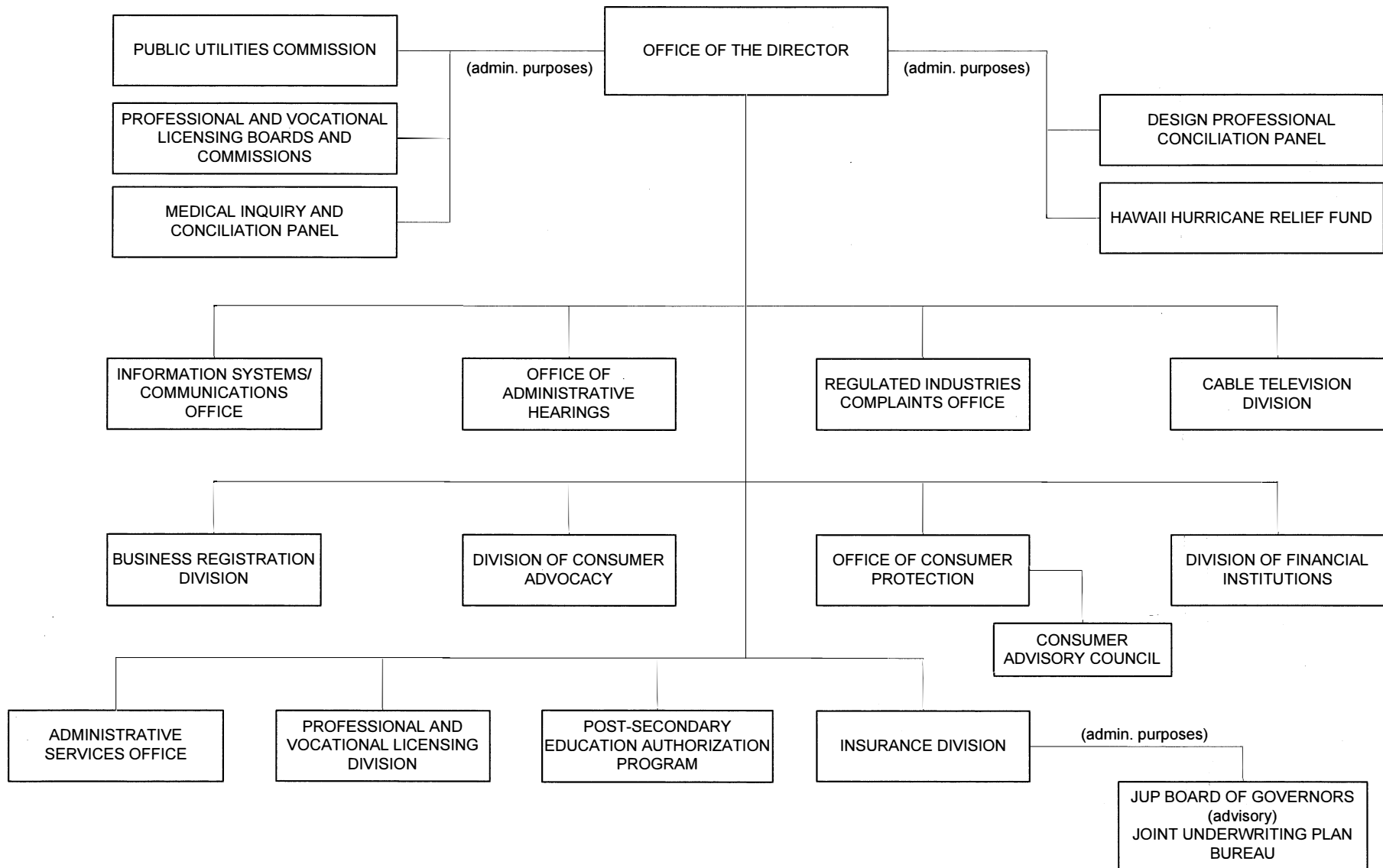




Department of Commerce and Consumer Affairs

**STATE OF HAWAII
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
ORGANIZATION CHART**



DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

Department Summary

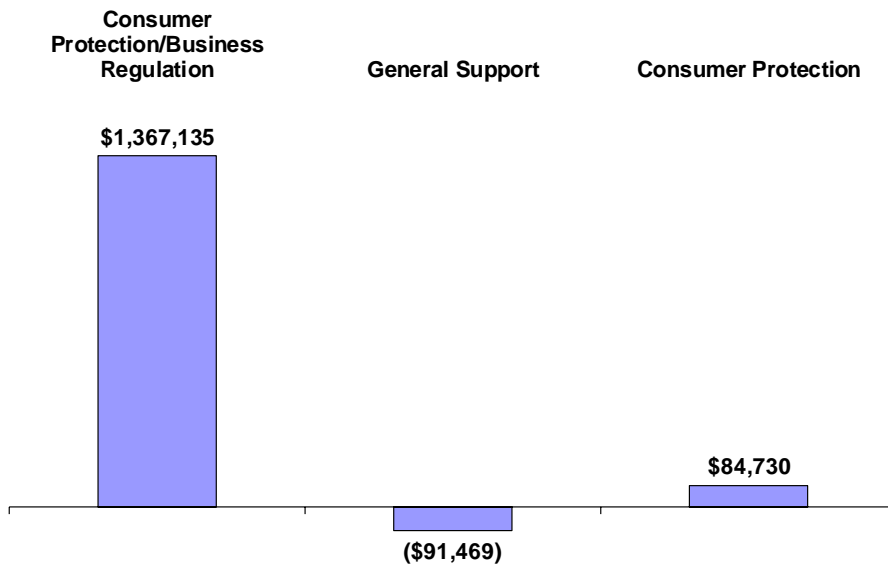
Mission Statement

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.

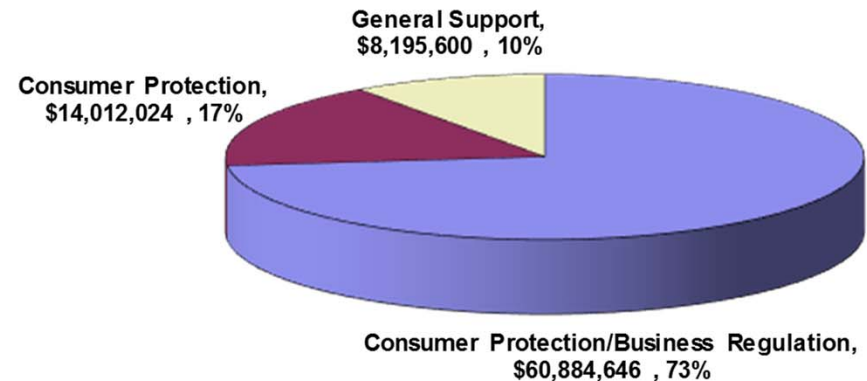
Department Goals

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

FY 2019 Supplemental Operating Budget Adjustments by Major Program



FY 2019 Supplemental Operating Budget



DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS MAJOR FUNCTIONS

- Develops standards relating to the licensing of and general supervision over the conduct of the financial services industry, the securities industry, professions, businesses, trades, and insurance companies.
- 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.
- Represents, protects, and advances the interest of consumers of utility and interisland water carrier services; conducts investigations; assists and cooperates with Federal, State, and local agencies to protect the consumer's interests.
- Regulates public utilities to ensure regulated companies efficiently and safely provide customers with adequate and reliable services at just and reasonable rates while providing regulated companies with a fair opportunity to earn a reasonable rate of return.
- Grants or denies the issuance of financial services industry, professional, business and trade licenses and registrations; directs investigations or examinations, holds hearings, and suspends, revokes or reinstates licenses and registrations; adopts, amends or repeals such rules as deemed necessary to fully effectuate the provisions of the laws within the Department's scope and jurisdiction.
