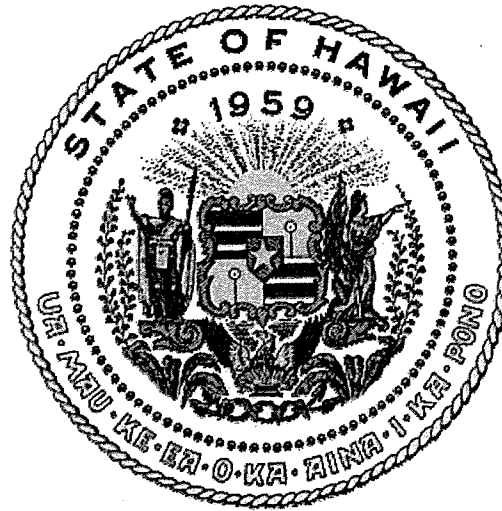


# State of Hawaii



## The FB 2013-15 Executive Biennium Budget

### *Budget in Brief*

Prepared by the Department of Budget and Finance  
December 17, 2012

EXECUTIVE CHAMBERS  
State Capitol  
Honolulu, Hawaii 96813

**GOVERNOR'S MESSAGE TO THE 27<sup>TH</sup> STATE  
LEGISLATURE OF HAWAII MEETING IN THE REGULAR  
SESSION OF 2013**

In compliance with Article VII, Section 8 of the Hawaii Constitution, I hereby submit to the State Legislature the Executive Budget for Fiscal Biennium (FB) 2013-15 and the Program and Financial Plan for the Period 2013-19.

**OVERVIEW**

Two years ago, our Administration had just taken office amidst an extremely difficult fiscal and economic outlook. As a State, we faced a daunting \$1.3 billion potential budget shortfall for FB 2011-13, having already come off of a \$2.1 billion budget shortfall for FB 2009-11. Department and agency operations were significantly affected by programmatic cuts, personnel lapses, and moreover State worker furloughs. My initial budget proposals contemplated a strategy to build and improve the State's financial condition focused on those objectives that would move the State in a forward direction, towards a New Day in Hawaii.

Our fiscal strategy was to address only our most immediate and pressing needs while working to ensure Hawaii's prosperous future by accelerating our economic recovery. Investing in our long term economic and social well-being -- clean energy, food security, technology, education, good health, and other aspects of our human capital -- could no longer be put off.

Valuable federal funding and private partnership opportunities were earnestly pursued to supplement State efforts in all sectors and to leverage State funds. Our New Day Work

Projects program for capital improvements was implemented so that we could simultaneously improve our infrastructure and economic landscape for sustained economic and social advancement.

These difficult times also presented opportunities to review State programs so that we could reconfigure, retool, and strengthen our government services to improve our partnerships with the private sector and to better serve our people. Our ongoing efforts to improve government efficiency include replacing our long outdated information systems infrastructure through our enterprise resource planning project.

As a result of our collaborative efforts, shared sacrifice and judicious actions, the year-end general fund balances for FY 11 and FY 12 were \$126 million and \$275 million, respectively. By the end of FY 12, general fund tax revenues finally surpassed the level they had reached in FY 08. However, to ensure that we maintain a balanced budget, as fiscally prudent and required by the State Constitution, we have imposed a 5 percent contingency reserve restriction on discretionary appropriations for FY 13.

Today, we see the results of our efforts. The bond rating agencies and the marketplace recognize the State's favorable fiscal condition as evidenced with their recent confirmation of solid bond ratings, a stable financial outlook, record bond sales and historically low financial interest rates. This budget request reflects our positive outlook of the State's economic situation and our continued commitment to improve State government and the overall quality of life for Hawaii's people.

## THE ECONOMY

The nation's economy continues its slow but steady growth. Last month, the national unemployment rate decreased from 7.9 percent to 7.7 percent and the nation added 146,000 jobs. However, there are questions as to whether that dip in the jobless rate is due to some in the labor force giving up looking for work. At the current rate of job growth -- at an average of 157,000 jobs a month -- it may take years for the unemployment rate to come down to pre-recession levels.

The national real Gross Domestic Product (GDP) has been consistently increasing since mid-2009. In the third quarter of 2012, the GDP increased by an annual rate of 2.7 percent over the second quarter increase of 1.3 percent. The potential federal "fiscal cliff," a combined expiration of federal tax cuts, enacting of new taxes as part of the Patient Protection and Affordable Care Act, and sequester spending reductions (totaling \$109 billion per year beginning in January 2013 and ending in 2021), may negatively affect the national GDP and, consequently, may hinder the nation's economic growth and recovery from the "Great Recession."

While uncertainties still loom on the federal level even at this late into the calendar year, I think there is good reason to focus on Hawaii's outlook as optimistic -- even if moderated. Hawaii's real GDP is projected to increase by 1.6 percent in 2012 and by 2.4 percent in 2013. Recently, the construction industry has shown signs of recovery with a 1.4 percent increase in construction jobs during the third quarter of 2012. Year-to-date through September, State capital improvement spending increased by 32.9 percent over the same period in 2011.

Hawaii's seasonally adjusted unemployment rate has gradually decreased to 5.5 percent in October 2012, which is a 1.3 percent decline from 6.8 percent in October 2011 and 1.6 percent from the high of 7.1 percent in late 2009, at the

end of the "Great Recession." Since July 2012, however, the rate has decreased by 0.8 percent, which is encouraging.

A positive sign for Hawaii's economy is the increase in the growth rate of total personal income from 4.2 percent in 2012 and 4.4 percent in 2013 to 4.4 percent and 4.7 percent, respectively, as projected by the Council on Revenues (COR) at their October 30, 2012 meeting. In determining their projection, the COR considered the strength in visitor arrivals and other economic conditions while exercising caution in regard to the federal "fiscal cliff" and the instability of the European economy.

The resurgence of the visitor and hospitality industry, one of the State's major economic drivers, continues to be a bright spot in Hawaii's economy. Total year-to-date visitor expenditures through October 2012 have increased over 2011 by 18.9 percent, while visitor arrivals have increased by 9.5 percent. Strong growth in the Japanese market has resulted in a 15.9 percent increase in visitor arrivals year-to-date, through October 2012. In fact, the number of visitors from Japan was second only to those from the United States west coast during the month of October 2012.

The surge in the visitor market has spilled over from Oahu to Kauai, Maui and the island of Hawaii. In October 2012, all four islands experienced double-digit growth in visitor expenditures as well as higher visitor arrivals, with Hawaii leading the way with a 14.1 percent increase. Year-to-date through October, visitor expenditures on each of the larger islands increased by at least 16 percent.

Our optimism regarding Hawaii's economy is tempered by many factors, however, many of which are beyond our control. We are cognizant of the physical plant limitations that may restrict the continued growth of our tourism sector. Sustaining the robust level of revenue growth and economic expectations from these, and related, sectors is not realistic. Hawaii and

the nation also remain vulnerable to the economic fallout due to the instability in Europe and the Middle East.

Additionally, the State's economy must continue to weather the impact of the slow recovery of the national economy while we prepare for the impending federal sequester which may result in reductions in federal grant funds to many of our State programs. To minimize the impact, our Administration is reviewing the economic, budgetary and programmatic impact of the potential changes which may occur due to the federal "fiscal cliff."

## REVENUE PROJECTIONS

On September 10, 2012, the COR revised its FY 13 general fund tax revenue forecast downward from 5.3 percent to 4.9 percent. Thus far, general fund tax revenues for FY 13 (preliminary through October 2012) are up by 11.3 percent compared to the same period last fiscal year.

The Council also lowered its projection for FY 14 from 4.0 percent to 3.9 percent growth, while also lowering the forecasted growth for FY 15 to 5 percent, FY 16 to 1.2 percent, FY 17 to 4.2 percent, FY 18 to 5.1 percent and FY 19 to 4.6 percent. The reductions to the projections through FY 19 primarily reflect the reassessment of the cost of the renewable energy tax credits. The changes made by the COR also reflect the Council's concerns regarding the potential impacts of the instability of the European economy and the City and County of Honolulu's rail project. My proposed budget proposal is based on the current COR forecast as of September 2012, understanding that subsequent meetings of the COR (such as anticipated in January 2013) may change the underlying revenue projections.

## THE FB 2013-15 BIENNIUM BUDGET REQUEST

### New Day Initiatives

The State's positive economic outlook and our own fiscal prudence have afforded us this opportunity to put into place several New Day Initiatives for the benefit of the people of Hawaii. Our Administration is committed to growing a sustainable economy, investing in Hawaii's people, and transforming government into an efficient and effective enterprise. These commitments are reflected in our operating and CIP budgets through investments in:

- Our keiki, including early learning and early childhood health.
- Preparing for our future through information technology transformation and providing a digital curriculum for Hawaii's students.
- Caring for Hawaii's aging population by providing resources for kupuna care and the Aging and Disability Resource Center.
- Improving the fiscal condition of the State of Hawaii by providing modern and contemporary technology infrastructure that will give reporting transparency to the public and give government business managers the tools necessary to make better informed analysis-based decisions.
- Sustainability and protecting the aina, including protection and maintenance of Hawaii's watersheds and developing renewable energy resources to reduce reliance on fossil fuels.
- Stabilizing the financial structure of the State of Hawaii by addressing increasing long-term fixed costs such as unfunded or underfunded liabilities for public employee benefits.

## The Operating Budget

Each department was provided an operating base budget amount, equivalent to their FY 13 appropriation, minus non-recurring costs and federal stimulus funds and plus restored labor savings and collective bargaining amounts (University of Hawaii (UH) Professional Assembly only), as applicable. The departments were tasked with the review of their base budget to ensure the following, with the intent of establishing a base budget which was transparent and accountable:

1. Large unspecified budget adjustments were eliminated.
2. Unfunded positions were deleted or funded.
3. Unbudgeted positions were budgeted, if appropriate.
4. Budgeted amounts were in the appropriate cost elements (i.e., personal services, other current expenses, equipment and motor vehicles) and programs.

Additionally, to facilitate federal fund reporting requirements and in preparation for the Federal Digital Accountability and Transparency Act of 2012 (i.e., "the DATA Act") and possible federal sequestration, departments were also asked to review their anticipated federal grant awards and related appropriations against a list of federal grants from the Federal Fund Information for States (FFIS). The FFIS list includes approximately 90 percent of the federal grants that all states receive.

With the intent to more clearly identify the federal awards the State receives, grants on the FFIS list are requested to be budgeted as "Federal funds," means of financing (MOF) "N." All grants not on the FFIS list are requested as "Other federal funds," MOF "P." As such, federal fund budget requests may reflect:

1. Changes in MOF from "N" to "P."
2. Ceiling adjustments to more accurately relate federal grant award amounts to federal fund ceilings.

3. Anticipated changes to federal grant award levels.
4. New or currently non-appropriated federal grants.

For FB 2013-15, the operating budget includes \$11.758 billion in FY 14 and \$12.081 billion in FY 15 from all MOF for operating costs. This represents increases of 8 percent and 10.8 percent, respectively, over the budget base. Of these amounts, the requests for general funds total \$6.101 billion in FY 14 and \$6.288 billion in FY 15, resulting in increases of 7.8 percent and 11 percent, respectively.

While the total of these operating requests is substantial, a significant portion of the requested general funds are for items that are considered non-discretionary costs. Approximately 63 percent (\$278.5 million) for FY 14 and 70 percent (\$437.1 million) for FY 15 are for these non-discretionary cost increases. For example:

- \$3.5 million in FY 14 and FY 15 for risk management and workers' compensation.
- \$63 million in FY 14 and \$127.7 million in FY 15 for Medicaid health care payments (\$167.6 million in FY 14 and \$254.4 million in FY 15 in federal funds and \$3 million in FY 14 and \$2 million in FY 15 in special funds also recommended).
- \$76.7 million in FY 14 and \$81.9 million in FY 15 for debt service for capital improvement projects for the Department of Education (DOE), UH and other State programs.
- \$118.1 million in FY 14 and \$172.8 million in FY 15 for health premium payments for DOE, UH and other State programs (includes \$100 million in FY 14 and \$105.5 million in FY 15 for prefunding of other post-employment benefits).
- \$17.2 million in FY 14 and \$51.2 million in FY 15 for retirement benefit payments for DOE, UH and other State programs.

In addition to these non-discretionary cost increases, there are other items intended to address pent-up needs, especially in those programs which suffered significant reductions in past years, diminished direct services to the public, and where maintaining those levels as the status quo is not acceptable. We recognize that these requests are necessary to maintain and improve our programs and operations and, most importantly, our ability to deliver services the public expects of its government.

Requests to restore our fractured government services, as well as the following requests, support vital New Day Initiatives (general funds, unless otherwise noted):

- \$2.9 million in FY 14 and \$28.2 million in FY 15 for an Early Learning Program and 8.00 positions.
- 7.00 temporary positions and \$648,300 in FY 14 and 8.00 temporary positions and \$681,300 in FY 15 for the Executive Office on Early Learning.
- \$6.1 million in FY 14 and \$6.5 million in FY 15 for early childhood health initiatives requested.
- \$7.1 million in FY 14 and \$22.3 million in FY 15 for laptops, tablets, and instructional materials for the Common Core State Standards requested.
- 25.00 positions and \$29.7 million in FY 14 and \$29.7 million in FY 15 for information technology initiatives for the Office of Information Management and Technology (OIMT).
- 7.00 permanent and 14.00 temporary positions and \$2.2 million in FY 14 and \$6.3 million in FY 15 for the Tax System Modernization project.
- 23.0 positions and \$10.9 million in FY 14 and \$6.4 million in FY 15 in special funds for development and implementation of the Food Security and Food Self-Sufficiency Strategy requested.
- \$10 million in FY 14 and FY 15 for the Hawaii Strategic Development Corporation investment initiative.

- 3.00 temporary positions and \$301,208 in FY 14 and 4.00 temporary positions and \$352,038 in FY 15 to oversee Healthcare Transformation initiatives.
- \$4.2 million in FY 14 and FY 15 for the continuation of the Kupuna Care program.
- \$1.4 million in FY 14 and FY 15 for the Aging and Disability Resource Centers.
- \$80,000 in FY 14 and \$300,000 in FY 15 for the Executive Office on Aging, Long Term Care program.
- 11.00 temporary positions and \$8.5 million in special funds in FY 14 and FY 15 for the Watershed Initiative.
- \$118.1 million in FY 14 and \$172.8 million in FY 15 for health premium payments and prefunding of other post-employment benefits.
- \$3.5 million in FY 14 to complete a statewide master plan/project development report for the Department of Public Safety (PSD).

Other significant general fund requests include:

- \$2 million in FY 14 for the New Farmer Loan Program.
- \$7.0 million in FY 14 and \$13.4 million in FY 15 for per pupil funding based on enrollment increases for Charter Schools.
- 4.00 temporary and 130.00 positions and \$14,688,526 for both FY 14 and FY 15 to support the administrative and operating requirements for the Department of Hawaiian Home Lands.
- \$1.5 million in FY 14 for the Housing First Program.
- \$4 million in FY 14 and FY 15 to expand the Child Care Subsidy program.
- \$2.6 million in FY 14 and \$3.1 million in FY 15 to address Developmental Disability Program shortfalls.
- \$1.8 million in FY 14 and FY 15 to fund personal services and purchase of service contracts for the Office of Community Services.
- \$3.3 million in FY 14 and \$3.5 million in FY 15 to address increased utility costs for correctional facilities, statewide.

- \$2.4 million in FY 14 and FY-15 for Outcome Based Funding for UH.
- \$1.5 million in FY 14 and FY 15 to continue Science, Technology, Engineering and Math (STEM) program initiatives for UH.

### 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. As such, priority has been given to addressing the backlog of major repair and maintenance projects for public and educational facilities and ongoing CIP projects, which can begin construction quickly. Other proposed projects focus on addressing health and safety, and court-mandated or statutory requirements.

For the CIP budget, a total of \$1,707.4 million in FY 14 and \$906.2 million in FY 15 has been recommended. Of these amounts, the requests for general obligation (G.O.) bond funds are \$807.2 million and \$516.4 million, respectively.

Within the New Day Work Projects program, essential New Day initiatives are supported by the budget requests listed below (G.O. bond funds):

- \$30 million in FY 14 and FY 15 for the OIMT's statewide information technology improvements.
- \$5 million in FY 14 for plans and design for fuel infrastructure.
- \$2.5 million in FY 14 and FY 15 for the Watershed Initiative.

Other major G.O. bond funded CIP requests include:

- \$8 million (and \$3 million in federal funds) in FY 14 and \$6.5 million in FY 15 for improvements to irrigation systems, statewide.

- \$14.9 million in FY 14 and \$14 million in FY 15 for improvements and maintenance of public facilities and sites.
- \$11 million in FY 14 and \$12 million in FY 15 for health and safety projects at the Aloha Stadium.
- \$9.3 million in FY 14 and \$6.4 million in FY 15 for critical telecommunications systems for the Information Communications Systems Division.
- \$9.3 million in FY 14 and \$4.1 million in FY 15 for State Capitol renovation and reconstruction projects.
- \$12 million in FY 14 for Natural Energy Laboratory of Hawaii Authority projects.
- \$9.4 million in FY 14 and \$4.9 million in FY 15 for various projects for the Hawaii Community Development Authority.
- \$54.8 million in FY 14 for Phase 2 of a High Technology Development Corporation Facility.
- \$30 million in FY 14 and FY 15 for transfers to the Hawaiian Homelands Trust Fund for statewide projects.
- \$45 million in FY 14 and FY 15 for transfers to the State Educational Facilities Improvement (SEFI) Special Fund for DOE projects statewide and \$53 million in FY 14 for SEFI re-authorization. SEFI special funds will support projects to improve conditions of facilities and provide equity, statewide.
- \$112.2 million in FY 14 and \$162.2 million in FY 15 for lump sum funding for DOE to improve the condition of facilities, provide program support, expand capacity, and improve equity, statewide. This includes \$150 million towards the construction of a South Maui High School in Kihei on the island of Maui.
- \$15.5 million in FY 14 for construction of a new Nanakuli Public Library.
- \$90 million in FY 14 for the Hawaii Public Housing Authority for various public housing developments, improvements and renovations, statewide.
- \$14.3 million in FY 14 and \$0.4 million in FY 15 for the Electronic Medical Records System for the Hawaii Health Systems Corporation.

- \$10.5 million in FY 14 and \$11.3 million in FY 15 for park improvements, statewide.
- \$11 million in FY 14 for Sand Island Ocean Recreation Park.
- \$16 million in FY 14 and FY 15 for improvements to PSD facilities, Statewide.
- \$16 million in FY 14 and FY 15 for the Tax System Modernization Project.
- \$28 million in FY 14 and \$29 million in FY 15 for UH's Health, Safety, and Code requirements projects.
- \$33 million (and \$5 million in revenue bond funds) for FY 14 and \$3 million in FY 15 for UH Hilo's College of Pharmacy and Health Sciences Building, Phase I.

Major CIP requests funded by other MOF:

- \$341.2 million in FY 14 and \$119.6 million in FY 15 (all MOF) for 27 projects related to airports modernization, runway improvements, concession improvements, terminal expansion at Kona International Airport at Keahole, and land acquisition at Kahului Airport and Honolulu International Airport.
- \$276.8 million in FY 14 and \$22.4 million in FY 15 (all MOF) for 14 projects related to harbors modernization.
- \$147.4 million in FY 14 and \$158.2 million in FY 15 (all MOF) for 63 projects related to bridge rehabilitation/replacements, drainage improvements and highways improvements.

**RECAPITALIZING OUR RESERVES**

Pursuant to Section 237-31, Hawaii Revised Statutes, a sum from all general excise tax revenues realized by the State that is equal to one-half of the total amount of funds appropriated or transferred out of the hurricane reserve trust fund under Sections 4 and 5 of Act 62, Session Laws of Hawaii 2011, shall be deposited into the hurricane reserve trust fund in FY 14 and in FY 15; provided that the deposit required in each fiscal year shall be made by October 1 of that fiscal year. As

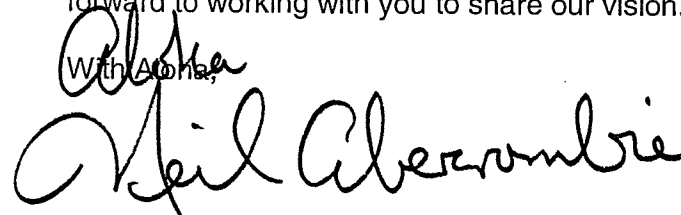
such, \$55.5 million will be deposited to the trust fund each year for FY 14 and FY 15.

Additionally, as is fiscally prudent, our Administration will be proposing to further recapitalize our reserve funds, the Emergency and Budget Reserve Fund (EBRF) and the Hawaii Hurricane Relief Fund (HHRF). Through separate legislation, we will be proposing to transfer \$25 million to each fund in FY 15. With these additional transfers, the balance of the EBRF will be \$64 million and the HHRF will be \$136 million; providing a total of \$200 million in reserves. In order to build the financial strength of the State, and demonstrate such strengths to residents, taxpayers, and investors -- my Administration has set an intermediate-term targeted objective to build State reserves to a substantial level enough to demonstrate fiscal strength.

**CONTINUING OUR MISSION**

There is much more work to be done but we are excited about Hawaii's future. We have laid the groundwork for a stable foundation and commit our energies to making our Hawaii a place for all of us to live and prosper, to live our best life. Working together, we can make this happen.

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

*With Aloha,*  


NEIL ABERCROMBIE  
 Governor of Hawaii



## APPENDIX TO THE GOVERNOR'S MESSAGE

### A. THE EXECUTIVE BUDGET RECOMMENDATIONS

#### The Operating Budget

##### *All Means of Financing*

For FB 2013-15, total operating budget requests from all sources of funding amount to \$11,757.9 million in FY 14 and \$12,080.7 million in FY 15.

<u>Means of Financing</u>	<u>FY 14 Base</u>	<u>FY 15 Base</u>	<u>FY 14 Request</u>	<u>FY 15 Request</u>
General Funds	5,661.5	5,661.0	6,101.3	6,288.4
Special Funds	2,474.3	2,490.6	2,886.7	2,932.3
Federal Funds	2,046.5	2,047.0	2,029.1	2,119.4
Other Federal Funds	.....	.....	196.8	192.7
Private Contributions	0.5	0.5	0.4	0.4
County Funds	0.7	0.7	0.7	0.7
Trust Funds	235.4	239.0	70.7	73.9
Interdept. Transfers	66.4	66.4	65.4	65.4
Fed. Stimulus Funds	.....	.....	0.2	.....
Revolving Funds	384.6	384.7	395.6	396.2
Other Funds	<u>10.8</u>	<u>10.8</u>	<u>11.0</u>	<u>11.3</u>
<b>Total</b>	<b>10,880.7</b>	<b>10,900.7</b>	<b>11,757.9</b>	<b>12,080.7</b>
Increase over base			877.2	1,180.0
Percentage increase			8.1%	10.8%

Note: In millions of dollars.

##### *General Fund*

Total requests from the General Fund amount to \$6,101.3 million in FY 14 and \$6,288.4 million in FY 15. This represents an increase of \$439.9 million (7.8%) in the first year and \$627.4 million (11.1%) in the second year over the respective fiscal year's base.

#### The Capital Improvement Program (CIP) Budget

For FB 2013-15, total requests for capital improvements amount to \$1,707.4 million in FY 14 and \$906.2 million in FY 15, to be funded from the following sources:

<u>Means of Financing</u>	<u>FY 14 Request</u>	<u>FY 15 Request</u>
General Funds	.....	.....
Special Funds	85.0	83.1
G.O. Bonds	807.2	516.4
G.O. Reimbursable	.....	.....
Revenue Bonds	536.0	149.0
Federal Funds	227.5	154.3
Other Federal Funds	2.6	2.9
Private Contributions	1.6	0.5
County Funds	1.3	.....
Interdept. Transfers	.....	.....
Revolving Funds	.....	.....
Other Funds	<u>46.2</u>	<u>0.1</u>
<b>Total</b>	<b>1,707.4</b>	<b>906.2</b>

Note: In millions of dollars; totals may differ due to rounding.

### 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, Article VII of the Hawaii State Constitution and Section 37-92 of the Hawaii Revised Statutes.

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

For the Executive Branch, total proposed appropriations from the General Fund (which include the Executive Budget for FB 2013-15 and other specific appropriation measures to be submitted) exceed the appropriation ceiling by \$198.5 million (or 3.3%) in FY 14 and are within the appropriation ceiling in FY 15. The reasons for the excesses are increases in education, Medicaid, debt service and fringe benefit costs.

### **C. THE DEBT LIMIT**

Section 13, Article VII of the Hawaii 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 Executive Budget, including State guaranties, will not cause the debt limit to be exceeded at the time of each bond issuance.



