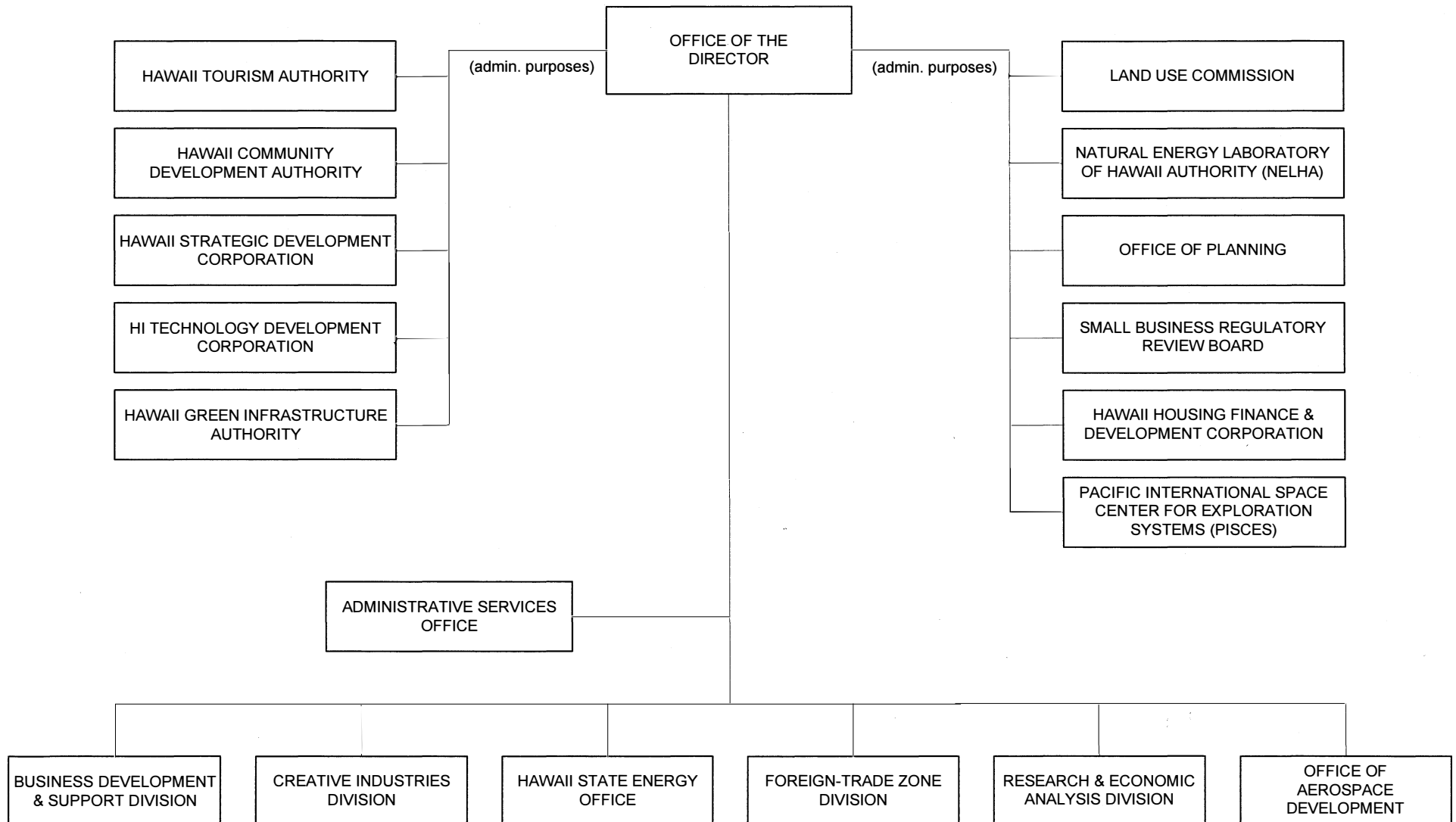




**Department of Business, Economic
Development and Tourism**

**STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
ORGANIZATION CHART**



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

Department Summary

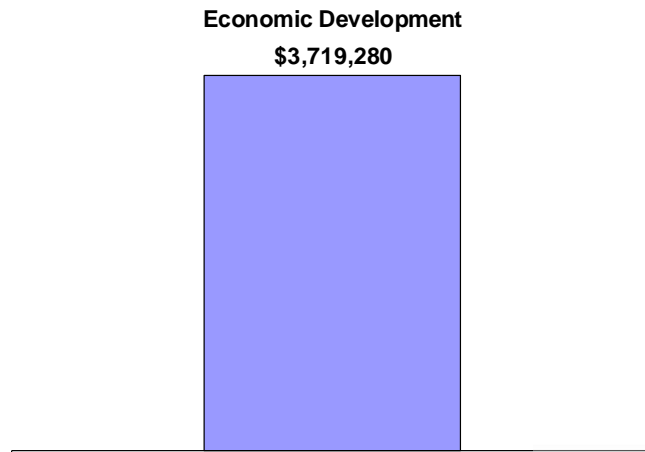
Mission Statement

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

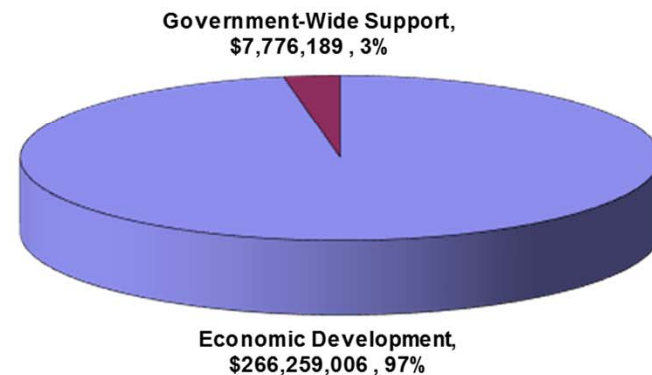
Department Goals

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

FY 2019 Supplemental Operating Budget Adjustments by Major Program



FY 2019 Supplemental Operating Budget



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

MAJOR FUNCTIONS

- Meeting the Demand for Housing – Support the creation of low- and moderate- income homes for Hawaii’s residents through financing of private sector developments with long-term affordability.
- Planning Dynamic Communities – Plan and develop live-work-play communities to attract and retain a workforce with the skills required for an innovation-driven and globally-competitive economy.
- Hawaii Clean Energy Initiative – 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.
- Sustaining the Visitor Industry – Develop and implement Hawaii’s tourism strategic and marketing plan; managing programs and activities to sustain a healthy visitor industry through alignment of global marketing programs with Hawaii’s distinctive products, natural resources, the Hawaiian host culture and multi-cultures.
- Providing Economic Data and Research – Enhance economic development in Hawaii by providing government agencies and the business community with data, analysis, and policy recommendations accessible online.
- Global Links – Increase the flow of people, products, services and ideas between Hawaii and its export markets.
- Creation of an Innovation Infrastructure – Create the infrastructure that enables Hawaii’s creative and entrepreneurial talent to turn ideas into products and services.
- Improving Hawaii’s Business Environment – Lead public sector efforts to bring about a business environment that is market-driven, and rewards productivity and entrepreneurship.

MAJOR PROGRAM AREAS

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

Economic Development

BED 100	Strategic Marketing & Support
BED 105	Creative Industries Division
BED 107	Foreign Trade Zone
BED 113	Tourism
BED 120	Hawaii State Energy Office
BED 128	Office of Aerospace
BED 138	Hawaii Green Infrastructure Authority
BED 142	General Support for Economic Development
BED 143	HI Technology Development Corporation

BED 145	Hawaii Strategic Development Corporation
BED 146	Natural Energy Laboratory of Hawaii Authority
BED 150	Hawaii Community Development Authority
BED 160	Hawaii Housing Finance and Development Corporation

Government-Wide Support

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

Department of Business, Economic Development and Tourism
Operating Budget

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	101.50	82.50	-	19.00	101.50	101.50
		Temp	8.71	8.71	-	(0.96)	8.71	7.75
General Funds		\$	15,801,673	10,258,761	-	4,566,362	15,801,673	14,825,123
		Perm	28.50	28.50	-	(2.00)	28.50	26.50
		Temp	88.25	88.25	-	2.00	88.25	90.25
Special Funds		\$	226,998,418	227,038,418	-	-	226,998,418	227,038,418
		Perm	5.00	5.00	-	-	5.00	5.00
		Temp	6.00	6.00	-	1.00	6.00	7.00
Federal Funds		\$	5,485,688	5,485,688	-	-	5,485,688	5,485,688
		Perm	-	-	-	-	-	-
		Temp	9.00	9.00	-	-	9.00	9.00
Other Federal Funds		\$	4,864,713	3,964,713	-	700,000	4,864,713	4,664,713
		Perm	33.00	52.00	-	(19.00)	33.00	33.00
		Temp	46.00	46.00	-	-	46.00	46.00
Revolving Funds		\$	22,164,335	23,568,335	-	(1,547,082)	22,164,335	22,021,253
		Perm	168.00	168.00	-	(2.00)	168.00	166.00
		Temp	157.96	157.96	-	2.04	157.96	160.00
Total Requirements		\$	275,314,827	270,315,915	-	3,719,280	275,314,827	274,035,195

Highlights: (general funds and FY 19 unless otherwise noted)

1. Adds 19.00 permanent positions and \$1,516,362, and reduces 19.00 permanent revolving funded positions and \$1,547,082 revolving funds, to convert Hawaii Community Development Authority positions from revolving to general funds.
2. Adds \$500,000 for the Aquaculture Accelerator /Incubator Initiative for the Natural Energy Laboratory of Hawaii Authority.
3. Adds \$500,000 for the Hawaii Small Business Innovation Research Program.
4. Adds \$750,000 for the Excelerator Program.
5. Adds \$500,000 for Manufacturing Assistance Program grants.

