.
3. Adds \$3,500,000 for the Waimea Homestead Community Agricultural Park, Hawaii.

DEPARTMENT OF THE ATTORNEY GENERAL

Department Summary

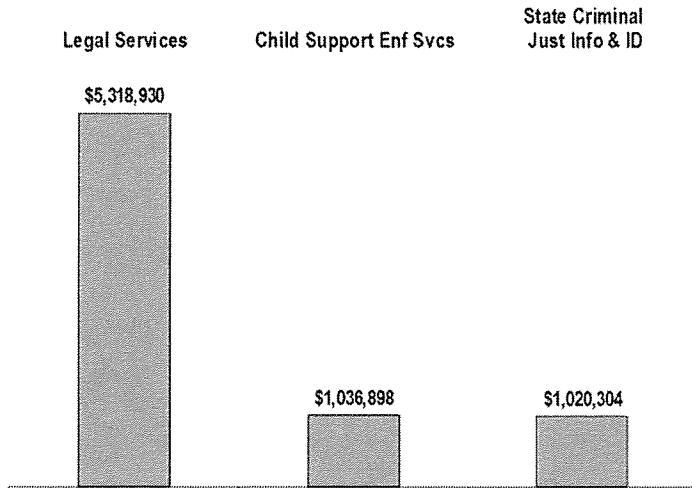
Mission Statement

To provide legal and other services to the State, including the agencies, officers, and employees of the executive, legislative, and judicial branches of the Hawaii government.

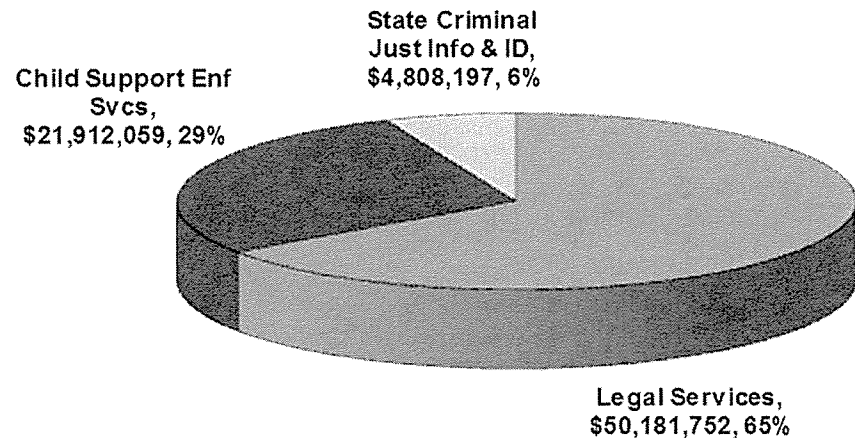
Department Goals

To provide excellent legal services to the State of Hawaii by offering advice and counsel to its client agencies, assisting in implementing policy decisions, and aiding the core activities of its client agencies. Carrying out this mission includes (1) appearing for the State in civil and criminal cases when the State is a party; (2) investigating violations of state laws, enforcing the laws, and prosecuting those who violate the law; (3) preparing legal opinions for the Governor, Legislature, and the heads of state departments; (4) advising state officials on legal matters so that they can faithfully execute their duties and responsibilities; and (5) defending and representing state officials and employees when they are sued for actions that have taken in connection with their state position.

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



DEPARTMENT OF THE ATTORNEY GENERAL MAJOR FUNCTIONS

- Provides legal services to the state agencies and employees; represents the State in all civil litigation in which the State is a party; conducts civil and criminal investigations; drafts and approves as to form the legality of various documents.
- Prosecutes criminal offenses, such as Medicaid fraud, welfare fraud, tax fraud, unemployment fraud, organized crime, and other crime against the public order; and initiates, develops and performs or coordinates programs, projects and activities on the subject of crime and crime prevention.
- Oversees the actions of the trustees of charitable trusts and brings any abuse or deviation by the trustees to the attention of the probate court for possible correction.
- Enforces the federal and state antitrust laws.
- Responsible for the enforcement of the Master Settlement Agreement pursuant to the Hawaii Revised Statutes Chapter 675 (HRS Chapter 675, State's Tobacco Liability Act); and the Cigarette Tax Stamp requirements and prohibition against the sale of Gray Market cigarettes.
- Maintains the automated statewide information system that collects, maintains, and disseminates individual criminal history record information for those arrested and fingerprinted.
- Administers the Child Support Enforcement Program, which involves initiating legal or administrative actions required to secure financial support for children.
- Provides a fair and impartial administrative forum for the expeditious resolution of child support disputes through the Office of Child Support hearings.

MAJOR PROGRAM AREAS

The Department of the Attorney General has programs in the following major program areas:

Social Services

ATG 500 Child Support Enforcement Services

Public Safety

ATG 231 State Criminal Justice Information and Identification

Government-Wide Support

ATG 100 Legal Services

**Department of the Attorney General
Operating Budget**

			Act 134/2013	Act 134/2013	FY 2014	FY 2015	Total	Total
			FY 2014	FY 2015	Adjustments	Adjustments	FY 2014	FY 2015
Funding Sources:	Positions	Perm	323.36	323.36	-	50.07	323.36	373.43
		Temp	49.16	49.16	-	(21.25)	49.16	27.91
	General Funds	\$	25,381,893	25,231,849	-	5,330,019	25,381,893	30,561,868
		Perm	22.80	22.80	-	1.80	22.80	24.60
		Temp	1.80	1.80	-	(1.30)	1.80	0.50
	Special Funds	\$	2,655,226	2,655,226	-	290,564	2,655,226	2,945,790
		Perm	1.20	1.20	-	3.80	1.20	5.00
		Temp	13.25	13.25	-	(4.00)	13.25	9.25
	Federal Funds	\$	4,852,075	4,852,075	-	(355,002)	4,852,075	4,497,073
		Perm	157.86	157.86	-	18.38	157.86	176.24
		Temp	7.81	7.81	-	-	7.81	7.81
	Other Federal Funds	\$	19,784,550	16,320,550	-	1,627,641	19,784,550	17,948,191
		Perm	0.50	0.50	-	(0.50)	0.50	-
		Temp	-	-	-	-	-	-
	Trust Funds	\$	6,221,728	6,221,728	-	(68,531)	6,221,728	6,153,197
		Perm	53.11	53.11	-	49.00	53.11	102.11
		Temp	71.50	71.50	-	(46.00)	71.50	25.50
	Interdepartmental Transfers	\$	9,035,961	9,035,361	-	547,994	9,035,961	9,583,355
		Perm	23.95	23.95	-	0.45	23.95	24.40
		Temp	1.45	1.45	-	(0.45)	1.45	1.00
	Revolving Funds	\$	5,209,087	5,209,087	-	3,447	5,209,087	5,212,534
		Perm	582.78	582.78	-	123.00	582.78	705.78
		Temp	144.97	144.97	-	(73.00)	144.97	71.97
Total Requirements		\$	73,140,520	69,525,876	-	7,376,132	73,140,520	76,902,008

Comments: (general funds and FY 15 unless otherwise noted)

1. Adds \$252,720 in general funds and reduces \$252,720 in interdepartmental transfer funds to restore funds for debt collection efforts.
2. Adds \$1,170,000 (\$634,258 in general funds, \$37,223 in special funds, \$23,686 in federal funds, \$70,449 in other federal funds, \$3,973 in trust funds, \$396,964 in interdepartmental transfer funds, and \$3,447 in revolving funds) for Deputy Attorney General pay adjustments.
3. Adds 5.00 permanent Deputy Attorney General positions and \$648,713 in interdepartmental transfer funds to meet client needs.
4. Adds 5.00 permanent positions and \$377,000 for the Major Litigation Unit.
5. Adds 1.00 permanent Information Technology Manager position and \$199,500 to oversee the Department's Information Technology strategy.
6. Adds 2.00 permanent positions and \$400,296 (\$365,296 in special funds and \$35,000 in general funds) for the Solicitation of Funds for Charitable Purposes expansion.
7. Transfers \$200,000 from the operating maintenance budget to the leasing budget to upgrade the Automated Fingerprint Identification System, and provides an additional \$200,000 for lease financing costs.
8. Adds 28.00 permanent positions and \$1,036,898 (9.52 positions and \$299,394 in general funds, 18.48 positions and \$737,504 in other federal funds) for case management staff at the Child Support Enforcement Agency.

9. Adds \$794,959 for the County Victim Services program as part of the Justice Reinvestment Initiative.
10. Adds \$358,000 for the Hawaii Sex Assault and Training program.
11. Adds \$1,500,000 for the Litigation Fund.
12. Adds 1.00 permanent Deputy Attorney General position and \$87,000 to perform workload for the Uniform Information Practices Act.

**Department of the Attorney General
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	-	-	-	-	-	-
Federal Funds	-	-	-	-	-	-
Total Requirements	-	-	-	-	-	-

Comments on Dept CIP Budget Request: (general obligation bonds and FY 15 unless otherwise noted)
None.

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DEPARTMENT OF BUDGET AND FINANCE

Department Summary

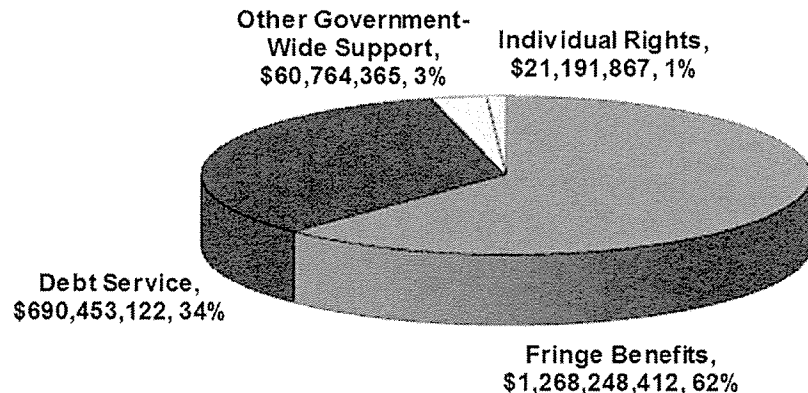
Mission Statement

To enhance long-term productivity and efficiency in government operations by providing quality budget and financial services that prudently allocate and effectively manage available resources.

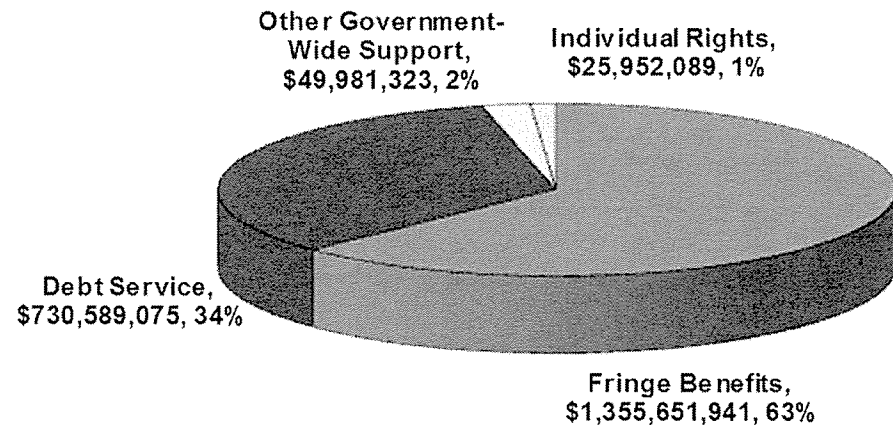
Department Goals

Improve the executive resource allocation process through planning, analysis and recommendation on all phases of program scope and funding; maximize the value, investment, and use of State funds through planning, policy development, timely scheduling of State bond financing and establishment of appropriate cash management controls and procedures; administer retirement and survivor benefits for State and County members and prudently manage the return on investments; administer health and life insurance benefits for eligible active and retired State and County public employees and their dependents by providing quality services and complying with federal and State legal requirements; ensure regulated companies provide adequate and reliable services at just and reasonable rates with a fair opportunity to earn a reasonable rate of return; and to safeguard the rights of indigent individuals in need of assistance in criminal and related cases by providing statutorily entitled and effective legal representation.

**FY 2014 Supplemental
Operating Budget**



**FY 2015 Supplemental
Operating Budget**



DEPARTMENT OF BUDGET AND FINANCE MAJOR FUNCTIONS

- Administers the multi-year program and financial plan and executive budget, management improvement, and financial management programs of the state under the general direction of the Governor.
- Coordinates state budget services and prepares the Governor's budget for submission to the legislature; administers the financial affairs of the State.
- Plans, directs and coordinates the State's investments and financing programs.
- Directs and coordinates a statewide retirement benefits program for state and county government employees.
- Administers health and life insurance benefits for eligible state and county active and retired public employees and dependents.
- Provides comprehensive legal and related services to persons who are financially unable to obtain legal and related services.
- Regulates all chartered, franchised, or certificated public service companies operating in the State.

MAJOR PROGRAM AREAS

The Department of Budget and Finance has programs in the following major program areas:

Government-Wide Support

BUF 101	Departmental Administration and Budget Division
BUF 115	Financial Administration
BUF 141	Employees Retirement System
BUF 143	Employer Union Trust Fund
BUF 721	Debt Service – State
BUF 725	Debt Service – DOE
BUF 728	Debt Service – UH
BUF 741	Retirement Benefits – State

BUF 745	Retirement Benefits – DOE
BUF 748	Retirement Benefits – UH
BUF 761	Health Premium Payments – State
BUF 765	Health Premium Payments – DOE
BUF 768	Health Premium Payments - UH

Individual Rights

BUF 151	Office of the Public Defender
BUF 901	Public Utilities Commission

**Department of Budget and Finance
Operating Budget**

			Act 134/2013	Act 134/2013	FY 2014	FY 2015	Total	Total
			FY 2014	FY 2015	Adjustments	Adjustments	FY 2014	FY 2015
Funding Sources:	Positions	Perm	134.75	134.75	-	4.00	134.75	138.75
		Temp	62.00	62.00	-	-	62.00	62.00
	General Funds	\$	2,053,013,657	2,142,109,115	(53,151,500)	(30,368,061)	1,999,862,157	2,111,741,054
		Perm	62.00	62.00	-	-	62.00	62.00
		Temp	-	-	-	-	-	-
	Special Funds	\$	13,459,500	17,362,867	582,684	4,008,323	14,042,184	21,371,190
		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
	Federal Funds	\$	61,539	61,539	-	-	61,539	61,539
		Perm	61.00	61.00	-	6.00	61.00	67.00
		Temp	-	-	-	-	-	-
	Trust Funds	\$	13,434,860	13,177,121	-	338,397	13,434,860	13,515,518
		Perm	1.75	1.75	-	-	1.75	1.75
		Temp	-	-	-	-	-	-
	Interdepartmental Transfers	\$	2,112,597	4,112,597	3,000	6,000	2,115,597	4,118,597
		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
	Revolving Funds	\$	93,036	110,567	-	-	93,036	110,567
		Perm	102.00	102.00	-	-	102.00	102.00
		Temp	1.00	1.00	-	-	1.00	1.00
	Other Funds	\$	11,048,393	11,255,963	-	-	11,048,393	11,255,963
		Perm	361.50	361.50	-	10.00	361.50	371.50
		Temp	63.00	63.00	-	-	63.00	63.00
Total Requirements		\$	2,093,223,582	2,188,189,769	(52,565,816)	(26,015,341)	2,040,657,766	2,162,174,428

Comments: (general funds and FY 15 unless otherwise noted)

1. Reduces \$29,651,553 in FY 14 and increases \$5,298,028 in FY 15 for debt service payments.
2. Adds \$15,185,356 in FY 14 and \$15,292,859 in FY 15 for Pension Accumulation and Social Security/Medicare payments to the Employees' Retirement System.
3. Reduces \$38,951,439 in FY14 and \$52,253,063 in FY15 for health benefits payments to the Employer Union Health Benefits Trust fund.
4. Adds 4.00 permanent positions and \$115,186 for information technology support, fiscal support and investor relations.
5. Adds 6.00 permanent positions and \$338,397 in trust funds for fiscal support, member services support and a wellness program.
6. Adds \$902,222 in special funds for the Public Utilities Commission for the Division of Consumer Advocacy in the Department of Commerce and Consumer Affairs, and to reflect the Administrative Assessment per Section 36-30, HRS.

**Department of Budget and Finance
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	83,000,000	10,000,000	-	19,383,000	83,000,000	29,383,000
Federal Funds	-	-	-	-	-	-
Total Requirements	83,000,000	10,000,000	-	19,383,000	83,000,000	29,383,000

Comments on Dept CIP Budget Request: (general obligation bonds and FY 15 unless otherwise noted)

1. Adds \$19,383,000 for transfers to the Hawaiian Homelands Trust Fund. FY15 will be the final payment to Hawaiian Homelands.

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

Department Summary

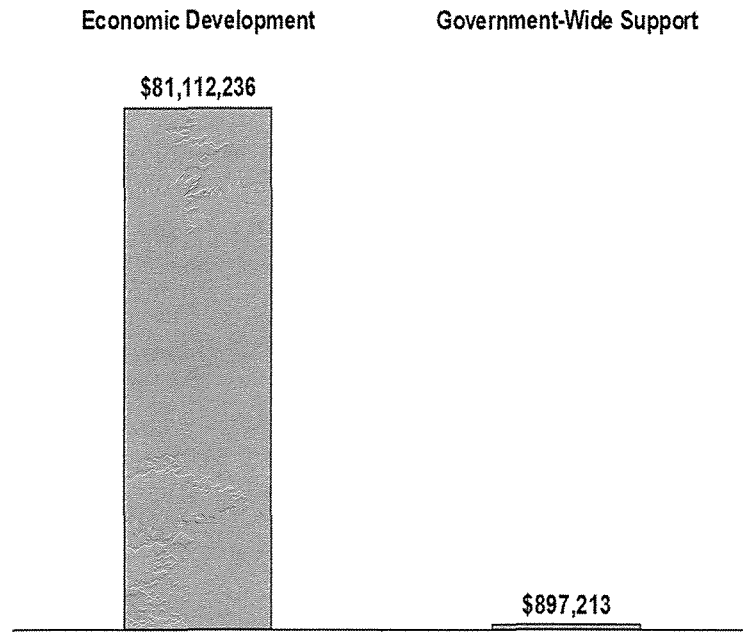
Mission Statement

To achieve a Hawaii economy that embraces innovation and is globally competitive, dynamic and productive, providing opportunities for all Hawaii's citizens to prosper.

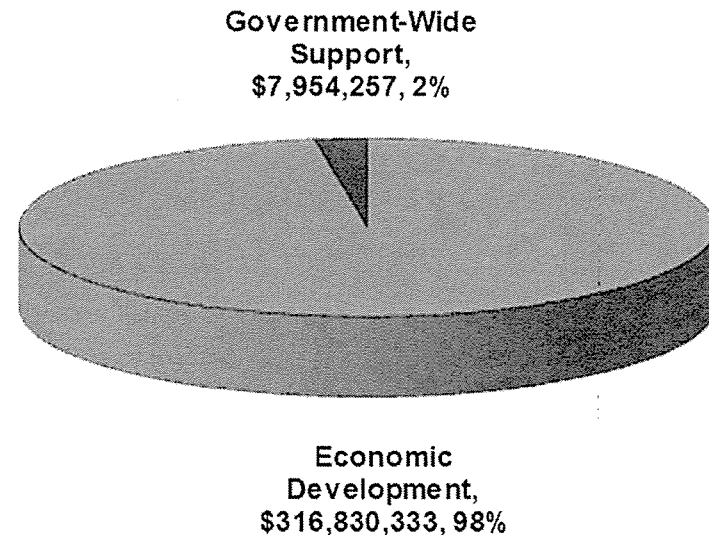
Department Goals

Lead efforts to facilitate structural economic adjustments to improve the competitiveness of Hawaii businesses and create the conditions to reward productivity and entrepreneurship.

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM MAJOR FUNCTIONS

- **Workforce Housing** – Create workforce housing units in high-quality living environments to support a skilled labor force in Hawaii.
- **Human Capital Development** – Educate, develop, retain and attract a workforce with the skills required for an innovation-driven and globally-competitive economy.
- **“Hawaii Clean Energy Initiative”** – Fundamentally transform how Hawaii uses energy by accelerating the production of renewable and alternative energy, increasing energy efficiency and developing and adopting new technologies thereby ensuring energy security and long-term environmental quality, and benefits to residents.
- **Global Links** – Increase the flow of people, products, services and ideas between Hawaii and its export markets.
- **Creation of an Innovation Infrastructure** – Create the infrastructure that enables Hawaii’s creative and entrepreneurial talent to turn ideas into products and services.
- **Improving Hawaii’s Business Environment** – Lead public sector efforts to bring about a business environment that is market-driven, and rewards productivity and entrepreneurship.

MAJOR PROGRAM AREAS

The Department of Business, Economic Development and Tourism has programs in the following major program areas:

Economic Development

BED 100	Strategic Marketing & Support
BED 105	Creative Industries Division
BED 107	Foreign Trade Zone
BED 113	Tourism
BED 120	Environment & Energy Development
BED 128	Office of Aerospace
BED 142	General Support for Economic Development
BED 143	High Technology Development Corporation
BED 145	Hawaii Strategic Development Corporation
BED 146	Natural Energy Laboratory of Hawaii Authority
BED 150	Hawaii Community Development Authority
BED 160	Hawaii Housing Finance and Development Corporation

Government-Wide Support

BED 103	Statewide Land Use Management
BED 130	Economic Planning and Research
BED 144	Statewide Planning and Coordination

**Department of Business, Economic Development and Tourism
Operating Budget**

			Act 134/2013	Act 134/2013	FY 2014	FY 2015	Total	Total
			FY 2014	FY 2015	Adjustments	Adjustments	FY 2014	FY 2015
Funding Sources:	Positions	Perm	79.50	79.50	-	11.00	79.50	90.50
		Temp	4.75	4.75	-	2.00	4.75	6.75
General Funds		\$	9,074,894	8,411,939	-	15,774,353	9,074,894	24,186,292
		Perm	28.50	28.50	-	-	28.50	28.50
Special Funds		Temp	85.75	85.25	-	-	85.75	85.25
		\$	162,959,591	162,604,591	-	51,500,000	162,959,591	214,104,591
Federal Funds		Perm	5.00	5.00	-	-	5.00	5.00
		Temp	6.00	6.00	-	-	6.00	6.00
Other Federal Funds		\$	7,513,559	7,100,000	-	-	7,513,559	7,100,000
		Perm	-	-	-	-	-	-
Trust Funds		Temp	8.25	8.00	-	-	8.25	8.00
		\$	24,915,950	25,162,445	-	8,490,615	24,915,950	33,653,060
Revolving Funds		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
Federal Stimulus Funds		\$	21,923,698	21,923,698	-	-	21,923,698	21,923,698
		Perm	33.00	33.00	-	-	33.00	33.00
Total Requirements		Temp	46.00	46.00	-	-	46.00	46.00
		\$	17,572,468	17,572,468	-	6,244,481	17,572,468	23,816,949
		Perm	-	-	-	-	-	-
		Temp	0.50	-	-	-	0.50	-
		\$	151,535	-	-	-	151,535	-
		Perm	146.00	146.00	-	11.00	146.00	157.00
		Temp	151.25	150.00	-	2.00	151.25	152.00
		\$	244,111,695	242,775,141	-	82,009,449	244,111,695	324,784,590

Comments: (general funds and FY 15 unless otherwise noted)

1. Adds \$50,000,000 in special funds for Environment and Energy Development for green energy market securitization.
2. Adds \$13,168,350 in other federal funds for the Hawaii Strategic Development Corporation for the Small Business Credit Initiative.
3. Adds \$7,000,000 for the High Technology Development Corporation for the High Technology Transfer Bridge to Manufacturing.
4. Adds \$6,000,000 for the Hawaii Strategic Development Corporation's HI Growth Initiative.
5. Adds \$2,000,000 in federal funds for Environment and Energy Development.
6. Adds \$394,000 for the Taipei and Beijing overseas offices.
7. Adds 8.00 positions and \$237,692 in various programs including General Support for Economic Development, Statewide Planning & Coordination, Office of Aerospace, Statewide Land Use Management and Economic Planning & Research.
8. Restores 5.00 positions and \$125,572 in various programs including General Support for Economic Development, High Technology Development Corporation and the Creative Industries Division.