**BUDGET IN BRIEF**  
**The FB 2013-2015 Executive Biennium Budget**

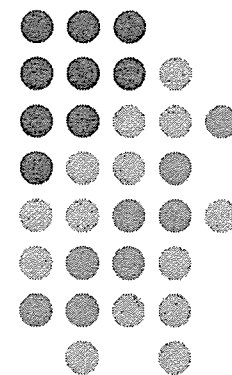
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**The Operating and Capital Budget -  
Statewide Summaries**





MULTI-YEAR FINANCIAL SUMMARY  
GENERAL FUND  
FISCAL YEARS 12 - 19  
(in millions of dollars)

	Actual* <u>FY 12</u>	Estimated <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>
<b>REVENUES:</b>								
Executive Branch:								
Tax revenues	4,972.5	5,223.1	5,427.2	5,698.2	5,767.2	6,010.4	6,315.9	6,608.5
Nontax revenues	651.0	514.5	512.3	512.3	502.1	506.5	508.4	508.4
Judicial Branch revenues	37.2	38.0	38.7	39.3	40.0	40.7	41.4	42.1
Other		97.6	43.9	85.9	343.3	379.8	399.3	419.4
<b>TOTAL REVENUES</b>	<b>5,660.6</b>	<b>5,873.2</b>	<b>6,022.1</b>	<b>6,335.7</b>	<b>6,652.7</b>	<b>6,937.3</b>	<b>7,264.9</b>	<b>7,578.3</b>
<b>EXPENDITURES</b>								
Executive Branch:								
Operating	5,443.5	5,598.8	6,101.3	6,288.4	6,453.6	6,623.9	6,779.9	6,959.5
Specific appropriations	30.5	43.2	5.0	5.0	5.0	5.0	5.0	5.0
Other		10.4	25.0	75.0	25.0	25.0	425.0	425.0
<b>Sub-total</b>	<b>5,474.0</b>	<b>5,652.4</b>	<b>6,131.3</b>	<b>6,368.4</b>	<b>6,483.6</b>	<b>6,653.9</b>	<b>7,209.9</b>	<b>7,389.5</b>
Legislative Branch	32.2	32.2	32.2	32.2	32.2	32.2	32.2	32.2
Judicial Branch	132.7	134.5	145.3	146.1	146.1	146.1	146.1	146.1
OHA	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Lapses	(129.9)	(65.0)	(65.0)	(65.0)	(65.0)	(65.0)	(65.0)	(65.0)
<b>TOTAL EXPENDITURES</b>	<b>5,511.3</b>	<b>5,756.5</b>	<b>6,246.2</b>	<b>6,484.1</b>	<b>6,599.2</b>	<b>6,769.6</b>	<b>7,325.6</b>	<b>7,505.2</b>
<b>REV. OVER (UNDER) EXPEND.</b>	<b>149.3</b>	<b>116.7</b>	<b>(224.1)</b>	<b>(148.3)</b>	<b>53.5</b>	<b>167.8</b>	<b>(60.7)</b>	<b>73.1</b>
<b>CARRY-OVER (DEFICIT)</b>								
Beginning	126.0	275.3	392.1	167.9	19.6	73.1	240.8	180.1
Ending	275.3	392.1	167.9	19.6	73.1	240.8	180.1	253.3
<i>Emergency &amp; Budget Reserve Fund**</i>	<i>24.2</i>	<i>24.2</i>	<i>31.7</i>	<i>64.2</i>	<i>76.5</i>	<i>88.8</i>	<i>101.0</i>	<i>113.3</i>

\* unaudited

\*\* reflects proposed recapitalization of EBRF in FY 15



**FB 13-15 Operating Budget  
Statewide Totals by Means of Financing**

MOF	Budget Base FY 2014	% of Total	FY 2014	% of Total	FY 2015	% of Total
General Funds	34,296.33		34,771.50		34,786.50	
	5,661,486,615	52.0%	6,101,349,008	51.9%	6,288,417,901	52.1%
Special Funds	7,652.62		7,734.38		7,737.38	
	2,474,325,182	22.7%	2,886,691,820	24.6%	2,932,293,400	24.3%
Federal Funds	2,302.44		2,060.94		2,060.94	
	2,046,457,406	18.8%	2,029,103,076	17.3%	2,119,423,538	17.5%
Other Federal Funds	0.00		258.99		258.99	
	0	0.0%	196,841,092	1.7%	192,711,608	1.6%
Private Contributions	0.00		0.00		0.00	
	485,827	0.0%	433,067	0.0%	433,067	0.0%
County Funds	0.00		0.00		0.00	
	674,179	0.0%	674,179	0.0%	674,179	0.0%
Trust Funds	153.50		74.50		74.50	
	235,392,605	2.2%	70,665,427	0.6%	73,892,688	0.6%
Interdepartmental Transfers	166.78		167.86		167.86	
	66,434,133	0.6%	65,371,577	0.6%	65,383,687	0.5%
Federal Stimulus Funds	0.00		0.00		0.00	
	0	0.0%	151,535	0.0%	0	0.0%
Revolving Funds	304.40		305.40		305.40	
	384,636,947	3.5%	395,567,700	3.4%	396,167,769	3.3%
Other Funds	99.00		102.00		102.00	
	10,828,223	0.1%	11,048,393	0.1%	11,255,963	0.1%
	44,975.07		45,475.57		45,493.57	
<b>TOTAL REQUIREMENTS</b>	<b>10,880,721,117</b>	<b>100.0%</b>	<b>11,757,896,874</b>	<b>100.0%</b>	<b>12,080,653,800</b>	<b>100.0%</b>

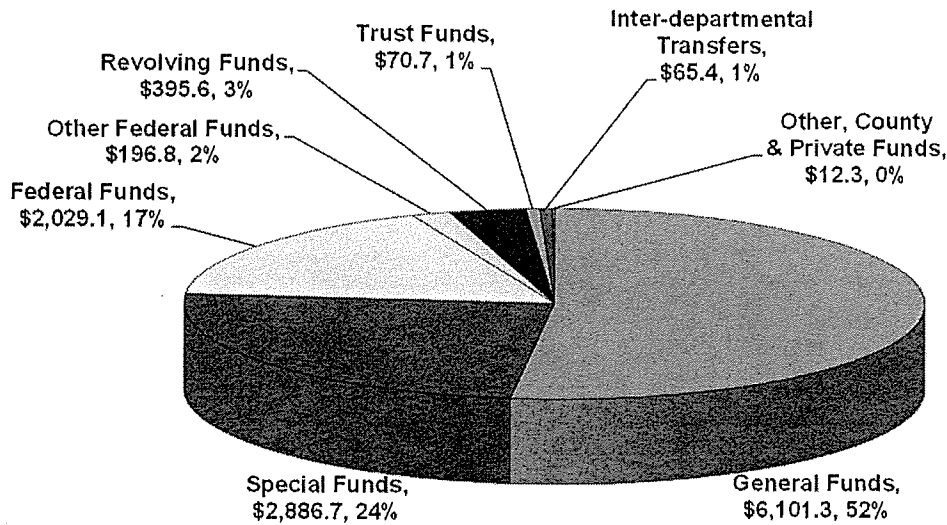
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\*\*The Budget Base for the Department of Accounting and General Services for FY 14 and FY 15 will differ because elections are held every even numbered year.

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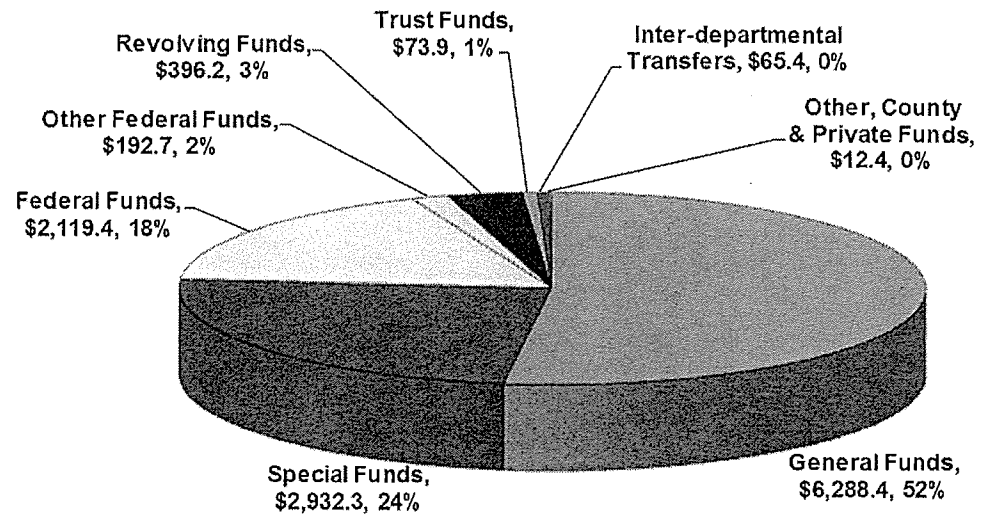
# FB 13-15 Operating Budget Statewide Totals by Means of Financing

## FY 2014



**Total \$11.76 B**

## FY 2015



**Total \$12.08 B**

**FB 13-15 Operating Budget  
Statewide Totals By Department - All Funds**

	Budget Base*	% of		% of		% of
	FY 2014	Total	FY 2014	Total	FY 2015	Total
	689.00		723.50		723.50	
Accounting & General Svcs**	154,627,478	1.4%	190,196,436	1.6%	193,268,401	1.6%
	309.00		348.00		348.00	
Agriculture	42,762,567	0.4%	57,542,083	0.5%	50,997,083	0.4%
	615.08		612.58		612.58	
Attorney General	74,025,640	0.7%	73,407,654	0.6%	69,977,542	0.6%
	144.00		148.00		148.00	
Business, Econ. Dev. & Tourism	240,610,024	2.2%	263,501,328	2.2%	263,176,567	2.2%
	353.00		364.00		364.00	
Budget and Finance	1,857,325,499	17.1%	2,074,160,064	17.6%	2,165,742,491	17.9%
	404.00		411.00		411.00	
Commerce & Consumer Affairs	51,532,678	0.5%	55,680,835	0.5%	52,740,194	0.4%
	239.25		254.25		254.25	
Defense	106,328,167	1.0%	110,831,333	0.9%	111,608,441	0.9%
	19,919.22		20,059.97		20,073.97	
Education	1,782,331,845	16.4%	1,778,127,755	15.1%	1,803,544,494	14.9%
	0.00		15.00		15.00	
Charter Schools	63,062,494	0.6%	71,322,756	0.6%	77,665,087	0.6%
	555.00		555.00		555.00	
Public Libraries	33,319,217	0.3%	34,119,217	0.3%	34,119,217	0.3%
	25.00		25.00		25.00	
Governor	3,080,916	0.0%	4,460,429	0.0%	4,514,259	0.0%
	200.00		200.00		200.00	
Hawaiian Home Lands	185,464,040	1.7%	45,677,978	0.4%	45,677,978	0.4%
	2,593.42		2,642.42		2,646.42	
Health	901,240,926	8.3%	923,570,635	7.9%	928,497,746	7.7%
	2,835.25		2,835.25		2,835.25	
HHSC	606,233,180	5.6%	608,033,180	5.2%	608,033,180	5.0%
	92.00		98.00		98.00	
Human Resources Development	20,010,602	0.2%	20,621,142	0.2%	20,833,882	0.2%
	2,204.50		2,251.25		2,251.25	
Human Services	2,389,991,295	22.0%	2,668,315,568	22.7%	2,820,087,149	23.3%
	657.50		673.50		673.50	
Labor and Industrial Relations	492,879,105	4.5%	494,649,875	4.2%	494,959,877	4.1%
	757.50		783.50		783.50	
Land and Natural Resources	108,783,847	1.0%	130,936,730	1.1%	130,881,588	1.1%
	8.00		8.00		8.00	
Lieutenant Governor	1,048,123	0.0%	1,208,123	0.0%	1,208,123	0.0%
	2,579.10		2,616.10		2,616.10	
Public Safety	238,885,025	2.2%	249,396,366	2.1%	246,201,228	2.0%
	0.00		0.00		0.00	
Subsidies	0	0.0%	0	0.0%	0	0.0%
	383.00		393.00		393.00	
Taxation	23,341,523	0.2%	25,875,431	0.2%	29,955,713	0.2%
	2,164.50		2,210.50		2,210.50	
Transportation	488,189,342	4.5%	853,134,372	7.3%	886,520,830	7.3%
	7,247.75		7,247.75		7,247.75	
University of Hawaii***	1,015,647,584	9.3%	1,023,127,584	8.7%	1,040,442,730	8.6%
	44,975.07		45,475.57		45,493.57	
<b>TOTAL REQUIREMENTS</b>	<b>10,880,721,117</b>	<b>100.0%</b>	<b>11,757,896,874</b>	<b>100.0%</b>	<b>12,080,653,800</b>	<b>100.0%</b>

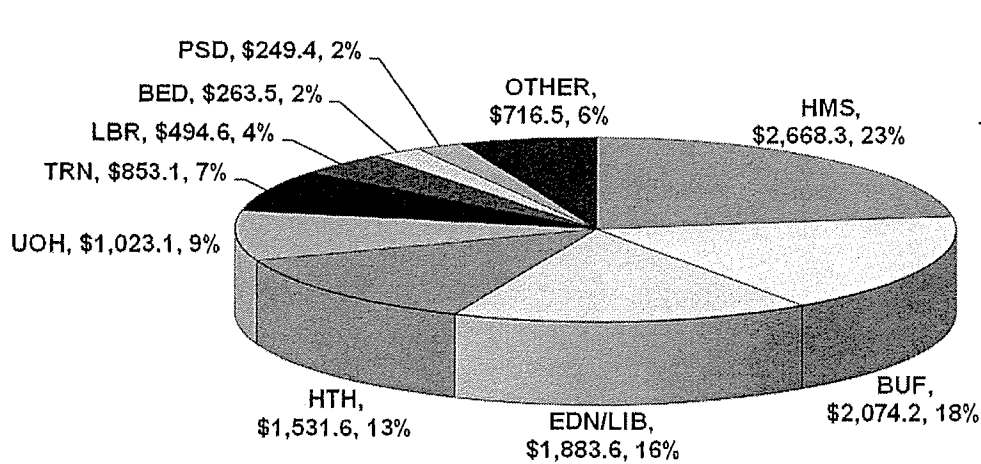
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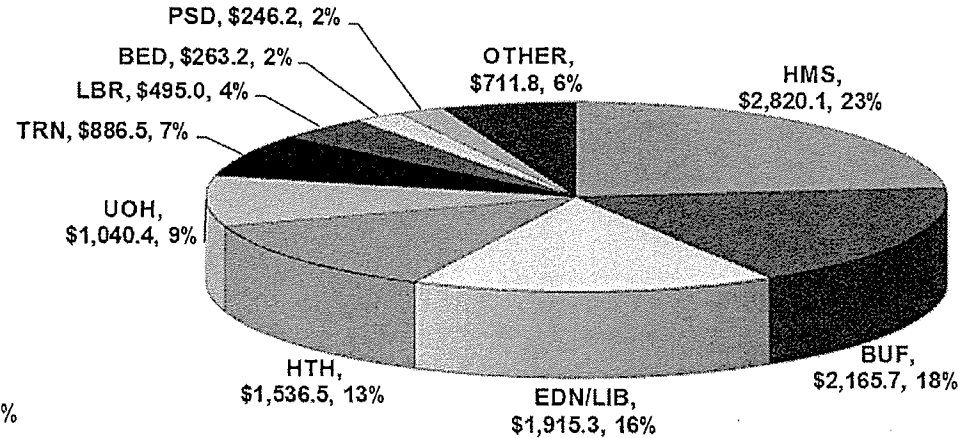
# FB 13-15 Operating Budget Statewide Totals by Department - All Funds

**FY 2014**



**Total \$11.76 B**

**FY 2015**



**Total \$12.08 B**

**FB 13-15 Operating Budget  
Statewide Totals By Department - General Funds**

	Budget Base*	% of		% of		% of
	FY 2014	Total	FY 2014	Total	FY 2015	Total
	535.50		565.50		565.50	
Accounting & General Svcs**	72,839,435	1.3%	106,182,783	1.7%	105,294,899	1.7%
	160.68		165.68		165.68	
Agriculture	10,513,937	0.2%	13,034,189	0.2%	11,034,189	0.2%
	328.74		332.18		332.18	
Attorney General	23,504,934	0.4%	25,133,110	0.4%	25,167,598	0.4%
	76.50		81.50		81.50	
Business, Econ. Dev. & Tourism	7,279,366	0.1%	18,369,527	0.3%	18,363,365	0.3%
	132.25		137.25		137.25	
Budget and Finance	1,822,617,379	32.2%	2,035,554,542	33.4%	2,129,553,378	33.9%
	0.00		0.00		0.00	
Commerce & Consumer Affairs	0	0.0%	0	0.0%	0	0.0%
	138.10		147.10		147.10	
Defense	14,266,668	0.3%	15,219,776	0.2%	15,196,884	0.2%
	19,168.72		19,309.47		19,323.47	
Education	1,385,828,619	24.5%	1,409,982,251	23.1%	1,435,637,205	22.8%
	0.00		15.00		15.00	
Charter Schools	63,062,494	1.1%	71,322,756	1.2%	77,665,087	1.2%
	555.00		555.00		555.00	
Public Libraries	28,828,973	0.5%	29,628,973	0.5%	29,628,973	0.5%
	25.00		25.00		25.00	
Governor	2,993,769	0.1%	4,335,429	0.1%	4,389,259	0.1%
	0.00		130.00		130.00	
Hawaiian Home Lands	0	0.0%	14,688,526	0.2%	14,688,526	0.2%
	2,015.86		2,054.86		2,055.86	
Health	400,233,024	7.1%	421,824,280	6.9%	420,910,191	6.7%
HHSC	83,640,000	1.5%	84,440,000	1.4%	84,440,000	1.3%
	92.00		98.00		98.00	
Human Resources Development	14,424,321	0.3%	15,034,861	0.2%	15,247,601	0.2%
	1,113.59		1,134.22		1,134.22	
Human Services	1,068,532,871	18.9%	1,148,739,035	18.8%	1,211,740,369	19.3%
	163.20		178.55		178.55	
Labor and Industrial Relations	12,616,486	0.2%	14,552,584	0.2%	14,817,586	0.2%
	417.00		423.00		423.00	
Land and Natural Resources	25,704,776	0.5%	28,160,327	0.5%	28,223,599	0.4%
	8.00		8.00		8.00	
Lieutenant Governor	1,048,123	0.0%	1,208,123	0.0%	1,208,123	0.0%
	2,503.10		2,538.10		2,538.10	
Public Safety	219,262,918	3.9%	229,635,506	3.8%	226,408,357	3.6%
	0.00		0.00		0.00	
Subsidies	0	0.0%	0	0.0%	0	0.0%
	383.00		393.00		393.00	
Taxation	22,293,648	0.4%	24,827,556	0.4%	28,907,838	0.5%
	0.00		0.00		0.00	
Transportation	0	0.0%	0	0.0%	0	0.0%
	6,480.09		6,480.09		6,480.09	
University of Hawaii***	381,994,874	6.7%	389,474,874	6.4%	389,894,874	6.2%
	34,296.33		34,771.50		34,786.50	
<b>TOTAL REQUIREMENTS</b>	<b>5,661,486,615</b>	<b>100.0%</b>	<b>6,101,349,008</b>	<b>100.0%</b>	<b>6,288,417,901</b>	<b>100.0%</b>

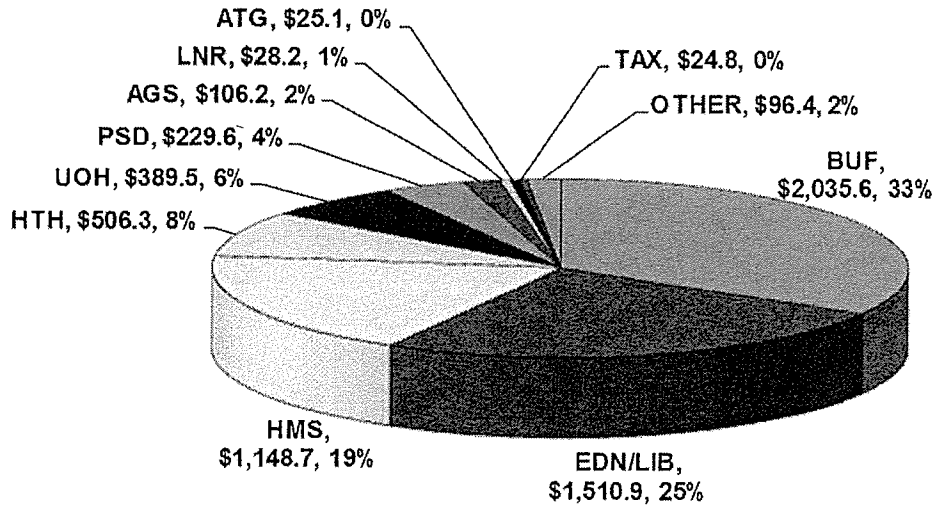
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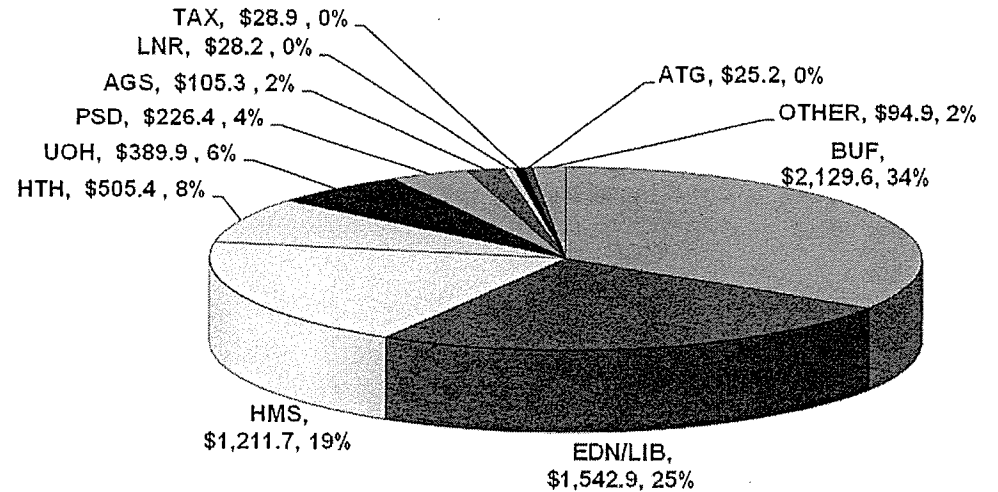
# FB 13-15 Operating Budget Statewide Totals by Department - General Fund

FY 2014



**Total \$6.10 B**

FY 2015



**Total \$6.29 B**

**FB 13-15 Operating Budget (Above the Base)**  
**Statewide Totals by Discretionary vs. Non-Discretionary**  
**General Funds**

<b>Non-Discretionary:</b>	<b>FY 2014</b>	<b>as % of Ttl</b>	<b>FY 2015</b>	<b>as % of Ttl</b>
Health Benefits/OPEB	118,145,988	26.9%	172,843,357	27.5%
Debt Service Costs	76,715,088	17.4%	81,901,460	13.1%
Medicaid	62,967,490	14.3%	127,692,841	20.4%
Pension Acc./Social Sec.	17,164,473	3.9%	51,164,754	8.2%
Risk Management	3,000,000	0.7%	3,000,000	0.5%
Workers' Compensation	457,000	0.1%	545,000	0.1%
Non-Discretionary Sub-total:	278,450,039	63.3%	437,147,412	69.7%

<b>Discretionary:</b>	<b>FY 2014</b>	<b>as % of Ttl</b>	<b>FY 2015</b>	<b>as % of Ttl</b>
Accounting & General Svcs	30,343,348	6.9%	29,958,206	4.8%
Agriculture	2,520,252	0.6%	520,252	0.1%
Attorney General	1,628,176	0.4%	1,662,664	0.3%
Business, Econ. Dev. & Tourism	11,090,161	2.5%	11,083,999	1.8%
Budget and Finance	911,614	0.2%	1,026,428	0.2%
Commerce & Consumer Affairs	0	0.0%	0	0.0%
Defense	953,108	0.2%	930,216	0.1%
Education	24,153,632	5.5%	49,808,586	7.9%
Charter Schools	8,260,262	1.9%	14,602,593	2.3%
Public Libraries	800,000	0.2%	800,000	0.1%
Governor	1,341,660	0.3%	1,395,490	0.2%
Hawaiian Home Lands	14,688,526	3.3%	14,688,526	2.3%
Health	21,591,256	4.9%	20,677,167	3.3%
HHSC	800,000	0.2%	800,000	0.1%
Human Resources Development	153,540	0.0%	278,280	0.0%
Human Services	17,238,674	3.9%	15,514,657	2.5%
Labor and Industrial Relations	1,936,098	0.4%	2,201,100	0.4%
Land and Natural Resources	2,455,551	0.6%	2,518,823	0.4%
Lieutenant Governor	160,000	0.0%	160,000	0.0%
Public Safety	10,372,588	2.4%	7,145,439	1.1%
Subsidies	0	0.0%	0	0.0%
Taxation	2,533,908	0.6%	6,614,190	1.1%
Transportation	0	0.0%	0	0.0%
University of Hawaii	7,480,000	1.7%	7,900,000	1.3%
Discretionary Sub-total:	161,412,354	36.7%	190,286,616	30.3%