Department of Business, Economic Development and Tourism
Capital Improvements Budget

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	58,700,000	-	-	93,750,000	58,700,000	93,750,000
Total Requirements	58,700,000	-	-	93,750,000	58,700,000	93,750,000

Highlights: (general obligation bonds and FY 19 unless otherwise noted)

1. Adds \$10,000,000 for the Hawaii Resilience and Sustainability Strategy Update, Statewide.
2. Adds \$2,000,000 for Kakaako Makai Park Improvements, Oahu.
3. Adds \$5,500,000 for Waiahole Water System Improvements, Oahu.
4. Adds \$50,000,000 for a Cash Infusion for the Rental Housing Revolving Fund, Statewide.
5. Adds \$25,000,000 for a Cash Infusion for the Dwelling Unit Revolving Fund, Statewide.



Operating Budget Details

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-
01
ECONOMIC DEVELOPMENT

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	129.00*	*	129.00*	129.00*	-2.00*	127.00*	*	*	
	149.00**	**	149.00**	149.00**	3.00**	152.00**	**	**	
PERSONAL SERVICES	27,796,716		27,796,716	28,454,716	-30,720	28,423,996	56,251,432	56,220,712	
OTH CURRENT EXPENSES	239,823,510		239,823,510	234,085,010	3,750,000	237,835,010	473,908,520	477,658,520	
TOTAL OPERATING COST	267,620,226		267,620,226	262,539,726	3,719,280	266,259,006	530,159,952	533,879,232	0.70
BY MEANS OF FINANCING									
	67.50*	*	67.50*	48.50*	19.00*	67.50*	*	*	
	5.75**	**	5.75**	5.75**	**	5.75**	**	**	
GENERAL FUND	12,492,760		12,492,760	6,868,260	4,566,362	11,434,622	19,361,020	23,927,382	
	28.50*	*	28.50*	28.50*	-2.00*	26.50*	*	*	
	88.25**	**	88.25**	88.25**	2.00**	90.25**	**	**	
SPECIAL FUND	226,998,418		226,998,418	227,038,418		227,038,418	454,036,836	454,036,836	
	*	*	*	*	*	*	*	*	
	**	**	**	**	1.00**	1.00**	**	**	
FEDERAL FUNDS	3,100,000		3,100,000	3,100,000		3,100,000	6,200,000	6,200,000	
	*	*	*	*	*	*	*	*	
	9.00**	**	9.00**	9.00**	**	9.00**	**	**	
OTHER FEDERAL FUNDS	4,864,713		4,864,713	3,964,713	700,000	4,664,713	8,829,426	9,529,426	
	33.00*	*	33.00*	52.00*	-19.00*	33.00*	*	*	
	46.00**	**	46.00**	46.00**	**	46.00**	**	**	
REVOLVING FUND	20,164,335		20,164,335	21,568,335	-1,547,082	20,021,253	41,732,670	40,185,588	
CAPITAL INVESTMENT									
PLANS					504,000	504,000		504,000	
LAND ACQUISITION					1,000	1,000		1,000	
DESIGN	500,000		500,000		1,149,000	1,149,000	500,000	1,649,000	
CONSTRUCTION	56,700,000		56,700,000		92,095,000	92,095,000	56,700,000	148,795,000	
EQUIPMENT					1,000	1,000		1,000	
TOTAL CAPITAL COST	57,200,000		57,200,000		93,750,000	93,750,000	57,200,000	150,950,000	163.90

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

**BED-
01
ECONOMIC DEVELOPMENT**

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

REPORT: S61-A

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
BY MEANS OF FINANCING G.O. BONDS	57,200,000		57,200,000		93,750,000	93,750,000	57,200,000	150,950,000	
TOTAL PERM POSITIONS	129.00*	*	129.00*	129.00*	-2.00*	127.00*	*		*
TOTAL TEMP POSITIONS	149.00**	**	149.00**	149.00**	3.00**	152.00**	**		**
TOTAL PROGRAM COST	324,820,226		324,820,226	262,539,726	97,469,280	360,009,006	587,359,952	684,829,232	16.59

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-
0101
BUSINESS DEVELOPMENT

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

REPORT: S61-A

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	64.00*	*	64.00*	64.00*	*	64.00*	*	*	
	1.00**	**	1.00**	1.00**	**	1.00**	**	**	
PERSONAL SERVICES	4,945,803		4,945,803	4,959,803		4,959,803	9,905,606	9,905,606	
OTH CURRENT EXPENSES	5,754,230		5,754,230	4,111,730	1,000,000	5,111,730	9,865,960	10,865,960	
TOTAL OPERATING COST	10,700,033		10,700,033	9,071,533	1,000,000	10,071,533	19,771,566	20,771,566	5.06
BY MEANS OF FINANCING									
	47.00*	*	47.00*	47.00*	*	47.00*	*	*	
	1.00**	**	1.00**	1.00**	**	1.00**	**	**	
GENERAL FUND	5,669,562		5,669,562	4,941,062	300,000	5,241,062	10,610,624	10,910,624	
	17.00*	*	17.00*	17.00*	*	17.00*	*	*	
	**	**	**	**	**	**	**	**	
SPECIAL FUND	2,308,556		2,308,556	2,308,556		2,308,556	4,617,112	4,617,112	
	*	*	*	*	*	*	*	*	
	**	**	**	**	**	**	**	**	
OTHER FEDERAL FUNDS	900,000		900,000		700,000	700,000	900,000	1,600,000	
	*	*	*	*	*	*	*	*	
	**	**	**	**	**	**	**	**	
REVOLVING FUND	1,821,915		1,821,915	1,821,915		1,821,915	3,643,830	3,643,830	
CAPITAL INVESTMENT									
PLANS					1,000	1,000		1,000	
LAND ACQUISITION					1,000	1,000		1,000	
DESIGN					1,000	1,000		1,000	
CONSTRUCTION					9,996,000	9,996,000		9,996,000	
EQUIPMENT					1,000	1,000		1,000	
TOTAL CAPITAL COST					10,000,000	10,000,000		10,000,000	0.00
BY MEANS OF FINANCING									
G.O. BONDS					10,000,000	10,000,000		10,000,000	
TOTAL PERM POSITIONS	64.00*	*	64.00*	64.00*	*	64.00*	*	*	
TOTAL TEMP POSITIONS	1.00**	**	1.00**	1.00**	**	1.00**	**	**	
TOTAL PROGRAM COST	10,700,033		10,700,033	9,071,533	11,000,000	20,071,533	19,771,566	30,771,566	55.64

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-100
010101
STRATEGIC MARKETING AND SUPPORT

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	10.00*	*	10.00*	10.00*	*	10.00*	*	*	
	**	**	**	**	**	**	**	**	**
PERSONAL SERVICES	793,071		793,071	793,071		793,071	1,586,142	1,586,142	
OTH CURRENT EXPENSES	3,146,810		3,146,810	2,419,310	950,000	3,369,310	5,566,120	6,516,120	
TOTAL OPERATING COST	3,939,881		3,939,881	3,212,381	950,000	4,162,381	7,152,262	8,102,262	13.28
BY MEANS OF FINANCING	10.00*	*	10.00*	10.00*	*	10.00*	*	*	
	**	**	**	**	**	**	**	**	**
GENERAL FUND	1,417,966		1,417,966	1,390,466	250,000	1,640,466	2,808,432	3,058,432	
	*	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**	**
OTHER FEDERAL FUNDS	700,000		700,000		700,000	700,000	700,000	1,400,000	
	*	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**	**
REVOLVING FUND	1,821,915		1,821,915	1,821,915		1,821,915	3,643,830	3,643,830	
TOTAL PERM POSITIONS	10.00*	*	10.00*	10.00*	*	10.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	3,939,881		3,939,881	3,212,381	950,000	4,162,381	7,152,262	8,102,262	13.28

Narrative for Supplemental Budget Requests

FY 2019

Program ID: BED 100

Program Structure Level: 01 01 01

Program Title: STRATEGIC MARKETING AND SUPPORT

A. Program Objective

To promote industry development and economic diversification by supporting existing and emerging industries through the attraction of new investment; increase in exports of Hawaii products and services; expansion of Hawaii's participation in global trade and commerce; and by supporting small business and community based organizations.

B. Description of Request

1. \$50,000 for the International Student Attraction Initiative.
2. \$50,000 for the 25th Anniversary of the Hawaii-Taiwan Sister-State Mission and Networking Event.
3. \$150,000 for the 150th Anniversary of Japanese Immigration to Hawaii.
4. \$700,000 for STEP Federal Grant Ceiling Increase.

C. Reasons for Request

1. \$50,000 for the International Student Attraction Initiative
Overseas Study, especially in the Asia-Pacific Region, is strong and growing. Although international students studying in Hawaii make a significant contribution to our economy, the numbers have declined over the past year. In the 2016-2017 school year, this industry had a \$484 million total impact to Hawaii's economy, generating \$32 million in State taxes and supporting 5,093 jobs. While the rest of the Pacific area is experiencing strong growth in attracting overseas students, Hawaii is lagging. In a recent Department of Business, Economic Development and Tourism study in 2016, 31 institutions reported nearly 12,200 foreign students in Hawaii, and in 2017, 27 institutions accounted for 10,800 students. The market, which includes Chinese students who want to study in the U.S., along with Japan and Korea, will be the focus of our promotional, marketing and recruitment strategy. Hawaii's number one market is Japan students, although it has declined by over 25% in the past year. Recruitment, marketing and promotion would be conducted with the Study Hawaii Consortium, a non-profit organization of 30 Hawaii public and private schools (high schools and colleges), that are dedicated to increasing their enrollment of international students. Budget is as follows: support various missions from Japan, Korea and China - missions and education trade shows in Japan, Korea and China (\$20,000); updates of collateral material in English, Korean, Chinese and Japanese (\$10,000);

Student Ambassador Program - to make students that have studied in Hawaii marketers for Hawaii when they return home (\$5,000); and translation of web-sites into Chinese (traditional and simplified versions), Korean and Japanese (\$15,000).

2. \$50,000 for the 25th Anniversary of the Hawaii-Taiwan Sister-State.