- Administers the laws of the State relating to corporations; partnerships; companies; trademarks, tradenames; miscellaneous business registrations; the financial services industry; the securities 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; monitors the operations and management of cable television operators; administers the public access television entities' contracts; and promotes the adoption and deployment of broadband services throughout the State.

MAJOR PROGRAM AREAS

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

Individual Rights - Protection of the Consumer

CCA 102	Cable Television
CCA 103	Consumer Advocate for Communication, Utilities, and Transportation Services
CCA 104	Financial Services Regulation
CCA 105	Professional and Vocational Licensing
CCA 106	Insurance Regulatory Services

CCA 107	Post-Secondary Education Authorization
CCA 110	Office of Consumer Protection
CCA 111	Business Registration and Securities Regulation
CCA 112	Regulated Industries Complaints Office
CCA 191	General Support
CCA 901	Public Utilities Commission

Department of Commerce and Consumer Affairs
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	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
General Funds		\$	-	-	-	-	-	-
		Perm	492.00	492.00	-	2.00	492.00	494.00
		Temp	29.00	29.00	-	-	29.00	29.00
Special Funds		\$	79,075,383	78,451,306	-	149,490	79,075,383	78,600,796
		Perm	-	-	-	-	-	-
		Temp	4.00	4.00	-	2.00	4.00	6.00
Other Federal Funds		\$	250,000	250,000	-	1,210,906	250,000	1,460,906
		Perm	8.00	8.00	-	-	8.00	8.00
		Temp	5.00	5.00	-	-	5.00	5.00
Trust Funds		\$	2,955,968	3,030,568	-	-	2,955,968	3,030,568
		Perm	500.00	500.00	-	2.00	500.00	502.00
		Temp	38.00	38.00	-	2.00	38.00	40.00
Total Requirements		\$	82,281,351	81,731,874	-	1,360,396	82,281,351	83,092,270

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

1. Adds 1.00 permanent position and \$85,029 in special funds for the Business Registration and Securities Regulation Program to establish a Deputy Securities Commissioner.
2. Adds 1.00 permanent position and \$71,200 in special funds for the Financial Services Regulation Program to establish a Staff Attorney.