Total Request	439,862,393	100.0%	627,434,028	100.0%
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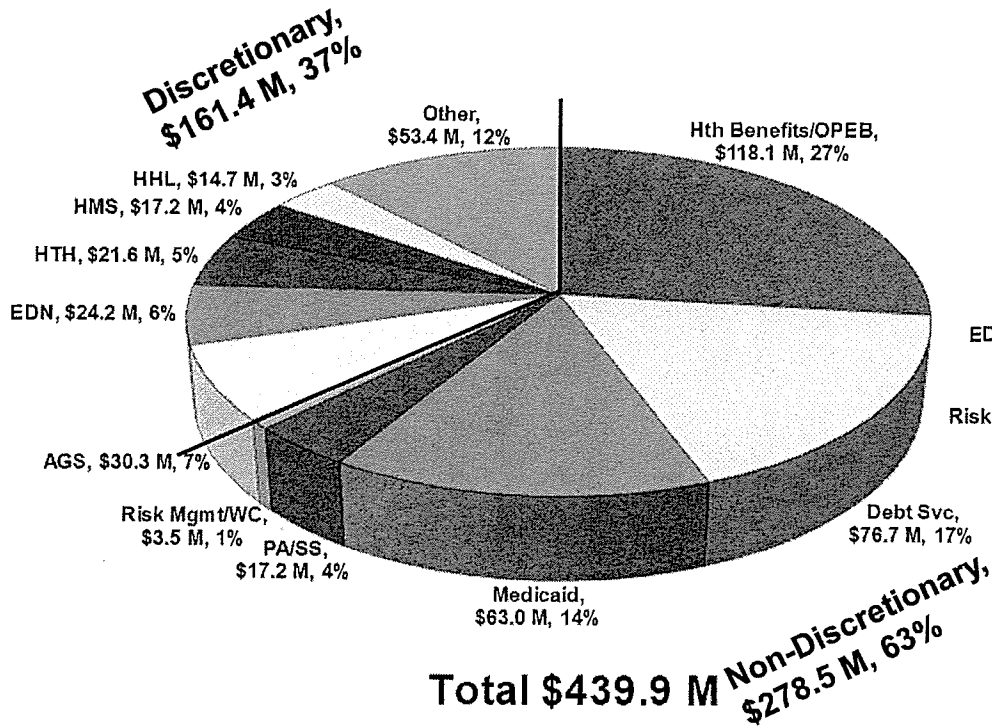
Total FB 13-15 Executive Budget (Above the Base) - General Fund

1,067,296,421

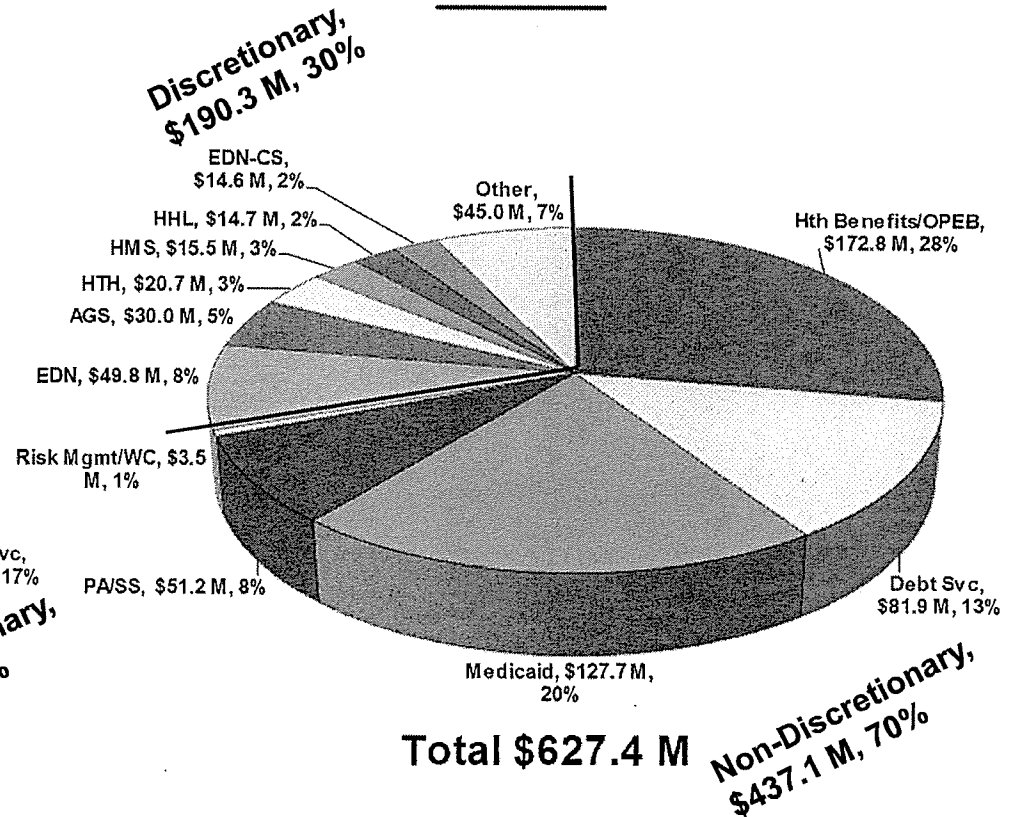
# FB 13-15 Operating Budget (Above the Base)

## Statewide Totals by Discretionary vs. Non-Discretionary - General Funds

FY 2014



FY 2015





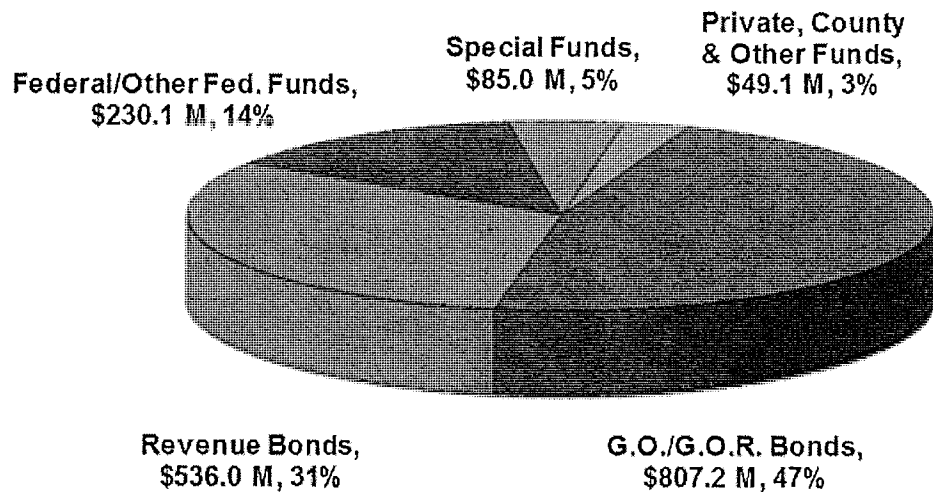
**FB 13-15 CIP Budget  
Statewide Totals by Means of Financing**

	FY 2014	% of Total	FY 2015	% of Total
General Funds	-	0.0%	-	0.0%
Special Funds	85,045,000	5.0%	83,075,000	9.2%
General Obligation Bonds	807,189,000	47.3%	516,448,000	57.0%
Reimbursable				
Bonds	-	0.0%	-	0.0%
Revenue Bonds	536,033,000	31.4%	148,965,000	16.4%
Federal Funds	227,521,000	13.3%	154,268,000	17.0%
Other Federal Funds	2,563,000	0.2%	2,863,000	0.3%
Private Contributions	1,569,000	0.1%	500,000	0.1%
County Funds	1,250,000	0.1%	-	0.0%
Interdepartmental Transfers	-	0.0%	-	0.0%
Revolving Funds	-	0.0%	-	0.0%
Other Funds	46,204,000	2.7%	100,000	0.0%
<b>TOTAL REQUIREMENTS</b>	<b>1,707,374,000</b>	<b>100.0%</b>	<b>906,219,000</b>	<b>100.0%</b>

# FB 13-15 CIP Budget

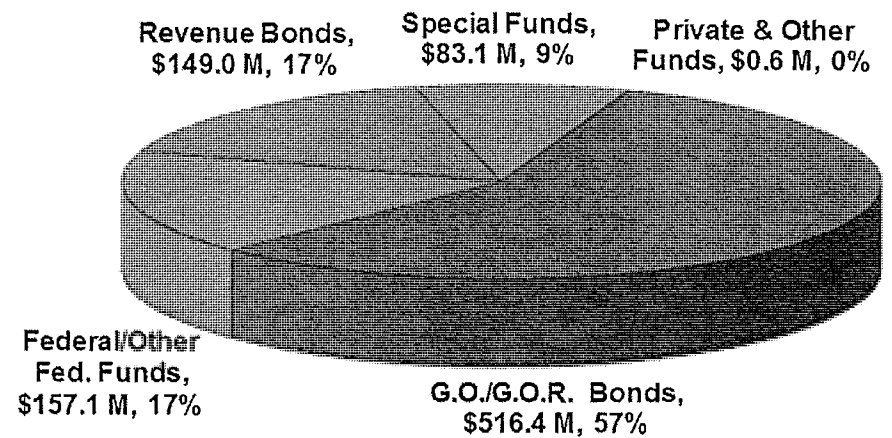
## Statewide Totals by Means of Financing

**FY 2014**



**Total \$1.71 B**

**FY 2015**



**Total \$906.2 M**

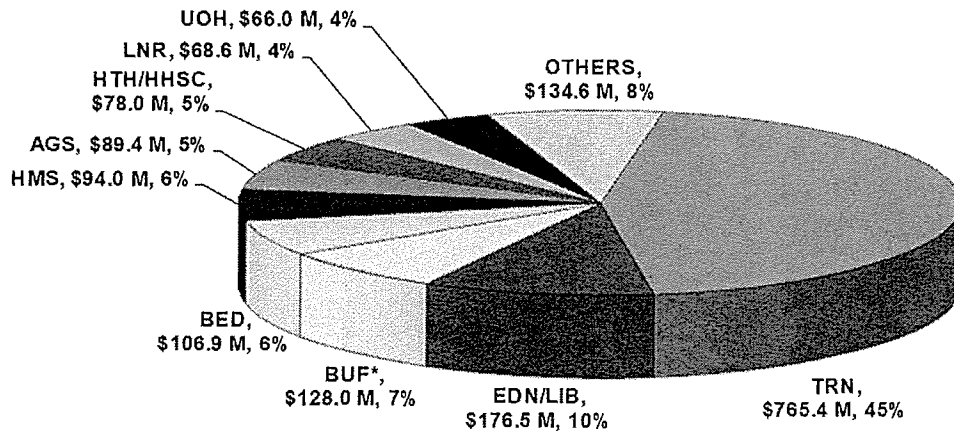
**FB 13-15 CIP Budget  
Statewide Totals By Department - All Funds**

	<b>FY 2014</b>	<b>% of Total</b>	<b>FY 2015</b>	<b>% of Total</b>
Accounting and General Services	89,432,000	5.2%	74,849,000	8.3%
Agriculture	28,500,000	1.7%	10,000,000	1.1%
Attorney General	-	0.0%	-	0.0%
Business, Econ. Dev. & Tourism	106,882,000	6.3%	14,855,000	1.6%
* Budget and Finance	128,000,000	7.5%	75,000,000	8.3%
Commerce and Consumer Affairs	-	0.0%	-	0.0%
Defense	53,318,000	3.1%	5,401,000	0.6%
* Education	157,200,000	9.2%	207,200,000	22.9%
Public Libraries	19,250,000	1.1%	3,000,000	0.3%
Governor	1,000	0.0%	1,000	0.0%
* Hawaiian Home Lands	20,750,000	1.2%	20,000,000	2.2%
Health	27,994,000	1.6%	24,096,000	2.7%
HHSC	50,000,000	2.9%	50,000,000	5.5%
Human Resources Development	-	0.0%	-	0.0%
Human Services	94,000,000	5.5%	-	0.0%
Labor and Industrial Relations	-	0.0%	-	0.0%
Land and Natural Resources	68,602,000	4.0%	57,730,000	6.4%
Lieutenant Governor	-	0.0%	-	0.0%
Public Safety	16,000,000	0.9%	16,000,000	1.8%
Subsidies	-	0.0%	-	0.0%
Taxation	16,001,000	0.9%	16,001,000	1.8%
Transportation	765,444,000	44.8%	300,086,000	33.1%
University of Hawaii	66,000,000	3.9%	32,000,000	3.5%
<b>TOTAL REQUIREMENTS</b>	<b>1,707,374,000</b>	<b>100.0%</b>	<b>906,219,000</b>	<b>100.0%</b>

\* Of the \$128 M requested in FY 2014 for the Department of Budget and Finance (DB&F), \$98 M will be transferred to the State Educational Facilities Improvement Special Fund (SEFI) and \$30 M will be transferred to the Department of the Hawaiian Home Lands (DHHL). Of the \$75 M requested in DB&F in FY 2015, \$45 M will be transferred to the SEFI and \$30 M will be transferred to HHL. Transfers to the SEFI are pursuant to Sections 36-32 and 237-31, HRS. The transfers to DHHL are pursuant to Act 14, Section 6, SpSLH 1995 and will be transferred to the Hawaiian Home Lands Trust Fund.

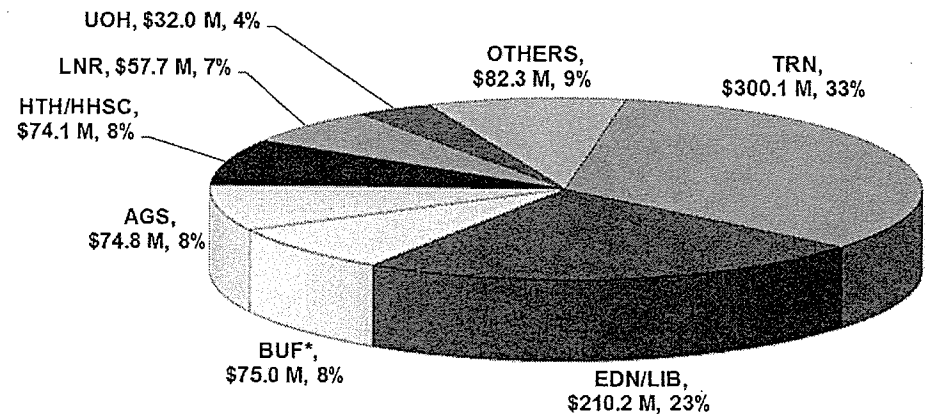
# FB 13-15 CIP Budget Statewide Totals by Departments - All Funds

## FY 2014



**Total \$1.71 B**

## FY 2015



**Total \$906.2 M**

\* Of the \$128 M requested in FY 2014 for the Department of Budget and Finance (DB&F), \$98 M will be transferred to the State Educational Facilities Improvement Special Fund (SEFI) and \$30 M will be transferred to the Department of the Hawaiian Home Lands (DHHL). Of the \$75 M requested in DB&F in FY 2015, \$45 M will be transferred to the SEFI and \$30 M will be transferred to HHL. Transfers to the SEFI are pursuant to Sections 36-32 and 237-31, HRS. The transfers to DHHL are pursuant to Act 14, Section 6, SpSLH 1995 and will be transferred to the Hawaiian Home Lands Trust Fund.

**FB 13-15 CIP Budget**  
**Statewide Totals By Department - General Obligation (GO) & GO Reimbursable Bonds**

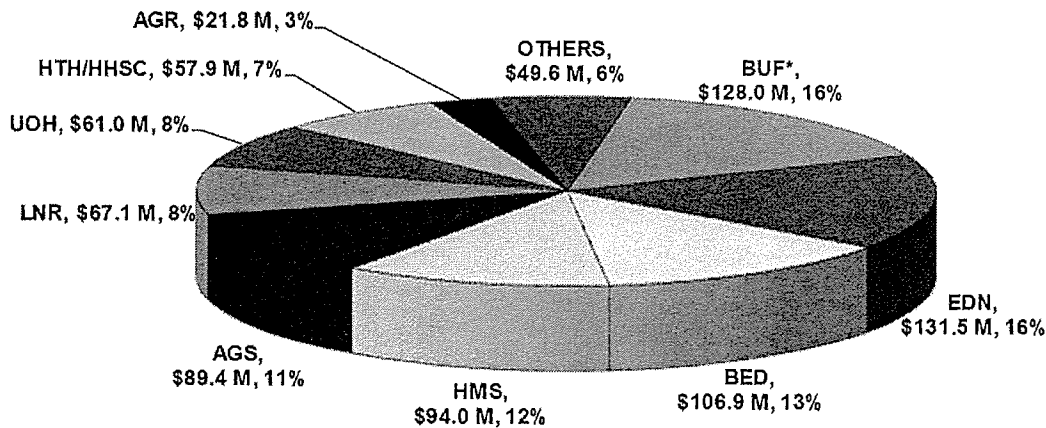
	FY 2014	% of Total	FY 2015	% of Total
Accounting and General Services	89,432,000	11.1%	74,849,000	14.5%
Agriculture	21,800,000	2.7%	8,500,000	1.6%
* Budget and Finance	128,000,000	15.9%	75,000,000	14.5%
Business, Econ. Dev. & Tourism	106,882,000	13.2%	14,855,000	2.9%
Defense	16,886,000	2.1%	4,400,000	0.9%
* Education	112,200,000	13.9%	162,200,000	31.4%
Public Libraries	19,250,000	2.4%	3,000,000	0.6%
Governor	1,000	0.0%	1,000	0.0%
* Hawaiian Home Lands	750,000	0.1%		0.0%
Health	7,923,000	1.0%	4,025,000	0.8%
HHSC	50,000,000	6.2%	50,000,000	9.7%
Human Services	94,000,000	11.6%		0.0%
Labor and Industrial Relations		0.0%		0.0%
Land and Natural Resources	67,064,000	8.3%	55,617,000	10.8%
Public Safety	16,000,000	2.0%	16,000,000	3.1%
Subsidies		0.0%		0.0%
Taxation	16,001,000	2.0%	16,001,000	3.1%
Transportation		0.0%		0.0%
University of Hawaii	61,000,000	7.6%	32,000,000	6.2%
<b>TOTAL REQUIREMENTS</b>	<b>807,189,000</b>	<b>100.0%</b>	<b>516,448,000</b>	<b>100.0%</b>
General Obligation Bonds	807,189,000	100.0%	516,448,000	100.0%
Reimbursable G.O. Bonds	-	0.0%	-	0.0%
<b>TOTAL REQUIREMENTS</b>	<b>807,189,000</b>	<b>100.0%</b>	<b>516,448,000</b>	<b>100.0%</b>

\* Of the \$128 M requested in FY 2014 for the Department of Budget and Finance (DB&F), \$98 M will be transferred to the State Educational Facilities Improvement Special Fund (SEFI) and \$30 M will be transferred to the Department of the Hawaiian Home Lands (DHHL). Of the \$75 M requested in DB&F in FY 2015, \$45 M will be transferred to the SEFI and \$30 M will be transferred to HHL. Transfers to the SEFI are pursuant to Sections 36-32 and 237-31, HRS. The transfers to DHHL are pursuant to Act 14, Section 6, SpSLH 1995 and will be transferred to the Hawaiian Home Lands Trust Fund.

# FB 13-15 CIP Budget

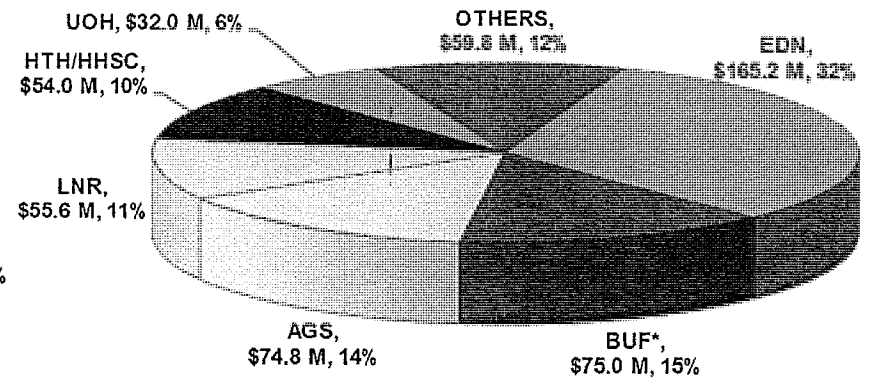
## Statewide Totals by Departments - G.O./G.O.R. Bonds

**FY 2014**



**Total \$807.2 M**

**FY 2015**



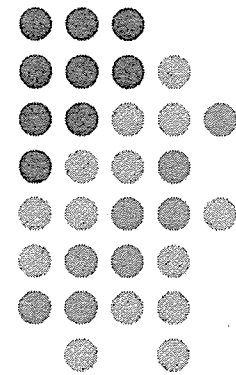
**Total \$516.4 M**

\* Of the \$128 M requested in FY 2014 for the Department of Budget and Finance (DB&F), \$98 M will be transferred to the State Educational Facilities Improvement Special Fund (SEFI) and \$30 M will be transferred to the Department of the Hawaiian Home Lands (DHHL). Of the \$75 M requested in DB&F in FY 2015, \$45 M will be transferred to the SEFI and \$30 M will be transferred to HHL. Transfers to the SEFI are pursuant to Sections 36-32 and 237-31, HRS. The transfers to DHHL are pursuant to Act 14, Section 6, SpSLH 1995 and will be transferred to the Hawaiian Home Lands Trust Fund.

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

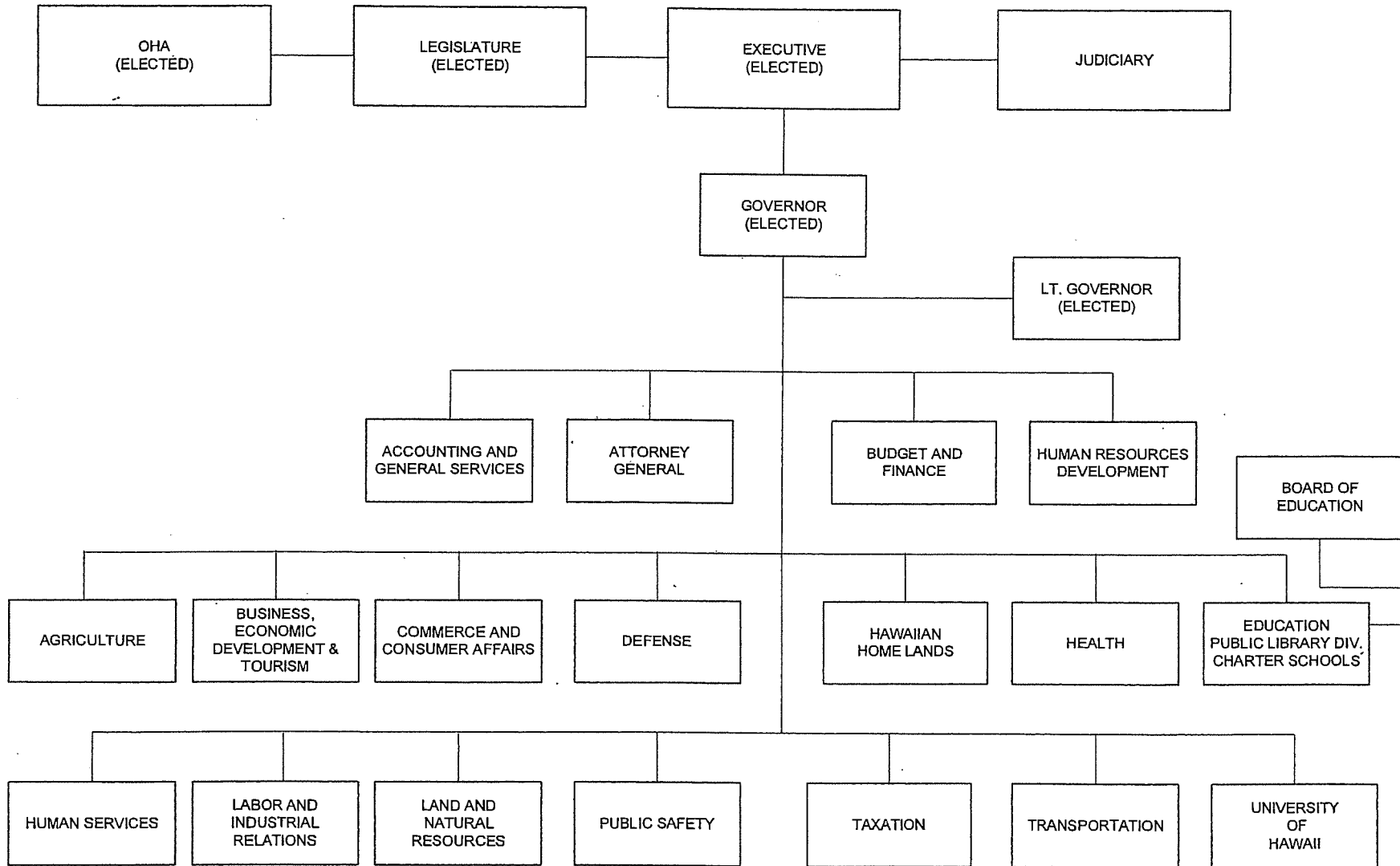






# STATE GOVERNMENT OF HAWAII

## 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.

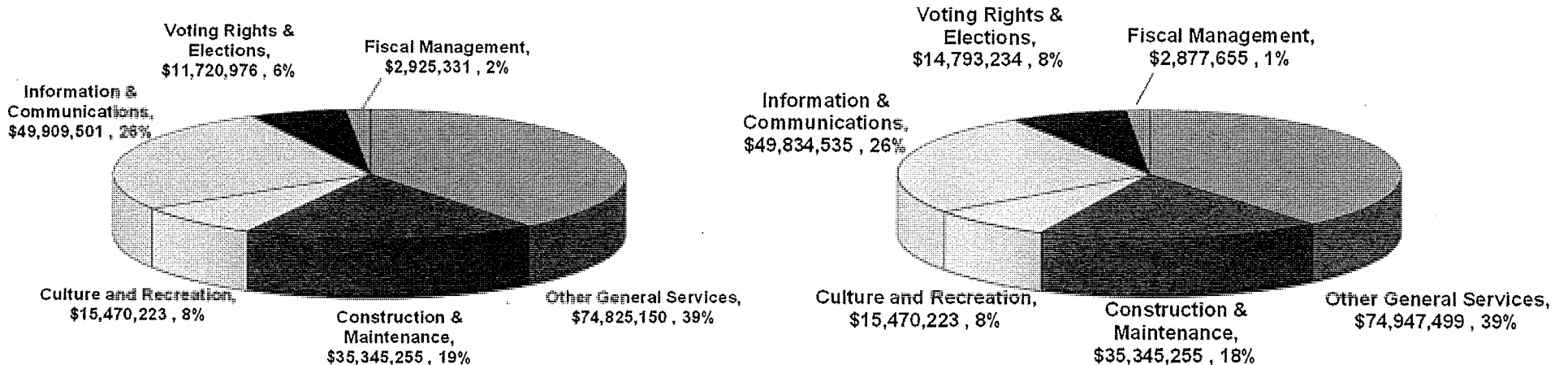
***Department Goals***

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.