**Department of Business, Economic Development and Tourism
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	28,382,000	16,055,000	-	53,767,000	28,382,000	69,822,000
Reimbursable G.O. Bonds	3,000,000	-	-	-	3,000,000	-
Federal Funds	-	-	-	-	-	-
Total Requirements	31,382,000	16,055,000	-	53,767,000	31,382,000	69,822,000

Comments on Dept CIP Budget Request: (general obligation bonds and FY 15 unless otherwise noted)

1. Adds \$22,000,000 for construction of the High Technology Development Corporation Technology Center.
2. Adds \$7,000,000 to update the Kalaeloa Enterprise Energy Corridor.
3. Adds \$5,000,000 for a Complete Street in Kakaako.
4. Adds \$5,000,000 for the Rental Housing Trust Fund.
5. Adds \$3,635,000 for the Natural Energy Lab of Hawaii Authority (NELHA) potable water well.
6. Adds \$7,832,000 for the Low Income Housing tax credit loans.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

Department Summary

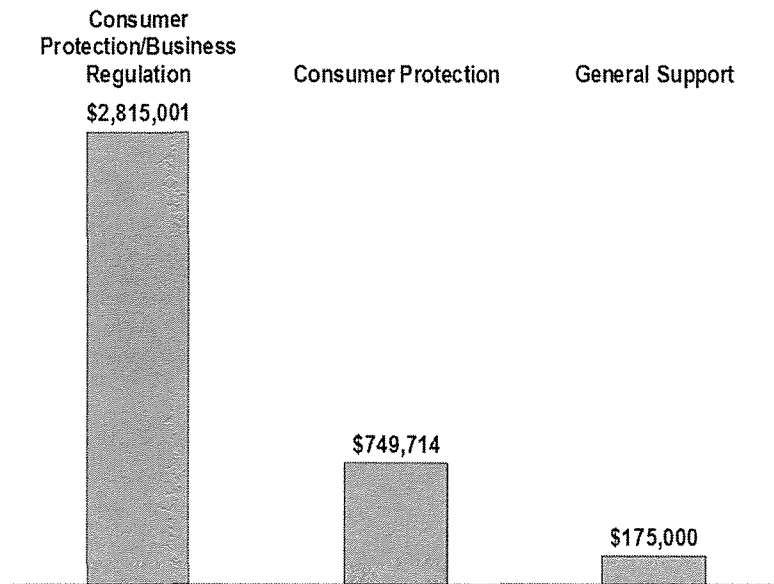
Mission Statement

To fairly regulate business, while ensuring consumer protection in commercial transactions in Hawaii.

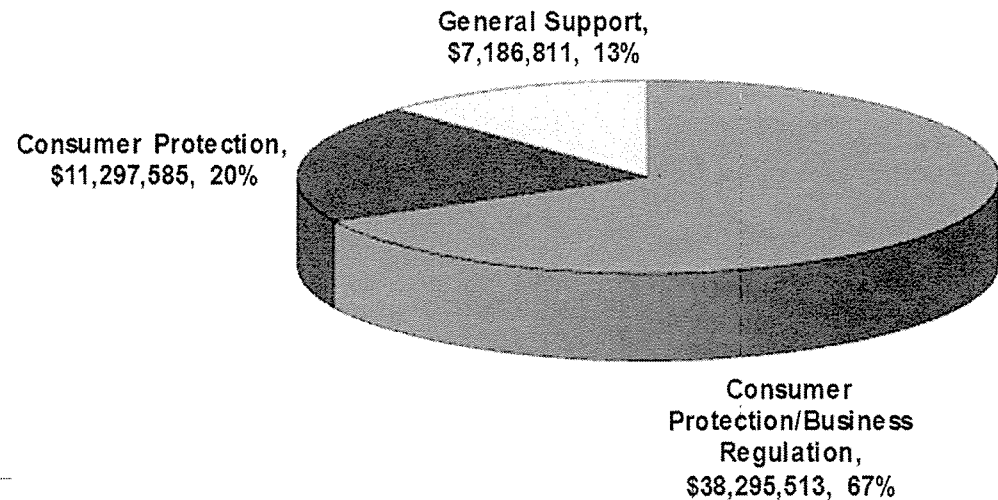
Department Goals

To develop, promote, and implement rational business regulation; to consider the public interest and increase the opportunity for public involvement in the regulatory process; and to ensure fairness in the conduct of administrative hearings that address decisions made by department regulators.

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS MAJOR FUNCTIONS

- Develops standards relating to the licensing of and general supervision over the conduct of the financial services industry, professions, businesses, trades, and insurance companies.
- Grants or denies the issuance of professional, business and trade licenses; directs investigations, holds hearings, and suspends, revokes or reinstates licenses; makes, amends or repeals such rules and regulations deemed necessary to fully effectuate the provisions of the laws within the Department's scope and jurisdiction.
- Represents, protects, and advances the interest of consumers of utility services; conducts investigations; assists and cooperates with Federal, State, and local agencies to protect the consumer's interests in the public utilities fields.
- Coordinates consumer protection activities in the State; conducts investigations, research, and enforces laws, rules, and regulations in the area of consumer protection; provides consumer education services and programs.
- Administers the laws of the State relating to corporations; partnerships; sales of securities; registration of trademarks, tradenames, prints and labels; miscellaneous business registrations; financial services industry; the insurance industry; and provides advice on business formation.
- Ensures that cable subscribers are provided with services that meet acceptable standards of quality, dependability, and fair rates; maintains surveillance over filed rates, charges, terms, and conditions of services; and monitors the operations and management of cable television operators and public access television entities.

MAJOR PROGRAM AREAS

The Department of Commerce and Consumer Affairs has programs in the following major program areas:

Individual Rights

Protection of the Consumer/Regulation of Services

CCA 102	Cable Television
CCA 103	Consumer Advocate for Communication, Utilities, and Transportation Services
CCA 104	Financial Services Regulation
CCA 105	Professional and Vocational Licensing
CCA 106	Insurance Regulatory Services
CCA 107	Accredited Post-Secondary Education Authorization

Protection of the Consumer/Enforcement of Fair Bus. Practices

CCA 110	Office of Consumer Protection
CCA 111	Business Registration and Securities Regulation
CCA 112	Regulated Industries Complaints Office
<u>General Support</u>	
CCA 191	General Support

**Department of Commerce and Consumer Affairs
Operating Budget**

			Act 134/2013	Act 134/2013	FY 2014	FY 2015	Total	Total
			FY 2014	FY 2015	Adjustments	Adjustments	FY 2014	FY 2015
Funding Sources:	Positions	Perm	-	-	-	2.00	-	2.00
		Temp	-	-	-	-	-	-
General Funds		\$	-	-	-	95,045	-	95,045
		Perm	401.00	401.00	-	11.00	401.00	412.00
		Temp	32.00	32.00	-	(2.00)	32.00	30.00
Special Funds		\$	50,425,843	50,275,202	-	1,534,670	50,425,843	51,809,872
		Perm	-	-	-	-	-	-
		Temp	4.00	4.00	-	-	4.00	4.00
Other Federal Funds		\$	1,000,000	250,000	-	-	1,000,000	250,000
		Perm	8.00	8.00	-	-	8.00	8.00
		Temp	3.00	3.00	-	-	3.00	3.00
Trust Funds		\$	2,554,992	2,514,992	-	2,110,000	2,554,992	4,624,992
		Perm	409.00	409.00	-	13.00	409.00	422.00
		Temp	39.00	39.00	-	(2.00)	39.00	37.00
Total Requirements		\$	53,980,835	53,040,194	-	3,739,715	53,980,835	56,779,909

Comments: (general funds and FY 15 unless otherwise noted)

1. Adds 1.00 position and \$749,714 in special funds to support renewable energy initiative for the Division of Consumer Advocacy.
2. Adds 2.00 positions and \$95,045 and \$128,832 in special funds to support the Post-Secondary Educational Act of 1965 pursuant to Act 180, SLH 2013.
3. Adds \$2,000,000 in trust funds to allow the Department of Labor and Industrial Relations to implement the capital improvement grant pursuant to Chapter 42F, HRS, for the Hawaii Public Television Foundation.
4. Adds 6.00 positions and \$481,124 in special funds to support the Affordable Care Act for the Insurance Regulatory Division.

**Department of Commerce and Consumer Affairs
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	-	-	-	-	-	-
Federal Funds	-	-	-	-	-	-
Total Requirements	-	-	-	-	-	-

Comments on Dept CIP Budget Request: (general obligation bonds and FY 15 unless otherwise noted)
None.

DEPARTMENT OF DEFENSE

Department Summary

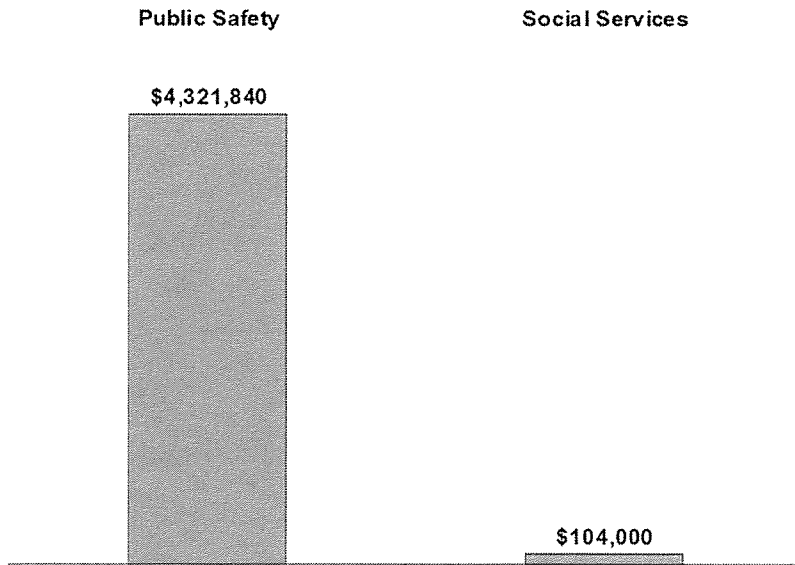
Mission Statement

To assist authorities in providing for the safety, welfare, and defense of the people of Hawaii.

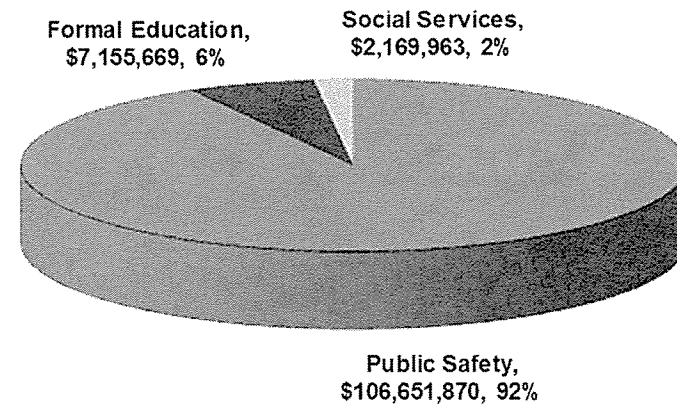
Department Goals

To maintain readiness to respond to the needs of the people in the event of disasters, either natural or human-caused; to administer policies and programs related to veterans and their families; to provide at-risk youth with opportunities to obtain their high school diplomas and become productive citizens.

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



DEPARTMENT OF DEFENSE MAJOR FUNCTIONS

- Provides for the defense, safety and welfare of the people of Hawaii.
- Maintains its readiness to respond to the needs of the people in the event of war or devastation originating from either natural or human-caused disasters.
- To meet its federal mission as part of the military reserve component, the Hawaii National Guard, consisting of the Army and Air National Guard divisions, is manned, trained, equipped and ready for call to active duty by the President in times of national emergency. To meet its State mission, the Hawaii National Guard responds when necessary to protect life and property, preserve peace, order and public safety as directed by competent State authority.
- Coordinates the civil defense planning of all public and private organizations within the islands, minimizes the loss of life and property damage, restores essential public services, and expedites the recovery of individuals in the event of natural or human-caused mass casualty situations.
- Administers the Youth Challenge Academy, which serves youth at risk by providing life-transforming experience through training under military-like conditions.
- Office of Veterans Services – Responsible for the statewide administration, conduct, and coordination of all functions and activities prescribed under Chapter 363, Veterans Rights and Benefits, HRS, for veterans and their dependents.
- Office of Homeland Security – Provides a comprehensive program, to protect our people, infrastructure, and government from terrorism and threats of attack as prescribed under Chapter 26, Executive and Administrative Departments, Section 21, Department of Defense.

MAJOR PROGRAM AREAS

The Department of Defense has programs in the following major program areas:

Social Services

DEF 112 Services to Veterans

Formal Education

DEF 114 Hawaii National Guard Youth Challenge Academy

Public Safety

DEF 110 Amelioration of Physical Disaster

**Department of Defense
Operating Budget**

			Act 134/2013	Act 134/2013	FY 2014	FY 2015	Total	Total
			FY 2014	FY 2015	Adjustments	Adjustments	FY 2014	FY 2015
Funding Sources:	Positions	Perm	142.60	142.60	-	5.25	142.60	147.85
		Temp	61.00	61.00	-	(2.00)	61.00	59.00
General Funds		\$	15,158,256	15,100,945	-	1,884,484	15,158,256	16,985,429
		Perm	100.65	100.65	-	3.75	100.65	104.40
Federal Funds		Temp	129.50	129.50	-	3.00	129.50	132.50
		\$	39,031,649	39,882,329	-	38,033,895	39,031,649	77,916,224
Other Federal Funds		Perm	-	-	-	-	-	-
		Temp	11.50	11.50	-	(1.00)	11.50	10.50
County Funds		\$	59,500,000	56,000,000	-	(34,924,151)	59,500,000	21,075,849
		Perm	-	-	-	-	-	-
Interdepartmental Transfers		Temp	-	-	-	-	-	-
		\$	464,458	464,458	-	(464,458)	464,458	-
Total Requirements		Perm	-	-	-	-	-	-
		Temp	2.00	2.00	-	(2.00)	2.00	-
		\$	1,403,930	103,930	-	(103,930)	1,403,930	-
		Perm	243.25	243.25	-	9.00	243.25	252.25
		Temp	204.00	204.00	-	(2.00)	204.00	202.00
		\$	115,558,293	111,551,662	-	4,425,840	115,558,293	115,977,502

Comments: (general funds and FY15 unless otherwise noted)

1. Transfers 5.00 positions and \$35,288,706 (2.00 positions and \$114,252 in general funds, 3.00 positions and \$35,000,000 in other federal funds, and \$174,454 in federal funds) from the State Civil Defense to be placed in the Office of Homeland Security, pursuant to Act 175, SLH 2013.
2. Adds 2.00 permanent federal fund positions and \$160,000 in federal funds to coordinate security planning and preparedness activities and oversee monitoring operations.
3. Adds 3.00 positions and \$4,157,089 (0.75 position and \$1,265,308 in general funds, and 2.25 positions and \$2,891,781 in federal funds) to fund additional costs at national guard facilities.
4. Adds \$250,000 to refine plans and conduct site search and selection for a Joint Emergency Management Center.
5. Adds \$100,000 to fund State Active Duty operations.

**Department of Defense
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	2,000,000	-	2,000,000
General Obligation Bonds	39,186,000	4,400,000	-	9,726,000	39,186,000	14,126,000
Federal Funds	36,432,000	1,001,000	-	17,080,000	36,432,000	18,081,000
Total Requirements	75,618,000	5,401,000	-	28,806,000	75,618,000	34,207,000

Comments on Dept CIP Budget Request: (general obligation bonds and FY15 unless otherwise noted)

1. Adds \$10,502,000 (\$2,676,000 in general obligation bond funds and \$7,826,000 in federal funds) for Energy Savings Improvements and Renewable Energy Projects, Statewide.
2. Adds \$2,700,000 for Youth Challenge Academy Upgrade and Improvements at Keaukaha Military Reservation, Hawaii.
3. Adds \$1,610,000 (\$210,000 in general obligation bond funds and \$1,400,000 in federal funds) for Non-Potable Well for West Hawaii Veterans Cemetery, Hawaii.
4. Adds \$6,354,000 (\$500,000 in general obligation bond funds and \$5,854,000 in federal funds) for Hawaii State Veterans Cemetery Upgrades and Improvements, Oahu.
5. Adds \$2,000,000 for Department of Defense Facilities, Infrastructure, and Devices, Statewide.
6. Converts \$2,000,000 in general obligation bond funds to general funds.

DEPARTMENT OF EDUCATION

Department Summary

Mission Statement

The Hawaii Department of Education serves our community by developing the academic achievement, character, and social-emotional well-being of our students to the fullest potential. The Department works with partners, families, and communities to ensure that all students reach their aspirations from early learning through college, career, and citizenship. Therefore, Hawaii's public school students will be educated, healthy, and joyful lifelong learners who contribute positively to our community and global society. Hawaii State Public Library System will provide Hawaii's residents, in all walks of life, and at each stage of their lives, with access to education, information, programs and services, and teach and nurture love of reading and life-long learning.

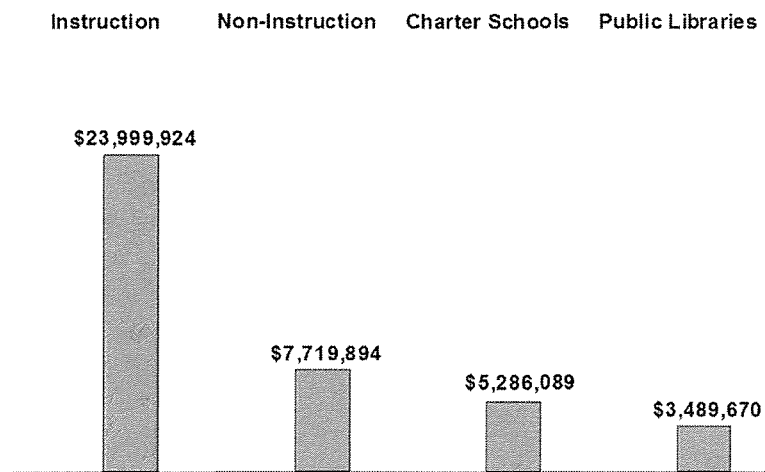
Department Goals

Public School Goals:

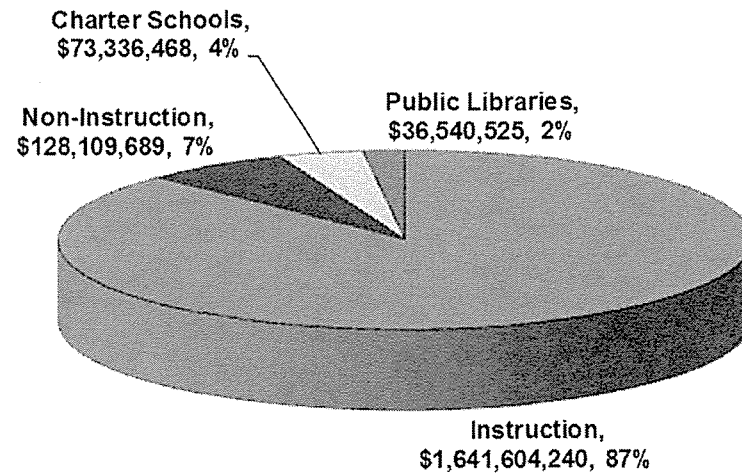
- Student Success – by having all students demonstrate they are on a path toward success in college, career, and citizenship;
- Staff Success – by having a high-performing culture where employees have the training, support and professional development to contribute effectively to student success; and,
- Successful Systems of Support – by having a system and culture that effectively organize financial, human, and community resources in support of student success.

Hawaii State Library System Goals: Increase access to public library services and collections through innovative and effective methods and technologies; seek additional revenue sources and partnerships and make the best use of existing resources.

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



DEPARTMENT OF EDUCATION MAJOR FUNCTIONS

- Under the direction of the Board of Education, the Department of Education manages the statewide system of public schools.
- The scope of educational programs and services of the public schools regularly encompasses grades kindergarten through twelve, and such pre-school programs and community/adult education programs as may be established by law.
- In addition to regular programs of instruction and support services, public schools offer special programs and services for qualified students with disabilities, gifted and talented students, students with limited English language proficiency, and students who are economically and culturally disadvantaged, school-alienated, or institutionally confined.
- The Board of Education also oversees the Hawaii State Public Library System. The Hawaii State Public Library System operates the Hawaii State Library, the Library for the Blind and Physically Handicapped, public libraries, community public and school libraries, and bookmobile services.
- The State Public Charter School Commission is placed within the Department of Education for administrative purposes. The Commission has statewide chartering jurisdiction and authority.
- The Executive Office on Early Learning is responsible for the performance, development, and control of programs and activities relating to a comprehensive early childhood system for children.