Department of Commerce and Consumer Affairs
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	-	-	-	-	-	-
Total Requirements	-	-	-	-	-	-

Highlights: (general obligation bonds and FY 19 unless otherwise noted)
None.



Operating Budget Details

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID: CCA-
PROGRAM STRUCTURE NO: 10
PROGRAM TITLE: INDIVIDUAL RIGHTS

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	500.00*	*	500.00*	500.00*	2.00*	502.00*	*	*	
	38.00**	**	38.00**	38.00**	2.00**	40.00**	**	**	
PERSONAL SERVICES	52,810,137		52,810,137	53,124,009	397,490	53,521,499	105,934,146	106,331,636	
OTH CURRENT EXPENSES	29,337,567		29,337,567	28,607,865	962,906	29,570,771	57,945,432	58,908,338	
EQUIPMENT	133,647		133,647				133,647	133,647	
TOTAL OPERATING COST	82,281,351		82,281,351	81,731,874	1,360,396	83,092,270	164,013,225	165,373,621	0.83
BY MEANS OF FINANCING									
	492.00*	*	492.00*	492.00*	2.00*	494.00*	*	*	
	29.00**	**	29.00**	29.00**	**	29.00**	**	**	
SPECIAL FUND	79,075,383		79,075,383	78,451,306	149,490	78,600,796	157,526,689	157,676,179	
	*	*	*	*	*	*	*	*	
	4.00**	**	4.00**	4.00**	2.00**	6.00**	**	**	
OTHER FEDERAL FUNDS	250,000		250,000	250,000	1,210,906	1,460,906	500,000	1,710,906	
	8.00*	*	8.00*	8.00*	*	8.00*	*	*	
	5.00**	**	5.00**	5.00**	**	5.00**	**	**	
TRUST FUNDS	2,955,968		2,955,968	3,030,568		3,030,568	5,986,536	5,986,536	
TOTAL PERM POSITIONS	500.00*	*	500.00*	500.00*	2.00*	502.00*	*	*	
TOTAL TEMP POSITIONS	38.00**	**	38.00**	38.00**	2.00**	40.00**	**	**	
TOTAL PROGRAM COST	82,281,351		82,281,351	81,731,874	1,360,396	83,092,270	164,013,225	165,373,621	0.83

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

REPORT: S61-A

PROGRAM ID: .
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

**CCA-
1001
PROTECTION OF THE CONSUMER**

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	500.00*	*	500.00*	500.00*	2.00*	502.00*	*	*	
	38.00**	**	38.00**	38.00**	2.00**	40.00**	**	**	
PERSONAL SERVICES	52,810,137		52,810,137	53,124,009	397,490	53,521,499	105,934,146	106,331,636	
OTH CURRENT EXPENSES	29,337,567		29,337,567	28,607,865	962,906	29,570,771	57,945,432	58,908,338	
EQUIPMENT	133,647		133,647				133,647	133,647	
TOTAL OPERATING COST	82,281,351		82,281,351	81,731,874	1,360,396	83,092,270	164,013,225	165,373,621	0.83
BY MEANS OF FINANCING									
	492.00*	*	492.00*	492.00*	2.00*	494.00*	*	*	
	29.00**	**	29.00**	29.00**	**	29.00**	**	**	
SPECIAL FUND	79,075,383		79,075,383	78,451,306	149,490	78,600,796	157,526,689	157,676,179	
	*	*	*	*	*	*	*	*	
	4.00**	**	4.00**	4.00**	2.00**	6.00**	**	**	
OTHER FEDERAL FUNDS	250,000		250,000	250,000	1,210,906	1,460,906	500,000	1,710,906	
	8.00*	*	8.00*	8.00*	*	8.00*	*	*	
	5.00**	**	5.00**	5.00**	**	5.00**	**	**	
TRUST FUNDS	2,955,968		2,955,968	3,030,568		3,030,568	5,986,536	5,986,536	
TOTAL PERM POSITIONS	500.00*	*	500.00*	500.00*	2.00*	502.00*	*	*	
TOTAL TEMP POSITIONS	38.00**	**	38.00**	38.00**	2.00**	40.00**	**	**	
TOTAL PROGRAM COST	82,281,351		82,281,351	81,731,874	1,360,396	83,092,270	164,013,225	165,373,621	0.83