***Significant Measures of Effectiveness***

	<u>FY 2014</u>	<u>FY 2015</u>
1. Average in-house time to process payments to vendors (days)	5	5
2. Percentage of production jobs run on schedule	99	99
3. The average cost of change orders as a percentage of average actual constructi	3	3

### FB 2013-2015 Operating Budget by Major Program Area



## 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 Account 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)**

		<b>Budget Base *</b>		
		<b>FY 2014</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Funding Sources:</b>	Positions	535.50	565.50	565.50
General Funds	\$	72,839,435	106,182,783	105,294,899
		62.00	63.50	63.50
Special Funds		22,308,347	23,529,114	23,855,034
		5.50	5.50	5.50
Federal Funds		8,780,650	8,780,650	8,780,650
		5.00	5.00	5.00
Trust Funds		1,165,925	1,165,925	4,740,925
		35.00	35.00	35.00
Interdepartmental Transfers		12,543,171	12,543,171	12,543,171
		46.00	49.00	49.00
Revolving Funds		36,989,950	37,994,793	38,053,722
		689.00	723.50	723.50
<b>Total Requirements</b>		<b>154,627,478</b>	<b>190,196,436</b>	<b>193,268,401</b>

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Adds \$3,000,000 for both FY 14 and FY 15 for Risk Management and Insurance Administration.
2. Adds 25.00 positions and \$29,737,500 in FY 14 and \$29,674,910 in FY 15 for information technology initiatives for the Office of Information Management and Technology (OIMT). (New Day Initiative)
3. Adds \$1,200,000 in special funds for both FY 14 and FY 15 to fund personal services cost for OIMT.
4. Adds 3.00 positions and \$1,004,843 in FY 14 and \$1,063,772 in revolving funds for the Automotive Management Division for improvement to the Motor Pool and Parking Control programs.

\*The Budget Base for FY 14 and FY 15 will differ because elections are held every even numbered year.

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

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	89,432,000	74,849,000
<b>Total Requirements</b>	89,432,000	74,849,000

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. Adds \$7,365,000 in both FY 14 and FY 15 for Capital Improvements Program Staff Costs to fund costs related to wages and fringes for permanent, project-funded staff.
2. Adds \$30,000,000 in both FY 14 and FY 15 for the Office of Information Management and Technology for statewide information technology improvements. (New Day Initiative)
3. Adds \$14,900,000 in FY 14 and \$14,000,000 in FY 15 for improvements and maintenance of public facilities and sites.
4. Adds \$11,000,000 in FY 14 and \$12,000,000 in FY 15 for health and safety projects at the Aloha Stadium.
5. Adds \$9,250,000 in FY 14 and \$6,350,000 in FY 15 for critical telecommunications systems for the Information Communications Systems Division.
6. Adds \$9,265,000 in FY 14 and \$4,134,000 in FY 15 for State Capitol renovation and reconstruction projects.
7. Adds \$5,652,000 in FY 14 for Washington Place and Queen's Gallery renovation.

# DEPARTMENT OF AGRICULTURE

## Department Summary

***Mission Statement***

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

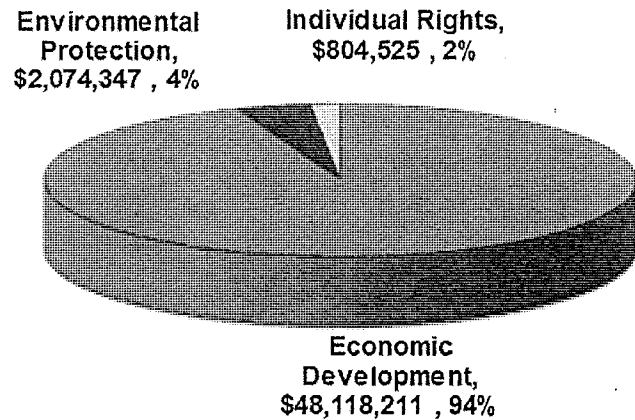
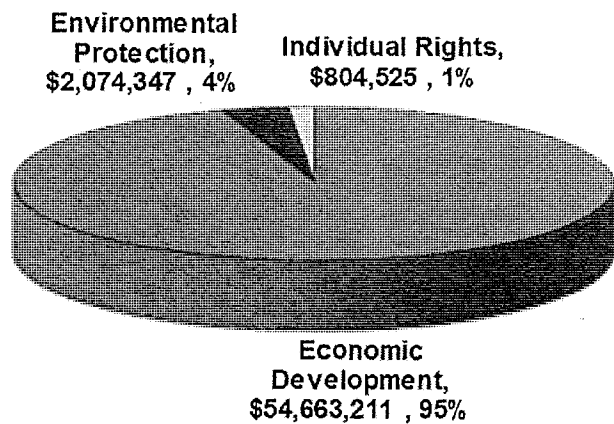
***Department Goals***

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.

***Significant Measures of Effectiveness***

	<u>FY 2014</u>	<u>FY 2015</u>
1. Number of intercepted insect species not occurring in Hawaii.	440	440
2. % agricultural park and non-agricultural park lands developed and in productive use	88	88

### FB 2013-2015 Operating Budget by Major Program Area



## 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)**

		<b>Budget Base</b>		
		<b>FY 2014</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Funding Sources:</b>	Positions	160.68	165.68	165.68
General Funds	\$	10,513,937	13,034,189	11,034,189
		121.82	155.82	155.82
Special Funds		16,837,614	28,596,878	24,051,878
		2.00	2.00	2.00
Federal Funds		1,914,520	1,914,520	1,914,520
Trust Funds		812,962	812,962	812,962
		9.00	9.00	9.00
Interdepartmental Transfers		1,503,015	1,503,015	1,503,015
		15.50	15.50	15.50
Revolving Funds		11,180,519	11,680,519	11,680,519
		309.00	348.00	348.00
<b>Total Requirements</b>		<b>42,762,567</b>	<b>57,542,083</b>	<b>50,997,083</b>

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Adds 23.0 FTE and \$10,904,346 in special funds in FY 14 and \$6,369,346 in special funds in FY 15 for the Food Security and Food Self-Sufficiency Strategy. (New Day Initiative)
2. Adds \$2,000,000 in FY 14 for the New Farmer Loan Program.
3. Adds \$500,000 in revolving funds in FY 14 and FY 15 for Livestock Biosecurity Loans.

**Department of Agriculture  
(Capital Improvements Budget)**

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	21,800,000	8,500,000
Federal Funds	6,700,000	1,500,000
<b>Total Requirements</b>	28,500,000	10,000,000

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. Adds \$8,000,000 and \$3,000,000 federal funds in FY 14 and \$6,500,000 in FY 15 for improvements to the State Irrigation Systems.
2. Adds \$3,000,000 in FY14 for energy efficiency improvements to the Department's facilities.
3. Adds \$2,500,000 in FY14 for design to develop the Kunia Agricultural Park, Oahu.
4. Adds \$3,500,000 in FY14 for design and construction costs to develop a community agricultural park in the Waimea Nui Region on the island of 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.

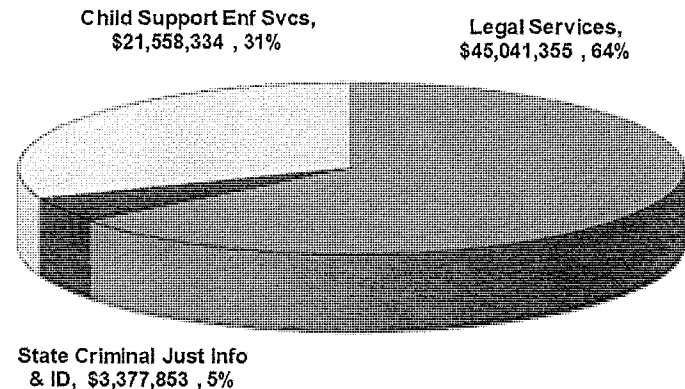
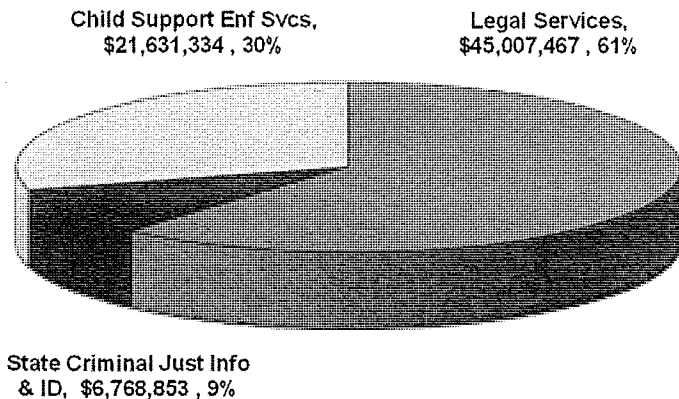
***Department Goals***

To safeguard the rights and interests of the people of the State of Hawaii by being the defender of and advocate for the people and undertaking appropriate legal and other actions on their behalf; to protect the State's interest in legal matters by providing excellent and timely legal advice and representation to the executive, legislative, and judicial branches; to preserve, protect, and defend the constitution and laws of the State of Hawaii and the United States, to enforce the State's constitution and laws, and to facilitate the enforcement of federal law; and to assist and coordinate statewide programs and activities that improve the criminal justice system and law enforcement.

***Significant Measures of Effectiveness***

	<u>FY 2014</u>	<u>FY 2015</u>
1. Number of cases settled, tried, or decided	13,835	13,835
2. Percentage of complete dispositions on CJIS-Hawaii	94.0%	94.0%
3. Efficiency rating: Dollars collected per dollar expended	5	5

### FB 2013-2015 Operating Budget by Major Program Area



## **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)**

		<b>Budget Base</b>		
		<b>FY 2014</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Funding Sources:</b>	Positions	328.74	332.18	332.18
General Funds	\$	23,504,934	25,133,110	25,167,598
		21.80	23.80	23.80
Special Funds		2,506,835	2,698,787	2,698,787
		172.56	1.00	1.00
Federal Funds		25,839,788	4,834,725	4,834,725
		0.00	173.04	173.04
Other Federal Funds		0	19,962,156	16,498,156
		0.00	0.00	0.00
Private Contributions		52,760	0	0
		0.50	0.50	0.50
Trust Funds		6,221,728	6,221,728	6,221,728
		56.53	58.11	58.11
Interdepartmental Transfers		9,498,427	9,343,091	9,342,491
		34.95	23.95	23.95
Revolving Funds		6,401,168	5,214,057	5,214,057
		615.08	612.58	612.58
<b>Total Requirements</b>		<b>74,025,640</b>	<b>73,407,654</b>	<b>69,977,542</b>

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Trade-off/transfers for ceiling adjustments to reflect Federal and Other Federal Funds.
2. Reduces 11.00 positions and \$1,228,529 in revolving funds to reflect the transfer of the State ID Program from AG to the Department of Transportation pursuant to Act 310, SLH 2012.
3. Adds 4.10 positions and \$250,591 in FY14 and FY15 to cover the shortfall in federal reimbursements from the Department of Human Services for legal costs related to foster care children. Correspondingly, AG's interdepartmental transfer positions and funds were reduced.
4. Adds \$543,617 in FY14 and FY15 to restore funds for vacant positions in the Legal Services Program, and Child Support Enforcement Agency (CSEA).

5. Adds \$400,000 in general funds and \$307,130 in interdepartmental transfer funds in FY14 and FY15 for Deputy Attorney General salary increases.
6. Adds \$152,000 in FY 14 and \$225,000 in FY 15 for maintenance costs of the Next Generation Juvenile Justice Information System, and Automated Fingerprint ID System.
7. Adds \$123,000 in FY 14 and \$50,000 in FY 15 to partially replenish the trust fund shortfall at CSEA.

**Department of Attorney General  
(Capital Improvements Budget)**

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	0	0
Federal Funds	0	0
<b>Total Requirements</b>	0	0

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. 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***

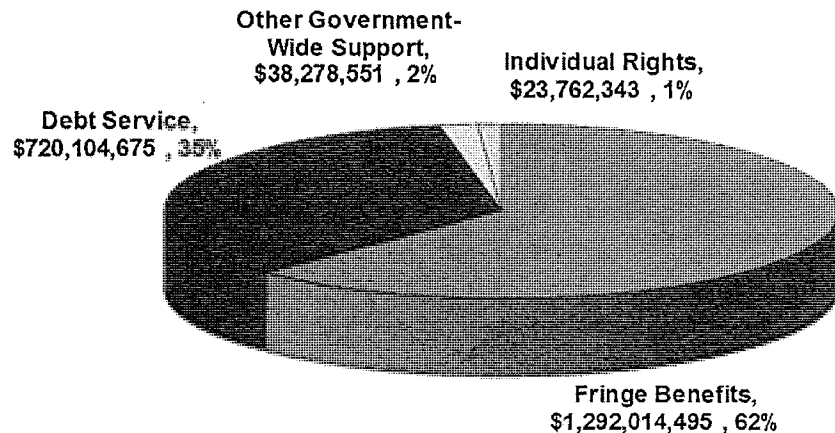
Improve the executive resource allocation process through planning, analysis and recommendation on all phases of program scope and funding; maximize the value, investment, and use of State funds through planning, policy development, timely scheduling of State bond financing and establishment of appropriate 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.

### ***Significant Measures of Effectiveness***

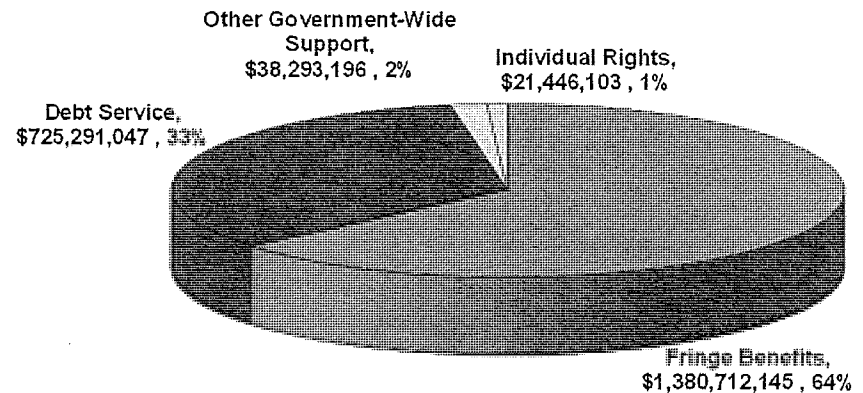
	<u>FY 2014</u>	<u>FY 2015</u>
1. Percentage of recommendations on departments' requests completed by due date	90	90
2. Average annual rate of return on State treasury investments	0.49	0.49
3. Rate of interest paid on State bonds relative to the Bond Buyer Index for bonds of comparable term and credit	90	90

### FB 2013-2015 Operating Budget by Major Program Area

#### FY 2014



#### FY 2015



## 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)**

		<b>Budget Base</b>		
		<b>FY 2014</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Funding Sources:</b>	Positions	132.25	137.25	137.25
General Funds	\$	1,822,617,379	2,035,554,542	2,129,553,378
		62.00	62.00	62.00
Special Funds		11,351,174	13,967,044	11,650,804
		58.00	61.00	61.00
Trust Funds		12,423,498	13,484,860	13,177,121
		1.75	1.75	1.75
Interdepartmental Transfers		105,225	105,225	105,225
		99.00	102.00	102.00
Other Funds		10,828,223	11,048,393	11,255,963
		353.00	364.00	364.00
<b>Total Requirements</b>		<b>1,857,325,499</b>	<b>2,074,160,064</b>	<b>2,165,742,491</b>

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Adds \$76,715,088 in FY14 and \$81,901,460 in FY15 for debt service payments.
2. Adds \$17,164,473 in FY14 and \$51,164,754 in FY15 for retirement benefits payments.
3. Adds \$118,145,988 in FY14 and \$172,843,357 in FY15 for health premium payments and OPEB pre-funding (New Day Initiative).
4. Adds 10.00 temporary positions and \$750,000 in FY14 and FY15 to assist with the implementation of the Enterprise Resource Project.
5. Adds \$2,615,870 in FY14 and \$299,630 in FY15 in special funds for the Public Utilities Commission for the expansion and renovation of the Oahu office.

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

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	128,000,000	75,000,000
<b>Total Requirements</b>	128,000,000	75,000,000

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. Adds \$30,000,000 in FY14 and FY15 for transfers to the Hawaiian Homelands Trust Fund for projects statewide.
2. Adds \$45,000,000 in FY14 and FY15 for transfers to the State Educational Facilities Improvement (SEFI) Special Fund for projects statewide. Adds \$53,000,000 in FY14 for SEFI re-authorization.

# 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.

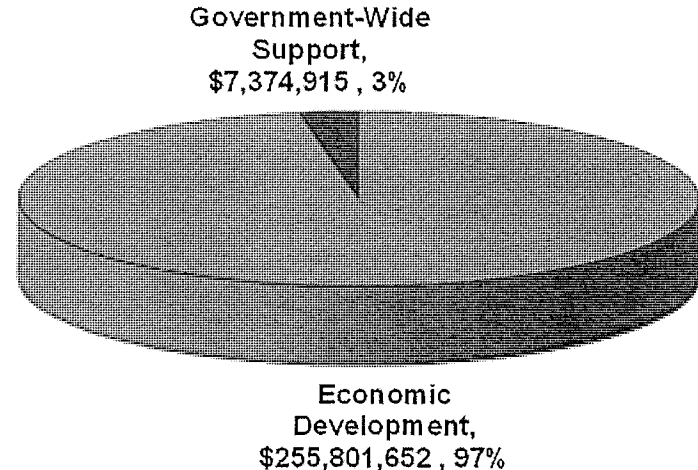
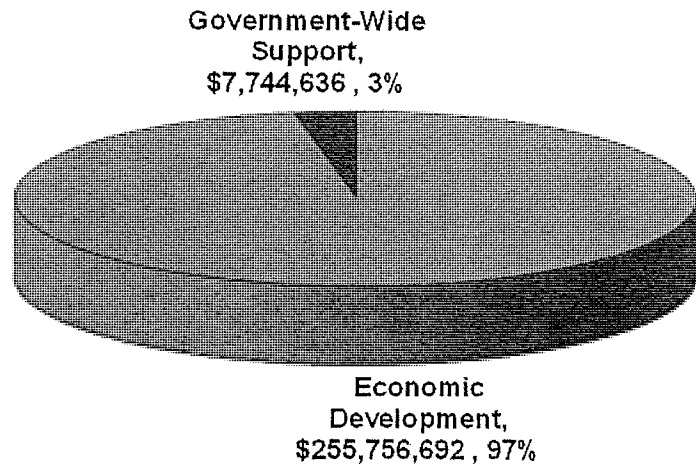
***Department Goals***

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

***Significant Measures of Effectiveness***

	<u>FY 2014</u>	<u>FY 2015</u>
1. Annual percentage increase in Gross State Product	5	5
2. Number of new jobs created per annum	6,272	5,668
3. Investment generated by business development and promotional activities (\$M)	13	13

### FB 2013-2015 Operating Budget by Major Program Area



## 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	Business Development & Support Division
BED 105	Creative Industries Division
BED 107	Foreign Trade Zone
BED 113	Tourism
BED 120	Environment & Energy Development
BED 128	Office of Aerospace Development
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)**

		<b>Budget Base</b>		
		<b>FY 2014</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Funding Sources:</b>	Positions	76.50	81.50	81.50
General Funds	\$	7,279,366	18,369,527	18,363,365
		29.50	28.50	28.50
Special Funds		161,104,591	163,054,591	163,054,591
		5.00	5.00	5.00
Federal Funds		32,729,901	7,513,559	7,100,000
			0.00	0.00
Other Federal Funds			24,915,950	25,162,445
Trust Funds		21,923,698	21,923,698	21,923,698
		33.00	33.00	33.00
Revolving Funds		17,572,468	27,572,468	27,572,468
Federal Stimulus		0	151,535	0
		144.00	148.00	148.00
<b>Total Requirements</b>		<b>240,610,024</b>	<b>263,501,328</b>	<b>263,176,567</b>

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Adds \$10 million in FY14 and FY15 for the Hawaii Strategic Development Corporation investment initiative. (New Day Initiative)
2. Adds \$250,000 in FY14 and FY15 for the State Trade Export Program.
3. Adds \$200,000 in FY14 and FY15 to conduct economic studies and analysis.
4. Adds \$150,000 in FY14 and \$100,000 in FY15 for out of state offices.
5. Adds \$50,000 in FY14 and FY15 for Hawaii Fashion Month.
6. Adds 2.00 positions and \$123,883 in FY14 and \$174,721 in FY15 for Statewide Planning and Coordination.

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

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	106,882,000	14,855,000
<b>Total Requirements</b>	106,882,000	14,855,000

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. Adds \$12 million in FY14 for the Natural Energy Laboratory of Hawaii Authority.
2. Adds \$9.4 million in FY14 and \$4.9 in FY15 for various projects for the Hawaii Community Development Authority.
3. Adds \$10 million in FY14 and FY15 for the Dwelling Unit Revolving Fund Infusion.
4. Adds \$7.8 million in FY14 for Waiahole Water System improvements.
5. Adds \$54.8 million in FY14 for the High Technology Development Corporation Facility Phase 2.
6. Adds \$5.7 million in FY14 for the Hawaii Film Studio.
7. Adds \$2.2 million in FY14 for roof repairs to the Foreign Trade Zone Pier 2 Facility.
8. Adds \$5 million in FY14 for plans and design for Fuel Infrastructure. (New Day Initiative)



# DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

## Department Summary

***Mission Statement***

To promote a strong and healthy business environment by upholding fairness and public confidence in the marketplace, and by increasing knowledge and opportunity for our businesses and citizens.

***Department Goals***

To develop rational business regulation; to achieve fairness and public confidence in the marketplace; and to foster sound consumer practices.

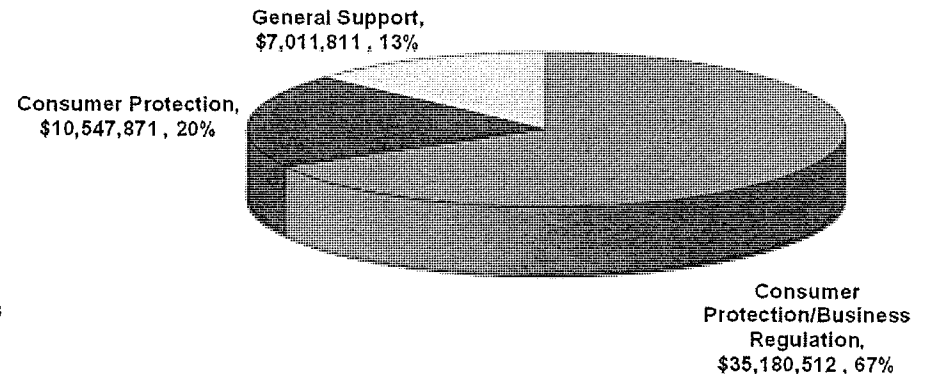
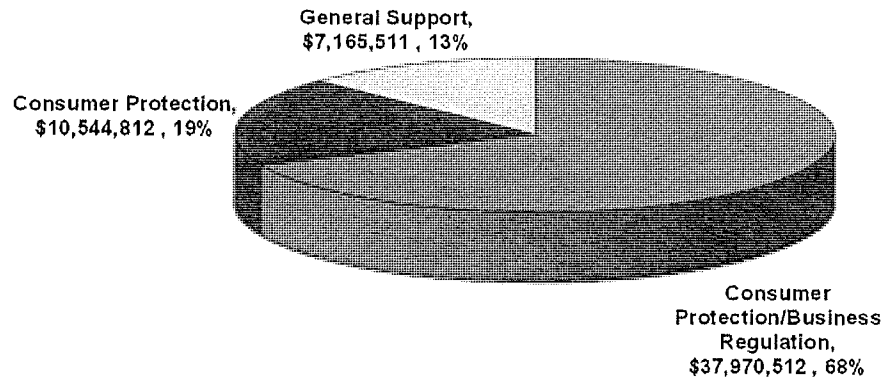
***Significant Measures of Effectiveness***

	<u>FY 2014</u>	<u>FY 2015</u>
1. Percent of recommended orders in favor of state	95	95
2. Percent of license renewals reviewed and processed in a timely manner pursuant to internal standards	95	95
3. Percent of complaints addressed within 30 days	99	99

### FB 2013-2015 Operating Budget by Major Program Area

FY 2014

FY 2015



## 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

#### 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

#### General Support

CCA 191	General Support
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**Department of Commerce and Consumer Affairs  
(Operating Budget)**

		<b>Budget Base</b>		
		<b>FY 2014</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Funding Sources:</b>	Positions	396.00	403.00	403.00
Special Funds	\$	49,067,686	52,125,843	49,975,202
		0.00	0.00	0.00
Other Federal Funds		0	1,000,000	250,000
		8.00	8.00	8.00
Trust Funds		2,464,992	2,554,992	2,514,992
		404.00	411.00	411.00
<b>Total Requirements</b>		<b>51,532,678</b>	<b>55,680,835</b>	<b>52,740,194</b>

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Adds \$2,000,000 in special funds for FY 14 to support the broadband initiative for the Cable Television Division.
2. Adds \$1,000,000 in FY 14 and \$250,000 in FY 15 in other federal funds for the Federal Rate Review Grant for the Insurance Regulatory Division.
3. Adds 2.00 temporary positions and \$306,461 in special funds for both FY 14 and FY 15 to continue the Mortgage Foreclosure Dispute Resolution program.