Taiwan is one of Hawaii's most active sister states. A de facto Consulate Office, the Taiwan Economic and Cultural Office, resides in Hawaii. Taiwan also subsidizes rent for Hawaii's Office in Taipei. Taiwan is a major market for Hawaii's export of goods and services and attraction of international students to Hawaii. A mission to Taiwan is planned to increase exports to and investments from Taiwan, and to commemorate the 25th anniversary of the sister state. This mission would take place during the week of U.S. Business Day in Taiwan to take advantage of additional contacts and services that Taiwan could provide to enhance trade and investment. The budget for this mission is \$25,000. A 25th Anniversary Business and Trade Networking Event will also be planned to take place in Hawaii to commemorate the 25th Anniversary of Hawaii-Taiwan Sister-State, in conjunction with a trade mission of Taiwanese investors to Hawaii. This business networking event is budgeted at \$25,000.

3. \$150,000 for the 150th Anniversary of Japanese Immigration to Hawaii. A major community event for the State to participate in will be planned, which also promotes our investment and trade relations with Japan and enhances our Japan sister-state relations. A food and products festival at the Hawaii Convention Center or Blaisdell Center, bringing together Japanese food and products purveyors, coupled with Japanese cultural demonstrations, will be produced. This fair will highlight all the contributions - cultural, business, and historical that were made by the Japanese - and which continues to be made in Hawaii society.

4. \$700,000 for State Trade and Export Promotion (STEP) Federal Grant Ceiling Increase. The Strategic Marketing and Support Division (SMSD) will apply for a \$700,000 grant (other federal funds) with the U.S. Small Business Administration.

D. Significant Changes to Measures of Effectiveness and Program Size

1. External trends have increased the demand for SMSD's programs to assist Hawaii businesses to expand, open new markets and take advantage of investment and business development opportunities. This is especially true for China and Japan.

2. A previous U.S. Small Business Administration grant has enabled the division

Narrative for Supplemental Budget Requests

FY 2019

Program ID: BED 100

Program Structure Level: 01 01 01

Program Title: STRATEGIC MARKETING AND SUPPORT

to increase its export promotion efforts.

3. The effectiveness of major strategies previously summarized are measured through: 1) number of jobs generated; 2) number of trade and investment leads serviced; 3) number of firms involved in exporting; and 4) dollar increase in exports of products and services. SMSD works towards long-term relationship building and working in concert with specific industries and organizations towards common goals as evidence of successful programming. External factors interrelate so closely with most program activities that accurate independent analysis is usually not possible. Area strategic studies have produced community-approved goals, objectives and projects but do not normally include effectiveness components.

4. No significant change in program size is anticipated.

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-105
010102
CREATIVE INDUSTRIES DIVISION

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	11.00*	*	11.00*	11.00*	*	11.00*	*	*	
	**	**	**	**	**	**	**	**	**
PERSONAL SERVICES	803,076		803,076	803,076		803,076	1,606,152	1,606,152	
OTH CURRENT EXPENSES	1,204,298		1,204,298	554,298	50,000	604,298	1,758,596	1,808,596	
TOTAL OPERATING COST	2,007,374		2,007,374	1,357,374	50,000	1,407,374	3,364,748	3,414,748	1.49
BY MEANS OF FINANCING	11.00*	*	11.00*	11.00*	*	11.00*	*	*	
	**	**	**	**	**	**	**	**	**
GENERAL FUND	1,777,374		1,777,374	1,327,374	50,000	1,377,374	3,104,748	3,154,748	
	*	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	30,000		30,000	30,000		30,000	60,000	60,000	
	*	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**	**
OTHER FEDERAL FUNDS	200,000		200,000				200,000	200,000	
TOTAL PERM POSITIONS	11.00*	*	11.00*	11.00*	*	11.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	2,007,374		2,007,374	1,357,374	50,000	1,407,374	3,364,748	3,414,748	1.49

Narrative for Supplemental Budget Requests

FY 2019

Program ID: BED 105

Program Structure Level: 01 01 02

Program Title: CREATIVE INDUSTRIES DIVISION

A. Program Objective

The Creative Industries Division (CID) is the State's lead agency that advocates and expands business opportunities for those sectors which comprise Hawaii's creative economy. Consisting of over 49,000 entrepreneurs and businesses contributing over \$3 billion to the State's Gross Domestic Product, Hawaii's creative sectors are also intrinsic to the tourism industry and development of a thriving innovation based economy. CID's strategic focus is in the areas of talent and infrastructure development supporting film production, creative and cultural industry development to create a continuum of job opportunities from K-20 to workforce. CID's Hawaii Film Office supports all statutory aspects of film permitting, tax credit, studio management and production attraction and servicing, while the Arts and Culture Development Branch develops initiatives such as Creative Lab Hawaii, which is building a thriving creative entrepreneurial ecosystem, while maintaining and expanding Hawaii's role as a top destination for film, television and creative media production.

B. Description of Request

Funding request of \$50,000 for a contract for accounting services to support the Film Tax Credit.

C. Reasons for Request

The 2016 Office of the Auditor report called for strengthening and enhancing the internal controls, as well as expanding the types of information captured for the Film Tax Credit. This request is for funding of a contract for film production accounting and tax credit coordination services necessary to comply and improve data gathering and reporting.

D. Significant Changes to Measures of Effectiveness and Program Size

CID will be able to enhance its film tax credit validation and reporting processes.

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-107
010103
FOREIGN TRADE ZONE

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	17.00*	*	17.00*	17.00*	*	17.00*	*	*	
	**	**	**	**	**	**	**	**	**
PERSONAL SERVICES	1,277,104		1,277,104	1,277,104		1,277,104	2,554,208	2,554,208	
OTH CURRENT EXPENSES	1,001,452		1,001,452	1,001,452		1,001,452	2,002,904	2,002,904	
TOTAL OPERATING COST	2,278,556		2,278,556	2,278,556		2,278,556	4,557,112	4,557,112	0.00
BY MEANS OF FINANCING	17.00*	*	17.00*	17.00*	*	17.00*	*	*	
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	2,278,556		2,278,556	2,278,556		2,278,556	4,557,112	4,557,112	
TOTAL PERM POSITIONS	17.00*	*	17.00*	17.00*	*	17.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	2,278,556		2,278,556	2,278,556		2,278,556	4,557,112	4,557,112	0.00

EXECUTIVE SUPPLEMENTAL BUDGET

REPORT: S61-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-142
010104
GENERAL SUPPORT FOR ECONOMIC DEVELOPMENT

(IN DOLLARS)

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	26.00*	*	26.00*	26.00*	*	26.00*	*	*	
	1.00**	**	1.00**	1.00**	**	1.00**	**	**	
PERSONAL SERVICES	2,072,552		2,072,552	2,086,552		2,086,552	4,159,104	4,159,104	
OTH CURRENT EXPENSES	401,670		401,670	136,670		136,670	538,340	538,340	
TOTAL OPERATING COST	2,474,222		2,474,222	2,223,222		2,223,222	4,697,444	4,697,444	0.00
BY MEANS OF FINANCING	26.00*	*	26.00*	26.00*	*	26.00*	*	*	
	1.00**	**	1.00**	1.00**	**	1.00**	**	**	
GENERAL FUND	2,474,222		2,474,222	2,223,222		2,223,222	4,697,444	4,697,444	
CAPITAL INVESTMENT									
PLANS					1,000	1,000		1,000	
LAND ACQUISITION					1,000	1,000		1,000	
DESIGN					1,000	1,000		1,000	
CONSTRUCTION					9,996,000	9,996,000		9,996,000	
EQUIPMENT					1,000	1,000		1,000	
TOTAL CAPITAL COST					10,000,000	10,000,000		10,000,000	0.00
BY MEANS OF FINANCING									
G.O. BONDS					10,000,000	10,000,000		10,000,000	
TOTAL PERM POSITIONS	26.00*	*	26.00*	26.00*	*	26.00*	*	*	
TOTAL TEMP POSITIONS	1.00**	**	1.00**	1.00**	**	1.00**	**	**	
TOTAL PROGRAM COST	2,474,222		2,474,222	2,223,222	10,000,000	12,223,222	4,697,444	14,697,444	212.88

Narrative for Supplemental Budget Requests

FY 2019

Program ID: BED 142

Program Structure Level: 01 01 04

Program Title: GENERAL SUPPORT FOR ECONOMIC DEVELOPMENT

A. Program Objective

To enhance program effectiveness and efficiency of economic development programs by formulating policies and plans, directing operations, allocating resources, providing staff support and other administrative services, and coordinating with and informing the public about programs, services, projects, and activities.

The Small Business Regulatory Review Board was established in 1998 to provide commentary on the impact of proposed department rules and make recommendations on rule changes.

The Broadband Initiative was established to implement a private-public carrier-neutral, open-access Trans-pacific fiber optic cable landing station.

B. Description of Request

Request \$10 million in General Obligation (G.O.) Bonds for the Hawaii Resilience and Sustainability Strategy Broadband Project.

C. Reasons for Request

Act 143, SLH 2015, authorized \$25.0 million in G.O. Reimbursable (G.O.R.) Bonds for FY 16 (lapse date of June 30, 2018). A competitive procurement was conducted in January to May 2017 to solicit proposals from vendors to plan, design, construct, market and operate a secure, carrier-neutral, open-access Transpacific fiber optic cable landing station. Following review of proposals and discussions with offerors and the Department of Budget and Finance, the Department of Business, Economic Development and Tourism was forced to cancel the solicitation because all otherwise acceptable proposals were unable to meet the standard repayment schedule for reimbursable general obligation bonds. This request will lapse the \$25.0 million in G.O.R. Bonds and provide \$10.0 million in G.O. Bonds for the Hawaii Resilience and Sustainability Strategy Broadband Project.

D. Significant Changes to Measures of Effectiveness and Program Size

While there is no significant change to measures of effectiveness and program size, the above initiative will provide the State with an opportunity to develop with private partners a carrier-neutral, secure, open-access Transpacific fiber optic cable landing station.