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

CCA-
100103
REGULATION OF SERVICES

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	301.00*	*	301.00*	301.00*	*	301.00*	*	*	
	21.00**	**	21.00**	21.00**	2.00**	23.00**	**	**	
PERSONAL SERVICES	32,502,271		32,502,271	32,754,108	227,731	32,981,839	65,256,379	65,484,110	
OTH CURRENT EXPENSES	23,323,161		23,323,161	22,943,459	962,906	23,906,365	46,266,620	47,229,526	
EQUIPMENT	133,647		133,647				133,647	133,647	
TOTAL OPERATING COST	55,959,079		55,959,079	55,697,567	1,190,637	56,888,204	111,656,646	112,847,283	1.07
BY MEANS OF FINANCING									
	293.00*	*	293.00*	293.00*	*	293.00*	*	*	
	12.00**	**	12.00**	12.00**	**	12.00**	**	**	
SPECIAL FUND	52,853,792		52,853,792	52,517,680	-20,269	52,497,411	105,371,472	105,351,203	
	4.00**	**	4.00**	4.00**	2.00**	6.00**	**	**	
OTHER FEDERAL FUNDS	250,000		250,000	250,000	1,210,906	1,460,906	500,000	1,710,906	
	8.00*	*	8.00*	8.00*	*	8.00*	*	*	
	5.00**	**	5.00**	5.00**	**	5.00**	**	**	
TRUST FUNDS	2,855,287		2,855,287	2,929,887		2,929,887	5,785,174	5,785,174	
TOTAL PERM POSITIONS	301.00*	*	301.00*	301.00*	*	301.00*	*	*	
TOTAL TEMP POSITIONS	21.00**	**	21.00**	21.00**	2.00**	23.00**	**	**	
TOTAL PROGRAM COST	55,959,079		55,959,079	55,697,567	1,190,637	56,888,204	111,656,646	112,847,283	1.07

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

CCA-102
10010301
CABLE TELEVISION

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*	*	*	
	**	**	**	**	**	**	**	**	**
PERSONAL SERVICES	1,061,640		1,061,640	1,061,640		1,061,640	2,123,280	2,123,280	
OTH CURRENT EXPENSES	1,547,730		1,547,730	1,547,730		1,547,730	3,095,460	3,095,460	
TOTAL OPERATING COST	2,609,370		2,609,370	2,609,370		2,609,370	5,218,740	5,218,740	0.00
BY MEANS OF FINANCING	8.00*	*	8.00*	8.00*	*	8.00*	*	*	
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	2,609,370		2,609,370	2,609,370		2,609,370	5,218,740	5,218,740	
TOTAL PERM POSITIONS	8.00*	*	8.00*	8.00*	*	8.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	2,609,370		2,609,370	2,609,370		2,609,370	5,218,740	5,218,740	0.00

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID: CCA-103
PROGRAM STRUCTURE NO: 10010302
PROGRAM TITLE: CONSUMER ADVOCATE FOR COMM, UTIL & TRAN SVC

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	24.00*	*	24.00*	24.00*	-1.00*	23.00*	*	*	
	**	**	**	**	**	**	**	**	**
PERSONAL SERVICES	2,769,624		2,769,624	2,769,624	-91,469	2,678,155	5,539,248	5,447,779	
OTH CURRENT EXPENSES	1,460,550		1,460,550	1,460,550		1,460,550	2,921,100	2,921,100	
TOTAL OPERATING COST	4,230,174		4,230,174	4,230,174	-91,469	4,138,705	8,460,348	8,368,879	-1.08
BY MEANS OF FINANCING	24.00*	*	24.00*	24.00*	-1.00*	23.00*	*	*	
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	4,230,174		4,230,174	4,230,174	-91,469	4,138,705	8,460,348	8,368,879	
TOTAL PERM POSITIONS	24.00*	*	24.00*	24.00*	-1.00*	23.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	4,230,174		4,230,174	4,230,174	-91,469	4,138,705	8,460,348	8,368,879	-1.08

Narrative for Supplemental Budget Requests

FY 2019

Program ID: CCA 103

Program Structure Level: 10 01 03 02

Program Title: CONSUMER ADVOCATE FOR COMM, UTIL & TRAN SVC

A. Program Objective

Through advocacy, education, and long range planning, to ensure sustainable, reliable, safe, and quality communications, utility and transportation services at a fair cost for Hawaii's consumers for the short- and long-term.