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

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	0	0
Federal Funds	0	0
<b>Total Requirements</b>	<u>0</u>	<u>0</u>

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. 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 and improve our State Veterans Cemeteries, to provide at-risk youth with opportunity to obtain their high school diplomas and become productive citizens.

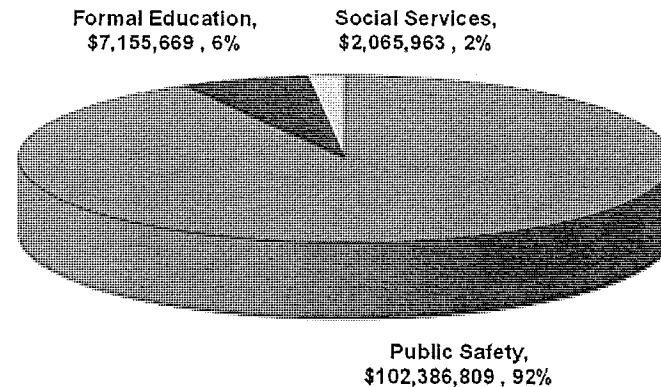
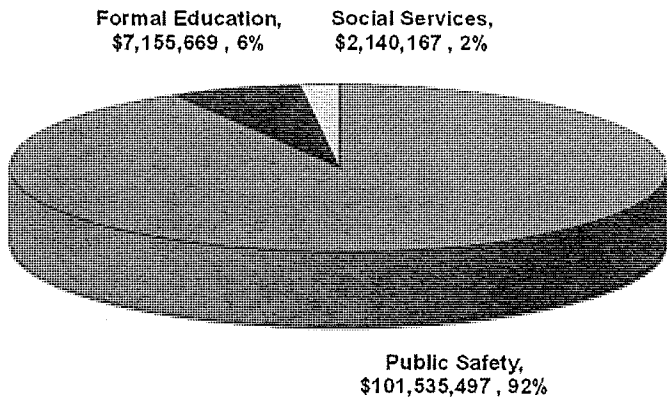
***Significant Measures of Effectiveness***

	<u>FY 2014</u>	<u>FY 2015</u>
1. Percent of veterans' services plan achieved	95	95
2. Percent of corps members finding employment within one year of graduation	80	85

### FB 2013-2015 Operating Budget by Major Program Area

**FY 2014**

**FY 2015**



## 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.

## 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 Disasters

**Department of Defense  
(Operating Budget)**

		Budget Base		
		FY 2014	FY 2014	FY 2015
<b>Funding Sources:</b>	Positions	138.10	147.10	147.10
General Funds	\$	14,266,668	15,219,776	15,196,884
		101.15	104.15	104.15
Federal Funds		91,493,111	39,043,169	39,843,169
		0.00	3.00	3.00
Other Federal Funds		0	56,000,000	56,000,000
County Funds		464,458	464,458	464,458
Interdepartmental Transfers		103,930	103,930	103,930
		239.25	254.25	254.25
<b>Total Requirements</b>		106,328,167	110,831,333	111,608,441

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Trade-off/transfers for ceiling adjustments to reflect Federal and Other Federal Funds.
2. Adds 5.00 permanent positions and funds of \$474,196 in FY 14 and \$399,992 in FY 15 to support Veteran's Services.
3. Adds \$325,000 (\$100,000 general and \$225,000 federal fund ) in FY 14 and FY 15 for the Emergency Operating Center.
4. Adds \$150,000 in FY 14 and FY 15 to provide tuition assistance to Hawaii National Guard members.
5. Adds 1.00 permanent position in FY 14 and FY15, and funds of \$51,312 in FY 15 for a Project Program Manager position to support the Engineering and Contract Staff.
6. Increases federal funds of \$2,802,522 in FY14 and \$3,602,522 in FY15 for maintenance of Hawaii Army National Guard facilities.

**Department of Defense  
(Capital Improvements Budget)**

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	16,886,000	4,400,000
Federal Funds	36,432,000	1,001,000
<b>Total Requirements</b>	53,318,000	5,401,000

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. Adds \$2,500,000 (\$2,400,000 general obligation bond funds (GOB) and \$100,000 in federal funds) in FY 14 and FY 15 to continue Statewide siren maintenance to ensure system viability in times of emergencies.
2. Adds \$5,900,000 in FY 14 to provide improvements at Keaukaha Military Reservation to relocate the Youth Challenge Academy from the Kulani Campus.
3. Adds \$12,600,000 (\$2,050,000 GOB and \$10,550,000 in federal funds) in FY 14 for upgrades and improvements to National Guard Facilities, Statewide.
4. Adds \$30,318,000 (\$4,536,000 GOB and \$25,782,000 in federal funds) in FY 14, and \$901,000 federal funds in FY15 for improvements at the Army Aviation Support Facility in Kalaeloa.





## 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)**

		Budget Base		
		FY 2014	FY 2014	FY 2015
<b>Funding Sources:</b>	Positions	19,168.72	19,309.47	19,323.47
General Funds	\$	1,385,828,619	1,409,982,251	1,435,637,205
		737.50	737.50	737.50
Special Funds		55,913,029	61,444,272	61,444,272
		5.00	5.00	5.00
Federal Funds		266,643,434	223,510,797	223,899,561
Other Federal Funds		0	18,016,189	17,376,500
Trust Funds		32,990,000	24,290,000	24,290,000
Interdepartmental Transfers		10,550,000	10,549,808	10,562,518
		8.00	8.00	8.00
Revolving Funds		30,406,763	30,334,438	30,334,438
		19,919.22	20,059.97	20,073.97
<b>Total Requirements</b>		<b>1,782,331,845</b>	<b>1,778,127,755</b>	<b>1,803,544,494</b>

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Trade-off/transfers to realign budget to meet ongoing requirements.
2. Trade-off/transfers for ceiling adjustments to reflect Federal and Other Federal Funds.
3. Adds \$12,857,918 in FY 14 and reduces \$1,897,428 in FY 15 for the Weighted Student Formula, based on enrollment.
4. Adds \$1,000,000 in each year to develop the Common Core State Standards Assessment in the Hawaiian language.
5. Adds \$7,125,000 in FY 14 and \$22,250,000 in FY 15 for laptops, tablets, and instructional materials for materials for the Common Core State Standards (New Day Initiative).  
Adds \$2,899,700 in FY 14 and \$28,185,000 in FY 15 for an Early Learning Program (New Day Initiative).
6. Initiative).

**Department of Education  
(Capital Improvements Budget)**

<b>Funding Sources:</b>	<u><b>FY 2014</b></u>	<u><b>FY 2015</b></u>
Special Funds	45,000,000	45,000,000
General Obligation Bonds	112,200,000	162,200,000
<b>Total Requirements</b>	157,200,000	207,200,000

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. Adds \$45 million in FY14 and FY15 in State Educational Facilities Improvement funds for lump sum funding for project funded positions, project adjustment funds, improve conditions of facilities and provide equity, statewide.
2. Adds \$112,200,000 in FY 14 and \$162,200,000 in FY 15 for lump sum funding to improve condition of facilities, program support, expand capacity, and provide equity, statewide.

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

		Budget Base		
		FY 2014	FY 2014	FY 2015
<b>Funding Sources:</b>	Positions	0.00	15.00	15.00
General Funds	\$	63,062,494	71,322,756	77,665,087
<b>Total Requirements</b>		0.00	15.00	15.00
		63,062,494	71,322,756	77,665,087

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Adds \$7,025,148 in FY 14 and \$13,367,479 in FY 15 for per pupil funding based on enrollment projections.
2. Adds 15.00 positions and \$1,235,114 in FY14 and FY15 for operations of the State Public Charter School Commission.

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

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	0	0
Federal Funds	0	0
<b>Total Requirements</b>	0	0

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. None.

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

		<b>Budget Base</b>		
		<b>FY 2014</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Funding Sources:</b>	Positions	555.00	555.00	555.00
General Funds	\$	28,828,973	29,628,973	29,628,973
Special Funds		3,125,000	3,125,000	3,125,000
Federal Funds		1,365,244	0	0
Other Federal Funds		0	1,365,244	1,365,244
		555.00	555.00	555.00
<b>Total Requirements</b>		<b>33,319,217</b>	<b>34,119,217</b>	<b>34,119,217</b>

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Adds \$500,000 in FY14 and FY15 for library books and materials (including eBooks).
2. Adds \$300,000 in FY14 and FY15 to expand service hours at selected public libraries.

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

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	19,250,000	3,000,000
<b>Total Requirements</b>	19,250,000	3,000,000

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. Adds \$3,500,000 in FY 14 and \$3,000,000 in FY 15 for lump sum funding for health and safety improvements at public libraries, statewide.
2. Adds \$15,500,000 in FY 14 for construction of a new Nanakuli Public Library, Oahu.
3. Adds \$250,000 in FY 14 for site feasibility study for a new Makiki Public Library, Oahu.



# 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 shepherd bills through the Legislature that reflect priorities of the Governor's administration.

### ***Significant Measures of Effectiveness***

No applicable data.

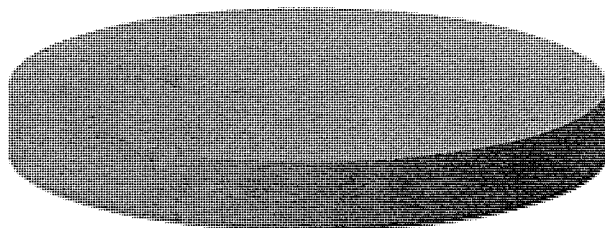
FY 2014

FY 2015

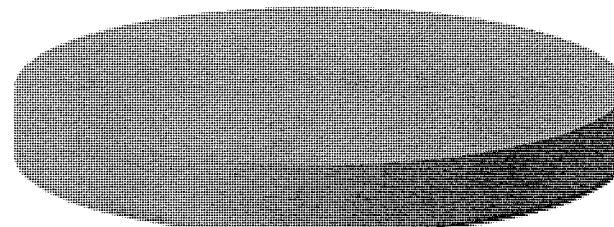
### FB 2013-2015 Operating Budget by Major Program Area

FY 2014

FY 2015



Office of the Governor,  
\$4,460,429 , 100%



Office of the Governor,  
\$4,514,259 , 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 shepherding 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)**

		<b>Budget Base</b>		
		<b>FY 2014</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Funding Sources:</b>	Positions	25.00	25.00	25.00
General Funds	\$	2,993,769	4,335,429	4,389,259
Federal Funds		0	125,000	125,000
Trust Funds		87,147	0	0
		25.00	25.00	25.00
<b>Total Requirements</b>		<b>3,080,916</b>	<b>4,460,429</b>	<b>4,514,259</b>

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Adds 7.00 temporary positions and \$648,300 in FY 14 and 8.00 temporary positions and \$681,300 in FY 15 for the Executive Office on Early Learning (New Day Initiative).
2. Adds 3.00 temporary positions and \$186,000 in FY14 and FY15 to support Governor's initiatives and implementation of the New Day Plan.
3. Transfers 1.00 temporary position and \$125,000 in federal funds relating to the Hawaii Head Start State Collaboration Office to the Executive Office on Early Learning, pursuant to Act 78, SLH 2012.
4. Adds 3.00 temporary positions and \$301,208 in FY14, and 4.00 temporary positions and \$352,038 in FY15 to oversee Healthcare Transformation initiatives (New Day Initiative).

**Office of the Governor  
(Capital Improvements Budget)**

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	1,000	1,000
<b>Total Requirements</b>	<u>1,000</u>	<u>1,000</u>

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. Adds \$1,000 in FY14 and FY15 for the Project Adjustment Fund, Statewide.

# 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. We will partner with others toward developing self-sufficient and healthy communities.

***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.

***Significant Measures of Effectiveness***

1. # of new residential homesteads awarded as % of planned homesteads
2. # of residential loans granted as a % of the # of residential loans planned
3. # of delinquent loans as a percentage of the total # of outstanding loans

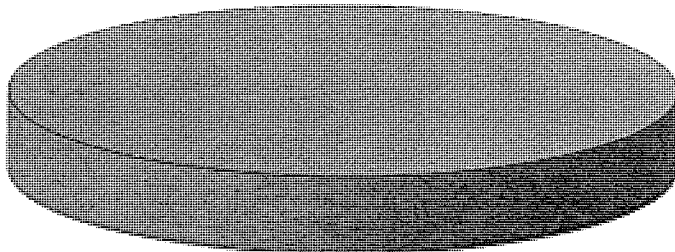
FY 2014

FY 2015

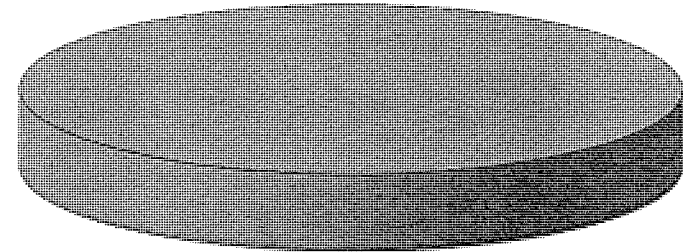
### FB 2013-2015 Operating Budget by Major Program Area

FY 2014

FY 2015



Plan & Dev for Hwn Homesteads,  
\$45,677,978 , 100%



Plan & Dev for Hwn Homesteads,  
\$45,677,978 , 100%

## **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)**

		Budget Base		
		FY 2014	FY 2014	FY 2015
<b>Funding Sources:</b>	Positions	0.00	130.00	130.00
General Funds	\$	0	14,688,526	14,688,526
		115.00	66.00	66.00
Special Funds		13,030,827	7,671,851	7,671,851
		3.00	4.00	4.00
Federal Funds		15,341,820	23,317,601	23,317,601
		82.00	0.00	0.00
Trust Funds		157,091,393	0	0
		200.00	200.00	200.00
<b>Total Requirements</b>		185,464,040	45,677,978	45,677,978

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Adds 4.00 temporary and 130.00 positions and \$14,688,526 for both FY 14 and FY 15 to support the administrative and operating requirements in conformance with the Supreme Court ruling on the Nelson vs. Hawaiian Homes Commission lawsuit.
2. Reduces 4.00 temporary and 131.00 positions and \$5,358,976 in special and \$1,286,359 in trust funds in both FY 14 and FY 15 for administrative and operating requirements.
3. Reduces \$144,227,808 in trust funds for both FY 14 and FY 15 to eliminate the trust fund appropriations for the development of Hawaiian Homestead projects.
4. Adds \$7,900,000 in federal funds for loans to low-income Hawaiian families pursuant the Native American Housing Assistance and Self-Determination Act (NAHASDA) grant.

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

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	750,000	0
Federal Funds	20,000,000	20,000,000
	20,750,000	20,000,000
<b>Total Requirements</b>	<b>20,750,000</b>	<b>20,000,000</b>

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. Adds a federal fund ceiling of \$20,000,000 in both FY 14 and FY 15 for the Native American Housing Assistance and Self-Determination Act (NAHASDA), Development Projects, Statewide.
2. Adds \$750,000 in FY 14 for design and construction of the Economic and Technology Zone facility in Waimanalo, Oahu.



# 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.

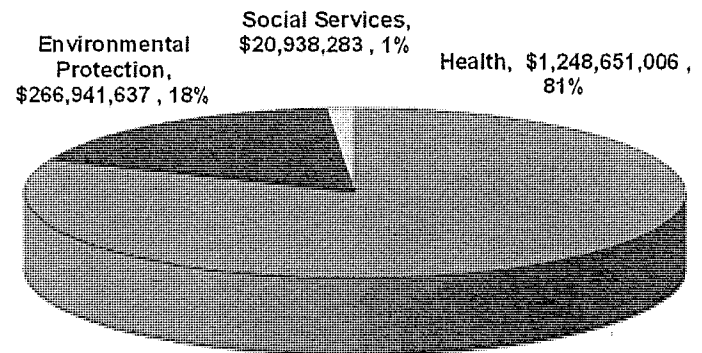
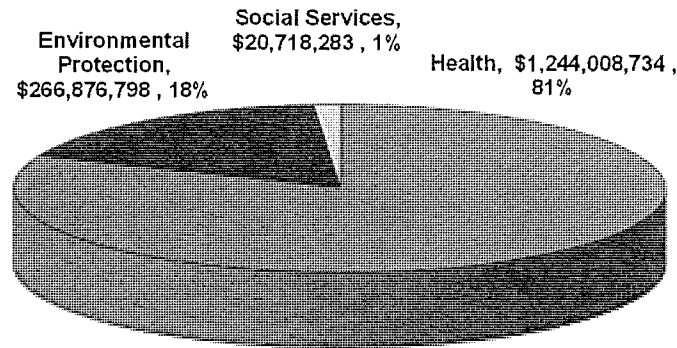
***Department Goals***

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.

***Significant Measures of Effectiveness***

	<u>FY 2014</u>	<u>FY 2015</u>
1. Mortality rate (per thousands)	6	6
2. Average life span of residents (years)	80.5	80.5
3. Percentage of reported vaccine preventable diseases investigated	100%	100%

### FB 2013-2015 Operating Budget by Major Program Area



## 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 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)**

		Budget Base		
		FY 2014	FY 2014	FY 2015
<b>Funding Sources:</b>	Positions	2,015.86	2,054.86	2,055.86
General Funds	\$	400,233,024	421,824,280	420,910,191
		146.00	165.50	168.50
Special Funds		196,033,066	200,865,642	206,572,772
		353.86	269.46	269.46
Federal Funds		130,305,110	88,006,746	88,006,746
		0.00	71.40	71.40
Other Federal Funds		0	39,650,677	39,650,677
		5.50	5.00	5.00
Interdepartmental Transfers		6,280,221	4,673,193	4,673,193
		72.20	76.20	76.20
Revolving Funds		168,389,505	168,550,097	168,684,167
		2,593.42	2,642.42	2,646.42
<b>Total Requirements</b>		901,240,926	923,570,635	928,497,746

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Trade-off/transfers to realign budget to meet ongoing requirements and reflect program reorganizations.
2. Trade-off/transfers for ceiling adjustments to reflect Federal and Other Federal Funds.
3. Adds \$2.6 million in FY14 and \$3.1 million in FY 15 to address Developmental Disability Program shortfalls.
4. Adds 8.00 positions and \$6,052,778 in FY 14 and \$6,493,955 in FY 15 for early childhood initiatives. (New Day Initiative)
5. Adds \$1.0 million in FY 14 and FY 15 for the continuation of expanded ambulance services for Nanakuli and Ewa Beach originally appropriated by Act 268, SLH 2012.
6. Adds \$4.2 million in FY 14 and FY 15 for the continuation of the Kupuna Care program. (New Day Initiative)

7. Adds \$1.4 million in FY 14 and FY 15 for the Aging and Disability Resource Centers. (New Day Initiative)
8. Adds \$80,000 in FY14 and \$300,000 in FY15 for the Executive Office on Aging, Long Term Care. (New Day Initiative)
9. Adds \$1,000,000 in FY14 and FY15 to provide for the State Health Information Exchange services and Hawaii Health Emergency Surveillance system.
10. Transfers 3.00 permanent positions and funds of \$312,228 in FY14 and FY15 from the Department of Labor for the Office of Language Access, pursuant to Act 201, SLH 2012.
11. Transfers 1.00 permanent position and funds of \$481,106 in FY15 from the Department of Human Services to consolidate the state licensing and federal certification of medical and health care facilities, pursuant to Act 93, SLH 2012.
12. Increases the special fund ceiling for the Trauma System Special Fund by \$5,343,833 in FY15.
13. Increases the special fund ceiling for the Community Health Centers Special Fund by \$3,750,000 in FY14 and FY15.

**Department of Health  
(Capital Improvements Budget)**

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	7,923,000	4,025,000
Federal Funds	20,071,000	20,071,000
<b>Total Requirements</b>	27,994,000	24,096,000

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. Adds \$2,200,000 and \$10,946,000 in federal funds in FY 14 and in FY 15 for Wastewater Treatment Revolving Fund, Statewide.
2. Adds \$1,825,000 and \$9,125,000 in federal funds in FY 14 and in FY 15 for Safe Drinking Water Revolving Fund, Statewide.
3. Adds \$1,938,000 in FY 14 for Department of Health, Health & Safety, Statewide.
4. Adds \$1,250,000 in FY 14 for Hawaii State Hospital, Repairs & Improvements, Oahu.
5. Adds \$710,000 in FY 14 for Department of Health, Energy Efficiency Improvements, Statewide.

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

		<b>Budget Base</b>		
		<b>FY 2014</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Funding Sources:</b>	Positions	0.00	0.00	0.00
General Funds	\$	83,640,000	84,440,000	84,440,000
		2,835.25	2,835.25	2,835.25
Special Funds		522,593,180	523,593,180	523,593,180
		2,835.25	2,835.25	2,835.25
<b>Total Requirements</b>		<b>606,233,180</b>	<b>608,033,180</b>	<b>608,033,180</b>

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Adds \$800,000 in FY 14 and FY 15 for the Hale Makamae program at Kula Hospital.
2. Adds \$1,000,000 in special funds in FY 14 and FY 15 to increase the ceiling for Ali'i Community Care.

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

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	50,000,000	50,000,000
<b>Total Requirements</b>	<u>50,000,000</u>	<u>50,000,000</u>

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. Adds \$14,321,000 in FY14 and \$359,000 in FY 15 for the Electronic Medical Record System.
2. Adds \$1,500,000 in FY 14 and \$500,000 in FY 15 for a master plan at the Leahi Hospital.
3. Adds \$2,200,000 in FY 14 to replace air conditioning chillers at the Kauai Veterans Memorial Hospital.
4. Adds \$2,000,000 in FY 14 to upgrade the generators at the Kona Community Hospital.
5. Adds \$5,000,000 in FY 14 and \$6,878,000 in FY 15 for repairs to the Acute Hospital at the Hilo Medical Center.
6. Adds \$2,500,000 in FY 14 and \$3,500,000 in FY 15 to expand the Laboratory, Pharmacy, Oncology and Imaging Departments at the Maui Memorial Medical Center.
7. Adds \$2,250,000 in FY 14 to upgrade the electrical circuits and wiring throughout the Kona Community Hospital.
8. Adds \$2,500,000 in FY 14 and \$1,000,000 in FY 15 for repairs to the Kula Hospital.
9. Adds \$3,600,000 in FY 15 to replace air conditioning chillers at the Hilo Medical Center.
10. Adds \$5,000,000 in FY 15 for repairs to the Maui Memorial Medical Center.
11. Adds \$4,500,000 in FY 15 for plumbing repairs to the Maui Memorial Medical Center.
12. Adds \$4,500,000 in FY 15 for CT Renovation and Replacement at the Hilo Medical Center.

# 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.

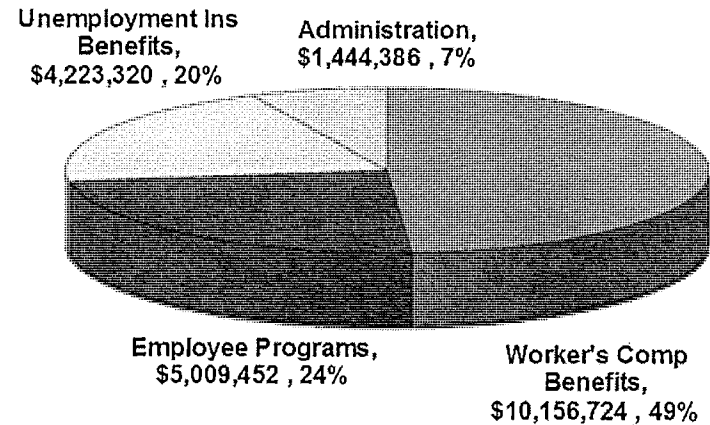
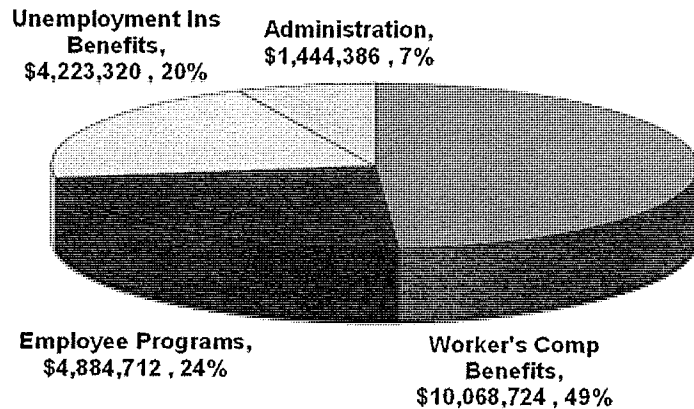
***Department Goals***

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.

***Significant Measures of Effectiveness***

	<u>FY 2014</u>	<u>FY 2015</u>
1. % of certificates issued within 5 calendar days where list of eligible's exist	75	75
2. % of certificates issued within 95 calendar days where list of eligible's does not exist	30	30
3. % contract grievances settled without third party assistance	90	90

### FB 2013-2015 Operating Budget by Major Program Area



## 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)**

		Budget Base		
		FY 2014	FY 2014	FY 2015
<b>Funding Sources:</b>	Positions	92.00	98.00	98.00
General Funds	\$	14,424,321	15,034,861	15,247,601
Special Funds		700,000	700,000	700,000
Interdepartmental Transfers		4,886,281	4,886,281	4,886,281
		92.00	98.00	98.00
<b>Total Requirements</b>		<u>20,010,602</u>	<u>20,621,142</u>	<u>20,833,882</u>

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Adds \$457,000 in FY14 and \$545,000 in FY15 for additional funding for worker's compensation claims.
2. Adds 6.00 permanent positions and \$153,540 in FY14 and \$278,280 in FY15 for the Employee Staffing Division.