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-113
0102
TOURISM

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

REPORT: S61-A

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	5.00*	*	5.00*	5.00*	-2.00*	3.00*	*	*	
	27.00**	**	27.00**	27.00**	2.00**	29.00**	**	**	
PERSONAL SERVICES	3,835,979		3,835,979	3,835,979		3,835,979	7,671,958	7,671,958	
OTH CURRENT EXPENSES	137,533,316		137,533,316	137,533,316		137,533,316	275,066,632	275,066,632	
TOTAL OPERATING COST	141,369,295		141,369,295	141,369,295		141,369,295	282,738,590	282,738,590	0.00
BY MEANS OF FINANCING	5.00*	*	5.00*	5.00*	-2.00*	3.00*	*	*	
	27.00**	**	27.00**	27.00**	2.00**	29.00**	**	**	
SPECIAL FUND	141,369,295		141,369,295	141,369,295		141,369,295	282,738,590	282,738,590	
TOTAL PERM POSITIONS	5.00*	*	5.00*	5.00*	-2.00*	3.00*	*	*	
TOTAL TEMP POSITIONS	27.00**	**	27.00**	27.00**	2.00**	29.00**	**	**	
TOTAL PROGRAM COST	141,369,295		141,369,295	141,369,295		141,369,295	282,738,590	282,738,590	0.00

Narrative for Supplemental Budget Requests

FY 2019

Program ID: BED 113

Program Structure Level: 01 02

Program Title: TOURISM

A. Program Objective

To maintain and improve transportation access and services to facilitate travel to, from and within Hawaii. To facilitate interaction among all stakeholders that improves the lines of communications and enhances greater understanding of roles, values and concerns. To honor and perpetuate the Hawaiian culture and community. To develop marketing programs that contribute to sustainable economic growth. To respect, enhance and perpetuate Hawaii's natural resources to ensure a high level of satisfaction for residents and visitors. To perform collaborative research and planning for use in the development of programs, policies and plans that will positively contribute to the State's economy, benefit the community and sustain Hawaii's resources. To achieve a safe Hawaii visitor experience. To provide a diverse and quality tourism product unique to Hawaii that enhances the Hawaii visitor experience and enriches residents' quality of life.

B. Description of Request

Request conversion of two positions from permanent to temporary (Position Numbers 111599 and 111614).

C. Reasons for Request

Convert two positions - Hawaii Tourism Authority (HTA) Director of Tourism Research (Position No. 111599) and HTA Tourism Research Manager (Position No. 111614) from permanent to temporary.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-
0105
TECHNOLOGY

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

REPORT: S61-A

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	8.00*	*	8.00*	8.00*	*	8.00*	*	*	
	76.00**	**	76.00**	76.00**	1.00**	77.00**	**	**	
PERSONAL SERVICES	9,153,979		9,153,979	9,193,979		9,193,979	18,347,958	18,347,958	
OTH CURRENT EXPENSES	85,038,041		85,038,041	82,038,041	2,750,000	84,788,041	167,076,082	169,826,082	
TOTAL OPERATING COST	94,192,020		94,192,020	91,232,020	2,750,000	93,982,020	185,424,040	188,174,040	1.48
BY MEANS OF FINANCING									
	1.50*	*	1.50*	1.50*	*	1.50*	*	*	
	3.75**	**	3.75**	3.75**	**	3.75**	**	**	
GENERAL FUND	4,085,439		4,085,439	1,085,439	2,750,000	3,835,439	5,170,878	7,920,878	
	6.50*	*	6.50*	6.50*	*	6.50*	*	*	
	61.25**	**	61.25**	61.25**	**	61.25**	**	**	
SPECIAL FUND	83,320,567		83,320,567	83,360,567		83,360,567	166,681,134	166,681,134	
	*	*	*	*	*	*	*	*	
	**	**	**	**	1.00**	1.00**	**	**	
FEDERAL FUNDS									
	*	*	*	*	*	*	*	*	
	9.00**	**	9.00**	9.00**	**	9.00**	**	**	
OTHER FEDERAL FUNDS	964,713		964,713	964,713		964,713	1,929,426	1,929,426	
	*	*	*	*	*	*	*	*	
	2.00**	**	2.00**	2.00**	**	2.00**	**	**	
REVOLVING FUND	5,821,301		5,821,301	5,821,301		5,821,301	11,642,602	11,642,602	
CAPITAL INVESTMENT									
PLANS					2,000	2,000		2,000	
DESIGN					748,000	748,000		748,000	
TOTAL CAPITAL COST					750,000	750,000		750,000	0.00
BY MEANS OF FINANCING									
G.O. BONDS					750,000	750,000		750,000	
TOTAL PERM POSITIONS	8.00*	*	8.00*	8.00*	*	8.00*	*	*	
TOTAL TEMP POSITIONS	76.00**	**	76.00**	76.00**	1.00**	77.00**	**	**	
TOTAL PROGRAM COST	94,192,020		94,192,020	91,232,020	3,500,000	94,732,020	185,424,040	188,924,040	1.89

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-120
010501
HAWAII STATE ENERGY OFFICE

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

REPORT: S61-A

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	5.00*	*	5.00*	5.00*	*	5.00*	*	*	
	28.00**	**	28.00**	28.00**	1.00**	29.00**	**	**	
PERSONAL SERVICES	4,057,421		4,057,421	4,057,421		4,057,421	8,114,842	8,114,842	
OTH CURRENT EXPENSES	63,981,826		63,981,826	63,981,826	-49,500,000	14,481,826	127,963,652	78,463,652	
TOTAL OPERATING COST	68,039,247		68,039,247	68,039,247	-49,500,000	18,539,247	136,078,494	86,578,494	-36.38
BY MEANS OF FINANCING									
	*	*	*	*	*	*	*	*	
	**	**	**	**	**	**	**	**	
GENERAL FUND					500,000	500,000		500,000	
	5.00*	*	5.00*	5.00*	*	5.00*	*	*	
	28.00**	**	28.00**	28.00**	**	28.00**	**	**	
SPECIAL FUND	68,039,247		68,039,247	68,039,247	-50,000,000	18,039,247	136,078,494	86,078,494	
	*	*	*	*	*	*	*	*	
	**	**	**	**	1.00**	1.00**	**	**	
FEDERAL FUNDS									
TOTAL PERM POSITIONS	5.00*	*	5.00*	5.00*	*	5.00*	*	*	
TOTAL TEMP POSITIONS	28.00**	**	28.00**	28.00**	1.00**	29.00**	**	**	
TOTAL PROGRAM COST	68,039,247		68,039,247	68,039,247	-49,500,000	18,539,247	136,078,494	86,578,494	-36.38

Narrative for Supplemental Budget Requests

FY 2019

Program ID: BED 120

Program Structure Level: 01 05 01

Program Title: HAWAII STATE ENERGY OFFICE

A. Program Objective

To achieve the growth, diversification and long-term stability of the State's economy by facilitating the sustained development of Hawaii's clean energy resources.

B. Description of Request

1. \$500,000 in general funds for analyses in support of updating the State Energy Plan.
2. Authorize 1.00 temporary federal-funded Energy Analyst position - conversion of unbudgeted position.
3. Transfer \$50,000,000 in special funds to the Hawaii Green Infrastructure Authority (HGIA) for Green Energy Market Securitization (GEMS) loan activity.

C. Reasons for Request

1. The Governor has requested that the Department of Business, Economic Development and Tourism update the State Energy Plan. To comply with the Governor's request, funds are essential to conduct analyses from which we can develop further policies required to meet our clean energy goals for 2030 and 2045. Various technical expertise covering electricity grid advancement, electrification of transportation, and renewable energy development are needed. We do not have the in-house resources, staffing, and expertise.
2. For transparency, one unbudgeted position is being identified for incorporation into the budget. The position is 100% federally funded.
3. The HGIA was established in 2014 to administer the Hawaii Green Infrastructure Loan Program. The special fund ceiling should be transferred to the HGIA (BED 138/GI).

D. Significant Changes to Measures of Effectiveness and Program Size

None.

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

REPORT: S61-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

**BED-143
010502
HIGH TECHNOLOGY DEVELOPMENT CORPORATION**

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	3.00*	*	3.00*	3.00*	*	3.00*	*	*	
	19.00**	**	19.00**	19.00**	**	19.00**	**	**	
PERSONAL SERVICES	2,121,768		2,121,768	2,161,768		2,161,768	4,283,536	4,283,536	
OTH CURRENT EXPENSES	8,286,729		8,286,729	5,286,729	1,750,000	7,036,729	13,573,458	15,323,458	
TOTAL OPERATING COST	10,408,497		10,408,497	7,448,497	1,750,000	9,198,497	17,856,994	19,606,994	9.80
BY MEANS OF FINANCING									
	1.50*	*	1.50*	1.50*	*	1.50*	*	*	
	3.75**	**	3.75**	3.75**	**	3.75**	**	**	
GENERAL FUND	4,085,439		4,085,439	1,085,439	1,750,000	2,835,439	5,170,878	6,920,878	
	1.50*	*	1.50*	1.50*	*	1.50*	*	*	
	6.25**	**	6.25**	6.25**	**	6.25**	**	**	
SPECIAL FUND	3,858,345		3,858,345	3,898,345		3,898,345	7,756,690	7,756,690	
	*	*	*	*	*	*	*	*	
	9.00**	**	9.00**	9.00**	**	9.00**	**	**	
OTHER FEDERAL FUNDS	964,713		964,713	964,713		964,713	1,929,426	1,929,426	
	*	*	*	*	*	*	*	*	
	**	**	**	**	**	**	**	**	
REVOLVING FUND	1,500,000		1,500,000	1,500,000		1,500,000	3,000,000	3,000,000	
TOTAL PERM POSITIONS	3.00*	*	3.00*	3.00*	*	3.00*	*	*	
TOTAL TEMP POSITIONS	19.00**	**	19.00**	19.00**	**	19.00**	**	**	
TOTAL PROGRAM COST	10,408,497		10,408,497	7,448,497	1,750,000	9,198,497	17,856,994	19,606,994	9.80

Narrative for Supplemental Budget Requests

FY 2019

Program ID: BED 143

Program Structure Level: 01 05 02

Program Title: HIGH TECHNOLOGY DEVELOPMENT CORPORATION

A. Program Objective

To develop and promote Hawaii's science and technology assets and resources to benefit the commercial sector; implement programs to support the attraction, expansion, and retention of tech companies; support firms engaged in technology research and investment, and projects that support national and State interests; utilize facilities and infrastructure in Hawaii to foster commercial tech development; and promote and provide support for businesses involved in technology areas, including, but not limited to: information and telecommunication, biotech, medical healthcare, agtech, renewable energy and clean tech earth/ocean/space science technologies and manufacturing.