B. Description of Request

1. Special Funds. Transfer out position and funds to CCA 191 (-\$91,469).

C. Reasons for Request

This request proposes to trade-off and re-describe one Public Utilities Rate Analyst IV position and special fund ceiling from CCA 103/AH to CCA 191/AA for a Program Specialist IV position. The Division of Consumer Advocacy envisions that the proposed transfer is an initial step to re-organizing the division as part of the continuing efforts to optimize its ability to better recruit and retain employees to meet its current and future workload.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

CCA-104
10010303
FINANCIAL SERVICES REGULATION

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*	1.00*	40.00*	*	*	
	**	**	**	**	**	**	**	**	**
PERSONAL SERVICES	4,141,702		4,141,702	4,141,702	71,200	4,212,902	8,283,404	8,354,604	
OTH CURRENT EXPENSES	805,090		805,090	805,090		805,090	1,610,180	1,610,180	
TOTAL OPERATING COST	4,946,792		4,946,792	4,946,792	71,200	5,017,992	9,893,584	9,964,784	0.72
BY MEANS OF FINANCING	39.00*	*	39.00*	39.00*	1.00*	40.00*	*	*	
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	4,836,792		4,836,792	4,836,792	71,200	4,907,992	9,673,584	9,744,784	
	*	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**	**
TRUST FUNDS	110,000		110,000	110,000		110,000	220,000	220,000	
TOTAL PERM POSITIONS	39.00*	*	39.00*	39.00*	1.00*	40.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	4,946,792		4,946,792	4,946,792	71,200	5,017,992	9,893,584	9,964,784	0.72

Narrative for Supplemental Budget Requests

FY 2019

Program ID: CCA 104

Program Structure Level: 10 01 03 03

Program Title: FINANCIAL SERVICES REGULATION

A. Program Objective

To ensure the safety and soundness of State-chartered and State-licensed financial institutions; to ensure regulatory compliance by State-licensed financial institutions, escrow depositories, money transmitters, mortgage servicers, mortgage loan originators and mortgage loan originator companies; and by fairly administering applicable statutes and rules, in order to protect the rights and funds of depositors, borrowers, consumers, and other members of the public.

B. Description of Request

1. Special funds. Add permanent position and ceiling (\$71,200 in FY 2019 and \$142,000 in FY 2020 and each year after).

C. Reasons for Request

Increase in ceiling in Personal Services to add a staff attorney to the division. An in-house staff attorney will increase the Division of Financial Institution's (DFI) efficiency and capacity and streamline the regulatory process by improving the timely completion of regulatory actions and by building dedicated subject matter expertise within DFI. Accordingly, the position was authorized by Act 149 (2017). The division has been fortunate to have had staff members at different times who happened to be attorneys, and during their tenure at DFI, their legal skills have proven to be a valuable resource. But with no official staff attorney positions in DFI, the division cannot rely on having legal resources and talent at its disposal, nor can it count on developing a depth of specialized knowledge and skills relevant to the industries that it regulates. The division notes that 40 states have staff attorneys to assist the bank departments interpret, provide guidance, and draft legislation and enforcement orders. Other State bank departments with fewer than 25 employees also have at least one staff attorney as staff to the department.

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:

CCA-105
10010304
PROFESSIONAL & VOCATIONAL LICENSING

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	68.00*	*	68.00*	68.00*	*	68.00*	*	*	
	16.00**	**	16.00**	16.00**	**	16.00**	**	**	
PERSONAL SERVICES	6,789,339		6,789,339	6,971,067		6,971,067	13,760,406	13,760,406	
OTH CURRENT EXPENSES	2,840,043		2,840,043	2,832,443		2,832,443	5,672,486	5,672,486	
EQUIPMENT	1,800		1,800				1,800	1,800	
TOTAL OPERATING COST	9,631,182		9,631,182	9,803,510		9,803,510	19,434,692	19,434,692	0.00
BY MEANS OF FINANCING									
	60.00*	*	60.00*	60.00*	*	60.00*	*	*	
	11.00**	**	11.00**	11.00**	**	11.00**	**	**	
SPECIAL FUND	7,085,895		7,085,895	7,183,623		7,183,623	14,269,518	14,269,518	
	8.00*	*	8.00*	8.00*	*	8.00*	*	*	
	5.00**	**	5.00**	5.00**	**	5.00**	**	**	
TRUST FUNDS	2,545,287		2,545,287	2,619,887		2,619,887	5,165,174	5,165,174	
TOTAL PERM POSITIONS	68.00*	*	68.00*	68.00*	*	68.00*	*	*	
TOTAL TEMP POSITIONS	16.00**	**	16.00**	16.00**	**	16.00**	**	**	
TOTAL PROGRAM COST	9,631,182		9,631,182	9,803,510		9,803,510	19,434,692	19,434,692	0.00

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID: CCA-106
PROGRAM STRUCTURE NO: 10010306
PROGRAM TITLE: INSURANCE REGULATORY SERVICES