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

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	0	0
Federal Funds	0	0
<b>Total Requirements</b>	0	0

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. 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	

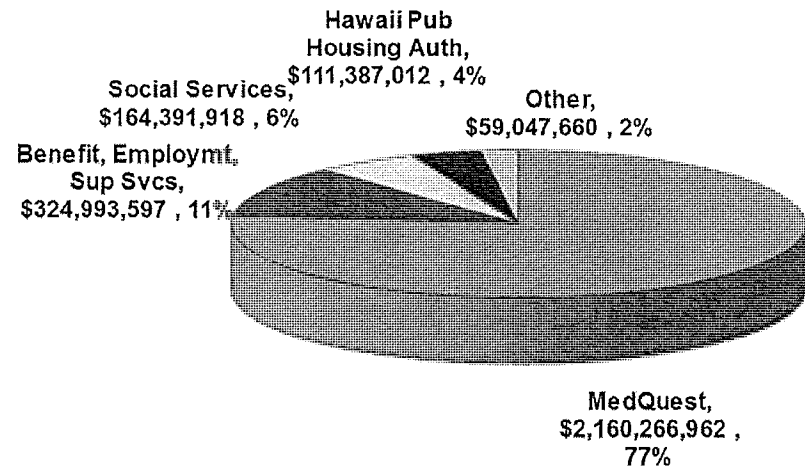
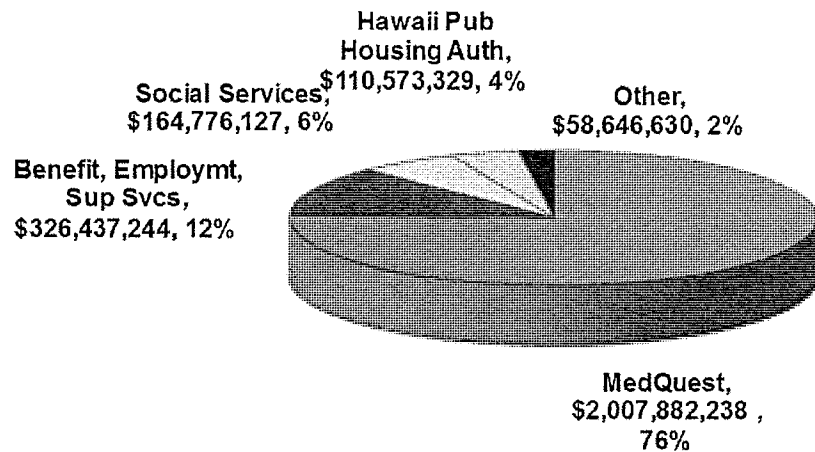
**Significant Measures of Effectiveness**

	<u>FY 2014</u>	<u>FY 2015</u>
1. % Temporary Assistance to Needy Families recipients in work program exiting due to earnings	20	15
2. Number of managed care clients as a % of total clients	99	99
3. % dependent adults with Adult Protective Services not reabused or neglected	95	95

### FB 2013-2015 Operating Budget by Major Program Area

FY 2014

FY 2015



## 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:

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



**Department of Human Services  
(Operating Budget)**

		<b>Budget Base</b>		
		<b>FY 2014</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Funding Sources:</b>	Positions	1,113.59	1,134.22	1,134.22
General Funds	\$	1,068,532,871	1,148,739,035	1,211,740,369
		0.00	0.56	0.56
Special Funds		1,007,587	6,966,489	5,986,166
		1,060.91	1,083.47	1,083.47
Federal Funds		1,300,108,208	1,474,408,827	1,563,603,829
		0.00	0.00	0.00
Other Federal Funds		0	17,472,587	17,731,799
Private Contributions		10,000	10,000	10,000
		0.00	0.00	0.00
Interdepartmental Transfers		12,382,003	12,382,003	12,382,003
		30.00	33.00	33.00
Revolving Funds		7,950,626	8,336,627	8,632,983
		2,204.50	2,251.25	2,251.25
<b>Total Requirements</b>		<b>2,389,991,295</b>	<b>2,668,315,568</b>	<b>2,820,087,149</b>

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Adds \$1,500,000 in FY14 for the Housing First Program.
2. Adds \$800,000 in FY14 and \$1,000,000 in FY15 for the repair and maintenance of homeless shelters.
3. Adds \$4,000,000 in FY14 and FY15 to expand the Child Care Subsidy program.
4. Adds \$800,000 in FY14 and FY15 to establish four Youth Community Service Centers for intake and assessment services.
5. Adds 4.0 permanent positions and \$84,264 in FY14 and \$168,528 in FY15 to establish four Youth Parole Officer positions to supervise youth on parole in the State.
6. Adds \$983,043 and \$952,212 in federal funds in FY14 and \$1,088,790 and \$971,420 in federal funds in FY15 to establish a voluntary foster care program for youth through age 21 who are employed or are in school.
7. Adds \$62,967,490 and \$154,627,433 in federal funds in FY14 and \$127,692,841 and \$241,474,989 in federal funds in FY15 for Medicaid payments.

8. Adds 9.0 temporary positions and \$4,720,025 and \$19,480,850 in federal funds in FY14 and \$4,495,025 and \$17,455,850 in federal funds in FY15 for Medicaid IT initiatives.
9. Adds \$197,000 and \$135,000 in federal funds in FY14 and FY15 to provide resources for a Limited English Proficiency (LEP) program to provide translation and interpreter services for DHS clients.
10. Adds 14.0 permanent and 12.5 temporary positions for the Hawaii Public Housing Authority, including \$621,148 in federal and \$386,001 in revolving funds in FY14 and \$1,138,475 in federal and \$682,357 in revolving funds in FY15.

**Department of Human Services  
(Capital Improvements Budget)**

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	94,000,000	0
<b>Total Requirements</b>	94,000,000	0

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. Adds \$4,000,000 in FY 14 for plans for computer modernization for the Benefits, Employment & Support Services Division (BESSD) and Social Services Division (SSD).
2. Adds \$90,000,000 in FY 14 for the Hawaii Public Housing Authority (HPHA) for various public housing developments, improvements and renovations, statewide.

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# 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.

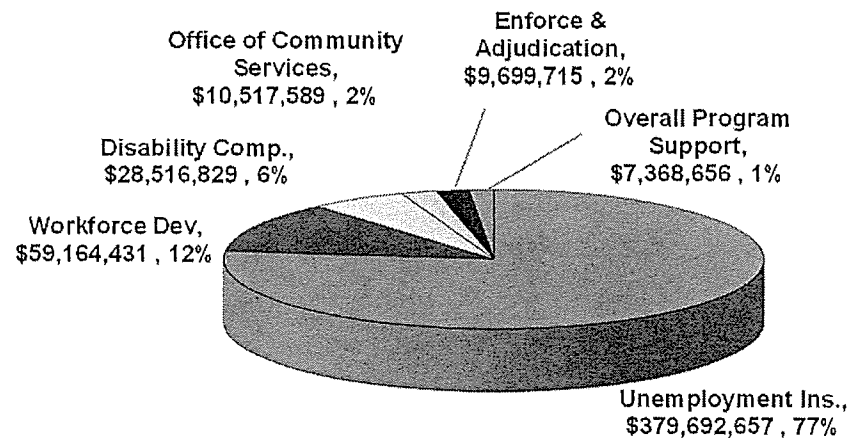
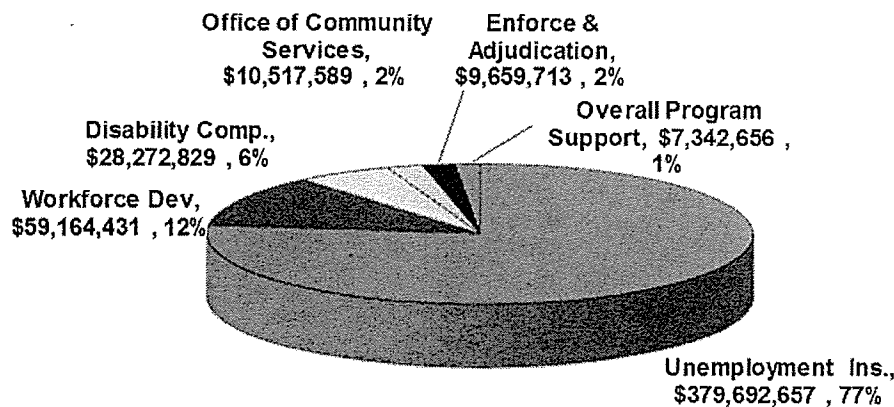
***Department Goals***

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.

***Significant Measures of Effectiveness***

	<u>FY 2014</u>	<u>FY 2015</u>
1. Percentage of job applicants who found jobs	41	41
2. Number of insured employers as a percentage of the total labor force	95	95
3. Percentage of federally mandated reports that meet deadlines Temporary Disability Insurance, and Prepaid Health Care laws	99	99

### FB 2013-2015 Operating Budget by Major Program Area



## 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)**

		Budget Base		
		FY 2014	FY 2014	FY 2015
<b>Funding Sources:</b>	Positions	163.20	178.55	178.55
General Funds	\$	12,616,486	14,552,584	14,817,586
		30.00	31.00	31.00
Special Funds		392,790,658	393,020,658	393,050,658
		464.30	463.95	463.95
Federal Funds		84,696,381	84,301,053	84,316,053
Interdepartmental Transfers		2,705,580	2,705,580	2,705,580
Revolving Funds		70,000	70,000	70,000
		657.50	673.50	673.50
<b>Total Requirements</b>		492,879,105	494,649,875	494,959,877

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Adds 13.00 positions and \$244,000 in FY 14 and \$428,000 in FY 15 to reduce hearings backlog for the Disability Compensation Division.
2. Adds \$233,324 in both FY 14 and FY 15 to change the means of financing from federal to general funds for the Hawaii Civil Rights Commission.
3. Adds \$1,750,000 in both FY 14 and FY 15 to fund personal services and purchase of service contracts for the Office of Community Services.
4. Reduces 3.00 positions and \$312,228 for the transfer of the Office of Language Access to the Department of Health pursuant to Act 201, SLH 2012.

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

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	0	0
Federal Funds	0	0
<b>Total Requirements</b>	0	0

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. None.



# 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.

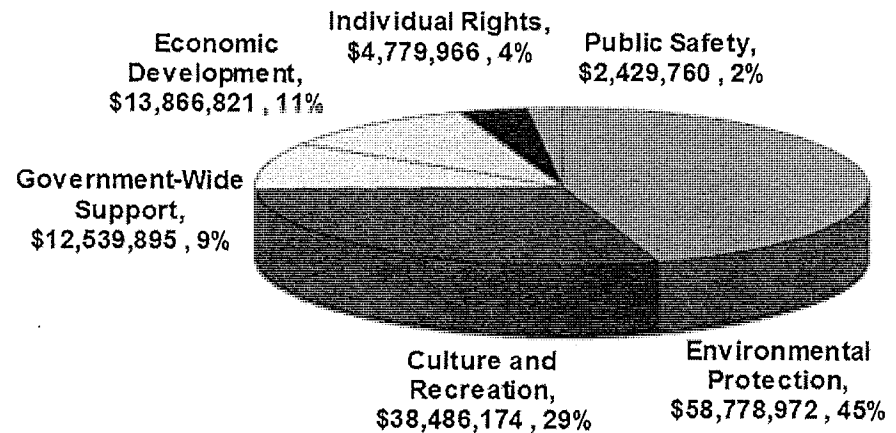
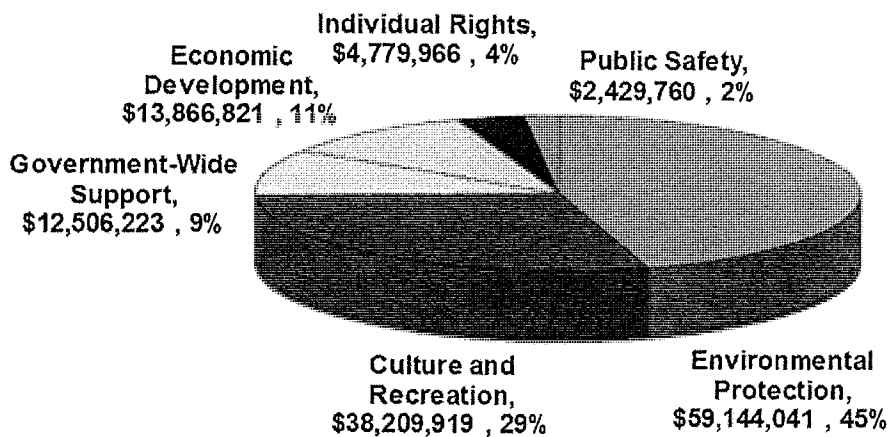
***Department Goals***

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.

***Significant Measures of Effectiveness***

	<u>FY 2014</u>	<u>FY 2015</u>
1. Dollar amount of revenues transferred to OHA (\$000)	5,000	5,000
2. No. of permits (camping) issued statewide	10,000	10,000
3. Marine protected areas (acres)	598,000	598,000
4. No. of acres enrolled in watershed partnerships as % of plan	100	100

### FB 2013-2015 Operating Budget by Major Program Area



## 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)**

		<b>Budget Base</b>		
		<b>FY 2014</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Funding Sources:</b>	Positions	417.00	423.00	423.00
General Funds	\$	25,704,776	28,160,327	28,223,599
		315.00	335.00	335.00
Special Funds		61,796,037	72,810,745	72,692,331
		24.50	13.75	13.75
Federal Funds		19,478,454	10,939,404	10,720,906
		0.00	10.75	10.75
Other Federal Funds		0	16,521,674	16,740,172
Trust Funds		136,197	136,197	136,197
Interdepartmental Transfers		800,000	1,500,000	1,500,000
		1.00	1.00	1.00
Revolving Funds		868,383	868,383	868,383
		757.50	783.50	783.50
<b>Total Requirements</b>		<b>108,783,847</b>	<b>130,936,730</b>	<b>130,881,588</b>

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Adds 11.00 temporary positions and \$8,500,000 in special funds in FY 14 and FY 15 for the Watershed Initiative. (New Day Initiative)
2. Adds \$1,000,000 in FY 14 and FY 15 to restore funding for the Hawaii Invasive Species Council (HISC) Program and Projects.
3. Adds \$482,000 in FY 14 and FY 15 to fund additional park staff in the State Parks Division.
4. Adds \$250,000 in FY 14 and FY 15 to restore critical habitat for numerous protected species in the Kure Atoll Wildlife Sanctuary.

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

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	67,064,000	55,617,000
Federal Funds	825,000	750,000
Other Federal Funds	563,000	863,000
Private Contributions	150,000	500,000
	68,602,000	57,730,000
<b>Total Requirements</b>	<b>68,602,000</b>	<b>57,730,000</b>

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. Adds \$2,500,000 in FY 14 and FY 15 for the Watershed Initiative. (New Day Initiative)
2. Adds \$2,000,000 in FY 14 for improvements to the Waikiki War Memorial, Oahu.
3. Adds \$10,500,000 in FY 14 and \$11,300,000 in FY 15 for park improvements, statewide.
4. Adds \$11,510,000 and \$1,388,00 in Federal Funds in FY 14 and \$6,050,000 and \$1,613,000 in Federal Funds in FY 15 for small boat harbor improvements.
5. Adds \$3,000,000 in FY 14 and FY 15 for construction for Rockfall and Flood Mitigation, Statewide.
6. Adds \$2,000,000 in FY 14 and \$7,000,000 in FY 15 for plans, design, and construction of Administrative and Community Facilities.
7. Adds \$11,000,000 in FY 14 for design and construction of the Sand Island Ocean Recreation Park, 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.

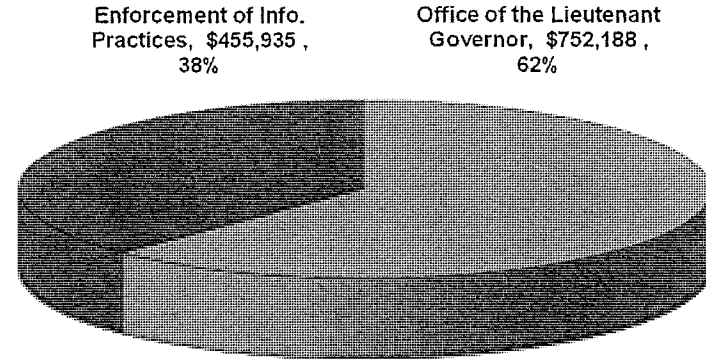
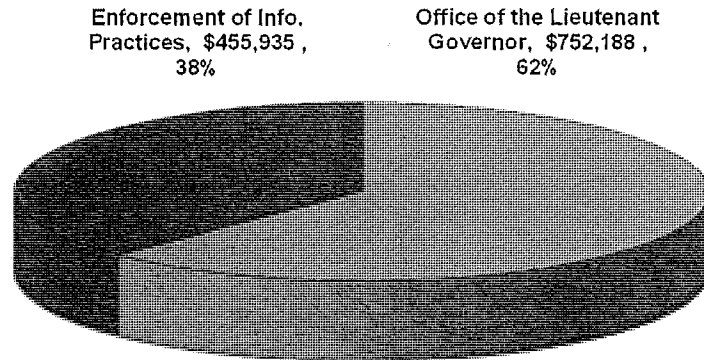
***Department Goals***

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

***Significant Measures of Effectiveness***

	<u>FY 2014</u>	<u>FY 2015</u>
1. Total revenue from sales as a percentage of cost of publication	105	105
2. Number of requests for general guidance (Attorney of the Day)	1150	1150

### FB 2013-2015 Operating Budget by Major Program Area



## 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)**

		Budget Base		
		FY 2014	FY 2014	FY 2015
<b>Funding Sources:</b>	Positions	8.00	8.00	8.00
General Funds	\$	1,048,123	1,208,123	1,208,123
<b>Total Requirements</b>		8.00	8.00	8.00
		1,048,123	1,208,123	1,208,123

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Adds \$50,000 to fund an Administrative Assistant for the Office of the Lieutenant Governor (LG)
2. Adds 1.00 temporary position and \$56,000 for an Energy Analyst for the LG.
3. Adds 0.50 temporary position and \$54,000 to restore funds for manpower requirements for the Office of Information Practices.

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

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	0	0
Federal Funds	0	0
<b>Total Requirements</b>	0	0

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. None.



# DEPARTMENT OF PUBLIC SAFETY

## Department Summary

***Mission Statement***

To uphold justice and public safety by providing correctional and law enforcement services to Hawaii's communities with professionalism, integrity and fairness.

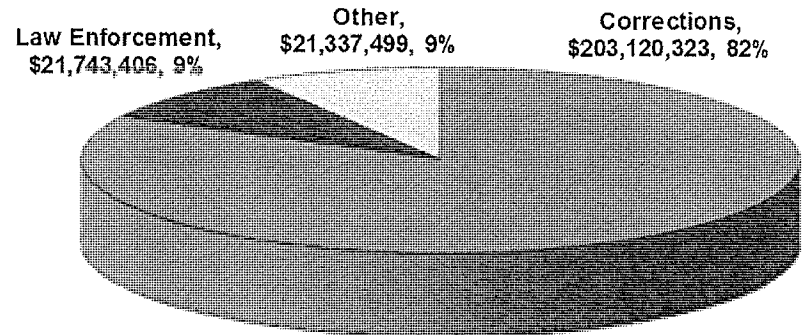
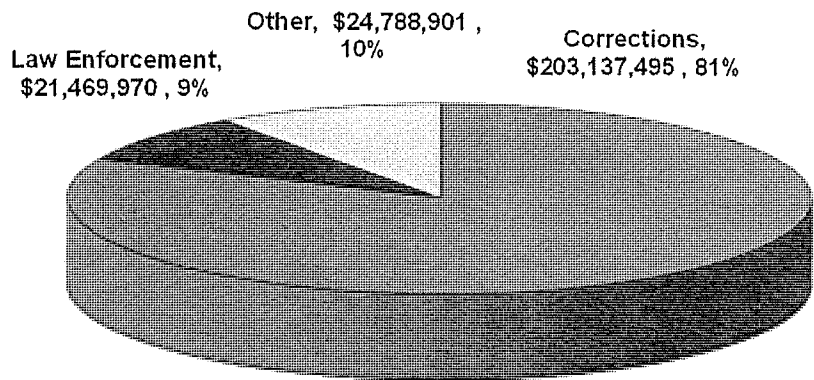
***Department Goals***

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

***Significant Measures of Effectiveness***

	<u>FY 2014</u>	<u>FY 2015</u>
1. Number of arrests made by departmental law enforcement officers	4200	4200
2. Number of escapes from confinement facilities	0	0
3. Number of parole violators returned to prison	233	226

**FB 2013-2015 Operating Budget by Major Program Area**  
FY 2014 FY 2015



## **DEPARTMENT OF PUBLIC SAFETY MAJOR FUNCTIONS**

- Administers various public safety programs that are designed to prevent and deter criminal acts, and to incarcerate and rehabilitate criminal offenders.
- Administers the operations of the seven 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.
- Provides a continuum of treatment programs and services to facilitate the reintegration of offenders back into the community.
- Administers a correctional industries program that 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.
- Determines minimum terms of imprisonment for convicted felons; grants conditional release of felons from institutions under conditions of parole; and reports on petitions for pardon referred by the Governor.
- Administers diversionary programs as well as alternatives to incarceration; conducts pretrial investigations and bail evaluations; and supervises offenders conditionally released by the courts.
- Administers 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.
- Regulates 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.
- Mitigates the suffering and losses of victims and survivors of certain crimes by providing them with compensation for crime related losses; and, compensates 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 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)**

		Budget Base		
		FY 2014	FY 2014	FY 2015
<b>Funding Sources:</b>	Positions	2,503.10	2,538.10	2,538.10
General Funds	\$	219,262,918	229,635,506	226,408,357
		8.00	8.00	8.00
Special Funds		2,560,157	2,560,157	2,560,157
		0.00	0.00	0.00
Federal Funds		1,065,476	0	0
		0.00	0.00	0.00
Other Federal Funds		0	1,065,476	1,065,476
County Funds		209,721	209,721	209,721
Trust Funds		75,065	75,065	75,065
		59.00	59.00	59.00
Interdepartmental Transfers		5,076,280	5,076,280	5,076,280
		9.00	11.00	11.00
Revolving Funds		10,635,408	10,774,161	10,806,172
		2,579.10	2,616.10	2,616.10
<b>Total Requirements</b>		<b>238,885,025</b>	<b>249,396,366</b>	<b>246,201,228</b>

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Trade-off/transfers to realign budget to meet ongoing requirements.
2. Trade-off/transfers for ceiling adjustments to reflect Federal and Other Federal Funds.
3. Transfer funds to lease financing from other current expenses to reflect energy savings agreements at Halawa Correctional Facility (\$1,075,563 in FY14 and \$1,109,869 in FY15) and the Oahu Community Correctional Center (\$639,009 in FY14 and \$661,609 in FY15).
4. Adds \$3,312,305 in FY 14 and \$3,491,253 in FY 15 to address increased utility costs for correctional facilities, statewide.

5. Adds 16.00 permanent Deputy Sheriff's and \$514,426 in FY 14 and \$845,299 in FY 15 for selected Circuit Courts, Statewide.
6. Adds \$910,338 in FY 14 and \$946,751 in FY 15 to fund increased food costs and dietary requirements.
7. Adds \$100,000 in FY 14 to replace the security camera system at the Hawaii Community Correctional Center.
8. Adds \$3.5 million in FY 14 to complete a statewide master plan/project development report for PSD.  
(New Day Initiative)

**Department of Public Safety  
(Capital Improvements Budget)**

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	16,000,000	16,000,000
<b>Total Requirements</b>	<u>16,000,000</u>	<u>16,000,000</u>

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. Adds \$16,000,000 in FY14 and FY15 for PSD Lump Sum CIP, Statewide.

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# 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***

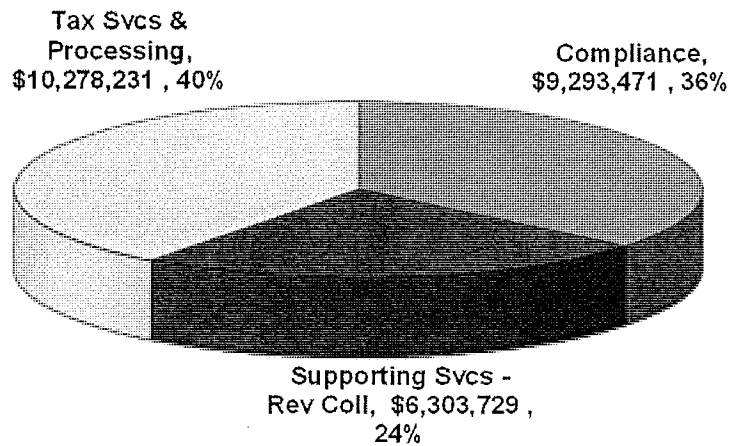
To provide one-stop customer service; to increase collection capabilities through efficient allocation of resources; to simplify filings, provide a more user-friendly interface with the public, and expedite delinquent referrals; to automate tax filings, billings and collections; to expand capacity for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

***Significant Measures of Effectiveness***

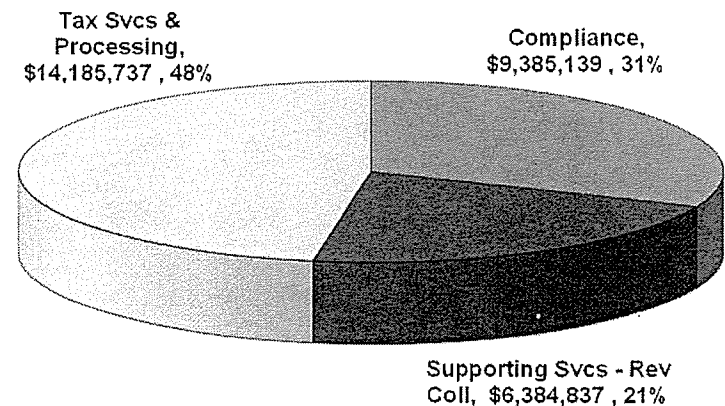
	<u>FY 2014</u>	<u>FY 2015</u>
1. Average call answer rate	71	71
2. Percent of tax returns audited resulting in adjustments	60	60
3. Average business days to deposit checks received from taxpayers	12	12

### FB 2013-2015 Operating Budget by Major Program Area

#### FY 2014



#### FY 2015



## **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)**

		<b>Budget Base</b>		
		<b>FY 2014</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Funding Sources:</b>	Positions	383.00	393.00	393.00
General Funds	\$	22,293,648	24,827,556	28,907,838
		0.00	0.00	0.00
Special Funds		1,047,875	1,047,875	1,047,875
		383.00	393.00	393.00
<b>Total Requirements</b>		<b>23,341,523</b>	<b>25,875,431</b>	<b>29,955,713</b>

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Adds 3.00 permanent and 2.00 temporary positions and \$290,214 in FY14 and FY15 to continue positions created in FY13 and funding per Act 189/SLH 2012, for tax reporting.
2. Adds 7.00 permanent and 14.00 temporary positions and \$2,218,966 in FY14 and \$6,277,600 in FY15 for the Tax System Modernization project (New Day Initiative).
3. Adds 1.00 permanent position and \$24,728 in FY14 and \$46,376 in FY15 to restore a position in the Tax Research & Planning Office.