B. Description of Request

1. \$500,000 to continue funding Phases II & III of the Hawaii Small Business Innovation Research (HSBIR) grant program.
2. \$500,000 to continue funding Manufacturing Development Program grant awards.
3. \$750,000 to continue funding the Excelsior Program.

C. Reasons for Request

1. Provide funding for the HSBIR Phase II & III grant program.
2. Adjust funding amount so that High Technology Development Corporation can award more of the qualified applicants.
3. Request a second year of funding and adjust funding amount to support current, as well as new startup accelerators.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-145
010503
HAWAII STRATEGIC DEVELOPMENT CORPORATION

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	*	*	*	*	*	*	*	*	*
	2.00**	**	2.00**	2.00**	**	2.00**	**	**	**
PERSONAL SERVICES	286,895		286,895	286,895		286,895	573,790	573,790	
OTH CURRENT EXPENSES	6,642,922		6,642,922	6,642,922		6,642,922	13,285,844	13,285,844	
TOTAL OPERATING COST	6,929,817		6,929,817	6,929,817		6,929,817	13,859,634	13,859,634	0.00
BY MEANS OF FINANCING									
	*	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	2,608,516		2,608,516	2,608,516		2,608,516	5,217,032	5,217,032	
	*	*	*	*	*	*	*	*	*
	2.00**	**	2.00**	2.00**	**	2.00**	**	**	**
REVOLVING FUND	4,321,301		4,321,301	4,321,301		4,321,301	8,642,602	8,642,602	
TOTAL PERM POSITIONS	*	*	*	*	*	*	*	*	*
TOTAL TEMP POSITIONS	2.00**	**	2.00**	2.00**	**	2.00**	**	**	**
TOTAL PROGRAM COST	6,929,817		6,929,817	6,929,817		6,929,817	13,859,634	13,859,634	0.00

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-146
010504
NATURAL ENERGY LAB OF HAWAII AUTHORITY

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	*	*	*	*	*	*	*	*	*
	22.00**	**	22.00**	22.00**	**	22.00**	**	**	**
PERSONAL SERVICES	2,008,887		2,008,887	2,008,887		2,008,887	4,017,774	4,017,774	
OTH CURRENT EXPENSES	5,805,572		5,805,572	5,805,572	500,000	6,305,572	11,611,144	12,111,144	
TOTAL OPERATING COST	7,814,459		7,814,459	7,814,459	500,000	8,314,459	15,628,918	16,128,918	3.20
BY MEANS OF FINANCING	*	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**	**
GENERAL FUND				500,000		500,000		500,000	
	*	*	*	*	*	*	*	*	*
	22.00**	**	22.00**	22.00**	**	22.00**	**	**	**
SPECIAL FUND	7,814,459		7,814,459	7,814,459		7,814,459	15,628,918	15,628,918	
CAPITAL INVESTMENT									
PLANS				2,000		2,000		2,000	
DESIGN				748,000		748,000		748,000	
TOTAL CAPITAL COST				750,000		750,000		750,000	0.00
BY MEANS OF FINANCING				750,000		750,000		750,000	
G.O. BONDS									
TOTAL PERM POSITIONS	*	*	*	*	*	*	*	*	*
TOTAL TEMP POSITIONS	22.00**	**	22.00**	22.00**	**	22.00**	**	**	**
TOTAL PROGRAM COST	7,814,459		7,814,459	7,814,459	1,250,000	9,064,459	15,628,918	16,878,918	8.00

Narrative for Supplemental Budget Requests

FY 2019

Program ID: BED 146

Program Structure Level: 01 05 04

Program Title: NATURAL ENERGY LAB OF HAWAII AUTHORITY

A. Program Objective

The mission of the Natural Energy Laboratory of Hawaii Authority (NELHA) is to participate in the development and diversification of the Hawaii economy by providing resources and facilities for energy and ocean related research, education, and commercial activities in an environmentally sound and culturally sensitive manner. This is achieved through marketing, managing and operating facilities that provide sites and resources to support the research, development and commercialization of innovative technologies utilizing the natural resources available at Keahole Point, such as cold deep seawater, warm surface seawater, and high solar energy. These technological advances have the potential to spin off new industry development, providing both local economic development as well as worldwide export potential.

B. Description of Request

1. \$500,000 in general funds for an Aquaculture Accelerator/Incubator Initiative.
2. \$500,000 in General Obligation (G.O.) Bonds for the removal of abandoned deep sea pipelines.
3. \$250,000 in G.O. Bonds for design and planning for the Kona Regional Seawater Air Conditioning (SWAC) District.

C. Reasons for Request

1. The Aquaculture Accelerator/Incubator Initiative supports the Governor's priorities regarding economic diversification and agriculture to double food production. Aquaculture is the world's fastest growing agriculture sector and produces more than 50% of global seafood supply. By 2020, the industry value is expected to reach \$200 billion - a 38% increase from today. As the world demands more and more seafood, the wild fisheries are no longer able to support that and any future growth of seafood is going to have to be industrial scale aquaculture. Accordingly, there is a clear global trend and demand for more innovative industrial scale aquaculture, particularly in open marine environments. The federal government has also recently stated the desire to open up the Pacific, for the first time, to offshore aquaculture. The Hawaii Center for Aquaculture Sustainability will provide proof-of-concept and commercialization services to start-ups in Hawaii's aquaculture cluster. This initiative is focused on attracting investor capital and a follow-on fund for aquaculture in Hawaii to develop technical and intellectual property that can benefit a global industry. The general approach is to create a facility and program at NELHA, using the existing world-class facilities, to attract entrepreneurs in start-ups to help them get into the market and find a

commercial space for their project.

2. The removal of abandoned deep sea pipelines is a health and safety issue. A former NELHA tenant closed their business due to bankruptcy in 1993. As a result of this closure, six deep, seawater pipelines which they installed, were abandoned in place on the ocean bottom offshore. It has been determined that these pipelines are of no useful future purpose to NELHA or anyone else. As such, these pipelines are considered a liability to the State of Hawaii. NELHA has incurred costs of approximately \$750,000 from its special fund in the past several years to deal with and recover sections of the pipelines that have come loose from the bottom and floated to the surface. Once on the surface, these pipelines pose a serious health and safety risk to boaters and the marine environment. These pipelines should be closely surveyed down to their 2,000 ft. deep intake depths to determine their present condition. Based on the results of the dive surveys, a plan and budget will be developed to remove the pipelines entirely from the ocean.

3. The design and planning for the SWAC district supports the Governor's priority regarding energy to ensure a 100% renewable energy future. A private firm in Honolulu is currently in the process of developing a \$280 million, 25,000 ton SWAC district cooling system for downtown Honolulu. NELHA's existing seawater system, in which a majority of the capital costs have already been incurred, has the same cooling capacity as the proposed Honolulu system. This initial design and planning study will allow NELHA to capitalize on existing investments. This is a proven technology and an attractive "green energy" investment which will help Hawaii achieve its goal of becoming 100% renewable by 2045. SWAC also has the important advantage of providing a solid uninterrupted constant supply of cool air (24/7) vis-à-vis using more intermittent renewable clean energy technologies such as wind and solar power. This project will determine the following: 1) the technical feasibility and constraints, including temperature management of the cooling water based on distance traveled, operational pressures, minimum flows and subsequent pumping station requirements, and disposal or reuse of the cooling water after it has served its initial cooling purpose; 2) the examination of existing and future demand for SWAC in Kona; 3) the creation of an economic model to determine feasibility and allow for decision making with respect to which areas can be included in the SWAC district; and 4) providing cost estimates for additional infrastructure.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-138
010505
HAWAII GREEN INFRASTRUCTURE AUTHORITY

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	*	*	*	*	*	*	*	*	*
	5.00**	**	5.00**	5.00**	**	5.00**	**	**	**
PERSONAL SERVICES	679,008		679,008	679,008		679,008	1,358,016	1,358,016	
OTH CURRENT EXPENSES	320,992		320,992	320,992	50,000,000	50,320,992	641,984	50,641,984	
TOTAL OPERATING COST	1,000,000		1,000,000	1,000,000	50,000,000	51,000,000	2,000,000	52,000,000	2,500.00
BY MEANS OF FINANCING	*	*	*	*	*	*	*	*	*
	5.00**	**	5.00**	5.00**	**	5.00**	**	**	**
SPECIAL FUND	1,000,000		1,000,000	1,000,000	50,000,000	51,000,000	2,000,000	52,000,000	
TOTAL PERM POSITIONS	*	*	*	*	*	*	*	*	*
TOTAL TEMP POSITIONS	5.00**	**	5.00**	5.00**	**	5.00**	**	**	**
TOTAL PROGRAM COST	1,000,000		1,000,000	1,000,000	50,000,000	51,000,000	2,000,000	52,000,000	2,500.00

Narrative for Supplemental Budget Requests

FY 2019

Program ID: BED 138

Program Structure Level: 01 05 05

Program Title: HAWAII GREEN INFRASTRUCTURE AUTHORITY

A. Program Objective

To make renewable energy investments accessible and affordable to Hawaii's consumers with a portion of its funds to benefit under-served communities, low- and moderate-income homeowners, renters, and non-profits. The Hawaii Green Infrastructure Authority (HGIA), through the Green Energy Market Securitization Program, was capitalized through an innovative market-driven financing mechanism to improve access to renewable energy infrastructure and, thus, advance the State's goal of achieving 100% renewable portfolio standard in the electricity sector by 2045.

B. Description of Request

Transfer in the \$50.0 million appropriation ceiling from BED 120 to BED 138 for the issuance of Green Infrastructure Loans. Without this authorization, HGIA will not be able to fund approved loans.