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	95.00*	*	95.00*	95.00*	*	95.00*	*	*	
	5.00**	**	5.00**	5.00**	2.00**	7.00**	**	**	
PERSONAL SERVICES	10,238,618		10,238,618	10,308,727	248,000	10,556,727	20,547,345	20,795,345	
OTH CURRENT EXPENSES	8,261,135		8,261,135	8,261,135	962,906	9,224,041	16,522,270	17,485,176	
TOTAL OPERATING COST	18,499,753		18,499,753	18,569,862	1,210,906	19,780,768	37,069,615	38,280,521	3.27
BY MEANS OF FINANCING	95.00*	*	95.00*	95.00*	*	95.00*	*	*	
	1.00**	**	1.00**	1.00**	**	1.00**	**	**	
SPECIAL FUND	18,049,753		18,049,753	18,119,862		18,119,862	36,169,615	36,169,615	
	*	*	*	*	*	*	*	*	
OTHER FEDERAL FUNDS	4.00**	**	4.00**	4.00**	2.00**	6.00**	**	**	
	250,000		250,000	250,000	1,210,906	1,460,906	500,000	1,710,906	
	*	*	*	*	*	*	*	*	
TRUST FUNDS	**	**	**	**	**	**	**	**	
	200,000		200,000	200,000		200,000	400,000	400,000	
TOTAL PERM POSITIONS	95.00*	*	95.00*	95.00*	*	95.00*	*	*	
TOTAL TEMP POSITIONS	5.00**	**	5.00**	5.00**	2.00**	7.00**	**	**	
TOTAL PROGRAM COST	18,499,753		18,499,753	18,569,862	1,210,906	19,780,768	37,069,615	38,280,521	3.27

Narrative for Supplemental Budget Requests

FY 2019

Program ID: CCA 106

Program Structure Level: 10 01 03 06

Program Title: INSURANCE REGULATORY SERVICES

A. Program Objective

To ensure that consumers are provided with insurance services meeting acceptable standards of quality, equity, and dependability at fair rates by establishing and enforcing appropriate service standards and fairly administering the Insurance Code.

B. Description of Request

1. Other federal funds. Add two temporary positions and federal fund ceiling (\$1,210,906).

C. Reasons for Request

To establish ceiling for federal grant. This grant will be instrumental for building the division's market analysis and market conduct capacity to examine the compliance of health insurance companies doing business in Hawaii against key health insurance market reforms and consumer protections under Part A of Title XXVII of the PHS Act. Funding will support a market regulation program and mechanisms for gathering information including examinations and investigations of specific companies, surveys and periodic reporting requirements designed to gather market conduct data, and the analysis of existing information collected for other purposes.

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:

CCA-107
10010307
POST-SECONDARY EDUCATION AUTHORIZATION

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	216,366		216,366	216,366		216,366	432,732	432,732	
OTH CURRENT EXPENSES	72,245		72,245	72,245		72,245	144,490	144,490	
TOTAL OPERATING COST	288,611		288,611	288,611		288,611	577,222	577,222	0.00
BY MEANS OF FINANCING	2.00*	*	2.00*	2.00*	*	2.00*	*	*	
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	288,611		288,611	288,611		288,611	577,222	577,222	
TOTAL PERM POSITIONS	2.00*	*	2.00*	2.00*	*	2.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	288,611		288,611	288,611		288,611	577,222	577,222	0.00

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

CCA-901
10010308
PUBLIC UTILITIES COMMISSION

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	65.00*	*	65.00*	65.00*	*	65.00*	*	*	
	**	**	**	**	**	**	**	**	**
PERSONAL SERVICES	7,284,982		7,284,982	7,284,982		7,284,982	14,569,964	14,569,964	
OTH CURRENT EXPENSES	8,336,368		8,336,368	7,964,266		7,964,266	16,300,634	16,300,634	
EQUIPMENT	131,847		131,847				131,847	131,847	
TOTAL OPERATING COST	15,753,197		15,753,197	15,249,248		15,249,248	31,002,445	31,002,445	0.00
BY MEANS OF FINANCING	65.00*	*	65.00*	65.00*	*	65.00*	*	*	
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	15,753,197		15,753,197	15,249,248		15,249,248	31,002,445	31,002,445	
TOTAL PERM POSITIONS	65.00*	*	65.00*	65.00*	*	65.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	15,753,197		15,753,197	15,249,248		15,249,248	31,002,445	31,002,445	0.00