MAJOR PROGRAM AREAS

The Department of Education has programs in the following major program area:

Formal Education

EDN 100	School Based Budgeting	EDN 400	School Support
EDN 150	Special Education and Student Support Services	EDN 407	Public Libraries
EDN 200	Instructional Support	EDN 500	School Community Services
EDN 300	State Administration	EDN 600	Charter Schools
		EDN 700	Executive Office on Early Learning

**Department of Education
Operating Budget**

			Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:	Positions	Perm	19,224.47	19,224.47	-	16.00	19,224.47	19,240.47
		Temp	1,984.55	1,984.55	-	27.00	1,984.55	2,011.55
General Funds		\$	1,400,040,614	1,367,369,920	-	31,719,818	1,400,040,614	1,399,089,738
		Perm	737.50	737.50	-	-	737.50	737.50
		Temp	6.00	6.00	-	-	6.00	6.00
Special Funds		\$	55,959,324	55,959,324	-	-	55,959,324	55,959,324
		Perm	5.00	5.00	-	-	5.00	5.00
		Temp	147.50	147.50	-	-	147.50	147.50
Federal Funds		\$	241,262,560	233,651,324	-	-	241,262,560	233,651,324
		Perm	-	-	-	-	-	-
		Temp	3.00	3.00	-	-	3.00	3.00
Other Federal Funds		\$	17,988,189	17,343,500	-	-	17,988,189	17,343,500
		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
Trust Funds		\$	24,290,000	24,290,000	-	-	24,290,000	24,290,000
		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
Interdepartmental Transfers		\$	10,545,605	10,545,605	-	-	10,545,605	10,545,605
		Perm	8.00	8.00	-	-	8.00	8.00
		Temp	2.00	2.00	-	-	2.00	2.00
Revolving Funds		\$	28,834,438	28,834,438	-	-	28,834,438	28,834,438
		Perm	19,974.97	19,974.97	-	16.00	19,974.97	19,990.97
		Temp	2,143.05	2,143.05	-	27.00	2,143.05	2,170.05
Total Requirements		\$	1,778,920,730	1,737,994,111	-	31,719,818	1,778,920,730	1,769,713,929

Comments: (general funds and FY15 unless otherwise noted)

1. Adds \$14,000,000 for the Weighted Student Formula for all schools Statewide to address issues such as Elementary and Secondary Education Act (ESEA) Flex requirements, information technology support, and common core standards.
2. Adds \$9,000,000 to address increased utility (electricity, gas, water, sewer) costs, Statewide.
3. Adds \$2,000,000 to support the Strive HI Performance system which replaces components of the U.S. Department of Education "No Child Left Behind Act".
4. Adds \$1,267,700 for the student perception survey and to train/certify administrators on the classroom observation framework.
5. Adds \$600,000 to continue efforts to provide school digital devices.

**Department of Education
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	98,000,000	-	98,000,000
Special Funds	-	100,000,000	-	-	-	100,000,000
General Obligation Bonds	238,670,000	125,739,000	-	18,000,000	238,670,000	143,739,000
Federal Funds	2,000	-	-	48,000,000	2,000	48,000,000
Total Requirements	238,672,000	225,739,000	-	164,000,000	238,672,000	389,739,000

Comments on Dept CIP Budget Request: (general obligation bonds and FY15 unless otherwise noted)

1. Adds \$12,000,000 as a match for \$48,000,000 in federal funds to modernize Solomon Elementary School.
2. Adds \$50,000,000 and \$29,000,000 in general funds for "Lump Sum CIP" to address various CIP projects (i.e.-Condition, Capacity, Equity, and Program Support).
3. Adds \$25,000,000 for air conditioning in schools, statewide.
4. Converts \$69,000,000 in general obligation bond funds to general funds.

**Department of Education - Charter Schools
Operating Budget**

			Act 134/2013	Act 134/2013	FY 2014	FY 2015	Total	Total
			FY 2014	FY 2015	Adjustments	Adjustments	FY 2014	FY 2015
Funding Sources:	Positions	Perm	15.00	15.00	-	1.12	15.00	16.12
		Temp	-	-	-	-	-	-
	General Funds	\$	64,425,165	68,050,379	-	3,397,239	64,425,165	71,447,618
		Perm	-	-	-	1.88	-	1.88
		Temp	-	-	-	-	-	-
	Federal Funds	\$	-	-	-	1,888,850	-	1,888,850
		Perm	15.00	15.00	-	3.00	15.00	18.00
		Temp	-	-	-	-	-	-
Total Requirements		\$	64,425,165	68,050,379	-	5,286,089	64,425,165	73,336,468

Comments: (general funds and FY15 unless otherwise noted)

1. Adds \$100,000 for arbitration of labor disputes.
2. Adds \$3,107,733 for per pupil funding based on enrollment projections.
3. Adds 3.00 permanent positions and \$1,950,850 (1.12 positions and \$62,000 in general funds, 1.88 position and \$1,888,850 in federal funds) for Charter Schools Commission.

**Department of Education - Charter Schools
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	-	-	-	-	-	-
Federal Funds	-	-	-	-	-	-
Total Requirements	-	-	-	-	-	-

Comments on Dept CIP Budget Request: (general obligation bonds and FY15 unless otherwise noted)
None.

**Department of Education - Public Libraries
Operating Budget**

			Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:	Positions	Perm	547.50	547.50	-	2.50	547.50	550.00
		Temp	1.00	1.00	-	-	1.00	1.00
	General Funds	\$	29,260,611	28,560,611	-	3,489,670	29,260,611	32,050,281
		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
	Special Funds	\$	3,125,000	3,125,000	-	-	3,125,000	3,125,000
		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
	Other Federal Funds	\$	1,365,244	1,365,244	-	-	1,365,244	1,365,244
		Perm	547.50	547.50	-	2.50	547.50	550.00
		Temp	1.00	1.00	-	-	1.00	1.00
Total Requirements		\$	33,750,855	33,050,855	-	3,489,670	33,750,855	36,540,525

Comments: (general funds and FY15 unless otherwise noted)

1. Adds \$600,000 for the maintenance of the Broadband Technology Opportunities Program which provides computer hardware and software and broadband connectivity to the public library system.
2. Adds \$685,000 to address the increased costs of utilities affecting the Public Library System.
3. Adds \$300,000 to increase the service hours for libraries in Hawaii, Maui, and Kauai Counties.
4. Adds \$1,000,000 for Operating Repairs and Maintenance within the Public Library System.

**Department of Education - Public Libraries
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	5,000,000	-	5,000,000
General Obligation Bonds	18,750,000	2,000,000	-	(2,000,000)	18,750,000	-
Federal Funds	-	-	-	-	-	-
Total Requirements	18,750,000	2,000,000	-	3,000,000	18,750,000	5,000,000

Comments on Dept CIP Budget Request: (general obligation bonds and FY15 unless otherwise noted)

1. Adds \$3,000,000 in general funds to address Lump Sum Health and Safety, Statewide.
2. Converts \$2,000,000 in general obligation bond funds to general funds.

OFFICE OF THE GOVERNOR

Department Summary

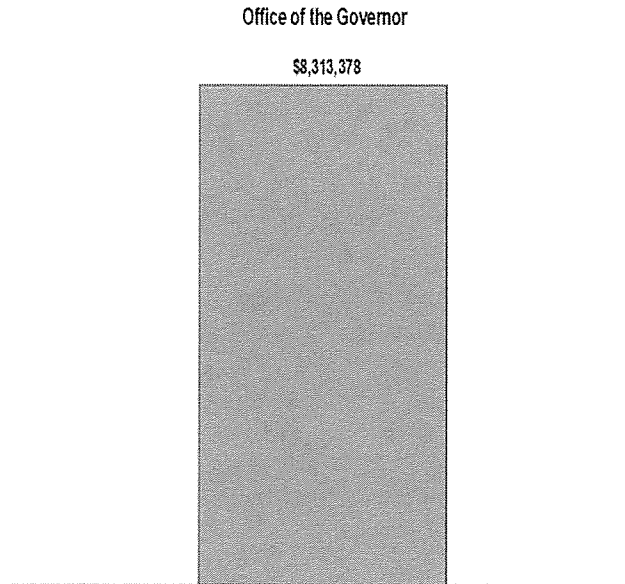
Mission Statement

To enhance the effectiveness and efficiency of state programs by providing Executive direction, policy development, program coordination, and planning and budgeting.

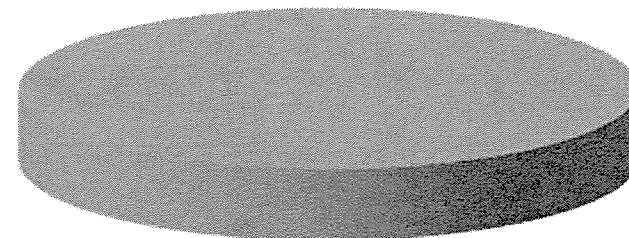
Department Goals

Improving the economic and social well-being of the citizens of Hawaii as measured by standard benchmarks; lead Departments in working cooperatively across departmental divisions to deliver public services at the lowest possible costs; and lead the Executive Branch to successfully guide bills through the Legislature that reflect priorities of the Governor's administration.

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



Office of the Governor,
\$11,780,977, 100%

OFFICE OF THE GOVERNOR MAJOR FUNCTIONS

- Ensuring the economic and social well-being of the citizens as measured by benchmarks such as gross state product, unemployment, economic growth, new business creation, immigration, per capita income, and capital formation, infant mortality, longevity, educational achievement, homeownership, environmental cleanliness, and crime statistics.
- Ensuring Departments work cooperatively across departmental divisions to deliver high quality public services at the lowest possible cost.
- Successfully guiding Executive Branch bills through the Legislature that reflect the priorities of the people of Hawaii.
- Maximizing efforts to pursue and secure additional resources from federal, private and other sources to advance the goals and policies of the State of Hawaii
- Communicating effectively with the people of Hawaii through traditional and new media so they understand the policies, goals, and actions of their Governor and their government.
- Identifying and recruiting outstanding public servants and improving retention of the public workforce.
- Settlement of collective bargaining issues in ways that best advance the interests of the people of Hawaii.
- Sustaining the important function of the Office of the Governor with regard to hosting dignitaries, convening groups, and holding events that are important to the people of Hawaii and advance the public interest.
- Ensuring the responsible management of the State's six-year financial plan to maintain the State's financial health.

MAJOR PROGRAM AREAS

The Office of the Governor has a program in the following major program area:

Government-Wide Support

GOV 100 Office of the Governor

**Office of the Governor
Operating Budget**

			Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:	Positions	Perm	24.00	24.00	-	-	24.00	24.00
		Temp	28.00	29.00	-	10.50	28.00	39.50
General Funds		\$	3,247,921	3,342,599	-	7,994,078	3,247,921	11,336,677
		Perm	-	-	-	-	-	-
		Temp	1.00	1.00	-	2.50	1.00	3.50
Federal Funds		\$	1,086,250	125,000	-	319,300	1,086,250	444,300
		Perm	24.00	24.00	-	-	24.00	24.00
		Temp	29.00	30.00	-	13.00	29.00	43.00
Total Requirements		\$	4,334,171	3,467,599	-	8,313,378	4,334,171	11,780,977

Comments: (general funds and FY15 unless otherwise noted)

1. Adds 7.50 temporary positions and \$752,870 (General Funds) and 2.50 temporary positions and \$319,300 (Federal Funds) to expand Healthcare Transformation initiatives (New Day Initiative).
2. Adds \$5,688,208 to continue Early Learning initiatives (New Day Initiative).
3. Adds \$525,000 for a Hawaii and Washington, D.C. based liaison to protect, enhance, and advance the military presence in Hawaii.

**Office of the Governor
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	1,000	1,000	-	-	1,000	1,000
Federal Funds	-	-	-	-	-	-
Total Requirements	1,000	1,000	-	-	1,000	1,000

Comments on Dept CIP Budget Request: (general obligation bonds and FY15 unless otherwise noted)
None.

DEPARTMENT OF HAWAIIAN HOME LANDS

Department Summary

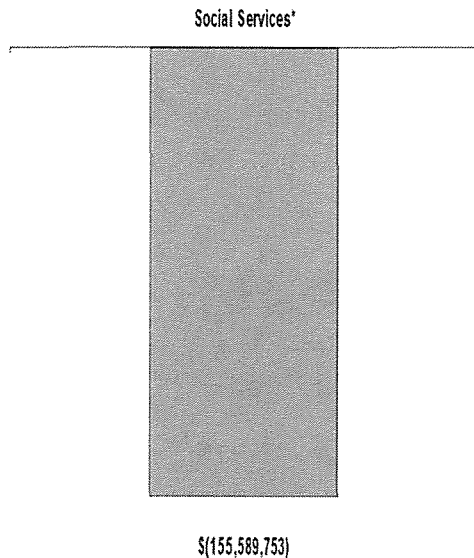
Mission Statement

To manage the Hawaiian Home Lands Trust effectively and to develop and deliver Hawaiian home lands to native Hawaiians.

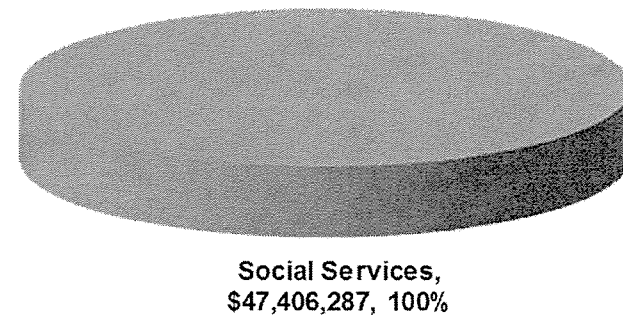
Department Goals

To effectively manage the Hawaiian Home Lands Trust (HHLT) lands, water, and related resources; to develop and deliver lands for award to beneficiaries on an on-going basis; to develop and deliver program services that meet the housing needs of native Hawaiians; to effectively manage the HHLT financial resources; to effectively manage the department's human resources and to establish better relationships with the native Hawaiian community, governmental agencies, homestead communities, and the community at large.

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



*Of the \$155.6 M adjustment, \$10.8 M is being converted from trust fund to general fund and \$146.3 M is being converted from appropriated trust fund to non-appropriated trust fund.

DEPARTMENT OF HAWAIIAN HOME LANDS MAJOR FUNCTIONS

- Identifying and assessing the needs of beneficiaries of the Hawaiian Homes Commission Act (HHCA) through research and planning; compiling data needed for the development and utilization of Hawaiian home lands and other physical resources of the Hawaiian Homes Trust; identifying Hawaiian home lands by physical characteristics, lands use, and planned use of the lands; and developing and updating regional master plans for designated areas.
- Developing, marketing, disposing of, and managing Hawaiian home lands not immediately needed or not suitable for homestead purposes by issuing general leases, revocable permits, licenses, and rights-of-entry to generate income to finance homestead lot development activities.
- Developing Hawaiian home lands for homesteading and income-producing purposes by designing and constructing off-site and on-site improvements.
- Developing waiting lists of applicants for homestead leases; awarding homestead leases; providing loans for home building, repair, and replacement and for development of farms and ranches; managing homestead areas on the islands of Oahu, Hawaii, Maui, Molokai, Kauai and Lanai; and providing for the maintenance, repair, and operation of water systems, roads, and facilities.

MAJOR PROGRAM AREAS

The Department of Hawaiian Home Lands has a program in the following major program area:

Social Services

HHL 602 Planning and Development for Hawaiian
 Homesteads

**Department of Hawaiian Home Lands
Operating Budget**

			Act 134/2013	Act 134/2013	FY 2014	FY 2015	Total	Total
			FY 2014	FY 2015	Adjustments	Adjustments	FY 2014	FY 2015
Funding Sources:	Positions	Perm	-	-	-	130.00	-	130.00
		Temp	-	-	-	4.00	-	4.00
General Funds		\$	9,632,000	9,632,000	-	5,387,204	9,632,000	15,019,204
		Perm	115.00	115.00	-	(49.00)	115.00	66.00
Special Funds		Temp	-	-	-	5.00	-	5.00
		\$	13,030,827	13,030,827	-	(3,961,345)	13,030,827	9,069,482
Federal Funds		Perm	4.00	4.00	-	-	4.00	4.00
		Temp	2.00	2.00	-	-	2.00	2.00
Trust Funds		\$	23,317,601	23,317,601	-	-	23,317,601	23,317,601
		Perm	81.00	81.00	-	(81.00)	81.00	-
		Temp	9.00	9.00	-	(9.00)	9.00	-
		\$	157,015,612	157,015,612	-	(157,015,612)	157,015,612	-
		Perm	200.00	200.00	-	-	200.00	200.00
		Temp	11.00	11.00	-	-	11.00	11.00
Total Requirements		\$	202,996,040	202,996,040	-	(155,589,753)	202,996,040	47,406,287

Comments: (general funds and FY 15 unless otherwise noted)

1. Adds 130.00 permanent and 4.00 temporary positions and \$5,387,204 to support administrative and operating expenses.
2. Deletes 81.00 permanent and 9.00 temporary positions and \$10,756,146 in trust funds for conversion to support administrative and operating expenses.
3. Deletes 49.00 permanent and \$3,961,345 in special funds for conversion to support administrative and operating expenses.
4. Converts \$146,259,466 in appropriated trust funds to non-appropriated trust funds for the development of Hawaiian Home Lands.

**Department of Hawaiian Home Lands
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	5,300,000	-	5,300,000
General Obligation Bonds	2,900,000	-	-	26,300,000	2,900,000	26,300,000
Federal Funds	20,000,000	20,000,000	-	-	20,000,000	20,000,000
Total Requirements	22,900,000	20,000,000	-	31,600,000	22,900,000	51,600,000

Comments on Dept CIP Budget Request: (general obligation bonds and FY 15 unless otherwise noted)

1. Adds \$5,300,000 in general funds and \$3,300,000 for Lump Sum Hawaiian Home Lands Existing Infrastructure for major repair and maintenance and capital improvement projects.
2. Adds \$13,000,000 for Papakolea Sewer Remediation and Slope Stabilization projects.
3. Adds \$6,000,000 for decommissioning and restoration of four dams in Anahola, Kauai.
4. Adds \$4,000,000 for the plans, design, and construction for Pulehunui Site Improvement and Infrastructure, Maui.

DEPARTMENT OF HEALTH

Department Summary

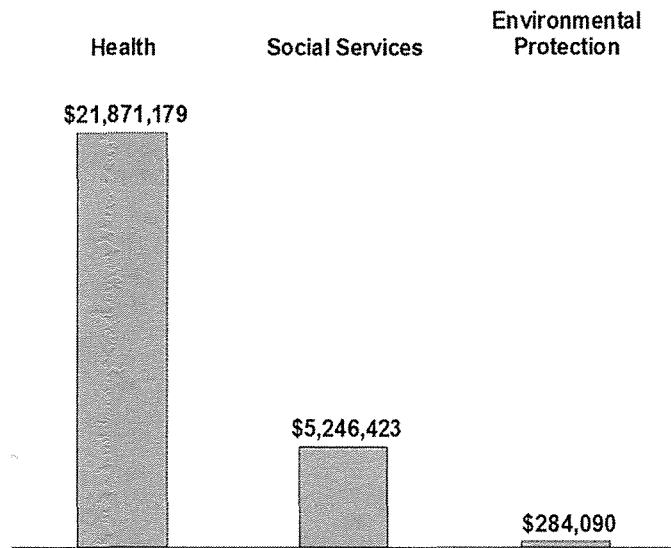
Mission Statement

To administer programs designed to protect, preserve, care for, and improve the physical and mental health of the people of the State.

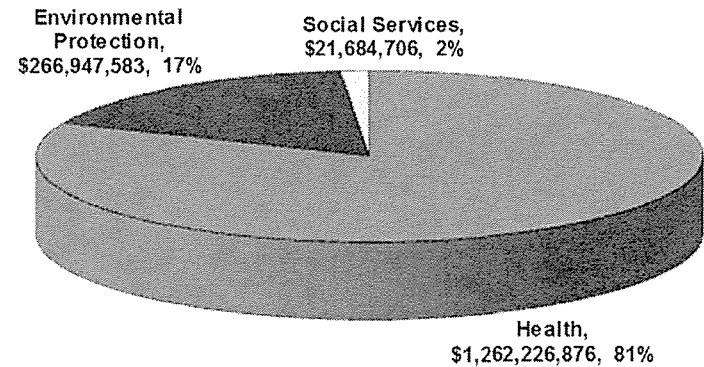
Department Goals

To monitor, protect and enhance the health of all people in Hawaii by providing leadership in assessment, policy development, and assurance to promote health and well-being, to preserve a clean, healthy and natural environment, and to assure basic health care for all.

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



DEPARTMENT OF HEALTH MAJOR FUNCTIONS

- Plans, directs and administers statewide programs to protect, preserve and improve the physical, mental and environmental health of Hawaii's residents.
- Administers programs for the prevention, control and treatment of infectious and communicable diseases; coordinates bioterrorism preparedness planning activities and integrating these activities with surveillance and response mechanisms.
- Administers community based programs that provide and coordinate health intervention services and support for at-risk families, populations and communities who are most likely to experience unhealthy outcomes.
- Provides public health nursing intervention services in the areas of communicable disease, disaster outbreaks care coordination, follow-up and monitoring for at-risk populations and nursing supervision, oversight and intervention in the public schools.
- Plans, coordinates and provides statewide mental health services which include treatment, consultative and preventive components for individuals; also plans, coordinates and implements statewide services relative to alcohol and drug abuse.
- Provides services and support to individuals with developmental disabilities or intellectual disabilities and their families to attain quality of life.
- Plans, provides and promotes health services to mothers, children and youth and family planning services. Also provides basic dental treatment services for the control of oral diseases and abnormalities to institutionalized patients at Hawaii State Hospital, Hale Mohalu, Kalaupapa Settlement and through the four Oahu Health Centers.
- Implements and maintains the statewide programs for air, water, noise, radiation and indoor air pollution control; noise, safe drinking water, solid waste and wastewater management, and programs which protect consumers from unsafe foods, drugs, cosmetics, and medical devices.
- Administers the statewide emergency medical services system.
- Administers a statewide laboratories program which conducts analysis in support of environmental health and communicable disease monitoring and control activities.