C. Reasons for Request

Special funds are available but require a transfer from BED 120 to BED 138 for an appropriation ceiling to allow the expenditure of Green Infrastructure Loans.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-
0107
SPECIAL COMMUNITY DEVELOPMENT

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	21.00*	*	21.00*	21.00*	*	21.00*	*	*	
	2.00**	**	2.00**	2.00**	**	2.00**	**	**	
PERSONAL SERVICES	1,569,358		1,569,358	2,173,358	-30,720	2,142,638	3,742,716	3,711,996	
OTH CURRENT EXPENSES	650,000		650,000	650,000		650,000	1,300,000	1,300,000	
TOTAL OPERATING COST	2,219,358		2,219,358	2,823,358	-30,720	2,792,638	5,042,716	5,011,996	-0.61
BY MEANS OF FINANCING									
	19.00*	*	19.00*	*	19.00*	19.00*	*	*	
	**	**	**	**	**	**	**	**	
GENERAL FUND	846,000		846,000		1,516,362	1,516,362	846,000	2,362,362	
	2.00*	*	2.00*	21.00*	-19.00*	2.00*	*	*	
	2.00**	**	2.00**	2.00**	**	2.00**	**	**	
REVOLVING FUND	1,373,358		1,373,358	2,823,358	-1,547,082	1,276,276	4,196,716	2,649,634	
CAPITAL INVESTMENT									
PLANS					501,000	501,000		501,000	
DESIGN	500,000		500,000		400,000	400,000	500,000	900,000	
CONSTRUCTION	2,500,000		2,500,000		1,599,000	1,599,000	2,500,000	4,099,000	
TOTAL CAPITAL COST	3,000,000		3,000,000		2,500,000	2,500,000	3,000,000	5,500,000	83.33
BY MEANS OF FINANCING									
G.O. BONDS	3,000,000		3,000,000		2,500,000	2,500,000	3,000,000	5,500,000	
TOTAL PERM POSITIONS	21.00*	*	21.00*	21.00*	*	21.00*	*	*	
TOTAL TEMP POSITIONS	2.00**	**	2.00**	2.00**	**	2.00**	**	**	
TOTAL PROGRAM COST	5,219,358		5,219,358	2,823,358	2,469,280	5,292,638	8,042,716	10,511,996	30.70

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-150
010701
HAWAII COMMUNITY DEVELOPMENT AUTHORITY

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	21.00*	*	21.00*	21.00*	*	21.00*	*	*	
	2.00**	**	2.00**	2.00**	**	2.00**	**	**	
PERSONAL SERVICES	1,569,358		1,569,358	2,173,358	-30,720	2,142,638	3,742,716	3,711,996	
OTH CURRENT EXPENSES	650,000		650,000	650,000		650,000	1,300,000	1,300,000	
TOTAL OPERATING COST	2,219,358		2,219,358	2,823,358	-30,720	2,792,638	5,042,716	5,011,996	-0.61
BY MEANS OF FINANCING	19.00*	*	19.00*	19.00*	*	19.00*	*	*	
	**	**	**	**	**	**	**	**	
GENERAL FUND	846,000		846,000	1,516,362		1,516,362	846,000	2,362,362	
	2.00*	*	2.00*	21.00*	-19.00*	2.00*	*	*	
	2.00**	**	2.00**	2.00**	**	2.00**	**	**	
REVOLVING FUND	1,373,358		1,373,358	2,823,358	-1,547,082	1,276,276	4,196,716	2,649,634	
CAPITAL INVESTMENT									
PLANS				501,000		501,000		501,000	
DESIGN	500,000		500,000	400,000		400,000	500,000	900,000	
CONSTRUCTION	2,500,000		2,500,000	1,599,000		1,599,000	2,500,000	4,099,000	
TOTAL CAPITAL COST	3,000,000		3,000,000	2,500,000		2,500,000	3,000,000	5,500,000	83.33
BY MEANS OF FINANCING									
G.O. BONDS	3,000,000		3,000,000	2,500,000		2,500,000	3,000,000	5,500,000	
TOTAL PERM POSITIONS	21.00*	*	21.00*	21.00*	*	21.00*	*	*	
TOTAL TEMP POSITIONS	2.00**	**	2.00**	2.00**	**	2.00**	**	**	
TOTAL PROGRAM COST	5,219,358		5,219,358	2,823,358	2,469,280	5,292,638	8,042,716	10,511,996	30.70

Narrative for Supplemental Budget Requests

FY 2019

Program ID: BED 150

Program Structure Level: 01 07 01

Program Title: HAWAII COMMUNITY DEVELOPMENT AUTHORITY

A. Program Objective

To revitalize urban areas in the State which are in need of timely redevelopment through the creation of mixed-use districts for residential, commercial and light industrial development that help to address the economic and social needs of the people of the State of Hawaii by encouraging the desired private investment through: 1) the planning and implementation of infrastructure improvements; 2) the development of public facilities; and 3) the establishment of planning guidelines and parameters that encourage mixed use development.

B. Description of Request

1. The addition of 19.00 permanent positions and \$1,516,362 in general funds, and the reduction of 19.00 permanent positions and \$1,547,082 in revolving funds to convert revolving-funded positions to general funds.
2. \$2,000,000 in General Obligation (G.O.) Bonds for plans, design and construction for several improvements at the Kakaako Waterfront Basin Park.
3. \$500,000 in G.O. Bonds to update the Kalaeloa Community Development Plan.

C. Reasons for Request

1. The Hawaii Community Development Authority (HCDA) is unable to generate sufficient revenues to cover staff positions and recurring costs for the maintenance and operation of the HCDA and HCDA-owned properties.
2. The funding will provide for several improvements to the Kakaako Basin Park, including the following: lei of green connection from Ala Moana Park to Kewalo Basin Park; re-purposing of the existing lab structure for farmer's market and food trucks; expanding the waterfront park; constructing a community garden; and re-configuring parking.
3. HCDA adopted the Kalaeloa Master Plan in 2006. Since the adoption of the master plan, the Navy transferred 500 acres of land to a private company, which is in process of master planning the lands for future development. HCDA needs to review this change and make adjustments as necessary.

D. Significant Changes to Measures of Effectiveness and Program Size

1. With new construction volume resulting from infrastructure improvements,

public facilities development projects, and continuation of private sector development projects, the related tax revenues to the State of Hawaii generated from HCDA improvement district program should exceed program costs in the long run. The increase in land values due to infrastructure improvements and new developments benefits the City and County of Honolulu through increased property taxes. In terms of State and Functional Plan objectives, the returns are in the functional areas of optimal land use, increased construction and economic activity, new housing units, new public facilities, and improved business and residential community areas.

2. There is no request to change the program size.

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-160
0108
HAWAII HOUSING FINANCE AND DEVELOPMENT CORP

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	31.00*	*	31.00*	31.00*	*	31.00*	*	*	
	42.00**	**	42.00**	42.00**	**	42.00**	**	**	
PERSONAL SERVICES	8,199,387		8,199,387	8,199,387		8,199,387	16,398,774	16,398,774	
OTH CURRENT EXPENSES	9,648,374		9,648,374	9,002,374		9,002,374	18,650,748	18,650,748	
TOTAL OPERATING COST	17,847,761		17,847,761	17,201,761		17,201,761	35,049,522	35,049,522	0.00
BY MEANS OF FINANCING									
	*	*	*	*	*	*	*	*	
	**	**	**	**	**	**	**	**	
GENERAL FUND	600,000		600,000				600,000	600,000	
	*	*	*	*	*	*	*	*	
	**	**	**	**	**	**	**	**	
FEDERAL FUNDS	3,100,000		3,100,000	3,100,000		3,100,000	6,200,000	6,200,000	
	*	*	*	*	*	*	*	*	
	**	**	**	**	**	**	**	**	
OTHER FEDERAL FUNDS	3,000,000		3,000,000	3,000,000		3,000,000	6,000,000	6,000,000	
	31.00*	*	31.00*	31.00*	*	31.00*	*	*	
	42.00**	**	42.00**	42.00**	**	42.00**	**	**	
REVOLVING FUND	11,147,761		11,147,761	11,101,761		11,101,761	22,249,522	22,249,522	
CAPITAL INVESTMENT									
CONSTRUCTION	54,200,000		54,200,000		80,500,000	80,500,000	54,200,000	134,700,000	
TOTAL CAPITAL COST	54,200,000		54,200,000		80,500,000	80,500,000	54,200,000	134,700,000	148.52
BY MEANS OF FINANCING									
G.O. BONDS	54,200,000		54,200,000		80,500,000	80,500,000	54,200,000	134,700,000	
TOTAL PERM POSITIONS	31.00*	*	31.00*	31.00*	*	31.00*	*	*	
TOTAL TEMP POSITIONS	42.00**	**	42.00**	42.00**	**	42.00**	**	**	
TOTAL PROGRAM COST	72,047,761		72,047,761	17,201,761	80,500,000	97,701,761	89,249,522	169,749,522	90.20

Narrative for Supplemental Budget Requests

FY 2019

Program ID: BED 160

Program Structure Level: 01 08

Program Title: HAWAII HOUSING FINANCE AND DEVELOPMENT CORP

A. Program Objective

The Hawaii Housing Finance and Development Corporation's (HHFDC) objective is to support economic growth by preserving and increasing the supply of workforce and affordable housing.

B. Description of Request

1. \$5,500,000 in General Obligation (G.O.) Bonds to complete the Waiahole Water System Improvements.
2. \$25,000,000 in G.O. Bonds to infuse funds into the Dwelling Unit Revolving Fund (DURF).
3. \$50,000,000 to infuse funds into the Rental Housing Revolving Fund.