EXECUTIVE SUPPLEMENTAL BUDGET

REPORT: S61-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

CCA-
100104
ENFORCEMENT OF FAIR BUSINESS PRACTICES

(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	155.00*	*	155.00*	155.00*	1.00*	156.00*	*	*	
	11.00**	**	11.00**	11.00**	**	11.00**	**	**	
PERSONAL SERVICES	14,838,970		14,838,970	14,901,005	85,029	14,986,034	29,739,975	29,825,004	
OTH CURRENT EXPENSES	3,372,432		3,372,432	3,022,432		3,022,432	6,394,864	6,394,864	
TOTAL OPERATING COST	18,211,402		18,211,402	17,923,437	85,029	18,008,466	36,134,839	36,219,868	0.24
BY MEANS OF FINANCING	155.00*	*	155.00*	155.00*	1.00*	156.00*	*	*	
	11.00**	**	11.00**	11.00**	**	11.00**	**	**	
SPECIAL FUND	18,110,721		18,110,721	17,822,756	85,029	17,907,785	35,933,477	36,018,506	
	*	*	*	*	*	*	*	*	
	**	**	**	**	**	**	**	**	
TRUST FUNDS	100,681		100,681	100,681		100,681	201,362	201,362	
TOTAL PERM POSITIONS	155.00*	*	155.00*	155.00*	1.00*	156.00*	*	*	
TOTAL TEMP POSITIONS	11.00**	**	11.00**	11.00**	**	11.00**	**	**	
TOTAL PROGRAM COST	18,211,402		18,211,402	17,923,437	85,029	18,008,466	36,134,839	36,219,868	0.24

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

REPORT: S61-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

**CCA-110
10010401
OFFICE OF CONSUMER PROTECTION**

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*	*	*	
	2.00**	**	2.00**	2.00**	**	2.00**	**	**	
PERSONAL SERVICES	2,029,522		2,029,522	2,091,557		2,091,557	4,121,079	4,121,079	
OTH CURRENT EXPENSES	614,618		614,618	614,618		614,618	1,229,236	1,229,236	
TOTAL OPERATING COST	2,644,140		2,644,140	2,706,175		2,706,175	5,350,315	5,350,315	0.00
BY MEANS OF FINANCING	18.00*	*	18.00*	18.00*	*	18.00*	*	*	
	2.00**	**	2.00**	2.00**	**	2.00**	**	**	
SPECIAL FUND	2,543,459		2,543,459	2,605,494		2,605,494	5,148,953	5,148,953	
	*	*	*	*	*	*	*	*	
	**	**	**	**	**	**	**	**	
TRUST FUNDS	100,681		100,681	100,681		100,681	201,362	201,362	
TOTAL PERM POSITIONS	18.00*	*	18.00*	18.00*	*	18.00*	*	*	
TOTAL TEMP POSITIONS	2.00**	**	2.00**	2.00**	**	2.00**	**	**	
TOTAL PROGRAM COST	2,644,140		2,644,140	2,706,175		2,706,175	5,350,315	5,350,315	0.00

EXECUTIVE SUPPLEMENTAL BUDGET

REPORT: S61-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

CCA-111
10010403
BUSINESS REGISTRATION & SECURITIES REGULATN

(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	71.00*		71.00*	71.00*	1.00*	72.00*	*	*	
	8.00**	**	8.00**	8.00**	**	8.00**	**	**	**
PERSONAL SERVICES	6,462,563		6,462,563	6,462,563	85,029	6,547,592	12,925,126	13,010,155	
OTH CURRENT EXPENSES	1,937,555		1,937,555	1,587,555		1,587,555	3,525,110	3,525,110	
TOTAL OPERATING COST	8,400,118		8,400,118	8,050,118	85,029	8,135,147	16,450,236	16,535,265	0.52
BY MEANS OF FINANCING	71.00*		71.00*	71.00*	1.00*	72.00*	*	*	
	8.00**	**	8.00**	8.00**	**	8.00**	**	**	**
SPECIAL FUND	8,400,118		8,400,118	8,050,118	85,029	8,135,147	16,450,236	16,535,265	
TOTAL PERM POSITIONS	71.00*		71.00*	71.00*	1.00*	72.00*	*	*	
TOTAL TEMP POSITIONS	8.00**	**	8.00**	8.00**	**	8.00**	**	**	**
TOTAL PROGRAM COST	8,400,118		8,400,118	8,050,118	85,029	8,135,147	16,450,236	16,535,265	0.52

Narrative for Supplemental Budget Requests

FY 2019

Program ID: CCA 111

Program Structure Level: 10 01 04 03

Program Title: BUSINESS REGISTRATION & SECURITIES REGULATN

A. Program Objective

To ensure compliance with and enforcement of securities and franchise laws; to accurately maintain business registration information for corporations, partnerships, limited liability companies, trade names, trademarks, service marks and other entities; and to run business centers to provide personalized assistance to small and startup businesses.

B. Description of Request

1. Spec. funds. Add permanent position and ceiling (\$85,029 in FY 2019 and \$170,000 in FY 2020 and each year after).

C. Reasons for Request

The purpose of this request is to establish and fund (from the Compliance Resolution Fund), a Deputy Securities Commissioner position within the Business Registration Division (BREG). The Deputy Securities Commissioner would have two important functions:

First, the Deputy Securities Commissioner would be responsible for actively managing all aspects of cases and provide oversight to the Securities Enforcement Branch (SEB). The SEB investigates and prosecutes violations of State securities and franchise laws. These cases are complex and involve lengthy investigations and require specialized financial expertise. The Commissioner is the final adjudicator in the administrative legal cases prosecuted by the SEB and is therefore precluded from being involved in the preparation and prosecution of these cases. The Division believes that its ability to effectively and strategically fulfill its investigative and prosecutorial role in the important area of securities enforcement will be greatly enhanced with the oversight that can be provided by the Deputy Commissioner.