MAJOR PROGRAM AREAS

The Department of Health has programs in the following major program areas:

Environmental Protection

HTH 840 Environmental Management
HTH 849 Environmental Health Administration
HTH 850 Office of Environmental Quality Control

Health

HTH 100 Communicable Disease and Public Health
Nursing Services
HTH 131 Disease Outbreak Control
HTH 210 Hawaii Health Systems Corporation –
Corporate Office
HTH 211 Kahuku Hospital
HTH 212 Hawaii Health Systems Corporation –
Regions
HTH 213 Alii Community Care
HTH 420 Adult Mental Health – Outpatient
HTH 430 Adult Mental Health – Inpatient
HTH 440 Alcohol and Drug Abuse
HTH 460 Child and Adolescent Mental Health
HTH 495 Behavioral Health Administration
HTH 501 Developmental Disabilities
HTH 560 Family Health Services
HTH 590 Tobacco Settlement
HTH 595 Health Resources Administration
HTH 610 Environmental Health Services
HTH 710 State Laboratory Services
HTH 720 Health Care Assurance

HTH 730 Emergency Medical Services and Injury
Prevention System
HTH 760 Health Status Monitoring
HTH 905 Developmental Disabilities Council
HTH 906 State Health Planning and Development
Agency
HTH 907 General Administration
HTH 908 Office of Language Access

Social Services

HTH 520 Disability and Communication Access
Board
HTH 904 Executive Office on Aging

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**Department of Health
Operating Budget**

			Act 134/2013	Act 134/2013	FY 2014	FY 2015	Total	Total
			FY 2014	FY 2015	Adjustments	Adjustments	FY 2014	FY 2015
Funding Sources:	Positions	Perm	2,010.06	2,011.06	-	17.00	2,010.06	2,028.06
		Temp	367.30	367.30	-	4.00	367.30	371.30
	General Funds	\$	412,305,126	404,993,454	-	8,476,533	412,305,126	413,469,987
		Perm	156.50	159.50	-	6.50	156.50	166.00
		Temp	20.00	20.00	-	14.50	20.00	34.50
	Special Funds	\$	203,502,821	210,152,437	-	1,239,433	203,502,821	211,391,870
		Perm	270.46	270.46	-	(3.00)	270.46	267.46
		Temp	66.45	66.45	-	(2.20)	66.45	64.25
	Federal Funds	\$	87,282,541	87,282,541	-	(2,191,280)	87,282,541	85,091,261
		Perm	77.90	77.90	-	(6.50)	77.90	71.40
		Temp	134.80	134.80	-	6.95	134.80	141.75
	Other Federal Funds	\$	39,638,501	39,638,501	-	(462,456)	39,638,501	39,176,045
		Perm	5.00	5.00	-	-	5.00	5.00
		Temp	10.00	10.00	-	(7.00)	10.00	3.00
	Interdepartmental Transfers	\$	4,673,193	4,673,193	-	(1,589,845)	4,673,193	3,083,348
		Perm	76.20	76.20	-	(2.00)	76.20	74.20
		Temp	4.00	4.00	-	-	4.00	4.00
	Revolving Funds	\$	168,550,097	168,684,167	-	(70,693)	168,550,097	168,613,474
		Perm	2,596.12	2,600.12	-	12.00	2,596.12	2,612.12
		Temp	602.55	602.55	-	16.25	602.55	618.80
Total Requirements		\$	915,952,279	915,424,293	-	5,401,692	915,952,279	920,825,985

Comments: (general funds and FY 15 unless otherwise noted)

1. Trade-off/transfers to realign budget to meet ongoing requirements, salary restorations, and reflect program reorganizations.
2. Transfers 4.00 permanent positions and \$9,181,840 to the Department of Human Services, Med-Quest Division to reflect the transfer of responsibilities for adults with severe and persistent mental illness who are Medicaid eligible.
3. Adds \$3,000,000 for the Statewide Health Information Exchange Infrastructure.
4. Adds \$4,200,000 for continuation of the Kupuna Care program (New Day Initiative).
5. Adds \$1,586,999 for State Match for Home and Community Based Services Waiver and Intermediate Care Facilities.
6. Adds 2.00 temporary positions and \$1,500,000 for the Vision / Hearing Screening program to be provided at Department of Education, Elementary
7. Adds \$1,232,495 for additional Purchase of Services contracts, Early Intervention Services.
8. Adds \$427,937 for Aging and Disability Resource Centers (New Day Initiative).
9. Adds 4.00 permanent positions and \$78,456 for vector control to increase surveillance capacity at State ports of entry.
10. Adds 3.00 temporary positions and \$197,827 to establish and operationalize the Medical Marijuana Program
11. Adds \$703,909 to support immunizations and vaccines for school children across the state.

**Department of Health
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	4,097,000	-	4,097,000
General Obligation Bonds	32,748,000	8,122,000	-	9,600,000	32,748,000	17,722,000
Federal Funds	20,071,000	20,071,000	-	-	20,071,000	20,071,000
Total Requirements	52,819,000	28,193,000	-	13,697,000	52,819,000	41,890,000

Comments on Dept CIP Budget Request: (general obligation bonds and FY 15 unless otherwise noted)

1. Adds \$5,000,000 for Energy Efficiency Improvements, Statewide.
2. Adds \$2,481,000 for Department of Health, Health and Safety, Statewide.
3. Adds \$2,501,000 for Hawaii State Hospital, New Patient Facility at Goddard Building, Oahu.
4. Adds \$2,410,000 for Waimano Ridge, Improvements to Buildings and Site, Oahu.
5. Converts \$4,097,000 in general obligation bond funds to general funds.

**Department of Health - Hawaii Health Systems Corporation
Operating Budget**

			Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:	Positions	Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
	General Funds	\$	84,440,000	84,440,000	-	22,000,000	84,440,000	106,440,000
		Perm	2,835.25	2,835.25	-	-	2,835.25	2,835.25
		Temp	-	-	-	-	-	-
	Special Funds	\$	523,593,180	523,593,180	-	-	523,593,180	523,593,180
		Perm	2,835.25	2,835.25	-	-	2,835.25	2,835.25
		Temp	-	-	-	-	-	-
Total Requirements		\$	608,033,180	608,033,180	-	22,000,000	608,033,180	630,033,180

Comments: (general funds and FY 15 unless otherwise noted)

1. Adds \$22,000,000 for operational costs for the Regions.

**Department of Health - Hawaii Health Systems Corporation
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	30,763,000	-	30,763,000
General Obligation Bonds	55,783,000	21,122,000	-	(763,000)	55,783,000	20,359,000
Federal Funds	-	-	-	-	-	-
Total Requirements	55,783,000	21,122,000	-	30,000,000	55,783,000	51,122,000

Comments on Dept CIP Budget Request: (general obligation bonds and FY 15 unless otherwise noted)

1. Adds \$20,000,000 and \$10,000,000 in general funds for Lump Sum CIP Improvements.

DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT

Department Summary

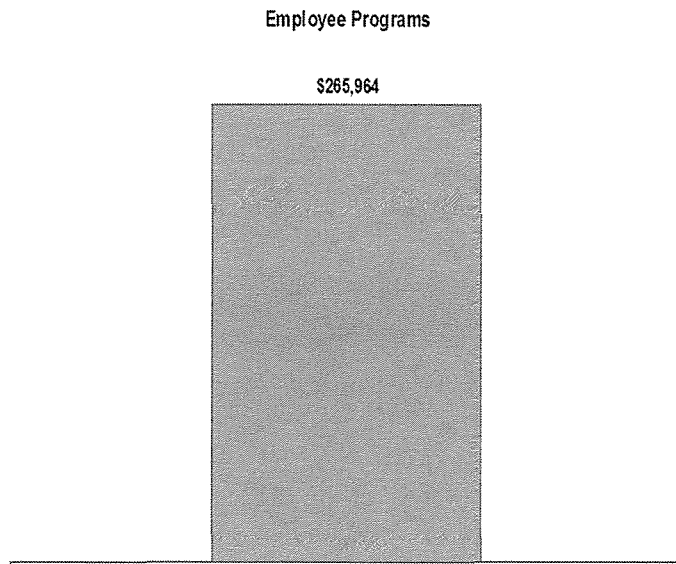
Mission Statement

To provide timely and responsive leadership, resources, and services to fully support the State in the recruitment, management, and retention of a high-performing workforce.

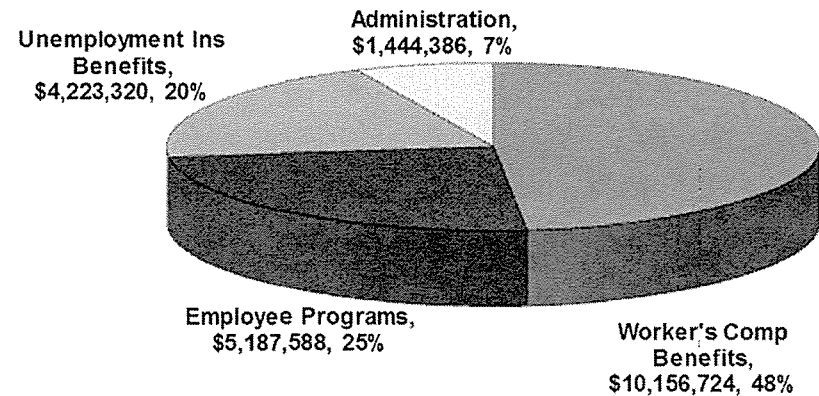
Department Goals

To maximize employee productivity and performance toward excellence in HRD; increase the effectiveness and efficiency of the State's Human Resources system to maximize productivity and performance toward excellence; and promote proactive State Workforce Planning.

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT MAJOR FUNCTIONS

- Administers the State human resources program, provides administrative support services to statutorily and executively assigned commissions and boards, and represents the State on other commissions and committees.
- Plans, organizes, directs and coordinates the various activities of the State human resources program in personnel development and training, recruitment, examination, position classification, pay administration, workers' compensation payments, and labor relations within the scope of laws, rules and established policies.
- Develops and administers classification and compensation system(s) for civil service positions including the establishment and maintenance of classes and their experience and training requirements; the pricing of classes; and the assignment of positions to classes, bargaining units and other administrative units.
- Establishes and maintains statewide policies, procedures, programs, and services that provide guidance and support to the line departments of the Executive Branch with regard to employee relations, employee benefits programs; reports on the workforce composition and employment trends; and statewide employee development programs.
- Plans and administers statewide (except for DOE and UH) workers' compensation program, claims management, Return to Work Priority Program, and a safety and accident prevention program.
- Conducts statewide staffing and consultative advisory services, including human resources research and development projects to forecast, plan for and effectuate effective staffing strategies before staffing issues become acute or impact public services; implements strategies to attract and retain employees by competitively filling positions, and develops and administers a statewide recruitment program.

MAJOR PROGRAM AREAS

The Department of Human Resources Development has a program in the following major program area:

Government-Wide Support

HRD 102 Work Force Attraction, Selection,
 Classification, and Effectiveness

HRD191 Support Services-Human Resources
 Development

**Department of Human Resources Development
Operating Budget**

			Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:	Positions	Perm	96.00	96.00	-	3.00	96.00	99.00
		Temp	-	-	-	-	-	-
	General Funds	\$	14,986,147	15,159,773	-	90,964	14,986,147	15,250,737
	Special Funds	Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
		\$	700,000	700,000	-	-	700,000	700,000
	Interdepartmental Transfers	Perm	-	-	-	1.00	-	1.00
		Temp	-	-	-	-	-	-
		\$	4,886,281	4,886,281	-	175,000	4,886,281	5,061,281
	Total Requirements	Perm	96.00	96.00	-	4.00	96.00	100.00
		Temp	-	-	-	-	-	-
		\$	20,572,428	20,746,054	-	265,964	20,572,428	21,012,018

Comments: (general funds and FY 15 unless otherwise noted)

1. Adds 3.00 permanent positions and \$90,964 for the Equal Employment Opportunity Office.
2. Adds 1.00 permanent position and \$175,000 in trust funds for staff support for the Deferred Compensation Program.

**Department of Human Resources Development
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	-	-	-	-	-	-
Federal Funds	-	-	-	-	-	-
Total Requirements	-	-	-	-	-	-

Comments on Dept CIP Budget Request: (general obligation bonds and FY 15 unless otherwise noted)
None.

DEPARTMENT OF HUMAN SERVICES

Department Summary

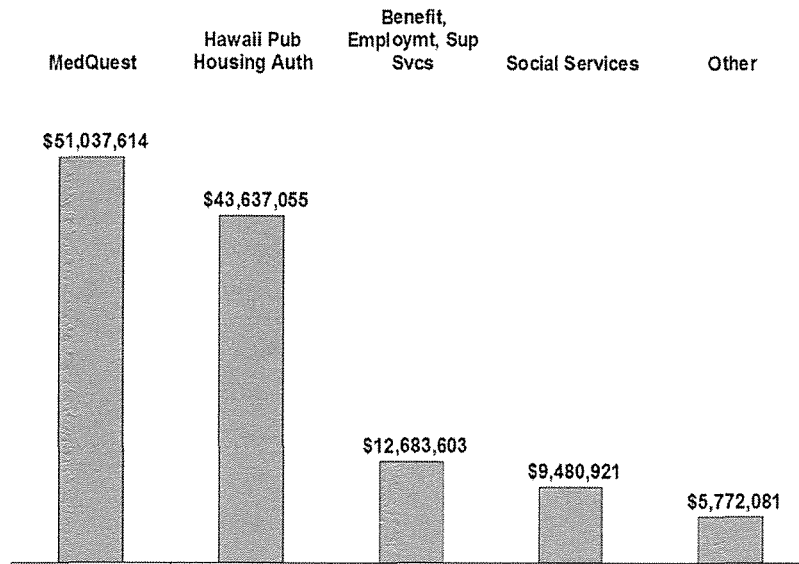
Mission Statement

To provide timely, efficient and effective programs, services and benefits, through the day-in and day-out efforts of our committed staff, for the purpose of achieving the outcome of empowering those who are the most vulnerable in our State to expand their capacity for self-sufficiency, self-determination, independence, healthy choices, quality of life and personal dignity.

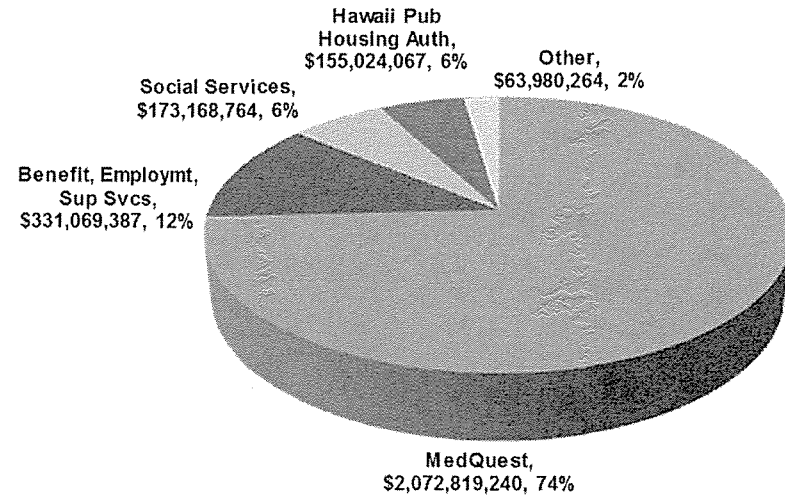
Department Goals

Customers First	Accountability for Outcomes	Provide Self-Sufficiency Options
Personal Responsibility for Actions	Partnering to Create Opportunities	

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



DEPARTMENT OF HUMAN SERVICES MAJOR FUNCTIONS

- Provides employment related services, childcare services, and economic assistance to eligible families and individuals.
- Provides medical assistance programs to eligible families and individuals.
- Provides child welfare and adult and community care services to eligible families and individuals.
- Provides a continuum of prevention, rehabilitation and treatment services and programs for at risk youth.
- Serves as a catalyst to provide Hawaii residents with affordable housing and shelter.
- Administers programs of vocational rehabilitation, independent living rehabilitation, services for the blind, and disability determination.

MAJOR PROGRAM AREAS

The Department of Human Services has programs in the following major program areas:

Employment					
HMS 802	Vocational Rehabilitation	HMS 236	Case Management for Self-Sufficiency	HMS 601	Adult and Community Care Services
Social Services		HMS 237	Employment and Training	HMS 605	Community-Based Residential Support
HMS 202	Aged, Blind and Disabled Payments	HMS 238	Disability Determination	HMS 901	General Support for Social Services
HMS 204	General Assistance Payments	HMS 301	Child Protective Services	HMS 902	General Support for Health Care Payments
HMS 206	Federal Assistance Payments	HMS 302	General Support for Child Care	HMS 903	General Support for Self-Sufficiency Services
HMS 211	Cash Support for Families Pursuing Self-Sufficiency	HMS 303	Child Protective Services Payments	HMS 904	General Administration (DHS)
HMS 220	Rental Housing Services	HMS 305	Cash Support for Child Care		
HMS 222	Rental Assistance Services	HMS 401	Health Care Payments	Individual Rights	
HMS 224	Homeless Services	HMS 501	In-Community Youth Programs	HMS 888	Commission on the Status of Women
HMS 229	HPHA Administration	HMS 503	Hawaii Youth Correctional Facility (HYCF)		

**Department of Human Services
Operating Budget**

			Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:	Positions	Perm	1,113.07	1,113.07	-	27.68	1,113.07	1,140.75
		Temp	21.59	21.59	-	1.00	21.59	22.59
	General Funds	\$	1,126,872,094	1,173,664,405	-	41,849,636	1,126,872,094	1,215,514,041
		Perm	0.56	0.56	-	-	0.56	0.56
		Temp	-	-	-	-	-	-
	Special Funds	\$	6,919,927	5,939,604	-	-	6,919,927	5,939,604
		Perm	1,068.62	1,068.62	-	(3.68)	1,068.62	1,064.94
		Temp	101.41	101.41	-	-	101.41	101.41
	Federal Funds	\$	1,419,038,681	1,455,089,654	-	80,256,063	1,419,038,681	1,535,345,717
		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
	Other Federal Funds	\$	17,472,587	17,731,799	-	-	17,472,587	17,731,799
		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
	Private Contributions	\$	10,000	10,000	-	-	10,000	10,000
		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
	Interdepartmental Transfers	\$	12,382,003	12,382,003	-	-	12,382,003	12,382,003
		Perm	33.00	33.00	-	12.00	33.00	45.00
		Temp	15.00	15.00	-	3.00	15.00	18.00
	Revolving Funds	\$	8,336,627	8,632,983	-	505,575	8,336,627	9,138,558
		Perm	2,215.25	2,215.25	-	36.00	2,215.25	2,251.25
		Temp	138.00	138.00	-	4.00	138.00	142.00
Total Requirements		\$	2,591,031,919	2,673,450,448	-	122,611,274	2,591,031,919	2,796,061,722

Comments: (general funds and FY 15 unless otherwise noted)

1. Adds \$113,763 for a second Deputy Director position.
2. Adds \$5,546,076 and \$2,956,860 in federal funds to increase the Foster Care board rate.
3. Adds \$2,641,996 to increase the General Assistance benefit rate.
4. Adds \$2,500,000 for the Pre-School Open Doors program.
5. Adds 1.00 temporary position and \$3,100,000 to establish the REACH Initiative for after-school programs for middle and intermediate schools.
6. Adds \$3,500,000 for the DHS' Child Care Subsidy program.
7. Adds \$2,016,000 and \$18,144,000 in federal funds to establish the Medicaid Health Home Services program.
8. Adds \$1,500,000 for the Housing First program to assist the most vulnerable of Hawaii's homeless.
9. Adds 3.00 positions and \$63,198 to establish Youth Parole Officers for the neighbor islands.
10. Adds \$1,000,000 for the Office of Youth Services to provide family strengthening services.
11. Adds \$400,000 for the Comprehensive Service Center for the Deaf, Deaf-Blind and Hard of Hearing.
12. Adds 12.00 permanent and 3.00 temporary positions and \$461,075 in revolving funds for the Hawaii Public Housing Authority.
13. Adds \$400,000 for the Office of Youth Services for Assessment Centers on the neighbor islands.
14. Adds \$300,000 and \$100,000 in federal funds for child victims of human trafficking and sex abuse in Child Welfare Services.

**Department of Human Services
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	15,000,000	-	15,000,000
General Obligation Bonds	50,078,000	-	-	74,263,000	50,078,000	74,263,000
Federal Funds	-	-	-	56,287,000	-	56,287,000
Total Requirements	50,078,000	-	-	145,550,000	50,078,000	145,550,000

Comments on Dept CIP Budget Request: (general obligation bonds and FY 15 unless otherwise noted)

1. Adds \$20,000,000 and \$15,000,000 in general funds for Lump Sum Public Housing Development, Improvements and Renovations,
2. Adds \$52,463,000 and \$56,287,000 in federal funds for the Modernization and Integration of the Eligibility System for the Benefits, Employment & Support Services Division, the Case Management System for the Social Services Division and the KOLEA Eligibility System for Medicaid.

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

Department Summary

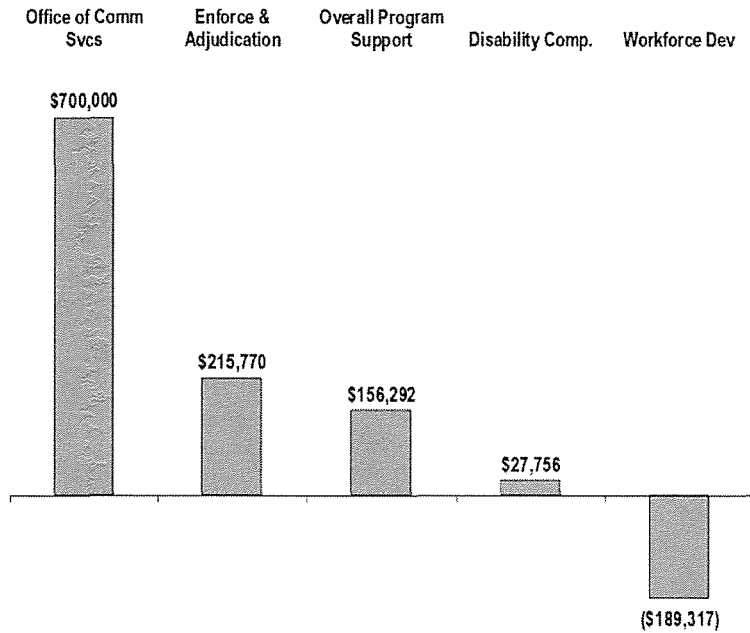
Mission Statement

To increase the economic security, physical and economic well being and productivity of workers and achieve industrial peace.