C. Reasons for Request

1. HHFDC requests funds needed to complete the Waiahole Water System Improvements to bring it up to Board of Water Supply standards and enable its dedication to the City. This request will also lapse \$5,230,000 in G.O. Bonds from Act 124, SLH 2016.
2. HHFDC requests an infusion of funds into the DURF to provide financing resources to support development of affordable housing statewide. It will also be used to finance regional state infrastructure construction to accommodate the development of affordable housing along the transit route.
3. HHFDC requests an infusion of funds into the Rental Housing Revolving Fund to finance the development of affordable rental housing. \$25 million of the requested \$50 million would be set aside to accelerate the Alder Street Mixed-use Residential Project. If a developer agreement for the Alder Street project is not executed by January 1, 2019, the set-aside would be released for other rental projects.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-128
0109
OFFICE OF AEROSPACE

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

REPORT: S61-A

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	*	*	*	*	*	*	*	*	*
	1.00**	**	1.00**	1.00**	**	1.00**	**	**	**
PERSONAL SERVICES	92,210		92,210	92,210		92,210	184,420	184,420	
OTH CURRENT EXPENSES	1,199,549		1,199,549	749,549		749,549	1,949,098	1,949,098	
TOTAL OPERATING COST	1,291,759		1,291,759	841,759		841,759	2,133,518	2,133,518	0.00
BY MEANS OF FINANCING									
	*	*	*	*	*	*	*	*	*
	1.00**	**	1.00**	1.00**	**	1.00**	**	**	**
GENERAL FUND	1,291,759		1,291,759	841,759		841,759	2,133,518	2,133,518	
TOTAL PERM POSITIONS	*	*	*	*	*	*	*	*	*
TOTAL TEMP POSITIONS	1.00**	**	1.00**	1.00**	**	1.00**	**	**	**
TOTAL PROGRAM COST	1,291,759		1,291,759	841,759		841,759	2,133,518	2,133,518	0.00

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-
11
GOVERNMENT-WIDE SUPPORT

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	39.00*		39.00*	39.00*		39.00*	*	*	
	8.96**	**	8.96**	8.96**	-0.96**	8.00**	**	**	**
PERSONAL SERVICES	3,802,350		3,802,350	3,883,938		3,883,938	7,686,288	7,686,288	
OTH CURRENT EXPENSES	3,892,251		3,892,251	3,892,251		3,892,251	7,784,502	7,784,502	
TOTAL OPERATING COST	7,694,601		7,694,601	7,776,189		7,776,189	15,470,790	15,470,790	0.00
BY MEANS OF FINANCING									
	34.00*	*	34.00*	34.00*	*	34.00*	*	*	
	2.96**	**	2.96**	2.96**	-0.96**	2.00**	**	**	**
GENERAL FUND	3,308,913		3,308,913	3,390,501		3,390,501	6,699,414	6,699,414	
	5.00*	*	5.00*	5.00*	*	5.00*	*	*	*
	6.00**	**	6.00**	6.00**	**	6.00**	**	**	**
FEDERAL FUNDS	2,385,688		2,385,688	2,385,688		2,385,688	4,771,376	4,771,376	
	*	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**	**
REVOLVING FUND	2,000,000		2,000,000	2,000,000		2,000,000	4,000,000	4,000,000	
CAPITAL INVESTMENT									
PLANS	1,002,000		1,002,000				1,002,000	1,002,000	
DESIGN	498,000		498,000				498,000	498,000	
TOTAL CAPITAL COST	1,500,000		1,500,000				1,500,000	1,500,000	0.00
BY MEANS OF FINANCING									
G.O. BONDS	1,500,000		1,500,000				1,500,000	1,500,000	
TOTAL PERM POSITIONS	39.00*	*	39.00*	39.00*	*	39.00*	*	*	
TOTAL TEMP POSITIONS	8.96**	**	8.96**	8.96**	-0.96**	8.00**	**	**	**
TOTAL PROGRAM COST	9,194,601		9,194,601	7,776,189		7,776,189	16,970,790	16,970,790	0.00

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

REPORT: S61-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

**BED-
1101
EXEC DIRECTN, COORD, & POLICY DEVELOPMENT**

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	39.00*		39.00*	39.00*		39.00*	*	*	
	8.96**	**	8.96**	8.96**	-0.96**	8.00**	**	**	**
PERSONAL SERVICES	3,802,350		3,802,350	3,883,938		3,883,938	7,686,288	7,686,288	
OTH CURRENT EXPENSES	3,892,251		3,892,251	3,892,251		3,892,251	7,784,502	7,784,502	
TOTAL OPERATING COST	7,694,601		7,694,601	7,776,189		7,776,189	15,470,790	15,470,790	0.00
BY MEANS OF FINANCING									
	34.00*	*	34.00*	34.00*	*	34.00*	*	*	
	2.96**	**	2.96**	2.96**	-0.96**	2.00**	**	**	**
GENERAL FUND	3,308,913		3,308,913	3,390,501		3,390,501	6,699,414	6,699,414	
	5.00*	*	5.00*	5.00*	*	5.00*	*	*	*
	6.00**	**	6.00**	6.00**	**	6.00**	**	**	**
FEDERAL FUNDS	2,385,688		2,385,688	2,385,688		2,385,688	4,771,376	4,771,376	
	*	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**	**
REVOLVING FUND	2,000,000		2,000,000	2,000,000		2,000,000	4,000,000	4,000,000	
CAPITAL INVESTMENT									
PLANS	1,002,000		1,002,000				1,002,000	1,002,000	
DESIGN	498,000		498,000				498,000	498,000	
TOTAL CAPITAL COST	1,500,000		1,500,000				1,500,000	1,500,000	0.00
BY MEANS OF FINANCING									
G.O. BONDS	1,500,000		1,500,000				1,500,000	1,500,000	
TOTAL PERM POSITIONS	39.00*	*	39.00*	39.00*	*	39.00*	*	*	
TOTAL TEMP POSITIONS	8.96**	**	8.96**	8.96**	-0.96**	8.00**	**	**	**
TOTAL PROGRAM COST	9,194,601		9,194,601	7,776,189		7,776,189	16,970,790	16,970,790	0.00

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-
110103
POLICY DEVELOPMENT & COORDINATION

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

REPORT: S61-A

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	39.00*	*	39.00*	39.00*	*	39.00*	*	*	
	8.96**	**	8.96**	8.96**	-0.96**	8.00**	**	**	
PERSONAL SERVICES	3,802,350		3,802,350	3,883,938		3,883,938	7,686,288	7,686,288	
OTH CURRENT EXPENSES	3,892,251		3,892,251	3,892,251		3,892,251	7,784,502	7,784,502	
TOTAL OPERATING COST	7,694,601		7,694,601	7,776,189		7,776,189	15,470,790	15,470,790	0.00
BY MEANS OF FINANCING									
	34.00*	*	34.00*	34.00*	*	34.00*	*	*	
	2.96**	**	2.96**	2.96**	-0.96**	2.00**	**	**	
GENERAL FUND	3,308,913		3,308,913	3,390,501		3,390,501	6,699,414	6,699,414	
	5.00*	*	5.00*	5.00*	*	5.00*	*	*	
	6.00**	**	6.00**	6.00**	**	6.00**	**	**	
FEDERAL FUNDS	2,385,688		2,385,688	2,385,688		2,385,688	4,771,376	4,771,376	
	*	*	*	*	*	*	*	*	
	**	**	**	**	**	**	**	**	
REVOLVING FUND	2,000,000		2,000,000	2,000,000		2,000,000	4,000,000	4,000,000	
CAPITAL INVESTMENT									
PLANS	1,002,000		1,002,000				1,002,000	1,002,000	
DESIGN	498,000		498,000				498,000	498,000	
TOTAL CAPITAL COST	1,500,000		1,500,000				1,500,000	1,500,000	0.00
BY MEANS OF FINANCING									
G.O. BONDS	1,500,000		1,500,000				1,500,000	1,500,000	
TOTAL PERM POSITIONS	39.00*	*	39.00*	39.00*	*	39.00*	*	*	
TOTAL TEMP POSITIONS	8.96**	**	8.96**	8.96**	-0.96**	8.00**	**	**	
TOTAL PROGRAM COST	9,194,601		9,194,601	7,776,189		7,776,189	16,970,790	16,970,790	0.00

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-144
11010302
STATEWIDE PLANNING & COORDINATION

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	18.00*	*	18.00*	18.00*	*	18.00*	*	*	
	8.00**	**	8.00**	8.00**	**	8.00**	**	**	
PERSONAL SERVICES	2,287,764		2,287,764	2,315,382		2,315,382	4,603,146	4,603,146	
OTH CURRENT EXPENSES	3,553,939		3,553,939	3,553,939		3,553,939	7,107,878	7,107,878	
TOTAL OPERATING COST	5,841,703		5,841,703	5,869,321		5,869,321	11,711,024	11,711,024	0.00
BY MEANS OF FINANCING									
	13.00*	*	13.00*	13.00*	*	13.00*	*	*	
	2.00**	**	2.00**	2.00**	**	2.00**	**	**	
GENERAL FUND	1,456,015		1,456,015	1,483,633		1,483,633	2,939,648	2,939,648	
	5.00*	*	5.00*	5.00*	*	5.00*	*	*	
	6.00**	**	6.00**	6.00**	**	6.00**	**	**	
FEDERAL FUNDS	2,385,688		2,385,688	2,385,688		2,385,688	4,771,376	4,771,376	
	*	*	*	*	*	*	*	*	
	**	**	**	**	**	**	**	**	
REVOLVING FUND	2,000,000		2,000,000	2,000,000		2,000,000	4,000,000	4,000,000	
CAPITAL INVESTMENT									
PLANS	1,002,000		1,002,000				1,002,000	1,002,000	
DESIGN	498,000		498,000				498,000	498,000	
TOTAL CAPITAL COST	1,500,000		1,500,000				1,500,000	1,500,000	0.00
BY MEANS OF FINANCING									
G.O. BONDS	1,500,000		1,500,000				1,500,000	1,500,000	
TOTAL PERM POSITIONS	18.00*	*	18.00*	18.00*	*	18.00*	*	*	
TOTAL TEMP POSITIONS	8.00**	**	8.00**	8.00**	**	8.00**	**	**	
TOTAL PROGRAM COST	7,341,703		7,341,703	5,869,321		5,869,321	13,211,024	13,211,024	0.00

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-103
11010303
STATEWIDE LAND USE MANAGEMENT

PROGRAM COSTS	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	7.00*	*	7.00*	7.00*	*	7.00*	*	*	
	**	**	**	**	**	**	**	**	**
PERSONAL SERVICES	457,363		457,363	482,749		482,749	940,112	940,112	
OTH CURRENT EXPENSES	172,167		172,167	172,167		172,167	344,334	344,334	
TOTAL OPERATING COST	629,530		629,530	654,916		654,916	1,284,446	1,284,446	0.00
BY MEANS OF FINANCING	7.00*	*	7.00*	7.00*	*	7.00*	*	*	
	**	**	**	**	**	**	**	**	**
GENERAL FUND	629,530		629,530	654,916		654,916	1,284,446	1,284,446	
TOTAL PERM POSITIONS	7.00*	*	7.00*	7.00*	*	7.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	629,530		629,530	654,916		654,916	1,284,446	1,284,446	0.00