**Department of Taxation  
(Capital Improvements Budget)**

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	16,001,000	16,001,000
Federal Funds	0	0
<b>Total Requirements</b>	<u>16,001,000</u>	<u>16,001,000</u>

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. Adds \$16,001,000 in FY14 and FY15 for the design and construction of the Tax System Modernization Project (New Day Initiative).

# 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.

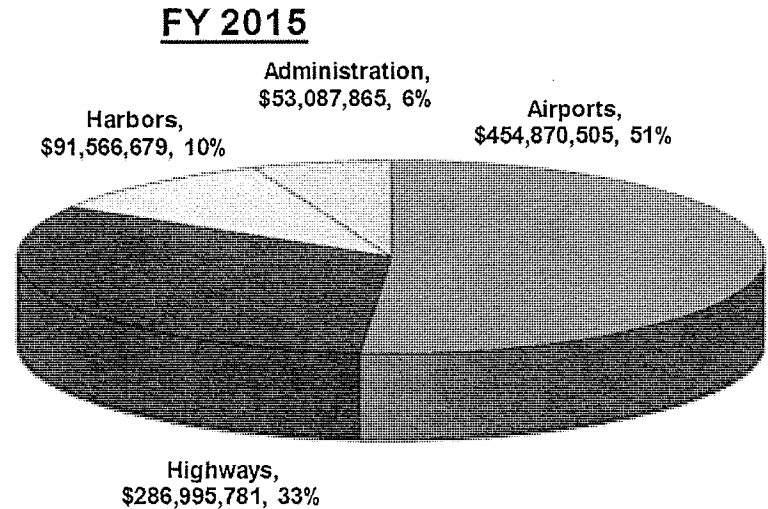
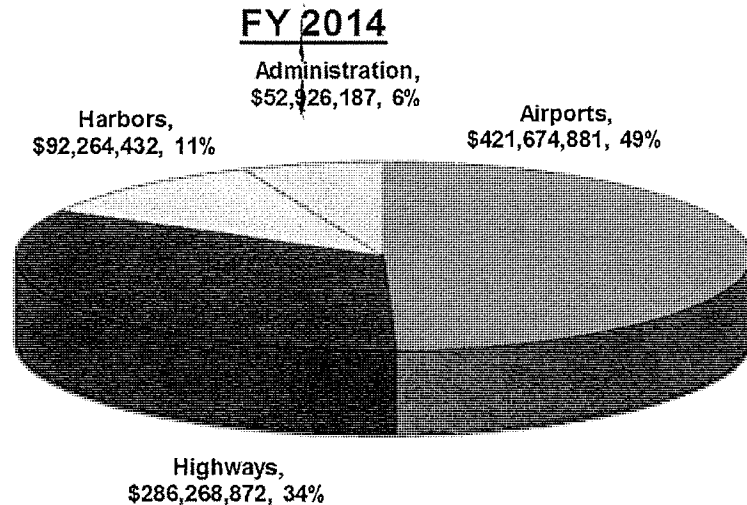
**Department Goals**

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.

**Significant Measures of Effectiveness**

	<u>FY 2014</u>	<u>FY 2015</u>
1. Safety, Certification, Security-Number of safety related injuries to airport employees, traveling public, etc.	475	475
2. Number of security related breaches due to the airports, tenants, and the airlines .	475	475
3. No. of incidences/accidents reported (Harbors Division)	0	0
4. No. of fines imposed for security violations (Harbors Division)	0	0
1. Safety, Certification, Security-Number of safety related injuries to airport employees,	332,589	332,589

**FB 2013-2015 Operating Budget by Major Program Area**



## **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)**

		<b>Budget Base</b>		
		<b>FY 2014</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Funding Sources:</b>	Positions	2,157.50	2,203.70	2,203.70
Special Funds	\$	433,240,255	801,602,430	834,954,388
		7.00	6.00	6.00
Federal Funds		54,526,020	50,237,736	50,272,236
		0.00	0.80	0.80
Other Federal Funds		0	871,139	871,139
Private Contributions		423,067	423,067	423,067
		2,164.50	2,210.50	2,210.50
<b>Total Requirements</b>		<b>488,189,342</b>	<b>853,134,372</b>	<b>886,520,830</b>

**Major Adjustments in the Executive Budget Request:** (special funds unless noted)

1. Airports Division - Adds 32.00 permanent Janitor positions and \$755,153 in FY 14 and \$1,510,306 in FY 15 for the Honolulu International Airport.
2. Airports Division - Adds \$147,030,427 in FY 14 and \$179,215,437 in FY 15 for debt service costs.
3. Harbors Division - Adds \$35,103,302 in FY 14 and \$35,151,273 in FY 15 for debt service costs.
4. Highways Division - Adds 2.00 permanent Highway Safety Specialist positions and transfers \$1,228,529 in FY14 and FY15 from the Department of the Attorney General for the Civil Identification Program, pursuant to Act 310, SLH 2012.
5. Highways Division - Adds \$57,447,149 in FY 14 and \$59,016,793 in FY 15 for debt service costs.
6. General Administration - Adds 2.00 permanent positions and \$60,529 in FY 14 and \$104,059 in FY 15 for the Office of Special Compliance to address environmental compliance requirements.

**Department of Transportation  
(Capital Improvements Budget)**

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
Special Funds	40,045,000	38,075,000
Revenue Bonds	531,033,000	148,965,000
Federal Funds	143,493,000	110,946,000
Other Federal Funds	2,000,000	2,000,000
Private Contributions	1,419,000	0
County Funds	1,250,000	0
Other Funds	46,204,000	100,000
<b>Total Requirements</b>	765,444,000	300,086,000

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. Airports - Adds \$341.2 million (all means of financing) in FY 14 and \$119.6 million (all means of financing) in FY 15 for twenty seven (27) projects related to airports modernization, runway improvements, concession improvements, terminal expansion at Kona International Airport at Keahole, and land acquisition at Kahului Airport and Honolulu International Airport.
2. Harbors - Adds \$276.8 million (all means of financing) in FY 14 and \$22.4 million (all means of financing) in FY 15 for fourteen (14) projects related to harbor's modernization.
3. Highways - Adds \$147.4 million (all means of financing) in FY 14 and \$158.2 million (all means of financing) in FY 15 for sixty three (63) projects related to bridge rehabilitation/replacements, drainage improvements and highways improvements.

# UNIVERSITY OF HAWAII

## Department Summary

***Mission Statement***

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

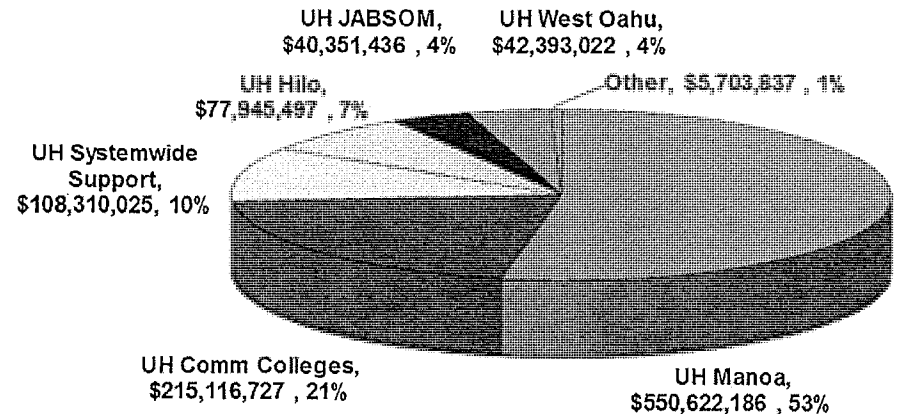
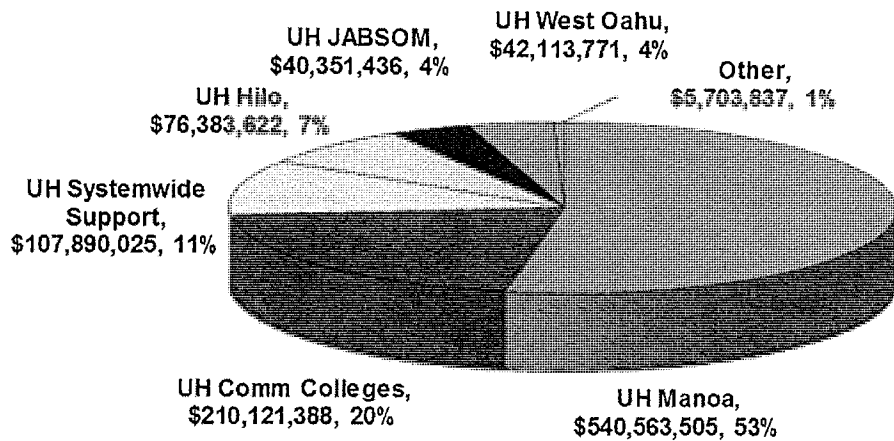
***Department Goals***

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.

***Significant Measures of Effectiveness***

	<u>FY 2014</u>	<u>FY 2015</u>
1. Number of degrees and certificates of achievement earned	10,414	10,830
2. Extramural fund support (\$ millions)	462.4	476.3
3. Number of degrees in STEM fields	3,435	3,573

**FB 2013-2015 Operating Budget by Major Program Area**  
FY 2014 FY 2015



## 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

**University of Hawaii  
(Operating Budget)**

		<b>Budget Base*</b>		
		<b>FY 2014</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Funding Sources:</b>	Positions	6,480.09	6,480.09	6,480.09
General Funds	\$	381,994,874	389,474,874	389,894,874
		615.25	615.25	615.25
Special Funds		527,311,264	527,311,264	543,608,454
		97.66	97.66	97.66
Federal Funds		12,169,289	12,169,289	12,688,542
		54.75	54.75	54.75
Revolving Funds		94,172,157	94,172,157	94,250,860
		7,247.75	7,247.75	7,247.75
<b>Total Requirements</b>		<b>1,015,647,584</b>	<b>1,023,127,584</b>	<b>1,040,442,730</b>

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Adds \$980,000 for FY 14 and \$1,400,000 for FY 15 for distance learning efforts, and to sustain the Statewide Longitudinal Data System.
2. Adds \$1,000,000 in FY14 and FY15 for the Hawaii Innovation Initiative,.
3. Adds \$700,000 in FY14 and FY15 to support Native Hawaiian efforts of Na Pua Noeau.
4. Adds \$2,387,000 in FY14 and FY15 for Outcome Based Funding.
5. Adds \$913,000 in FY14 and FY15 for UH West Oahu campus support.
6. Adds \$1,500,000 in FY14 and FY15 to continue STEM initiatives.

\*The Budget Base for FY 14 and FY 15 will differ as the collective bargaining amounts for Unit 7 (University of Hawaii Professional Assembly) were not the same in each year.

**University of Hawaii**  
**(Capital Improvements Budget)**

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Funding Sources:</b>		
General Obligation Bonds	61,000,000	32,000,000
Revenue Bonds	5,000,000	-
<hr/>		
<b>Total Requirements</b>	66,000,000	32,000,000

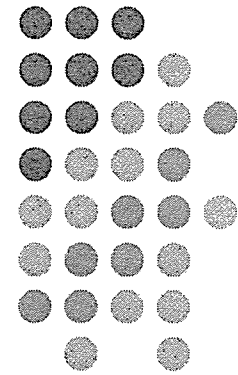
**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. Adds \$28,000,000 in FY 14 and \$29,000,000 in FY 15 for Health, Safety, and Code requirements projects.
2. Adds \$33,000,000 in general obligation bond funds and \$5,000,000 in revenue bond funds for FY 14, and \$3,000,000 in FY 15 for UH Hilo's College of Pharmacy and Health Sciences Building, Phase I project.

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## Historical Information







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

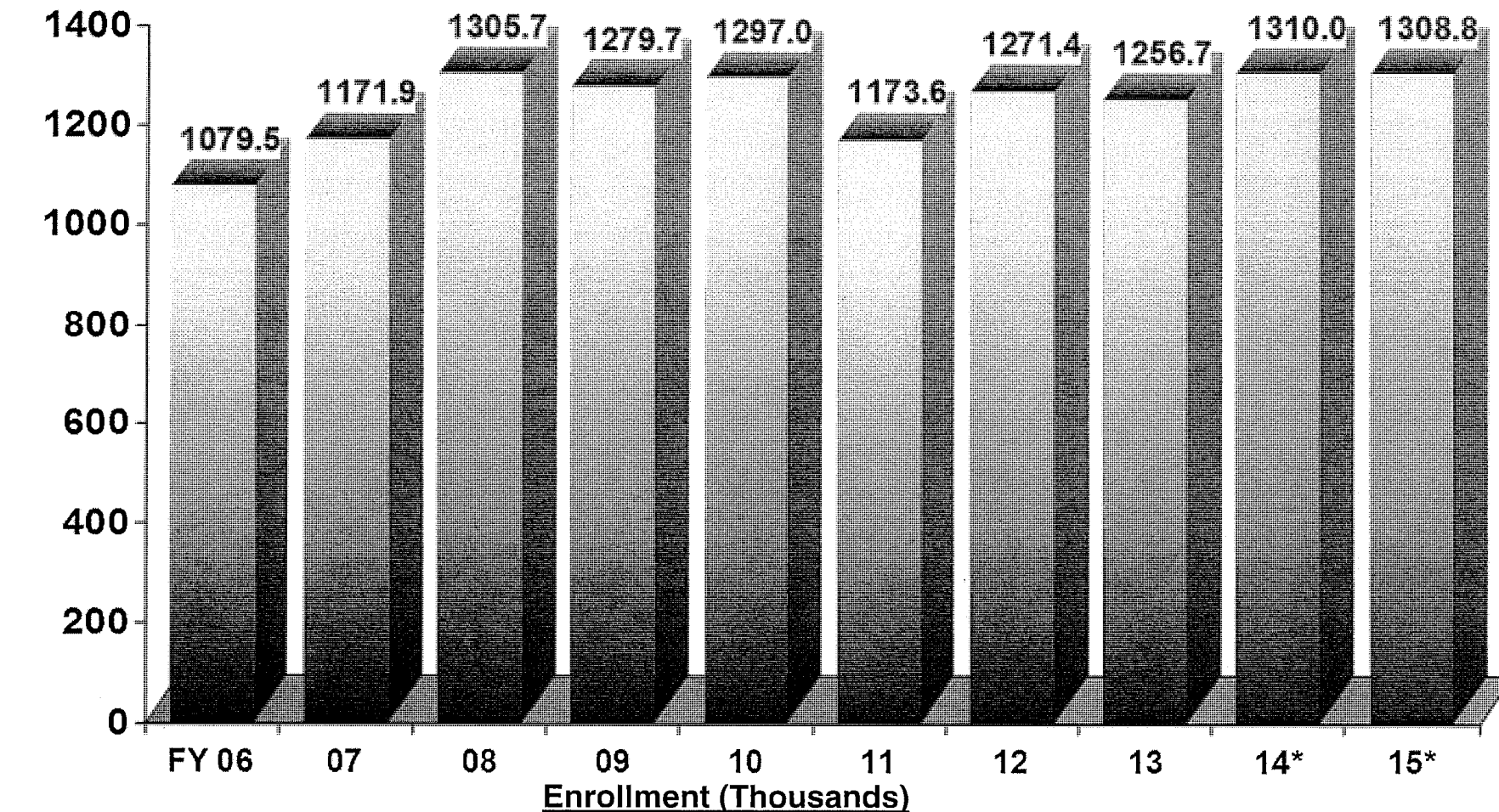
<u>Fiscal Year</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Revenues Over Exp.</u>	<u>Fund Balance</u>
2003	3,788.9	3,805.7	(16.8)	117.2
2004	3,907.7	3,840.3	67.4	184.6
2005	4,486.4	4,184.6	301.8	486.4 *
2006	4,925.0	4,679.1	245.9	732.3 *
2007	5,142.1	5,381.0	(238.9)	493.4 *
2008	5,244.0	5,407.0	(163.0)	330.4 *
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
2012	5,660.6	5,511.3	149.3	275.3

\* Note: Fiscal Years in which Fund Balance exceeds 5% of Revenues

## Department of Education Instruction General Fund Operating Appropriations

\$ millions

(DB&F 12/10/12)

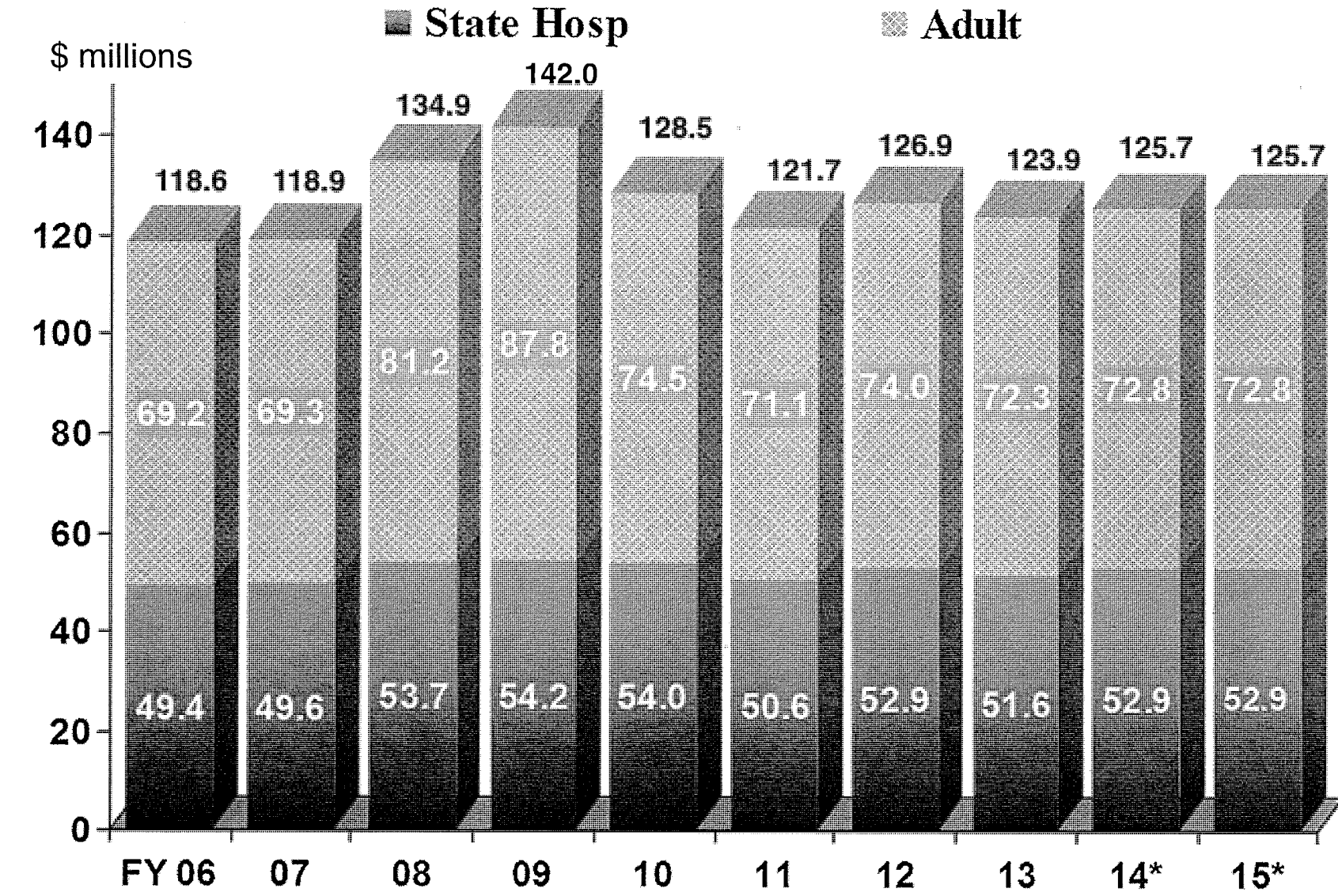


	<u>Enrollment (Thousands)</u>							
	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13
Regular	156.5	154.9	153.6	152.9	153.4	152.9	155.1	156.8
Special	19.2	18.6	18.1	17.5	17.4	17.0	17.0	17.0
Charter	5.6	5.7	6.7	7.3	7.8	8.2	9.1	10.1

\*FYs 14 & 15 reflect the Executive request

# Adult Mental Health General Fund Appropriations

(DB&F 12/5/12)



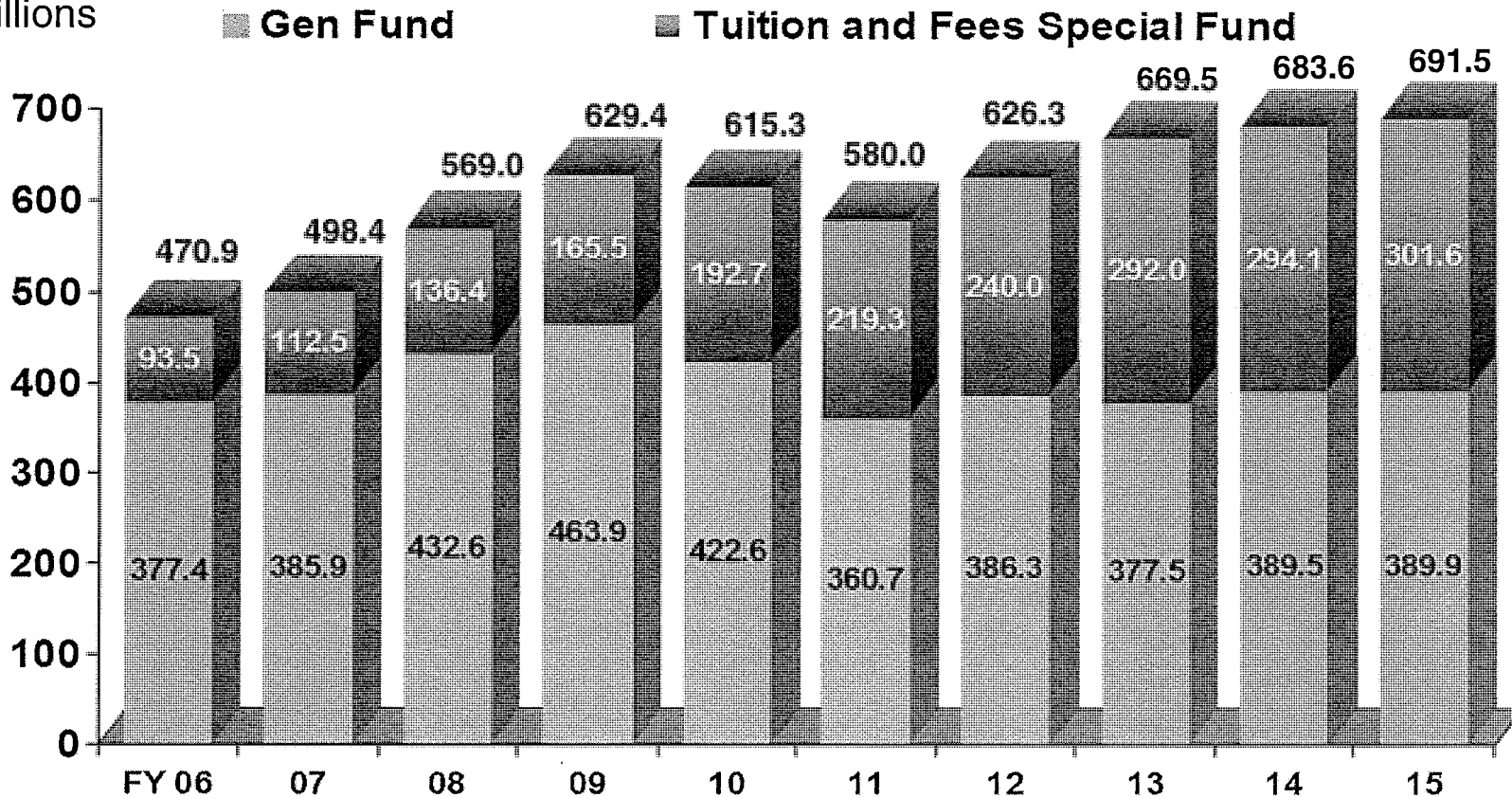
\*FYs 14 & 15 reflect the Executive request

