



GOV. MSG. NO. 226

EXECUTIVE CHAMBERS  
HONOLULU

NEIL ABERCROMBIE  
GOVERNOR

February 12, 2013

The Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
State Capitol  
Honolulu, Hawaii 96813

Dear President Kim:

Transmitted herewith are proposed changes to the FB 2013-15 Biennium Budget for the Departments of Accounting and General Services (DAGS); Attorney General (AG); Budget and Finance (B&F); Business, Economic Development and Tourism (DBEDT); Education-Charter Schools (DOE-CS); Defense (DOD); Hawaiian Home Lands (DHHL); Public Safety (PSD); Office of the Lieutenant Governor (LG); and the University of Hawaii (UH).

Your favorable consideration is requested for the attached budget items:

- DAGS – Reduces \$1,300,000 in general funds for FY 14 from the Risk Management and Insurance Administration to offset the DOD crane procurement initiative.
- AG – Adds \$1,745,834 in general funds each year in FB 2013-15 for the statewide Career Criminal Prosecution and Victim Witness programs.
- AG – Adds \$440,000 in general funds for FY 14 and \$794,959 for FY 15 for the County Victim Services program as part of the Justice Reinvestment Initiative (JRI).
- AG – Corrects the other federal fund expenditure ceiling by adding \$410,040 for FY 14 and FY 15 for the Hawaii Criminal Justice Data Center.
- B&F – Adds \$3,711,164 in general funds and \$1,778,477 in other funds for FY 14 and FY 15 due to the implementation the 3.2% across the board wage increase directed in the Unit 10 arbitration award for FB 2011-13. Pursuant to Chapter 89, HRS, the costs for the contract period ending June 30, 2013 were submitted to Legislature for insertion into an appropriate collective bargaining bill. These costs, for the carry-over costs after the contract period, are being included in a Governor's message rather than a collective bargaining bill because the costs were not known at the time the Executive Budget was being drafted.

- DBEDT – Adds 1.00 temporary Energy Analyst position and \$100,000 in special funds to assist in policy development for clean energy initiatives. Transfers temporary position count from LG.
- DBEDT – Adds \$355,000 in special funds for FY 14 to support the Hawaii Refinery Task Force.
- DBEDT – Adds \$400,000 in general funds for FY 14 to continue funding of the Pacific International Space Center for Exploration Systems program.
- DOD – Adds general funds of \$1,300,000 and other federal funds of \$3,500,000 for FY 14 for the acquisition of a crane for emergency and critical off-load operations. Corresponding offset in general funds is identified in DAGS State Risk Management and Insurance Administration's budget.
- DOE-CS – Reduces general funds of \$3,592,980 for FY 14 and \$4,733,881 for FY 15 due to inclusion of five non-approved charter schools enrollment projections.
- DOE-CS – Adds general funds of \$1,171,092 for FY 14 and \$1,669,679 for FY 15 to reflect two charter schools (Malama Honua Learning Center, A Public Charter School, and the School for Examining Essential Questions of Sustainability) approved by the State Public Charter School Commission on December 13, 2012.
- DHHL – Corrects the means of financing of \$1,720,000 in special to general funds between other current expenses and current lease payments for FY 14 and FY 15.
- LG – Reduces 1.00 temporary Energy Analyst position and \$56,000 in general funds. Transfers temporary position count to DBEDT.
- LG – Adds 3.00 temporary general fund positions and funds of \$257,588 in FB 2013-15 to assist with the new Maui Office and other operating requirements.
- PSD – Adds 3.00 permanent general fund positions in FB 2013-15 and general funds of \$216,346 in FY 14 and \$199,138 in FY 15 to provide an Executive Security Detail for the Lieutenant Governor on the island of Maui.
- PSD – Adds 91.00 permanent general fund positions in FB 2013-15 and general funds of \$3,277,104 in FY 14 and \$5,982,183 in FY 15 to reactivate Kulani Correctional Facility and other necessary program support. Corresponding offset will come from transitioning inmates back from non-state facilities (PSD 808).
- PSD – Adds general funds of \$2,038,000 in FY 14 and \$2,628,000 in FY 15 to provide necessary services that will enhance the successful implementation of the JRI. Corresponding offset will come from transitioning inmates back from non-state facilities (PSD 808).

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- UH – Transfers a total of 26.00 permanent general funded vacant positions from UH Manoa (UOH 100) to the following: 10.50 positions to UH Hilo (UOH 210) and 15.50 positions to UH West Oahu (UOH 700). No associated funding transfer for FY 14 and FY 15. Transfer is necessary to address programmatic needs of the respective universities.

Your staff may contact the appropriate agency for additional information. Your understanding and assistance is appreciated.

  
Sincerely,

NEIL ABERCROMBIE  
Governor, State of Hawaii

Attachment

c: Honorable David Y. Ige