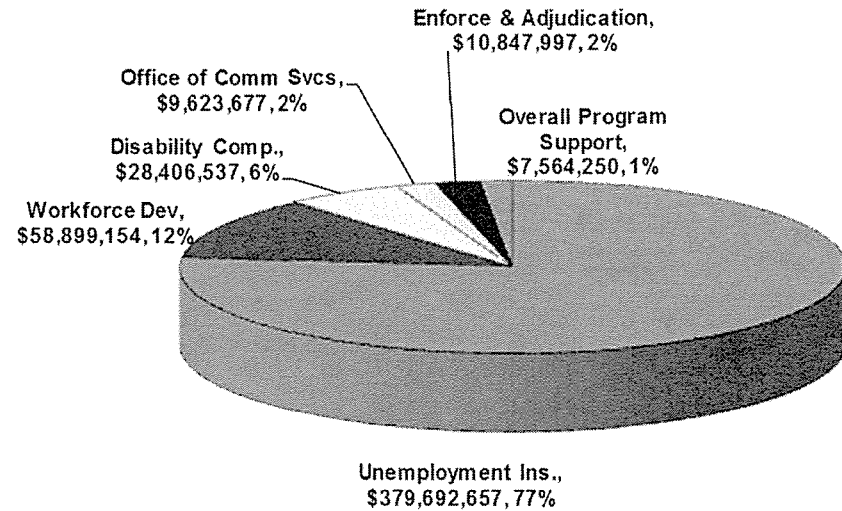
Department Goals

To promote access to employment and assess the needs and skills of the workforce; to alleviate the economic hardship of workers during periods of disability or temporary unemployment; to protect the employment rights of workers and to assure a safe and healthy workplace; to develop, deliver and coordinate information to meet labor market supply and demand; and to promote the harmonious working relationship between business, labor, educators, and government agencies.

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS MAJOR FUNCTIONS

- Administers federal and state programs designed to improve the economic security, occupational safety and health, working conditions, and productivity of workers, and maintain favorable labor-management relationships throughout the State.
- Administers comprehensive employment and training services to both job seekers and employers through a system of employment offices located statewide.
- Administers the State Unemployment Insurance program. Ensures that fair hearings before impartial appeals referees are provided to employers and claimants with respect to determinations made by the department regarding unemployment insurance benefits, disaster unemployment insurance, and other security decisions.
- Administers and enforces the State's occupational safety and health laws.
- Administers all activities pertinent to the management of the Workers' Compensation, Temporary Disability Insurance, and Prepaid Health Care laws and programs.
- Administers and enforces State labor laws dealing with wages and other compensation, hours, child labor, family leave, and related rules and regulations.
- Conducts program, labor market, and economic research to augment and enhance management decisions and policy making capabilities.

MAJOR PROGRAM AREAS

The Department of Labor and Industrial Relations has programs in the following major program area:

Employment

LBR 111	Workforce Development Program	LBR 183	Disability Compensation Program
LBR 135	Workforce Development Council	LBR 812	Labor and Industrial Relations Appeals Board
LBR 143	Hawaii Occupational Safety and Health Program	LBR 871	Employment Security Appeals Referees' Office
LBR 152	Wage Standard Program	LBR 901	Data Gathering, Research and Analysis
LBR 153	Hawaii Civil Rights Commission	LBR 902	General Administration
LBR 161	Hawaii Labor Relations Board	LBR 903	Office of Community Services
LBR 171	Unemployment Compensation Program	LBR 905	Hawaii Career (Kokua) Information Delivery System

**Department of Labor and Industrial Relations
Operating Budget**

			Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:	Positions	Perm	174.70	174.70	-	6.55	174.70	181.25
		Temp	10.46	10.46	-	-	10.46	10.46
General Funds		\$	15,064,472	12,840,462	-	896,963	15,064,472	13,737,425
		Perm	31.00	31.00	-	-	31.00	31.00
Special Funds		Temp	17.00	17.00	-	-	17.00	17.00
		\$	394,020,658	394,050,658	-	-	394,020,658	394,050,658
Federal Funds		Perm	457.80	457.80	-	0.45	457.80	458.25
		Temp	139.04	139.04	-	-	139.04	139.04
Interdepartmental Transfers		\$	84,442,071	84,457,071	-	13,538	84,442,071	84,470,609
		Perm	-	-	-	-	-	-
Revolving Funds		Temp	20.00	20.00	-	-	20.00	20.00
		\$	2,705,580	2,705,580	-	-	2,705,580	2,705,580
Total Requirements		Perm	-	-	-	-	-	-
		Temp	0.50	0.50	-	-	0.50	0.50
Total Requirements		\$	70,000	70,000	-	-	70,000	70,000
		Perm	663.50	663.50	-	7.00	663.50	670.50
	Temp	187.00	187.00	-	-	187.00	187.00	
Total Requirements		\$	496,302,781	494,123,771	-	910,501	496,302,781	495,034,272

Comments: (general funds and FY 15 unless otherwise noted)

1. Adds \$700,000 to support the Immigration Resources Centers for the Office of Community Services.
2. Adds 2.00 positions and \$53,406 for the Hawaii Occupational Safety and Health program to maintain federal health and safety requirements.
3. Restores 3.00 positions and \$88,364 for the Hawaii Civil Rights Commission.

**Department of Labor and Industrial Relations
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	-	-	-
Special Funds	2,000,000	-	(2,000,000)	-	-	-
General Obligation Bonds	12,150,000	-	-	-	12,150,000	-
Federal Funds	-	-	-	-	-	-
Interdepartmental Transfers	-	-	-	2,000,000	-	2,000,000
Total Requirements	14,150,000	-	(2,000,000)	2,000,000	12,150,000	2,000,000

Comments on Dept CIP Budget Request: (general obligation bonds and FY 15 unless otherwise noted)

- Changes the means of financing of \$2,000,000 from special funds to interdepartmental transfers to correct an error to allow DLIR to implement a capital improvement grant pursuant to Chapter 42F, HRS, for the Hawaii Public Television Foundation.

DEPARTMENT OF LAND AND NATURAL RESOURCES

Department Summary

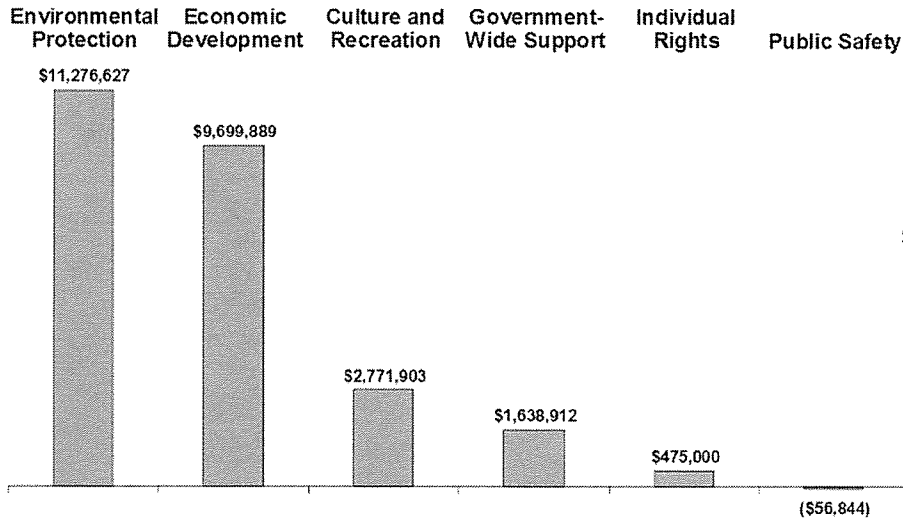
Mission Statement

To conserve, protect, and manage Hawaii's natural and cultural resources for the benefit of present and future generations.

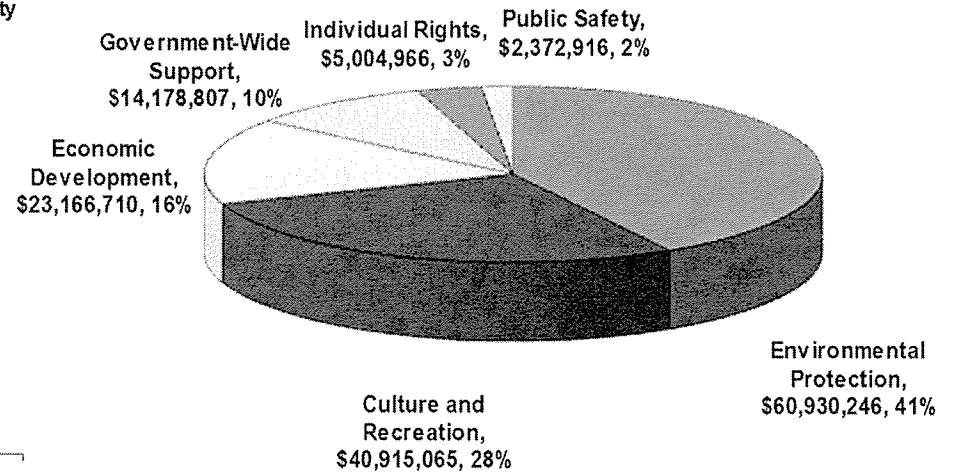
Department Goals

To seek, develop and implement cost-effective strategies for the long-term sustainable management, maintenance, protection and utilization of existing and potential, ocean, land, natural and cultural resources of the State of Hawaii in an integrated manner and in partnership with others from the public and private sectors. Additionally, prevent the establishment of invasive species detrimental to native habitats, while promoting responsible use, understanding, and respect for Hawaii's resources.

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



DEPARTMENT OF LAND AND NATURAL RESOURCES MAJOR FUNCTIONS

- Implement programs to conserve, protect, develop and utilize the State's natural and cultural resources.
- Preserve and enhance native and indigenous fish and other aquatic species and their habitats for residents and visitors.
- Promote the safe and responsible use of Hawaii's natural resources through firm, fair and effective law enforcement.
- Provide accurate, timely and permanent system of registering and recording land title and related documents and maps.
- Manage the conservation, protection, planning, and utilization of the State's water resources for social, economic and environmental requirements.
- Provide safe and enjoyable recreation opportunities.
- Develop and maintain a comprehensive program of historic preservation to promote the use and conservation of historical and cultural sites.
- Collects and disseminates data relating to natural resources. Cooperates and partners with public and private agencies to maximize funding leverage.

MAJOR PROGRAM AREAS

The Department of Land and Natural Resources has programs in the following major program areas:

Economic Development

- LNR 141 Water and Land Development
- LNR 153 Fisheries and Resource Enhancement
- LNR 172 Forestry Resource Management and Development

Environmental Protection

- LNR 401 Aquatic Resources
- LNR 402 Native Resources and Fire Protection
- LNR 404 Water Resources
- LNR 405 Conservation and Resources Enforcement
- LNR 407 Natural Area Reserves and Watershed Management
- LNR 906 LNR-Natural Physical Environment

Culture and Recreation

- LNR 801 Ocean-Based Recreation
- LNR 802 Historic Preservation
- LNR 804 Forest and Outdoor Recreation
- LNR 806 Parks Administration and Operation

Public Safety

- LNR 810 Prevention of Natural Disasters

Individual Rights

- LNR 111 Conveyances and Recordings

Government Wide Support

- LNR 101 Public Lands Management

**Department of Land and Natural Resources
Operating Budget**

			Act 134/2013	Act 134/2013	FY 2014	FY 2015	Total	Total
			FY 2014	FY 2015	Adjustments	Adjustments	FY 2014	FY 2015
Funding Sources:	Positions	Perm	406.00	406.00	-	24.25	406.00	430.25
		Temp	24.00	13.00	-	18.25	24.00	31.25
General Funds		\$	31,250,400	27,190,400	-	13,688,226	31,250,400	40,878,626
		Perm	328.00	328.00	-	26.00	328.00	354.00
Special Funds		Temp	52.25	52.25	-	-	52.25	52.25
		\$	63,712,222	63,607,165	-	7,833,757	63,712,222	71,440,922
Federal Funds		Perm	13.25	13.25	-	10.50	13.25	23.75
		Temp	21.75	21.75	-	(8.25)	21.75	13.50
Other Federal Funds		\$	10,939,404	10,720,906	-	245,109	10,939,404	10,966,015
		Perm	11.25	11.25	-	(2.75)	11.25	8.50
Trust Funds		Temp	16.00	16.00	-	(0.50)	16.00	15.50
		\$	16,971,674	16,740,172	-	4,150,618	16,971,674	20,890,790
Interdepartmental Transfers		Perm	-	-	-	-	-	-
		Temp	2.00	2.00	-	(0.50)	2.00	1.50
Revolving Funds		\$	136,197	136,197	-	(36,442)	136,197	99,755
		Perm	-	-	-	-	-	-
Total Requirements		Temp	11.00	11.00	-	-	11.00	11.00
		\$	1,500,000	1,500,000	-	-	1,500,000	1,500,000
		Perm	1.00	1.00	-	(1.00)	1.00	-
		Temp	2.00	2.00	-	-	2.00	2.00
		\$	868,383	868,383	-	(75,781)	868,383	792,602
		Perm	759.50	759.50	-	57.00	759.50	816.50
		Temp	129.00	118.00	-	9.00	129.00	127.00
		\$	125,378,280	120,763,223	-	25,805,487	125,378,280	146,568,710

Comments: (general funds and FY 15 unless otherwise noted)

1. Adds 11.00 temporary positions and \$3,500,000 for the Watershed Initiative in the Natural Area Reserves and Watershed Management program.
2. Adds \$1,000,000 for operating costs for the Division of Conservation and Resources Enforcement (DOCARE) program.
3. Adds 2.00 positions and \$250,000 for the Northwestern Hawaiian Islands Monument and Humpback Whale Sanctuary Program.
4. Adds \$750,000 to expand Hawaii's hunting program.
5. Adds \$1,000,000 for operating costs for the Invasive Species program.
6. Adds \$4,000,000 to host the 2016 International Union for Conservation of Nature (IUCN) World Conservation Congress.
7. Adds 3.00 positions and 9.00 temporary positions and \$1,076,484 to establish the Community Fisheries Enforcement Unit (CFEU) statewide.
8. Adds \$1,300,000 in special funds to redesign/upgrade the State Lands Information Management computer system.
9. Adds 7.00 positions and \$1,000,000 for the Ocean Resources Management Plan.

**Department of Land and Natural Resources
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	10,100,000	-	10,100,000
Special Funds	-	-	-	400,000	-	400,000
General Obligation Bonds	77,311,000	46,939,000	-	63,885,000	77,311,000	110,824,000
Federal Funds	3,075,000	8,250,000	-	-	3,075,000	8,250,000
Other Federal Funds	563,000	863,000	-	-	563,000	863,000
Private Contributions	150,000	500,000	-	400,000	150,000	900,000
Total Requirements	81,099,000	56,552,000	-	74,785,000	81,099,000	131,337,000

Comments on Dept CIP Budget Request: (general obligation bonds and FY 15 unless otherwise noted)

1. Adds \$5,000,000 for Watershed Initiative, Statewide
2. Adds \$3,000,000 for rock fall and flood mitigation, Statewide.
3. Adds \$2,000,000 for Ala Wai Canal Dredging, Oahu.
4. Adds \$2,000,000 for ADA Public Accessibility at DLNR facilities, Statewide.
5. Adds \$3,500,000 for Pu'u Wa'awa'a Structure Improvements and Dam Compliance, Hawaii.
6. Adds \$10,000,000 for the purchase of conservation land in Central Oahu/North Shore.
7. Adds \$5,000,000 for Central Maui Regional Park, Maui.
8. Adds \$40,000,000 for Turtle Bay land acquisition, Oahu.

OFFICE OF THE LIEUTENANT GOVERNOR

Department Summary

Mission Statement

To enhance the efficiency and effectiveness of state programs by providing leadership and executive management.

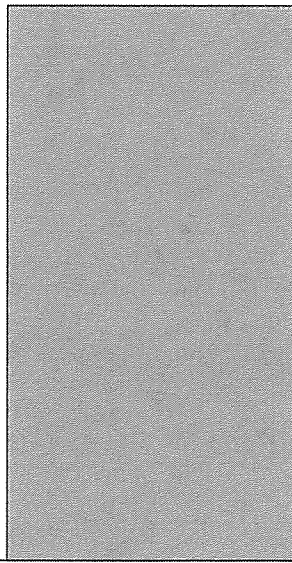
Department Goals

To provide effective leadership and executive management, and protect the public's interest by ensuring that government processes are open.

FY 2015 Supplemental Operating Budget Adjustments by Major Program

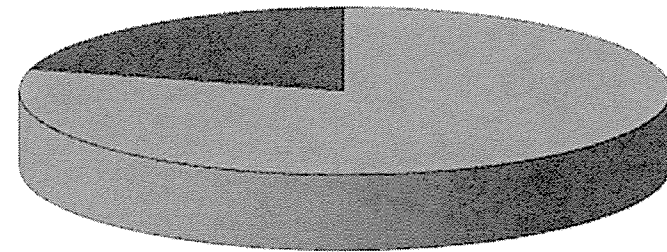
Office of the Lieutenant Governor

\$702,655



FY 2015 Supplemental Operating Budget

Enforcement of Info. Practices,
\$426,935, 21%



Office of the
Lieutenant
Governor,
\$1,621,223, 79%

OFFICE OF THE LIEUTENANT GOVERNOR MAJOR FUNCTIONS

- Exercise the executive powers whenever the Governor is absent from the State or unable to exercise and discharge the powers and duties of the office; serve as the Secretary of State for intergovernmental relations; perform duties and undertake projects assigned by the Governor; and provide administrative support to the Office of Information Practices.
- Provide general advice and guidance to agencies and the public on the UIPA and the Sunshine Law; assist the public in obtaining records and responses to record requests; conduct inquiries into an agency's compliance with the UIPA and the Sunshine Law; and investigate alleged violations of these laws.

MAJOR PROGRAM AREAS

The Office of the Lieutenant Governor has programs in the following major program areas:

Individual Rights

LTG 105 Enforcement of Information Practices

Government-Wide Support

LTG 100 Office of the Lieutenant Governor

**Office of the Lieutenant Governor
Operating Budget**

			Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:	Positions	Perm	8.00	8.00	-	-	8.00	8.00
		Temp	12.50	12.50	-	1.00	12.50	13.50
General Funds		\$	1,695,503	1,345,503	-	702,655	1,695,503	2,048,158
		Perm	8.00	8.00	-	-	8.00	8.00
		Temp	12.50	12.50	-	1.00	12.50	13.50
Total Requirements		\$	1,695,503	1,345,503	-	702,655	1,695,503	2,048,158

Comments: (general funds and FY 15 unless otherwise noted)

1. Adds \$500,000 for special programs and initiatives of the Lieutenant Governor.
2. Adds 1.00 temporary position and \$60,000 to continue the Commissioner of Deeds program established under Act 277, SLH 2013.
3. Adds \$142,655 for vacation payout requirements of the Office of the Lieutenant Governor.

**Office of the Lieutenant Governor
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	-	-	-	-	-	-
Federal Funds	-	-	-	-	-	-
Total Requirements	-	-	-	-	-	-

Comments on Dept CIP Budget Request: (general obligation bonds and FY 15 unless otherwise noted)
None.

DEPARTMENT OF PUBLIC SAFETY

Department Summary

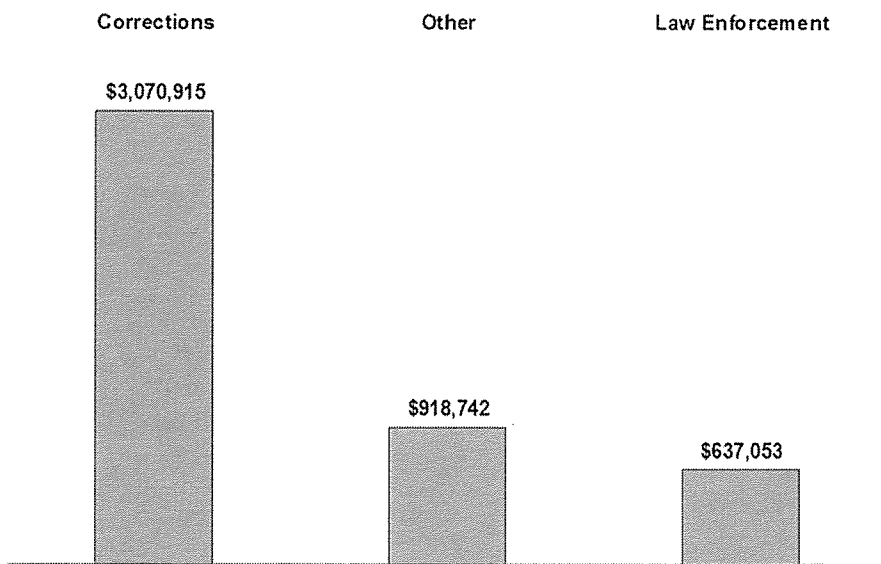
Mission Statement

To provide for the safety of the public and State facilities through law enforcement and correctional management.

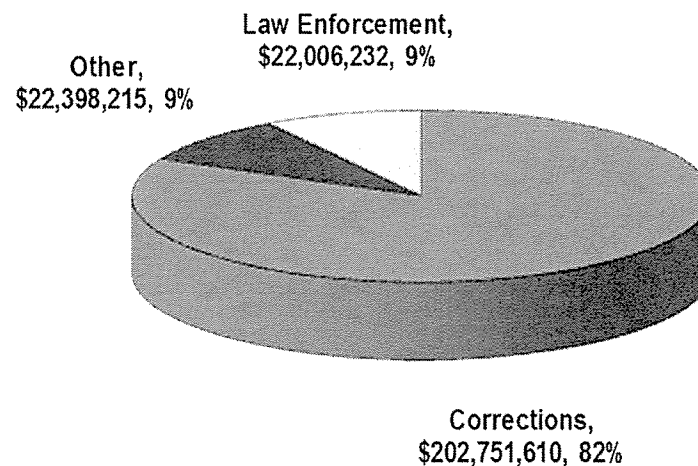
Department Goals

To protect the individual and property from injury and loss caused by criminal actions by providing and coordinating services, facilities, security, and law enforcement to preserve the peace; to prevent and deter crimes; to detect, apprehend, detain, and rehabilitate criminals; and, where appropriate, to compensate victims of crime.

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



DEPARTMENT OF PUBLIC SAFETY MAJOR FUNCTIONS

- Administer various public safety programs that are designed to prevent and deter criminal acts, and to incarcerate and rehabilitate criminal offenders.
- Administer the operations of eight correctional institutions throughout the State for the custody and care of offenders detained or committed by the courts to the department in safe, clean, and humane conditions of confinement.
- Provide a continuum of treatment programs and services to facilitate the reintegration of inmates into the community.
- Administer a correctional industries program which employs inmates in work programs that produce goods and services for government agencies and nonprofit organizations, and affords inmates job training and work experience to enhance their employment prospects when they return to the community.
- Determine minimum terms of imprisonment for convicted felons; grant release of felons from institutions under conditions of parole; and report on petitions for pardon referred by the Governor.
- Administer diversionary programs as well as alternatives to incarceration; conduct bail evaluations; and supervises offenders conditionally released by the courts.
- Administer statewide law enforcement programs that protect the public as well as safeguard State property and facilities; enforces laws, rules, and regulations to prevent and control crime; and provides law enforcement services at the Honolulu International Airport.
- Regulate the manufacture, distribution, sale, prescription, and dispensing of controlled substances in the State by issuing applications and permits to conduct transactions; and investigates and enforces laws, rules and regulations relative to controlled substances.
- Mitigate the suffering and losses of victims and survivors of certain crimes by providing them with compensation for crime related losses; and, compensate private citizens (Good Samaritans) who suffer personal injury or property damage in the course of preventing a crime or apprehending a criminal.