Second, the Deputy Securities Commissioner will assist in carrying out BREG's program functions by assisting the Commissioner in the administrative oversight of the day-to-day activities of BREG. Fully staffed, BREG has more than 75 employees located in multiple locations on multiple islands, and in addition to securities enforcement, its programs include maintaining the State's business registry; examining and licensing broker-dealers, agents, investment advisers, and investment adviser representatives; reviewing and ensuring franchise applications are in compliance with State laws; providing community outreach through the Investor Education Program; and running the Business Action Center

on Oahu, Maui, and providing services in Hilo and Kona. More than 145,000 documents are filed, reviewed and processed annually. Currently, the division's operational, administrative and personnel management functions all rest with the Commissioner of Securities.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

REPORT: S61-A

PROGRAM ID: CCA-112
PROGRAM STRUCTURE NO: 10010404
PROGRAM TITLE: REGULATED INDUSTRIES COMPLAINTS OFFICE

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	66.00*	*	66.00*	66.00*	*	66.00*	*	*	
	1.00**	**	1.00**	1.00**	**	1.00**	**	**	
PERSONAL SERVICES	6,346,885		6,346,885	6,346,885		6,346,885	12,693,770	12,693,770	
OTH CURRENT EXPENSES	820,259		820,259	820,259		820,259	1,640,518	1,640,518	
TOTAL OPERATING COST	7,167,144		7,167,144	7,167,144		7,167,144	14,334,288	14,334,288	0.00
BY MEANS OF FINANCING	66.00*	*	66.00*	66.00*	*	66.00*	*	*	
	1.00**	**	1.00**	1.00**	**	1.00**	**	**	
SPECIAL FUND	7,167,144		7,167,144	7,167,144		7,167,144	14,334,288	14,334,288	
TOTAL PERM POSITIONS	66.00*	*	66.00*	66.00*	*	66.00*	*	*	
TOTAL TEMP POSITIONS	1.00**	**	1.00**	1.00**	**	1.00**	**	**	
TOTAL PROGRAM COST	7,167,144		7,167,144	7,167,144		7,167,144	14,334,288	14,334,288	0.00

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

CCA-191
100105
GENERAL SUPPORT

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	44.00*	*	44.00*	44.00*	1.00*	45.00*	*	*	
	6.00**	**	6.00**	6.00**	**	6.00**	**	**	
PERSONAL SERVICES	5,468,896		5,468,896	5,468,896	84,730	5,553,626	10,937,792	11,022,522	
OTH CURRENT EXPENSES	2,641,974		2,641,974	2,641,974		2,641,974	5,283,948	5,283,948	
TOTAL OPERATING COST	8,110,870		8,110,870	8,110,870	84,730	8,195,600	16,221,740	16,306,470	0.52
BY MEANS OF FINANCING	44.00*	*	44.00*	44.00*	1.00*	45.00*	*	*	
	6.00**	**	6.00**	6.00**	**	6.00**	**	**	
SPECIAL FUND	8,110,870		8,110,870	8,110,870	84,730	8,195,600	16,221,740	16,306,470	
TOTAL PERM POSITIONS	44.00*	*	44.00*	44.00*	1.00*	45.00*	*	*	
TOTAL TEMP POSITIONS	6.00**	**	6.00**	6.00**	**	6.00**	**	**	
TOTAL PROGRAM COST	8,110,870		8,110,870	8,110,870	84,730	8,195,600	16,221,740	16,306,470	0.52

Narrative for Supplemental Budget Requests

FY 2019

Program ID: CCA 191

Program Structure Level: 10 01 05

Program Title: GENERAL SUPPORT

A. Program Objective

To uphold fairness and public confidence in the marketplace and promote sound consumer practices by increasing knowledge and opportunity for our businesses and citizens.

B. Description of Request

1. Special Funds. Transfer in permanent position and ceiling from CCA 103(\$84,730).

C. Reasons for Request

Due to the increased workload and duties and responsibilities, the Administrative Services Office requests approval of the transfer and re-description of a Public Utilities Rate Analyst IV to a Program Specialist IV, from the Department of Consumer Advocacy to the Budget/Management Analysis Branch in the Administrative Services Office.

This position is critical for the department in providing oversight and compliance with procurement, fiscal, budget, travel, security, facilities management, safety, security, emergency management, disability and communication access and administrative policies, rules and statutes. This position will also conduct and coordinate required studies, reviews and audits as well as manage the department's management controls program.

D. Significant Changes to Measures of Effectiveness and Program Size

None.