# University of Hawaii Operating Appropriations Net of Fringe & Debt Svc

Chart 3

(DB&F 12/11/12)

\$ millions



### Enrollment – Full Time Equivalent (Thousands)\*\*

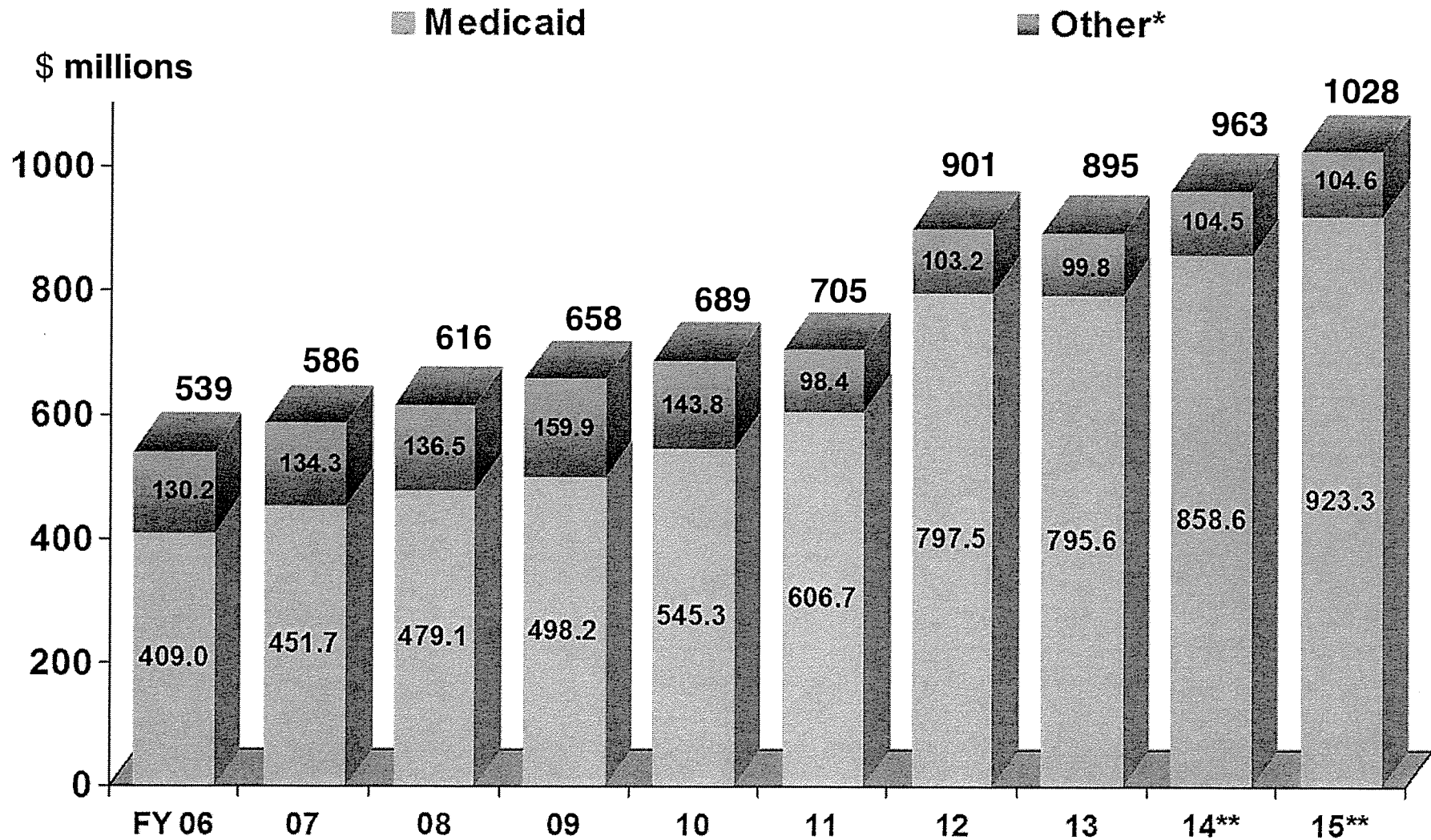
Manoa	16.6	16.1	16.0	16.0	16.4	16.3	16.4	16.5	16.6	16.7
Hilo	2.9	2.9	3.0	3.2	3.5	3.6	3.6	3.7	3.7	3.7
West Oahu	0.5	0.5	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2
Comm Coll	<u>14.6</u>	<u>14.6</u>	<u>14.9</u>	<u>16.3</u>	<u>18.5</u>	<u>19.8</u>	<u>19.5</u>	<u>19.8</u>	<u>19.9</u>	<u>20.0</u>
<b>Total</b>	<b>34.6</b>	<b>34.1</b>	<b>34.4</b>	<b>36.1</b>	<b>39.1</b>	<b>40.5</b>	<b>40.4</b>	<b>41.0</b>	<b>41.3</b>	<b>41.6</b>

\*FYs 14 & 15 reflect the Executive request

\*\*FYs 14 & 15 reflect enrollment projection, July 2012

# Medicaid and Welfare Payments General Fund Operating Appropriations\*\*\*

(DB&F 12/5/12)



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

\*\*FYs 14 & 15 reflect the Executive request

\*\*\*Excludes Housing

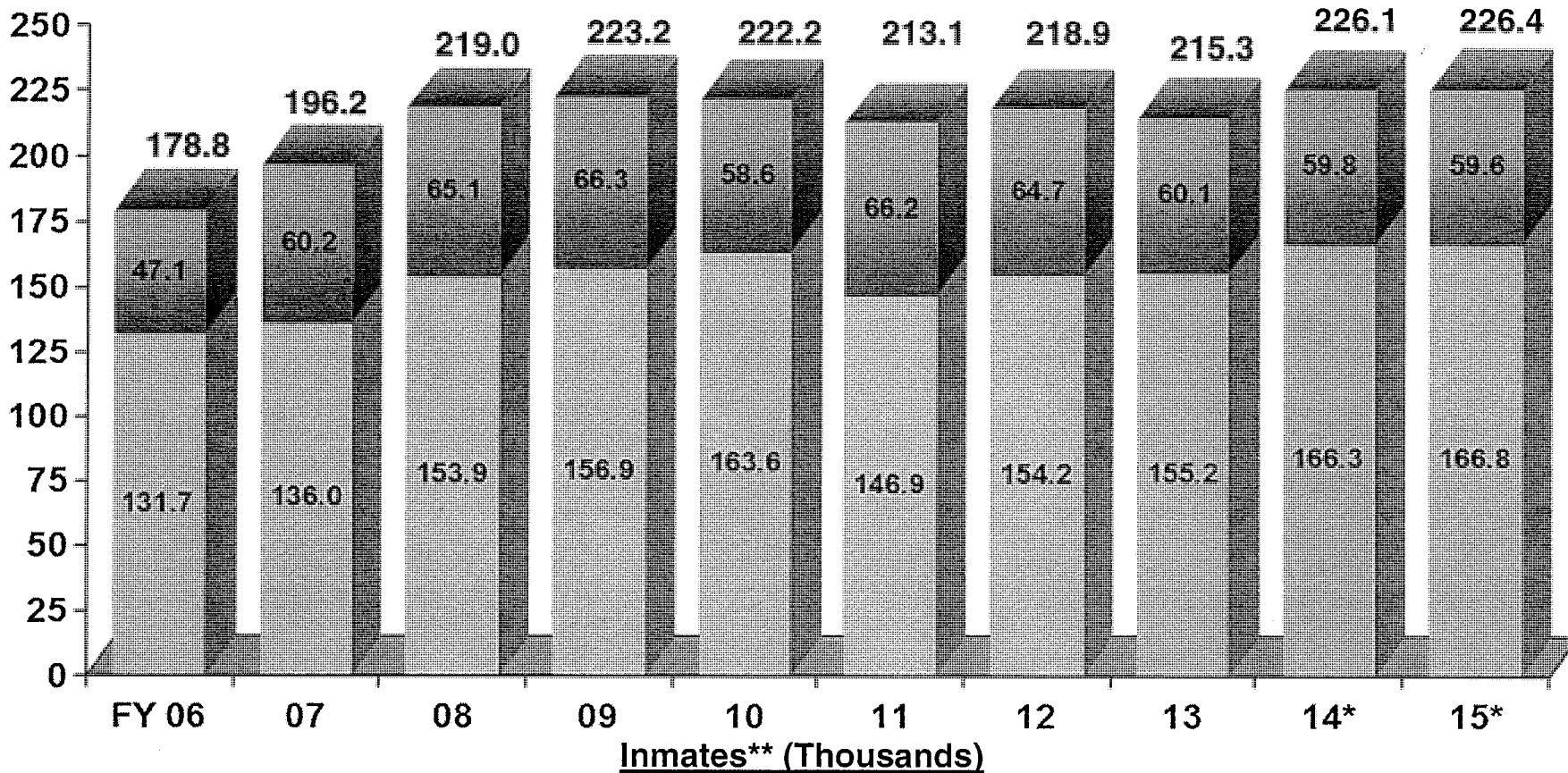
# Public Safety General Fund Operating Appropriations

(DB&F 12/5/12)

\$ millions

■ State Facilities, Law Enforcement & Other Costs

■ Non-State Facilities



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

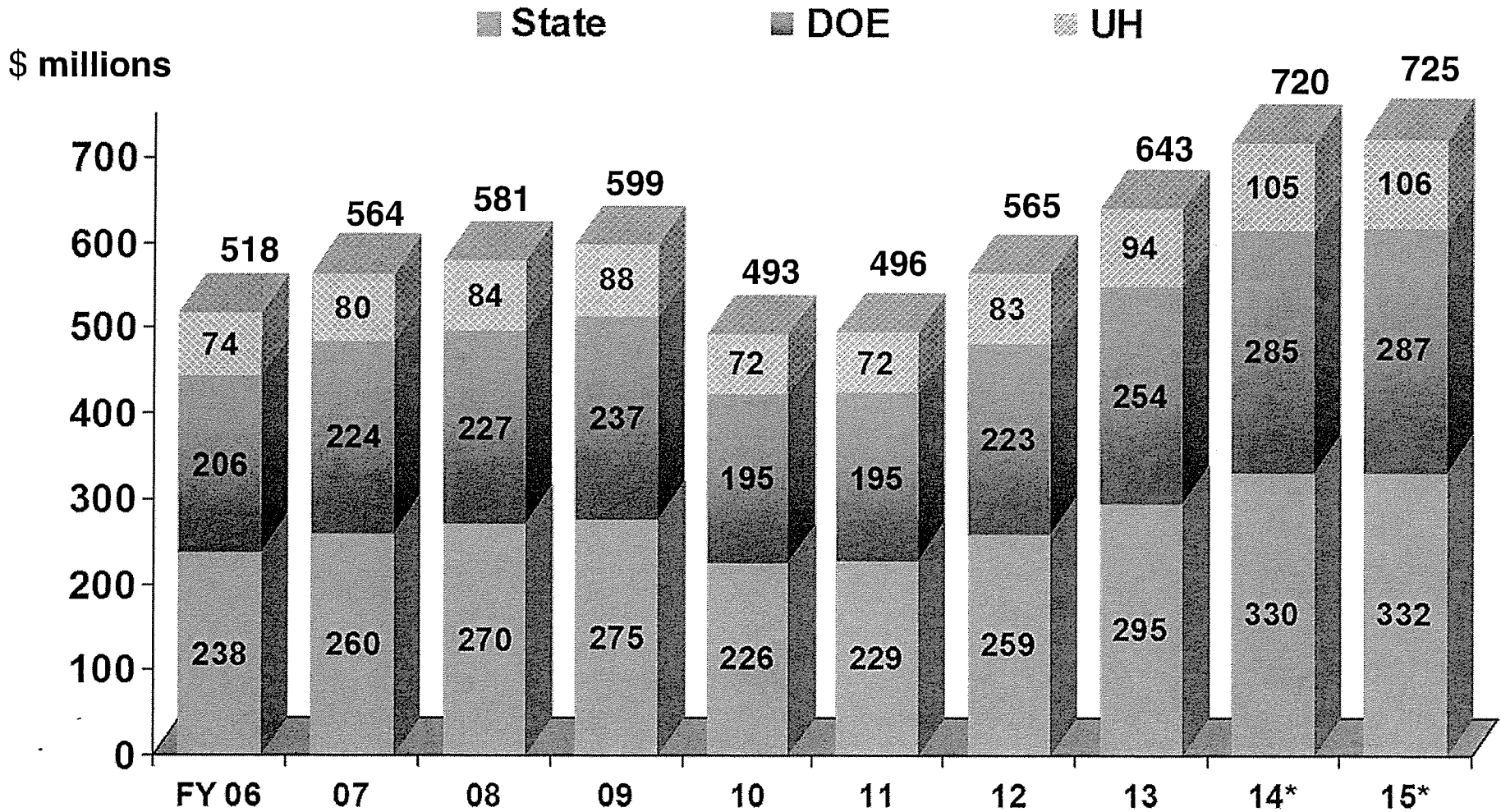
\*FYs 14 & 15 reflect the Executive request

\*\*Reflects assigned count

# Debt Service and Certificates of Participation General Fund Operating Appropriations

(DB&F 12/5/12)

Chart 6

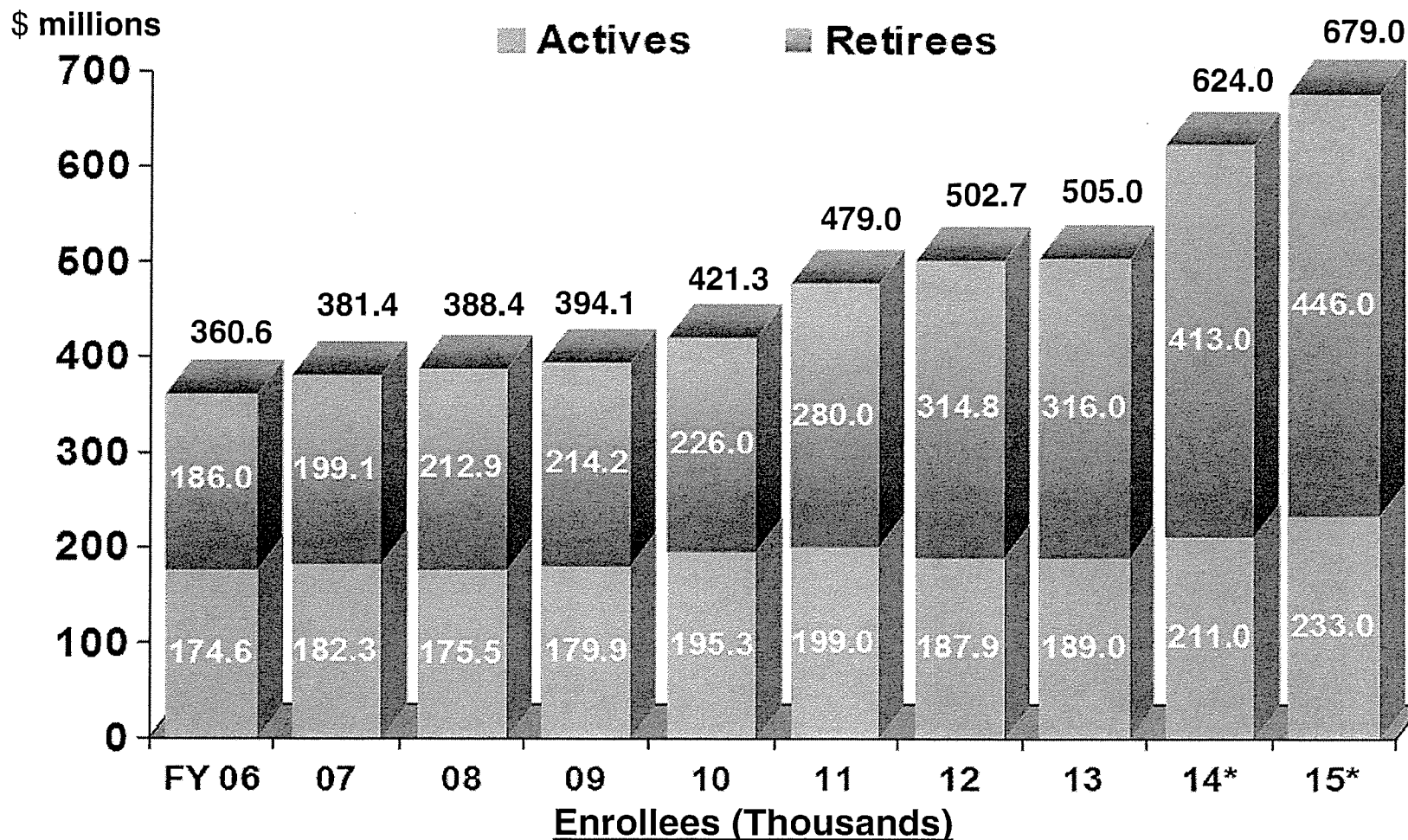


\*FYs 14 & 15 reflect the Executive request



## State Employee and Retiree Health Benefits General Fund Appropriations

(DB&F 12/6/12)

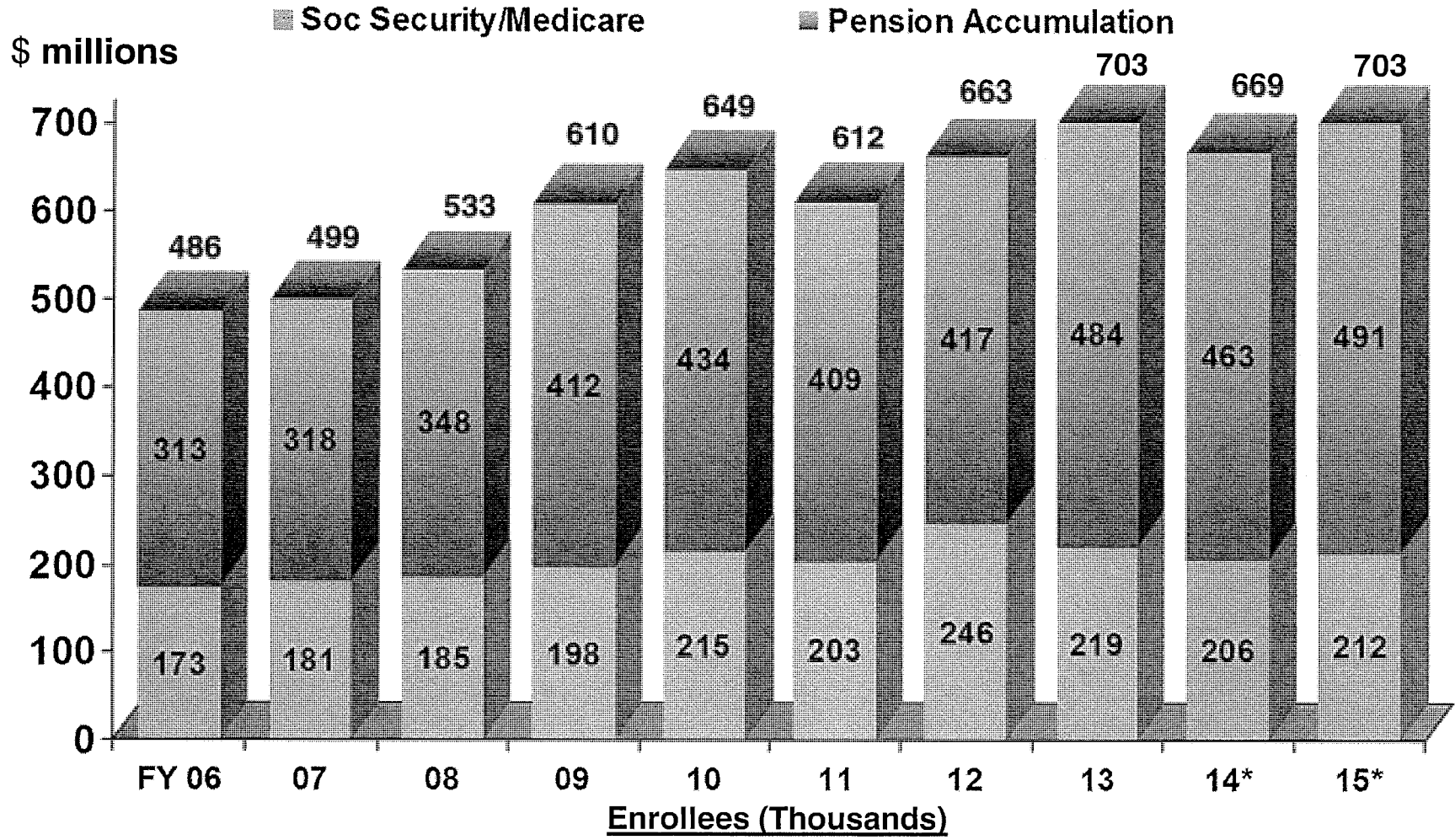


	<u>Enrollees (Thousands)</u>									
Retirees	27.0	28.0	25.0	26.1	26.6	39.6	42.3	43.0	43.7	44.4
Actives	42.0	42.6	54.1	52.9	54.1	55.2	67.1	67.7	68.0	68.4

\*FYs 14 & 15 reflect the Executive request

# Public Employees' Retirement System General Fund Appropriations

(DB&F 12/6/12)

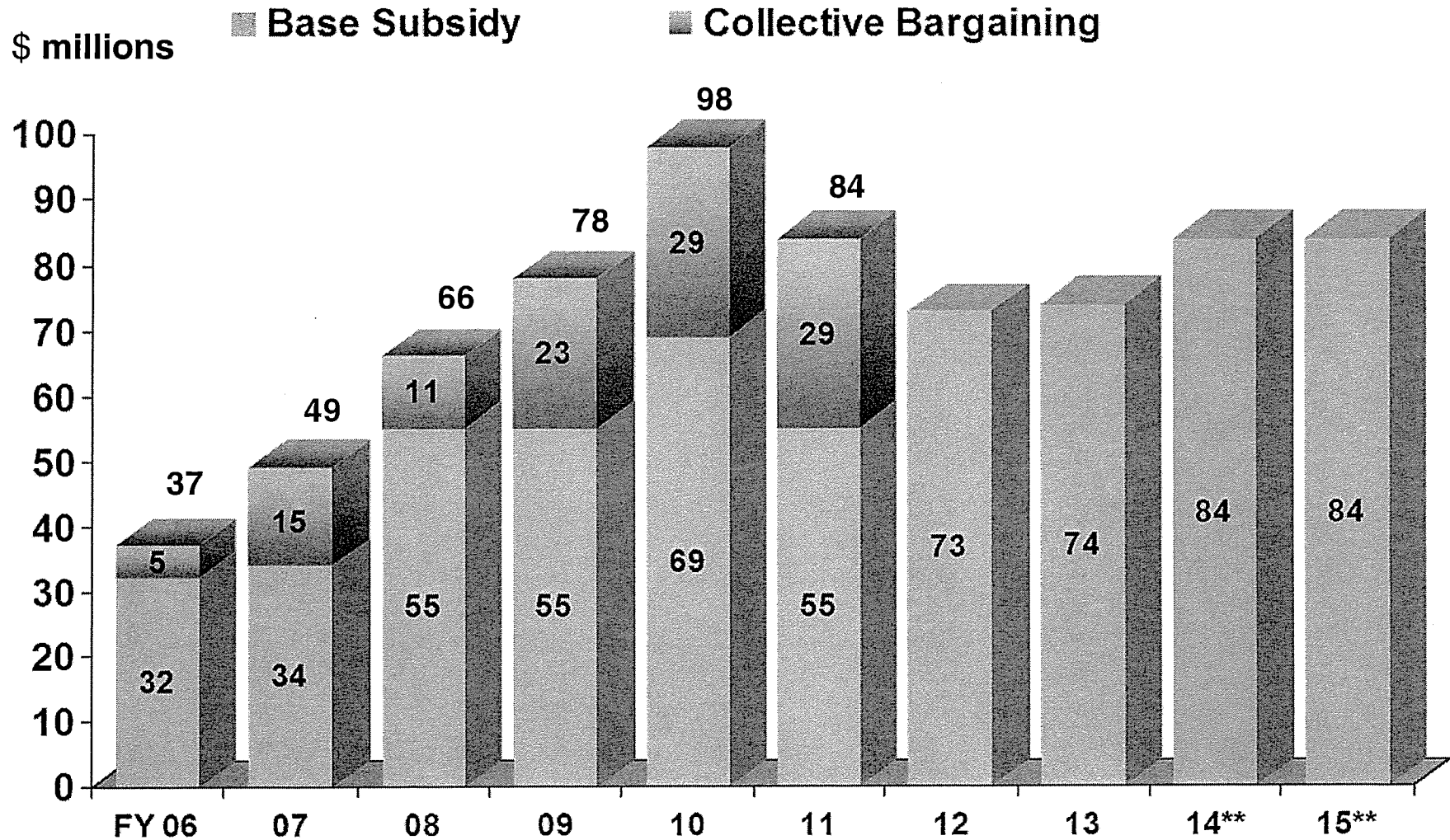


	<u>Enrollees (Thousands)</u>									
Retirees	32.2	33.1	33.1	33.1	33.1	39.7	40.9	42.1	42.4	43.2
Actives	64.0	65.3	65.3	65.3	65.3	65.3	65.3	65.3	65.6	65.6

\*FYs 14 & 15 reflect the Executive request

# Hawaii Health Systems Corporation General Fund Operating Appropriations\*

(DB&F 12/6/12)



\*Includes emergency appropriations

\*\*FYs 14 & 15 reflect the Executive request