MAJOR PROGRAM AREAS

The Department of Public Safety has programs in the following major program area:

Public Safety

Corrections

PSD 402 Halawa Correctional Facility
PSD 403 Kulani Correctional Facility
PSD 404 Waiawa Correctional Facility
PSD 405 Hawaii Community Correctional Center
PSD 406 Maui Community Correctional Center
PSD 407 Oahu Community Correctional Center
PSD 408 Kauai Community Correctional Center
PSD 409 Women's Community Correctional Center
PSD 410 Intake Service Centers
PSD 420 Corrections Program Services
PSD 421 Health Care
PSD 422 Hawaii Correctional Industries
PSD 808 Non-State Facilities

Law Enforcement

PSD 502 Narcotics Enforcement
PSD 503 Sheriff

Other

PSD 611 Adult Parole Determinations
PSD 612 Adult Parole Supervision and Counseling
PSD 613 Crime Victim Compensation Commission
PSD 900 General Administration

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**Department of Public Safety
Operating Budget**

			Act 134/2013	Act 134/2013	FY 2014	FY 2015	Total	Total
			FY 2014	FY 2015	Adjustments	Adjustments	FY 2014	FY 2015
Funding Sources:	Positions	Perm	2,585.10	2,585.10	-	70.00	2,585.10	2,655.10
		Temp	5.00	5.00	-	-	5.00	5.00
	General Funds	\$	222,712,329	222,736,476	-	4,099,594	222,712,329	226,836,070
		Perm	8.00	8.00	-	-	8.00	8.00
		Temp	-	-	-	-	-	-
	Special Funds	\$	2,560,157	2,560,157	-	600,000	2,560,157	3,160,157
		Perm	-	-	-	-	-	-
		Temp	2.00	2.00	-	-	2.00	2.00
	Other Federal Funds	\$	1,065,476	1,065,476	-	-	1,065,476	1,065,476
		Perm	-	-	-	-	-	-
		Temp	3.00	3.00	-	-	3.00	3.00
	County Funds	\$	209,721	209,721	-	-	209,721	209,721
		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
	Trust Funds	\$	75,065	75,065	-	-	75,065	75,065
		Perm	59.00	59.00	-	-	59.00	59.00
		Temp	-	-	-	-	-	-
	Interdepartmental Transfers	\$	5,076,280	5,076,280	-	-	5,076,280	5,076,280
		Perm	11.00	11.00	-	(1.00)	11.00	10.00
		Temp	42.00	42.00	-	-	42.00	42.00
	Revolving Funds	\$	10,774,161	10,806,172	-	(72,884)	10,774,161	10,733,288
		Perm	2,663.10	2,663.10	-	69.00	2,663.10	2,732.10
		Temp	52.00	52.00	-	-	52.00	52.00
Total Requirements		\$	242,473,189	242,529,347	-	4,626,710	242,473,189	247,156,057

Comments: (general funds and FY 15 unless otherwise noted)

1. Adds 20.00 permanent Adult Corrections Officer (ACO) positions and \$519,860 for hospital/suicide watches at Halawa Correctional Facility (CF) and Oahu Community Correctional Center (CCC).
2. Adds 5.00 permanent ACO positions and \$129,965 for inmate transportation at Oahu CCC.
3. Adds \$270,000 for replacement and upgraded security camera and video equipment at Halawa CF, Oahu CCC, and Kauai CCC.
4. Adds \$245,000 for perimeter and security doors at Maui CCC and Kauai CCC.
5. Adds \$330,000 for vehicle maintenance and replacement for the Sheriff Division.
6. Adds 6.00 permanent Deputy Sheriff positions and \$181,137 for the Circuit Courts.
7. Adds 21.00 permanent positions and \$808,630 to improve mental health treatment at correctional facilities (primarily at Halawa CF and Women's).
8. Adds \$577,940 for NORESKO operations and maintenance services at Halawa CF and Oahu CCC.
9. Adds \$600,000 in special funds to establish an expenditure ceiling for the Statewide Automated Victim Information and Notification program.

**Department of Public Safety
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	16,000,000	-	16,000,000
General Obligation Bonds	16,000,000	16,000,000	-	(16,000,000)	16,000,000	-
Federal Funds	-	-	-	-	-	-
Total Requirements	16,000,000	16,000,000	-	-	16,000,000	16,000,000

Comments on Dept CIP Budget Request: (general obligation bonds and FY 15 unless otherwise noted)

1. Converts \$16,000,000 in general obligation bond funds to general funds.

DEPARTMENT OF TAXATION

Department Summary

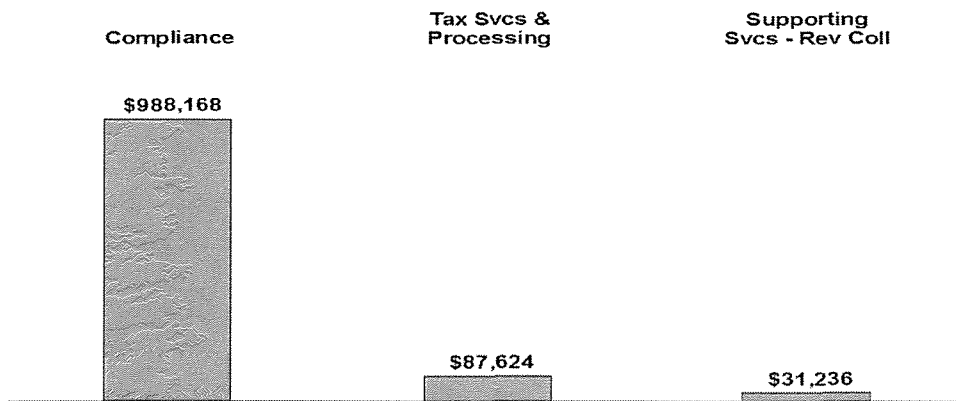
Mission Statement

To administer the tax laws of the State of Hawaii in a consistent, uniform and fair manner.

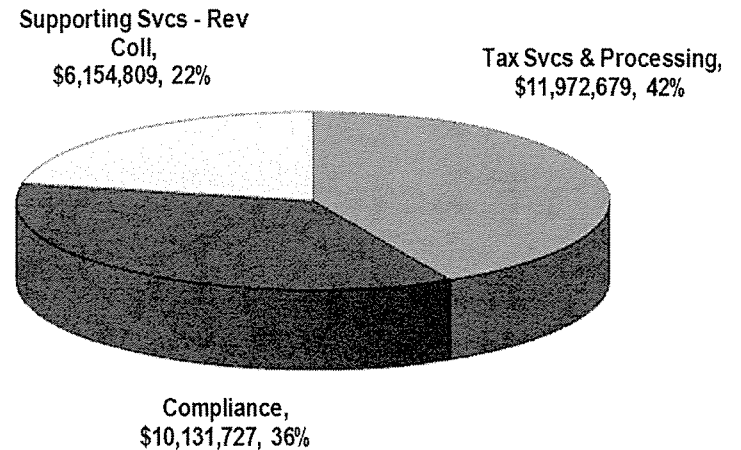
Department Goals

To provide one-stop customer service; to increase collection capabilities through efficient allocation of resources; to simplify filings, provide a more user-friendly interface with the public, and expedite delinquent referrals; to automate tax filings, billings and collections; to expand capacity for research and revenue analysis; to permit more flexibility in law changes and initiatives to improve tax administration.

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



DEPARTMENT OF TAXATION MAJOR FUNCTIONS

- Administers and enforces the tax laws of Hawaii and the collection of taxes and other payments.
- Coordinates a centralized system for receiving and processing of all tax returns, payments and documents.
- Provides one-stop customer service, assistance and information on all taxes administered by the department to customers who walk in, call-in, correspond or e-mail.
- Administers a comprehensive and uniform compliance program based on self-assessment and voluntary compliance.
- Conducts audits and investigations of all types of tax returns.
- Conducts and enforces collection of delinquent taxes by appropriate collection procedures.
- Plans, organizes and coordinates a tax research and tax planning program.
- Provides administrative and research support to the Council on Revenues which prepares revenue estimates for the State on a quarterly basis.

MAJOR PROGRAM AREAS

The Department of Taxation has a program in the following major program area:

Government-Wide Support

TAX 100	Compliance
TAX 105	Tax Services and Processing
TAX 107	Supporting Services – Revenue Collections

**Department of Taxation
Operating Budget**

			Act 134/2013	Act 134/2013	FY 2014	FY 2015	Total	Total
			FY 2014	FY 2015	Adjustments	Adjustments	FY 2014	FY 2015
Funding Sources:	Positions	Perm	382.00	382.00	-	12.00	382.00	394.00
		Temp	143.00	143.00	-	2.00	143.00	145.00
General Funds		\$	23,502,342	26,104,312	-	1,107,028	23,502,342	27,211,340
		Perm	-	-	-	-	-	-
		Temp	6.00	6.00	-	-	6.00	6.00
Special Funds		\$	1,047,875	1,047,875	-	-	1,047,875	1,047,875
		Perm	382.00	382.00	-	12.00	382.00	394.00
		Temp	149.00	149.00	-	2.00	149.00	151.00
Total Requirements		\$	24,550,217	27,152,187	-	1,107,028	24,550,217	28,259,215

Comments: (general funds and FY 15 unless otherwise noted)

1. Adds 12.00 permanent and 2.00 temporary positions and \$1,107,028 for statewide staff support to increase tax collections and processing of claims.

**Department of Taxation
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	16,001,000	16,001,000	-	-	16,001,000	16,001,000
Federal Funds	-	-	-	-	-	-
Total Requirements	16,001,000	16,001,000	-	-	16,001,000	16,001,000

Comments on Dept CIP Budget Request: (general obligation bonds and FY 15 unless otherwise noted)

None.

DEPARTMENT OF TRANSPORTATION

Department Summary

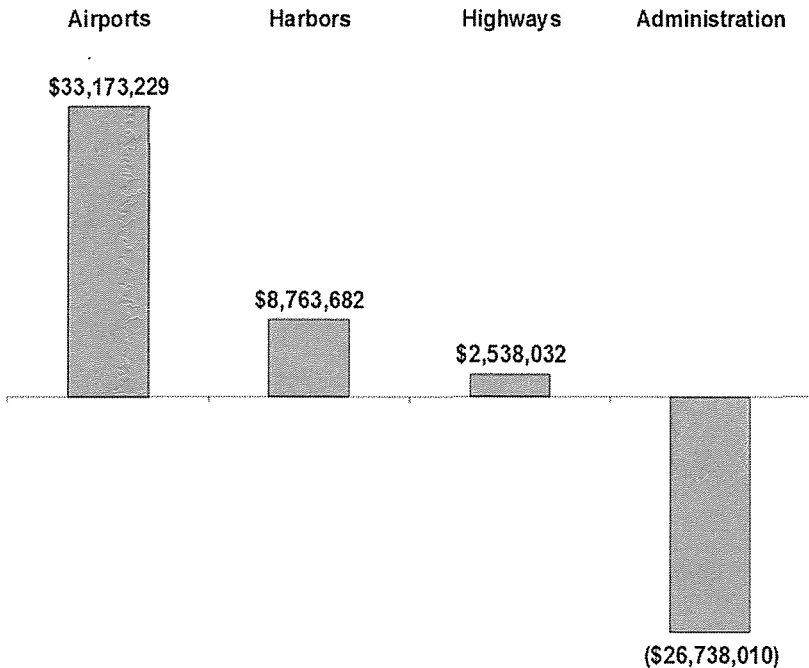
Mission Statement

To provide a safe, efficient, accessible, and inter-modal transportation system that ensures the mobility of people and goods, and enhances and/or preserves economic prosperity and the quality of life.

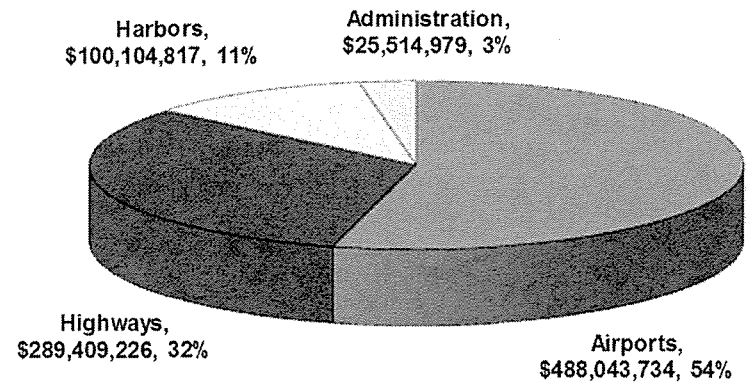
Department Goals

Achieve an integrated multi-modal transportation system through upgrades and expansions to assure mobility and accessibility to support and sustain cargo and passenger operations; ensure the safety and security of the air, land and water transportation systems; protect and enhance Hawaii's unique environment and improve the quality of life; support Hawaii's economic vitality; implement a statewide planning process that is comprehensive, cooperative and continuing; and improve the overall financial program through greater efficiency, development, management and oversight of revenue sources.

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



DEPARTMENT OF TRANSPORTATION MAJOR FUNCTIONS

- Carries out programs to improve, maintain, and operate transportation facilities of the State.
- Administers the operations of the airports program of the State government by equipping, regulating and protecting the state system of public airports and related facilities. Plans, designs, develops, acquires, and constructs new and expanded airports and facilities as well as reconstructs existing airports and facilities.
- Plans, designs, and supervises the construction and maintenance of the State Highway System. Alters, modifies, or revises such highway system as may be required.
- Administers and maintains the operations of the harbors program of the State government by equipping, regulating, and protecting the State system of harbors and related facilities. Plans, develops, acquires, and constructs new and expanding harbors and facilities as well as maintaining and reconstructing existing harbors and facilities.
- Provides for the determination of statewide transportation needs, the continuous survey and inventory of planned resources, and the creation of statewide, inter and multi modal transportation systems network plans.
- Encourages, fosters and assists in the development of aeronautical, water, and land transportation in the State; and provides for the protection and promotion of safety in aeronautics and water transportation.
- Plans, reviews, and implements a comprehensive uniform state highway safety program to comply with applicable federal and state laws.
- Works with the Commission on Transportation which acts in an advisory capacity to the director of transportation; serves on the State Highway Safety Council which advises the governor on highway safety; and, cooperates with the Medical Advisory Board which advises the examiner of drivers on medical criteria and vision standards for motor vehicle drivers.

MAJOR PROGRAM AREAS

The Department of Transportation has programs in the following major program area:

Transportation Facilities and Services

Airports

TRN 102	Honolulu International Airport
TRN 104	General Aviation
TRN 111	Hilo International Airport
TRN 114	Kona International Airport at Keahole
TRN 116	Waimea-Kohala Airport
TRN 118	Upolu Airport
TRN 131	Kahului Airport
TRN 133	Hana Airport
TRN 135	Kapalua Airport
TRN 141	Molokai Airport
TRN 143	Kalaupapa Airport
TRN 151	Lanai Airport
TRN 161	Lihue Airport
TRN 163	Port Allen Airport
TRN 195	Airports Administration

Harbors

TRN 301	Honolulu Harbor
TRN 303	Kalaeloa Barbers Point Harbor
TRN 311	Hilo Harbor
TRN 313	Kawaihae Harbor
TRN 331	Kahului Harbor
TRN 333	Hana Harbor
TRN 341	Kaunakakai Harbor
TRN 351	Kaumalapau Harbor
TRN 361	Nawiliwili Harbor
TRN 363	Port Allen Harbor
TRN 395	Harbors Administration

Highways

TRN 501	Oahu Highways
TRN 511	Hawaii Highways
TRN 531	Maui Highways
TRN 561	Kauai Highways
TRN 595	Highways Administration
TRN 597	Highways Safety

Administration

TRN 695	Aloha Tower Development Corporation
TRN 995	General Administration

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**Department of Transportation
Operating Budget**

			Act 134/2013	Act 134/2013	FY 2014	FY 2015	Total	Total
			FY 2014	FY 2015	Adjustments	Adjustments	FY 2014	FY 2015
Funding Sources:	Positions	Perm	2,202.70	2,202.70	-	7.00	2,202.70	2,209.70
		Temp	17.00	17.00	-	-	17.00	17.00
	Special Funds	\$	802,109,720	833,769,381	-	42,836,943	802,109,720	876,606,324
		Perm	6.00	6.00	-	1.00	6.00	7.00
		Temp	2.00	2.00	-	(1.00)	2.00	1.00
	Federal Funds	\$	50,237,736	50,272,236	-	(25,100,010)	50,237,736	25,172,226
		Perm	0.80	0.80	-	-	0.80	0.80
		Temp	-	-	-	-	-	-
	Other Federal Funds	\$	871,139	871,139	-	-	871,139	871,139
		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
	Private Contributions	\$	423,067	423,067	-	-	423,067	423,067
		Perm	2,209.50	2,209.50	-	8.00	2,209.50	2,217.50
		Temp	19.00	19.00	-	(1.00)	19.00	18.00
Total Requirements		\$	853,641,662	885,335,823	-	17,736,933	853,641,662	903,072,756

Comments: (special funds and FY 15 unless otherwise noted)

1. Airports Division - Adds \$7,359,000 to Honolulu International Airport for Wiki Wiki Buses.
2. Airports Division - Adds \$6,866,000 for utilities, routine maintenance and security at Honolulu International Airport.
3. Airports Division - Adds \$6,000,000 for routine maintenance for baggage handling equipment for airports statewide.
4. Harbors Division - Adds \$1,500,000 for drain cleaning services at Oahu harbors to meet U.S. Environmental Protection Agency requirements.
5. Highways Division - Adds \$1,000,000 for the repair/renovation of restrooms at Aliiimoku Hale.
6. Administration Division - Reduces \$26,738,010 in federal funds to align to new federal fund reporting process.

**Department of Transportation
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	-	-	-
Special Funds	40,045,000	38,075,000	-	425,000	40,045,000	38,500,000
General Obligation Bonds	3,000,000	-	-	-	3,000,000	-
Revenue Bonds	714,373,000	153,165,000	-	601,894,000	714,373,000	755,059,000
Federal Funds	153,170,000	110,946,000	-	251,977,000	153,170,000	362,923,000
Other Federal Funds	2,000,000	2,000,000	-	-	2,000,000	2,000,000
Private Contributions	1,419,000	-	-	10,200,000	1,419,000	10,200,000
County Funds	1,250,000	-	-	-	1,250,000	-
Other Funds	56,204,000	100,000	-	-	56,204,000	100,000
Total Requirements	971,461,000	304,286,000	-	864,496,000	971,461,000	1,168,782,000

Comments on Dept CIP Budget Request: (revenue bonds and FY 15 unless otherwise noted)

1. Airports Division - Adds \$280,000,000 for the New Mauka Concourse at Honolulu International Airport.
2. Airports Division - Adds \$70,000,000 for Elliot Street Support Facilities at Honolulu International Airport.
3. Airports Division - Adds \$135,000,000 for Rental Car Facilities Improvements, Statewide.
4. Highways Division - Adds \$9,800,000 for 16 Bridge Replacement/Improvement Projects.
5. Highways Division - Adds \$21,740,000 for various (16) Lump Sum Projects.

UNIVERSITY OF HAWAII

Department Summary

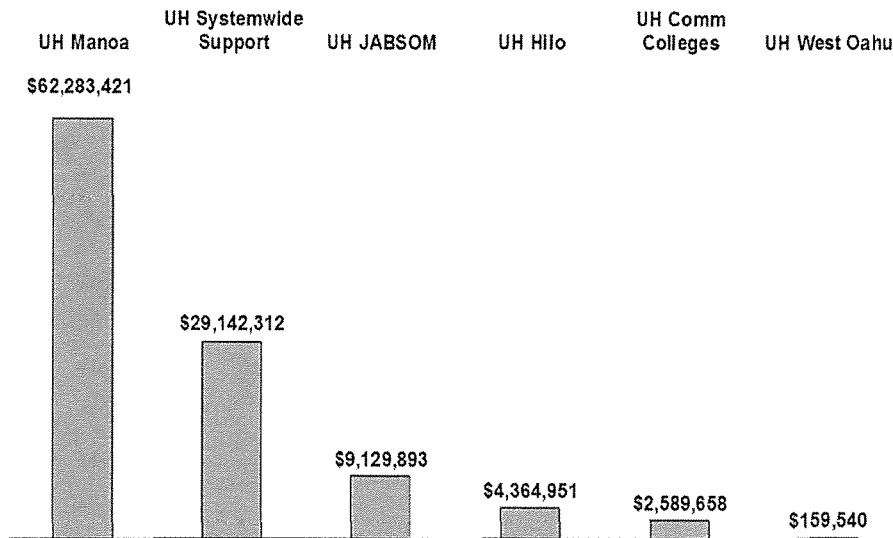
Mission Statement

To serve the public by creating, preserving, and transmitting knowledge in a multi-cultural environment.

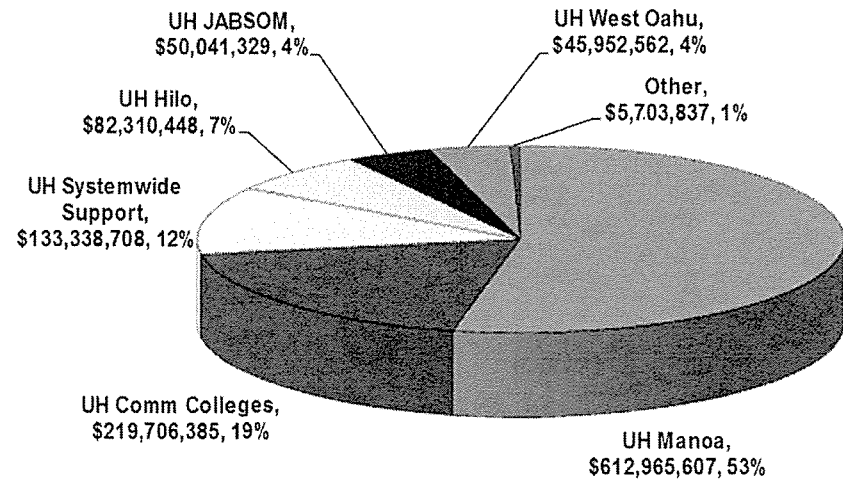
Department Goals

To achieve educational effectiveness and student success; provide a learning, research, and service network; be a model local, regional, and global university; maximize investment in faculty, staff, students, and their environment; and provide resources and stewardship.