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

BED-130
11010304
ECONOMIC PLANNING & RESEARCH

	FY 2018			FY 2019			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
PROGRAM COSTS									
OPERATING	14.00*	*	14.00*	14.00*	*	14.00*	*	*	
	0.96**	**	0.96**	0.96**	-0.96**	**	**	**	**
PERSONAL SERVICES	1,057,223		1,057,223	1,085,807		1,085,807	2,143,030	2,143,030	
OTH CURRENT EXPENSES	166,145		166,145	166,145		166,145	332,290	332,290	
TOTAL OPERATING COST	1,223,368		1,223,368	1,251,952		1,251,952	2,475,320	2,475,320	0.00
BY MEANS OF FINANCING									
	14.00*	*	14.00*	14.00*	*	14.00*	*	*	
	0.96**	**	0.96**	0.96**	-0.96**	**	**	**	**
GENERAL FUND	1,223,368		1,223,368	1,251,952		1,251,952	2,475,320	2,475,320	
TOTAL PERM POSITIONS	14.00*	*	14.00*	14.00*	*	14.00*	*	*	
TOTAL TEMP POSITIONS	0.96**	**	0.96**	0.96**	-0.96**	**	**	**	**
TOTAL PROGRAM COST	1,223,368		1,223,368	1,251,952		1,251,952	2,475,320	2,475,320	0.00

Narrative for Supplemental Budget Requests

FY 2019

Program ID: BED 130

Program Structure Level: 11 01 03 04

Program Title: ECONOMIC PLANNING & RESEARCH

A. Program Objective

To enhance and contribute to the economic development of the State by providing plans, analyses and policy recommendations on economic issues; conducting and reporting on basic research into the economy of the State; collecting, compiling, interpreting and publishing data and statistics on all aspects of business activity, the economy and demographic characteristics of the State; and developing and maintaining a statewide statistical reporting system.

B. Description of Request

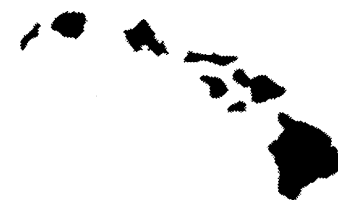
Delete two temporary students positions (0.96 full-time equivalent (FTE)).

C. Reasons for Request

Deleting two temporary student intern position counts (0.96 FTE) to correct the temporary positions count in the Research and Economic Analysis Division. The student intern position funding is retained but the position count is eliminated since it should not have been included in the temporary count.

D. Significant Changes to Measures of Effectiveness and Program Size

None.



Capital Budget Details

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

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PROGRAM ID **BED-142**

PROGRAM STRUCTURE NO. **010104**

PROGRAM TITLE **GENERAL SUPPORT FOR ECONOMIC DEVELOPMENT**

PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2018		RECOM APPRN	FY 2019		RECOM APPRN
					CURRENT APPRN	ADJUSTMENT		CURRENT APPRN	ADJUSTMENT	
BED002	2		HAWAII RESILIENCE & SUSTAINABILITY STRATEGY UPDATE, STATEWIDE							
			PLANS					1		1
			LAND					1		1
			DESIGN					1		1
			CONSTRUCTION					9,996		9,996
			EQUIPMENT					1		1
			TOTAL					10,000		10,000
			G.O. BONDS					10,000		10,000
PROGRAM TOTALS										
			PLANS					1		1
			LAND					1		1
			DESIGN					1		1
			CONSTRUCTION					9,996		9,996
			EQUIPMENT					1		1
			TOTAL					10,000		10,000
			G.O. BONDS					10,000		10,000

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

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PROGRAM ID BED-146

PROGRAM STRUCTURE NO. 010504

PROGRAM TITLE NATURAL ENERGY LAB OF HAWAII AUTHORITY

PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2018		RECOM APPRN	FY 2019		RECOM APPRN
					CURRENT APPRN	ADJUSTMENT		CURRENT APPRN	ADJUSTMENT	
500	8	4TH R	REMOVAL OF ABANDONED DEEP SEA PIPELINES, HAWAII							
			PLANS DESIGN					1 499		1 499
			TOTAL					500		500
			G.O. BONDS					500		500
501	9	4TH R	KONA REGIONAL SEAWATER AIR CONDITIONING DISTRICT, HAWAII							
			PLANS DESIGN					1 249		1 249
			TOTAL					250		250
			G.O. BONDS					250		250
PROGRAM TOTALS										
			PLANS DESIGN CONSTRUCTION EQUIPMENT					2 748		2 748
			TOTAL					750		750
			G.O. BONDS					750		750
			G.O. BONDS REPAID							

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

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PROGRAM ID BED-150

PROGRAM STRUCTURE NO. 010701

PROGRAM TITLE HAWAII COMMUNITY DEVELOPMENT AUTHORITY

PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2018		RECOM APPRN	FY 2019		RECOM APPRN
					CURRENT APPRN	ADJUSTMENT		CURRENT APPRN	ADJUSTMENT	
KL01	4	19TH R	KALAELOA COMMUNITY DEVELOPMENT PLAN UPDATE, KALAELOA, OAHU							
				PLANS				500		500
				TOTAL				500		500
				G.O. BONDS				500		500
KA019	3	12TH R	KAKAAKO MAKAI PARK IMPROVEMENTS, KAKAAKO, OAHU							
				PLANS				1		1
				DESIGN				400		400
				CONSTRUCTION				1,599		1,599
				TOTAL				2,000		2,000
				G.O. BONDS				2,000		2,000
KL08B	6	19TH R	KALAELOA ENTERPRISE AVENUE ENERGY CORRIDOR TO MIDWAY ROAD, KALAELOA, OAHU							
				PLANS						
				DESIGN	500		500			
				CONSTRUCTION	2,500		2,500			
				TOTAL	3,000		3,000			
				G.O. BONDS	3,000		3,000			

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

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PROGRAM ID **BED-150**

PROGRAM STRUCTURE NO. **010701**

PROGRAM TITLE **HAWAII COMMUNITY DEVELOPMENT AUTHORITY**

PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2018		FY 2019			
					CURRENT APPRN	ADJUSTMENT	RECOM APPRN	CURRENT APPRN	ADJUSTMENT	RECOM APPRN
PROGRAM TOTALS										
			PLANS						501	501
			LAND							
			DESIGN		500		500		400	400
			CONSTRUCTION		2,500		2,500		1,599	1,599
			EQUIPMENT							
			TOTAL		3,000		3,000		2,500	2,500
			GENERAL FUND							
			G.O. BONDS		3,000		3,000		2,500	2,500

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

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PROGRAM ID BED-160

PROGRAM STRUCTURE NO. 0108

PROGRAM TITLE HAWAII HOUSING FINANCE AND DEVELOPMENT C

PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2018		RECOM APPRN	FY 2019		RECOM APPRN
					CURRENT APPRN	ADJUSTMENT		CURRENT APPRN	ADJUSTMENT	
HFDC05	7		DWELLING UNIT REVOLVING FUND INFUSION, STATEWIDE							
				CONSTRUCTION	25,000		25,000		25,000	25,000
				TOTAL	25,000		25,000		25,000	25,000
				G.O. BONDS	25,000		25,000		25,000	25,000
HFDC07	5	23RD R	WAIHOLE WATER SYSTEM IMPROVEMENTS, OAHU							
				DESIGN CONSTRUCTION					5,500	5,500
				TOTAL					5,500	5,500
				G.O. BONDS					5,500	5,500
HFDC09	6		CASH INFUSION FOR RENTAL HOUSING REVOLVING FUND, STATEWIDE							
				CONSTRUCTION	25,000		25,000		50,000	50,000
				TOTAL	25,000		25,000		50,000	50,000
				G.O. BONDS	25,000		25,000		50,000	50,000
P11003	4		LOW INCOME HOUSING TAX CREDIT LOANS, STATEWIDE							
				CONSTRUCTION	4,200		4,200			
				TOTAL	4,200		4,200			
				G.O. BONDS	4,200		4,200			

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

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PROGRAM ID **BED-160**
PROGRAM STRUCTURE NO. **0108**
PROGRAM TITLE **HAWAII HOUSING FINANCE AND DEVELOPMENT C**

PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2018		FY 2019			
					CURRENT APPRN	ADJUSTMENT	RECOM APPRN	CURRENT APPRN	ADJUSTMENT	RECOM APPRN
PROGRAM TOTALS										
				PLANS						
				DESIGN						
				CONSTRUCTION	54,200		54,200		80,500	80,500
				TOTAL	54,200		54,200		80,500	80,500
				G.O. BONDS	54,200		54,200		80,500	80,500

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

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PROGRAM ID **BED-144**
PROGRAM STRUCTURE NO. **11010302**
PROGRAM TITLE **STATEWIDE PLANNING & COORDINATION**

PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2018		RECOM APPRN	FY 2019		RECOM APPRN
					CURRENT APPRN	ADJUSTMENT		CURRENT APPRN	ADJUSTMENT	
OPTOD2	0007		STATE AGENCY TRANSIT-ORIENTED DEVELOPMENT, OAHU							
				PLANS	1,000		1,000			
				TOTAL	1,000		1,000			
				G.O. BONDS	1,000		1,000			
P18202			DBEDT, PROOF OF CONCEPT PLANNING AND DESIGN, STATEWIDE							
				PLANS	1		1			
				DESIGN	249		249			
				TOTAL	250		250			
P18203			PROOF OF CNCPT PLAN AND DSGN FOR S. SHORE PRMDE AND COASTL OPEN SPACE NTHK STUDY,OAHU							
				PLANS	1		1			
				DESIGN	249		249			
				TOTAL	250		250			
				G.O. BONDS	250		250			

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

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PROGRAM ID **BED-144**
PROGRAM STRUCTURE NO. **11010302**
PROGRAM TITLE **STATEWIDE PLANNING & COORDINATION**

PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2018		RECOM APPRN	FY 2019		RECOM APPRN
					CURRENT APPRN	ADJUSTMENT		CURRENT APPRN	ADJUSTMENT	
PROGRAM TOTALS										
				PLANS DESIGN	1,002 498		1,002 498			
				TOTAL	1,500		1,500			
				G.O. BONDS	1,500		1,500			