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



UNIVERSITY OF HAWAII MAJOR FUNCTIONS

- Provides instruction, research and public service in the fields of the liberal arts and sciences, agriculture, professional education, medicine, law, health sciences, business administration, engineering sciences and such other branches of the higher learning as the Board of Regents prescribes.
- Administers and operates a system of community colleges; coordinates academic programs which include college transfer, general education, vocational, technical, semi-professional, and continuing education programs; coordinates community service programs with the various campuses, community agencies and groups; and coordinates student-related programs & services.
- Operates a summer session which gives variety and flexibility to the instructional programs of the University; provides college-level instruction to students who wish to obtain it during the summer; accommodates teaching institutes, workshops, and special courses with schedules of varying lengths; sponsors lecture series and other cultural events during the summer and supervises overseas study tours offered for credit.
- Provides key personnel in the government policy-making process with timely research, analyses and data concerning governmental and related problems to enable them to make informed decisions among alternative courses of action.
- Participates in intercollegiate athletics programs for men and women; contributes toward the availability of non-academic cultural, social, recreational and intellectual programs made available to the students, faculty and community at large; and provides a limited intercollegiate program for a variety of minor sports.

MAJOR PROGRAM AREAS

The University of Hawaii has programs in the following major program areas:

Formal Education

UOH 100	University of Hawaii, Manoa
UOH 110	University of Hawaii, John A. Burns School of Medicine
UOH 210	University of Hawaii, Hilo
UOH 220	Small Business Development

UOH 700	University of Hawaii, West Oahu
UOH 800	University of Hawaii, Community Colleges
UOH 900	University of Hawaii, Systemwide Support

Culture and Recreation

UOH 881	Aquaria
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**University of Hawaii
Operating Budget**

			Act 134/2013	Act 134/2013	FY 2014	FY 2015	Total	Total
			FY 2014	FY 2015	Adjustments	Adjustments	FY 2014	FY 2015
Funding Sources:	Positions	Perm	6,415.09	6,415.09	-	90.00	6,415.09	6,505.09
		Temp	118.25	118.25	-	-	118.25	118.25
	General Funds	\$	386,721,245	384,801,245	-	37,526,775	386,721,245	422,328,020
		Perm	615.25	615.25	-	1.00	615.25	616.25
		Temp	9.50	9.50	-	-	9.50	9.50
	Special Funds	\$	534,311,264	550,608,454	-	58,793,000	534,311,264	609,401,454
		Perm	97.66	97.66	-	-	97.66	97.66
		Temp	4.00	4.00	-	-	4.00	4.00
	Federal Funds	\$	12,169,289	12,688,542	-	-	12,169,289	12,688,542
		Perm	54.75	54.75	-	(1.00)	54.75	53.75
		Temp	-	-	-	-	-	-
	Revolving Funds	\$	94,172,157	94,250,860	-	11,350,000	94,172,157	105,600,860
		Perm	7,182.75	7,182.75	-	90.00	7,182.75	7,272.75
		Temp	131.75	131.75	-	-	131.75	131.75
Total Requirements		\$	1,027,373,955	1,042,349,101	-	107,669,775	1,027,373,955	1,150,018,876

Comments: (general funds and FY 15 unless otherwise noted)

1. Adds \$14,000,000 for salary restoration for the University of Hawaii Professional Assembly (UHPA).
2. Adds \$19,500,000 for UHPA salary increases.
3. Adds \$3,000,000 for the following projects: Community College Outcome Based Funding (\$800,000), 21st Century Education Initiative (\$800,000), Pukoa Council and Model Indigenous-Serving University (\$600,000), and Hawaii Innovation Initiative (\$800,000).
4. Adds 89.00 permanent general fund position counts to support UH West Oahu Campus operations.
5. Increases the expenditure ceiling by \$47,443,000 in special funds and \$9,200,000 in revolving funds for the University of Hawaii at Manoa.
6. Increases the expenditure ceiling by \$9,350,000 in special funds and \$650,000 in revolving funds for the John A. Burns School of Medicine.
7. Increases the expenditure ceiling by \$2,000,000 in special funds and \$1,500,000 in revolving funds for the University of Hawaii at Hilo.
8. Adds 1.00 permanent position and \$276,775 for the Hawaii Kids Savings Project.
9. Adds 500,000 for the New Global Studies program.
10. Adds \$250,000 to continue efforts relating to the Science Fair.

**University of Hawaii
Capital Improvements Budget**

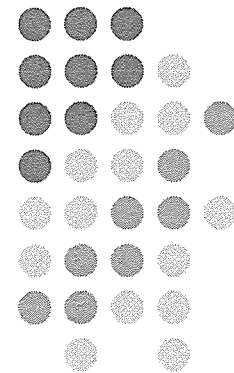
	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	54,000,000	-	54,000,000
Special Funds	4,100,000	-	-	-	4,100,000	-
General Obligation Bonds	173,994,000	31,500,000	-	73,000,000	173,994,000	104,500,000
Revenue Bonds	23,500,000	-	-	216,990,000	23,500,000	216,990,000
Federal Funds	-	-	-	-	-	-
Private Contributions	-	-	-	1,000,000	-	1,000,000
Revolving Funds	-	-	-	1,500,000	-	1,500,000
Total Requirements	201,594,000	31,500,000	-	346,490,000	201,594,000	377,990,000

Comments on Dept CIP Budget Request: (general obligation bonds and FY 15 unless otherwise noted)

1. Adds \$50,771,000 (\$25,000,000 in general funds, \$25,771,000 in general obligation bond funds) for capital renewal projects, statewide.
2. Adds \$9,229,000 to meet health, safety, and code requirements, statewide.
3. Adds \$197,990,000 in revenue bond funds for deferred maintenance projects, statewide.
4. Adds \$33,000,000 (\$28,000,000 in general obligation bond fund, \$5,000,000 in revenue bond funds) for the College of Pharmacy, New Instructional Facility project at the University of Hawaii at Hilo.
5. Adds \$6,000,000 in revenue bond funds for the Marine Center Relocation project for the University of Hawaii at Manoa.
6. Adds \$40,000,000 (\$32,000,000 in general obligation bond funds, \$8,000,000 in revenue bond funds) to renovate Kuydendall Hall at UH Manoa.
7. Adds \$7,500,000 (\$5,000,000 in general obligation bond funds, \$1,000,000 in private contributions, \$1,500,000 in revolving funds) for the Daniel K. Inouye Library project for UH Manoa.
8. Converts \$29,000,000 in general obligation bond funds to general funds.

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Historical Information



General Fund Revenues, Expenditures and Fund Balance
(in \$ millions)

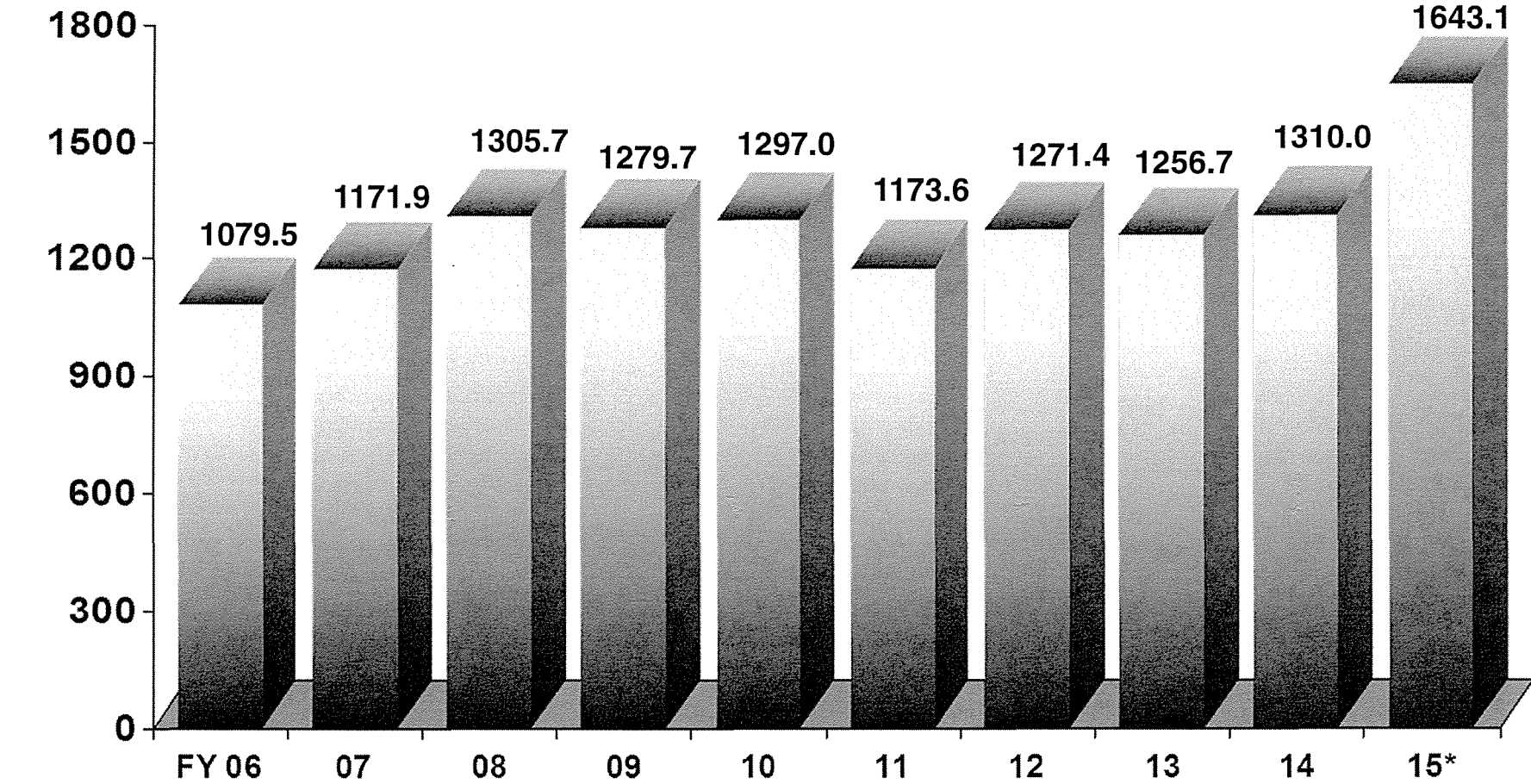
<u>Fiscal Year</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Revenues Over Exp.</u>	<u>Fund Balance</u>
2004	3,907.7	3,840.3	67.4	184.6
2005	4,486.4	4,184.6	301.8	486.4 ⁽¹⁾
2006	4,925.0	4,679.1	245.9	732.3 ⁽¹⁾
2007	5,142.1	5,381.0	(238.9)	493.4 ⁽¹⁾
2008	5,244.0	5,406.9	(162.9)	330.4 ⁽¹⁾
2009	5,008.0	5,375.2	(367.2)	(36.8)
2010	4,852.4	4,837.8	14.6	(22.2)
2011	5,116.9	4,968.7	148.2	126.0 ⁽²⁾
2012	5,660.6	5,511.3	149.3	275.3 ⁽²⁾
2013	6,234.4	5,665.7	568.8	844.0 ^{(1), (2)}

* Note: (1) Fiscal year in which the fund balance exceeded 5% of revenues
(2) Fiscal year (after FY 2009) in which revenues exceeded the preceding fiscal year's revenues by 5%

Department of Education Instruction General Fund Operating Appropriations

(DB&F 12/4/13)

\$ millions



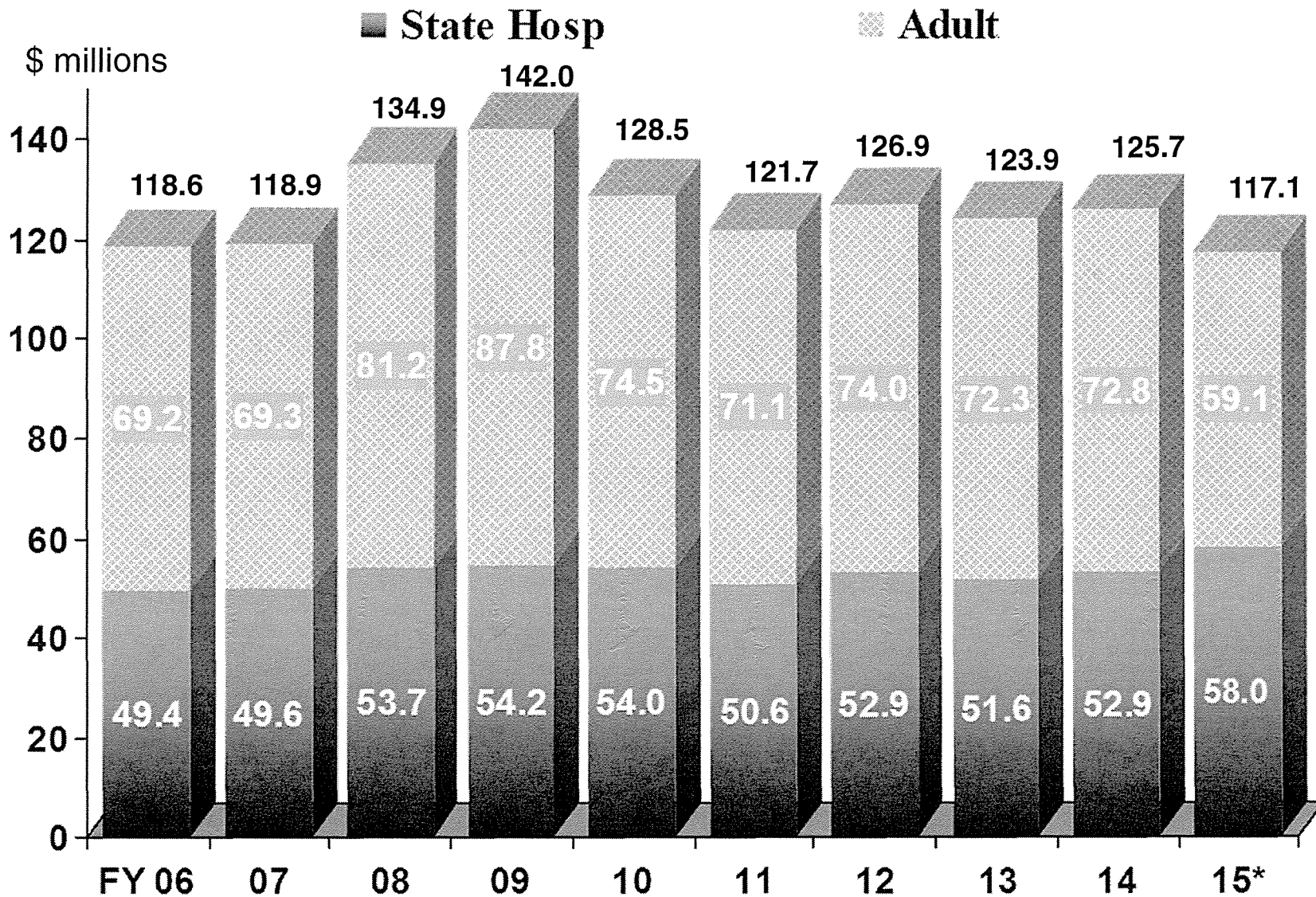
Enrollment (Thousands)

Regular	156.5	154.9	153.6	152.9	153.4	152.9	155.1	156.8	158.6	154.3
Special	19.2	18.6	18.1	17.5	17.4	17.0	17.0	17.0	16.9	17.0
Charter	5.6	5.7	6.7	7.3	7.8	8.2	9.1	10.1	10.3	11.3

*FY 15 reflects the Executive request

Adult Mental Health General Fund Appropriations

(DB&F 12/5/13)



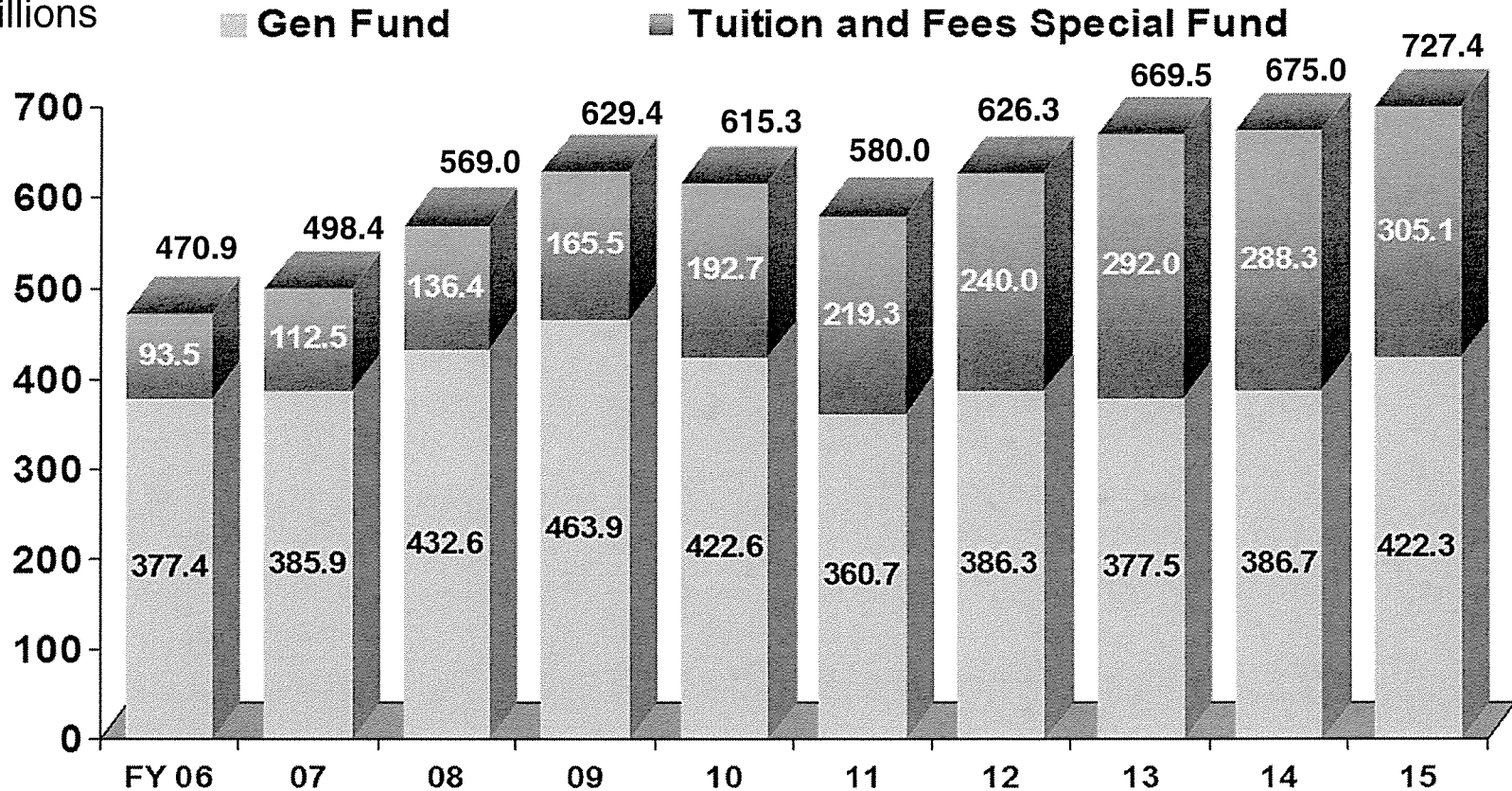
*FY 15 reflects the Executive request

University of Hawaii Operating Appropriations Net of Fringe & Debt Svc

Chart 3

(DB&F 12/6/13)

\$ millions



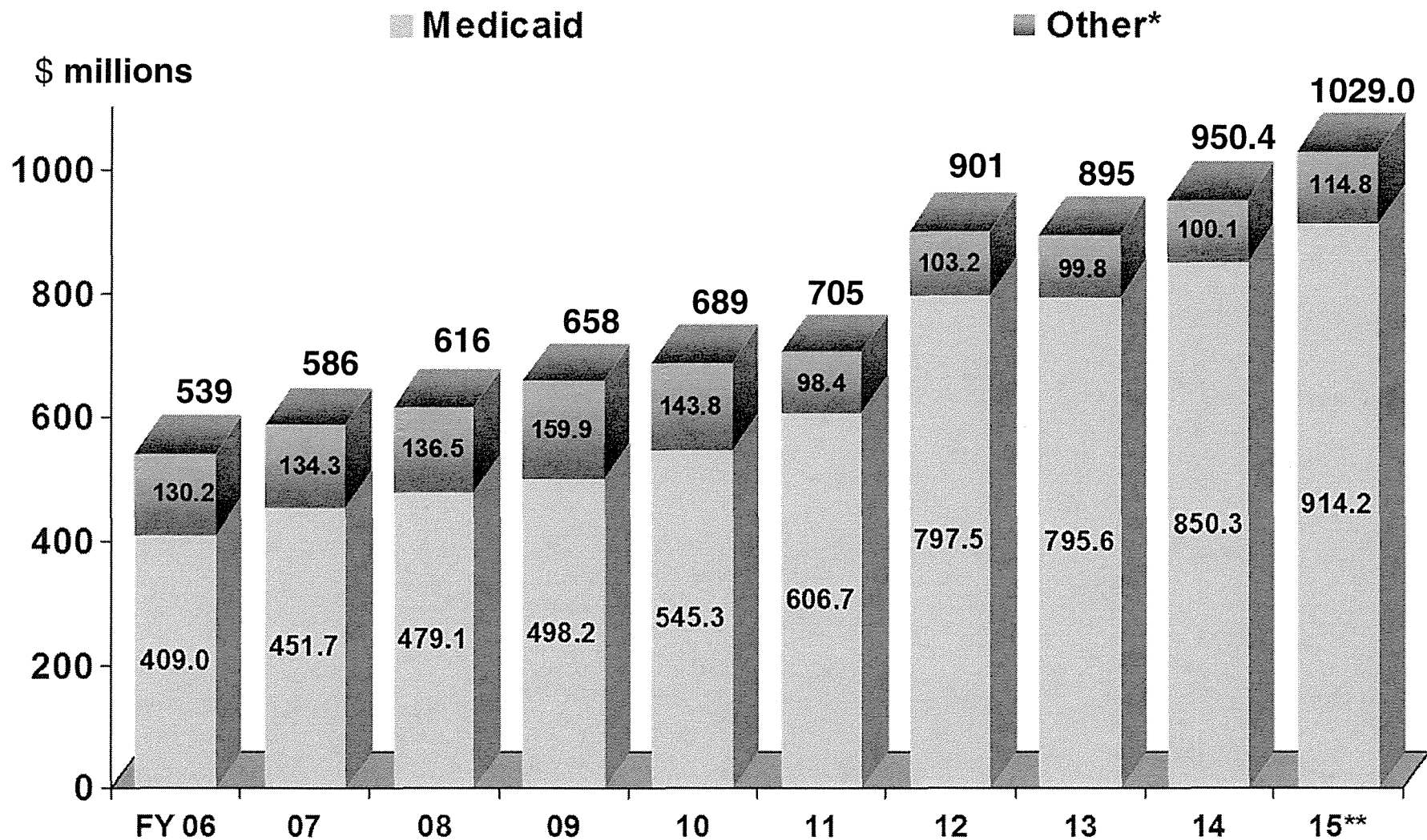
	<u>Enrollment – Full Time Equivalent (Thousands)**</u>									
	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15
Manoa	16.6	16.1	16.0	16.0	16.4	16.3	16.4	16.7	16.8	16.8
Hilo	2.9	2.9	3.0	3.2	3.5	3.6	3.6	3.7	3.7	3.7
West Oahu	0.5	0.5	0.5	0.6	0.7	0.8	0.9	1.2	1.3	1.4
Comm Coll	<u>14.6</u>	<u>14.6</u>	<u>14.9</u>	<u>16.3</u>	<u>18.5</u>	<u>19.8</u>	<u>19.5</u>	<u>19.3</u>	<u>19.2</u>	<u>19.2</u>
Total	34.6	34.1	34.4	36.1	39.1	40.5	40.4	40.9	41.0	41.1

*FY 15 reflects the Executive request

**FYs 14 & 15 reflect enrollment projection, July 2013

Medicaid and Welfare Payments General Fund Operating Appropriations***

(DB&F 12/4/13)



*Includes TANF; TAONF; Child Care; General Assistance; Aged, Blind, & Disabled; and Foster Care

**FY 15 reflects the Executive request

***Excludes Housing

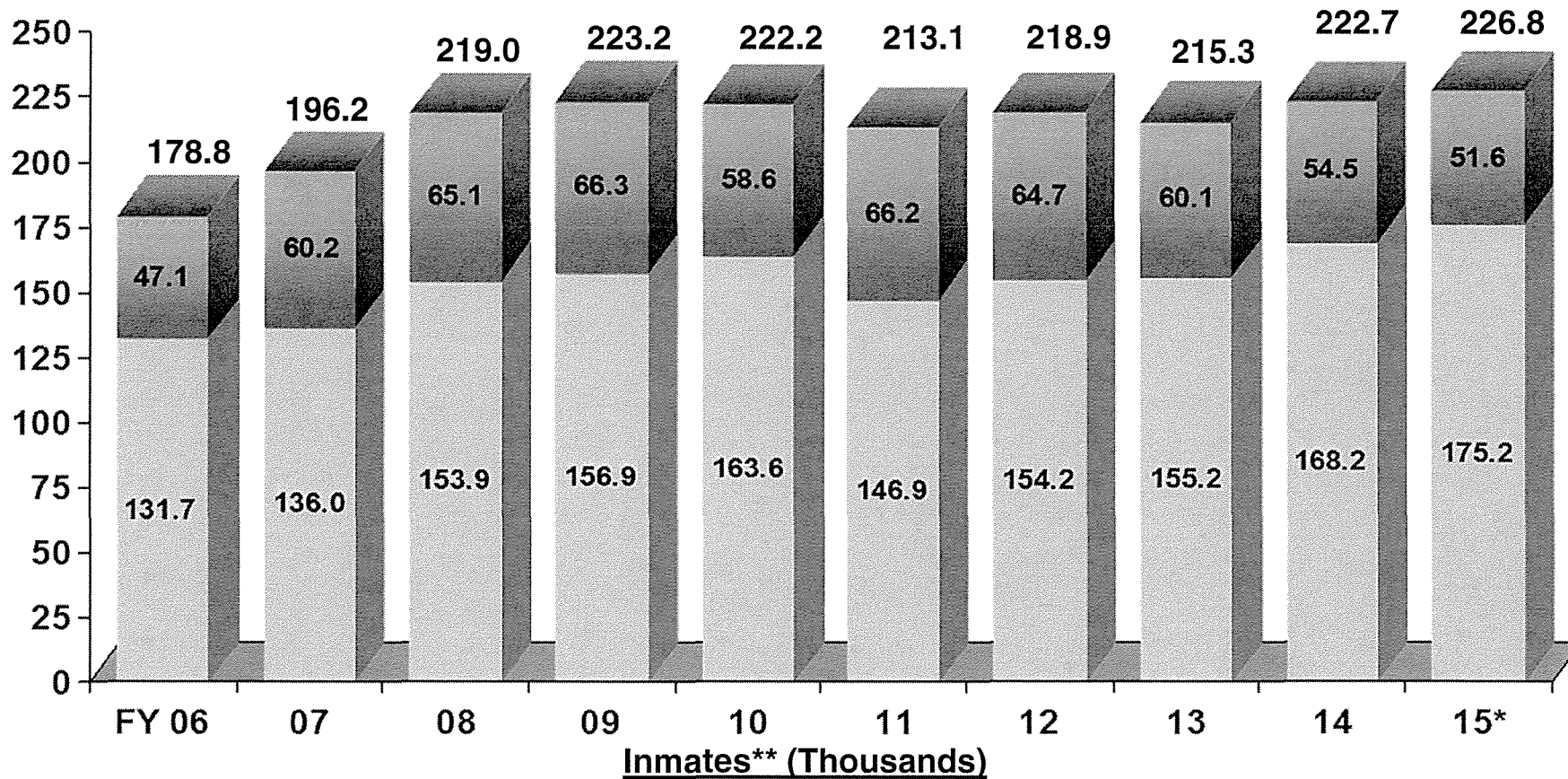
Public Safety General Fund Operating Appropriations

(DB&F 12/4/13)

\$ millions

■ State Facilities, Law Enforcement & Other Costs

■ Non-State Facilities



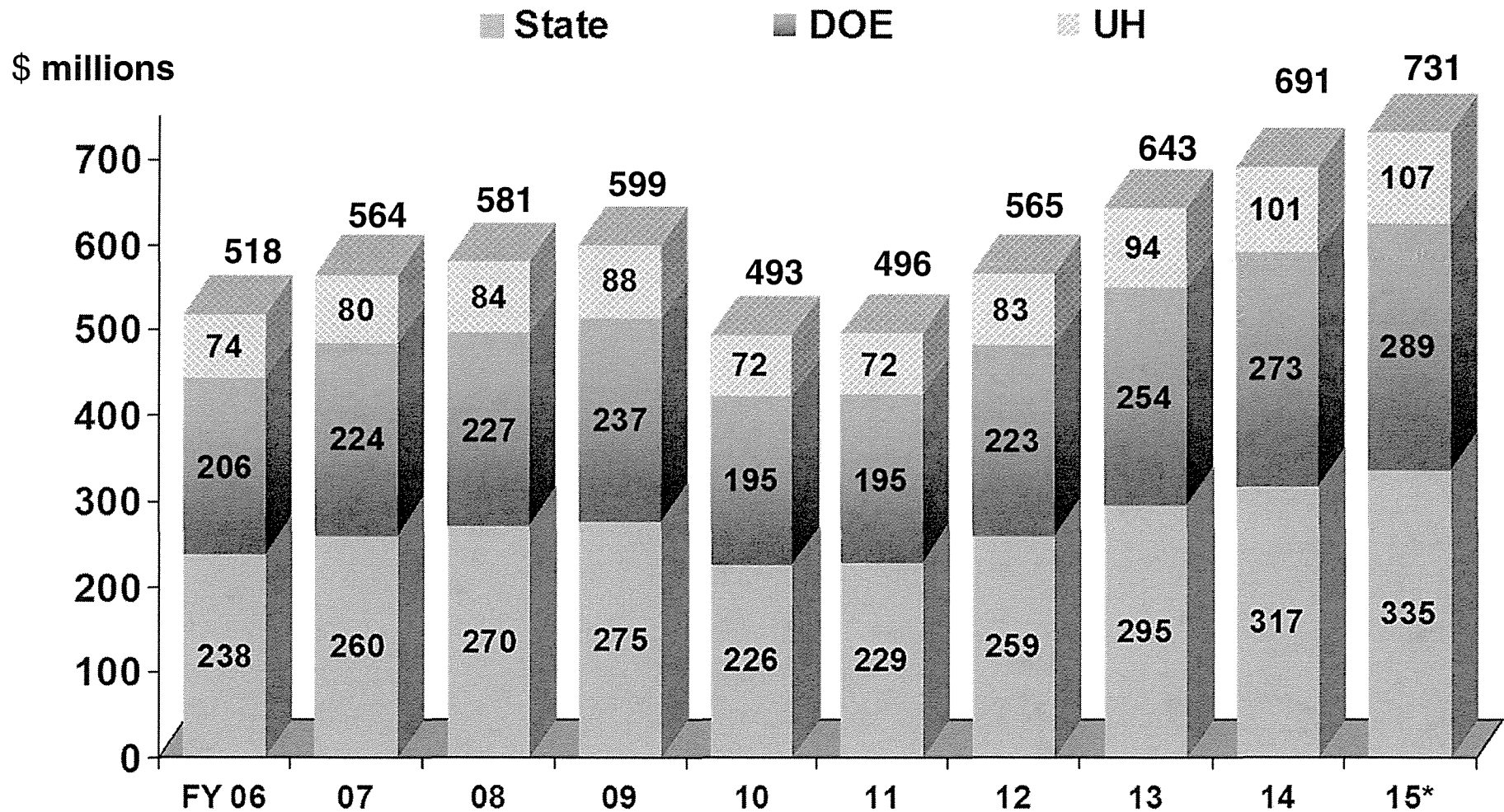
	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15*
State	4.0	4.0	3.9	4.1	3.7	3.9	3.8	4.2	4.4	4.4
Non-State	2.0	2.7	2.5	2.5	2.5	2.5	2.4	1.6	1.5	1.5

*FY 15 reflects the Executive request

**Reflects assigned count

Debt Service and Certificates of Participation General Fund Operating Appropriations

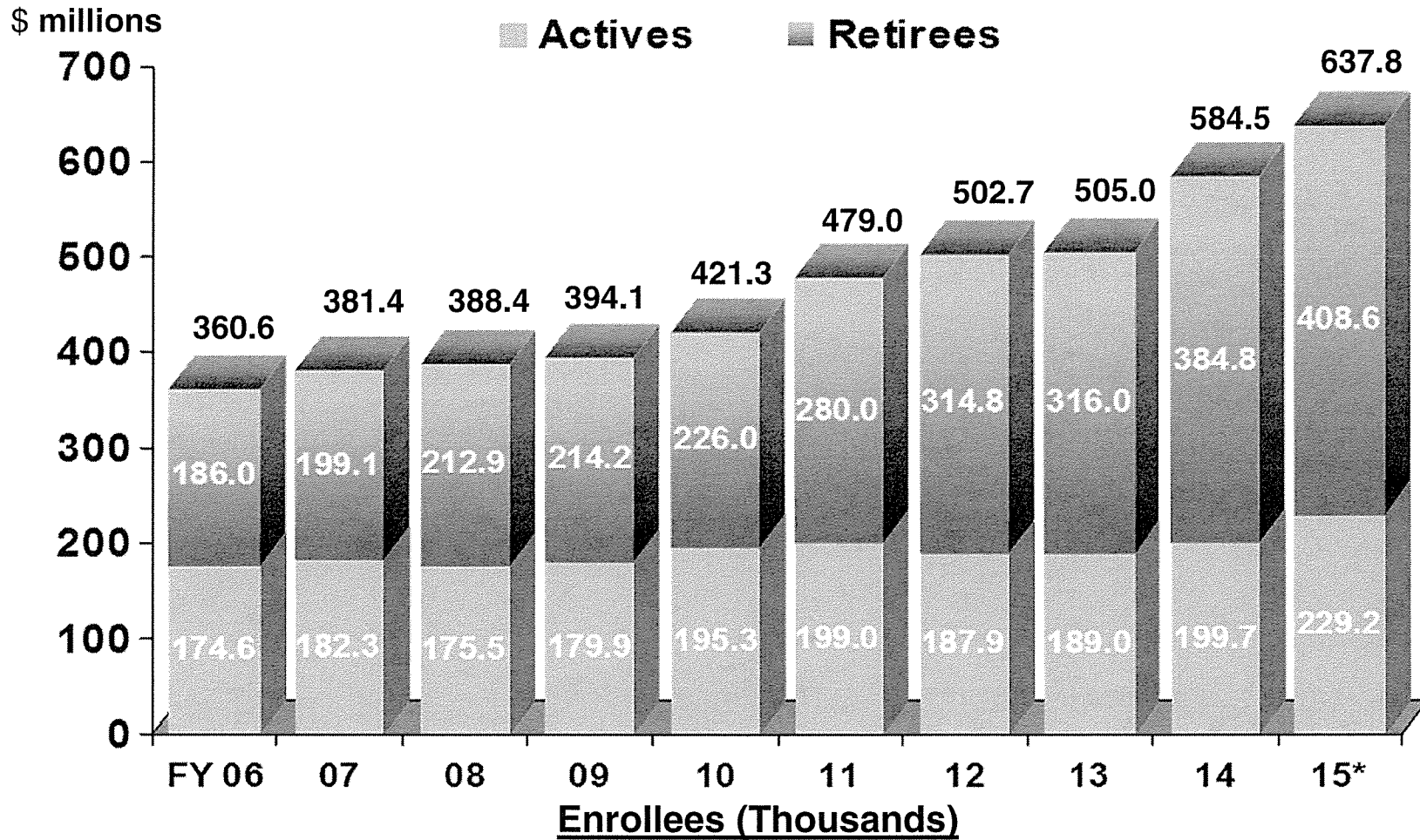
(DB&F 12/4/13)



*FY 15 reflects the Executive request

State Employee and Retiree Health Benefits General Fund Appropriations

(DB&F 12/5/13)

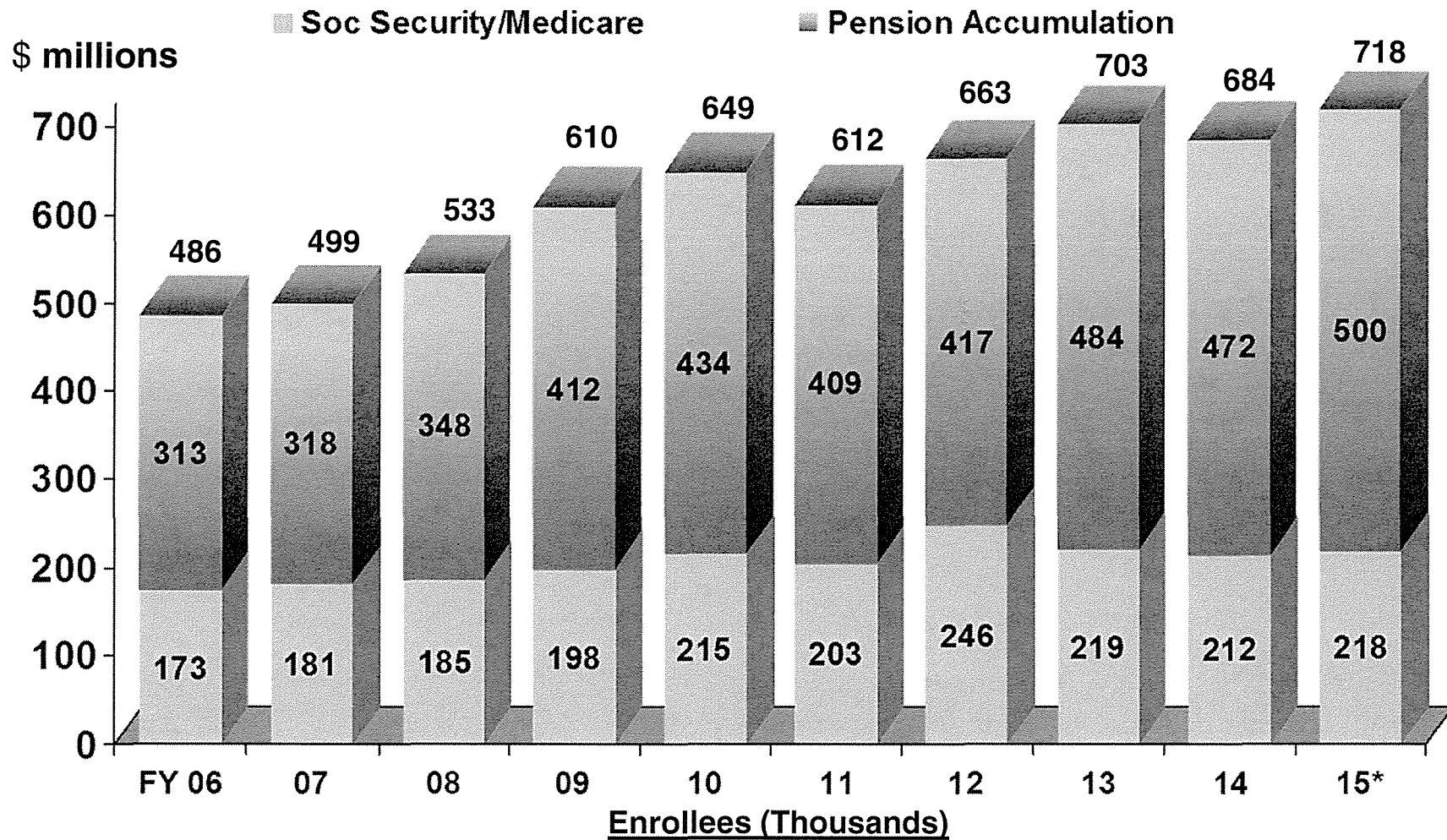


	<u>Enrollees (Thousands)</u>									
Retirees	27.0	28.0	25.0	26.1	26.6	39.6	42.3	43.0	43.0	43.0
Actives	42.0	42.6	54.1	52.9	54.1	55.2	67.1	67.7	68.0	68.0

*FY 15 reflects the Executive request

Public Employees' Retirement System General Fund Appropriations

(DB&F 12/5/13)

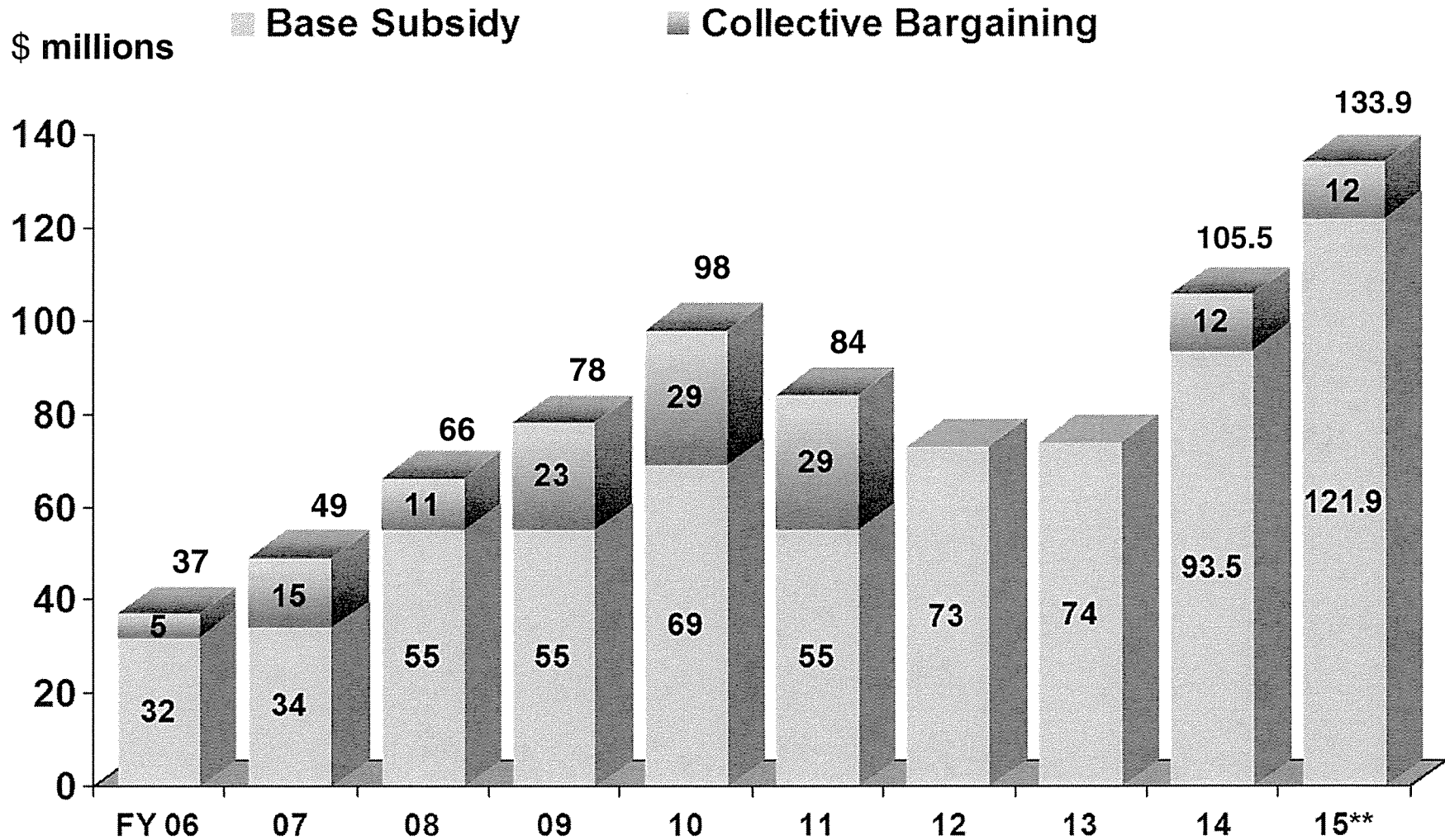


	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15*
Retirees	32.2	33.1	33.1	33.1	33.1	39.7	40.9	42.1	42.3	43.5
Actives	64.0	65.3	65.3	65.3	65.3	65.3	65.3	65.3	67.0	67.0

*FY 15 reflects the Executive request

Hawaii Health Systems Corporation General Fund Operating Appropriations*

(DB&F 12/4/13)



*Includes emergency and specific appropriations

**FY 15 reflects the Executive request