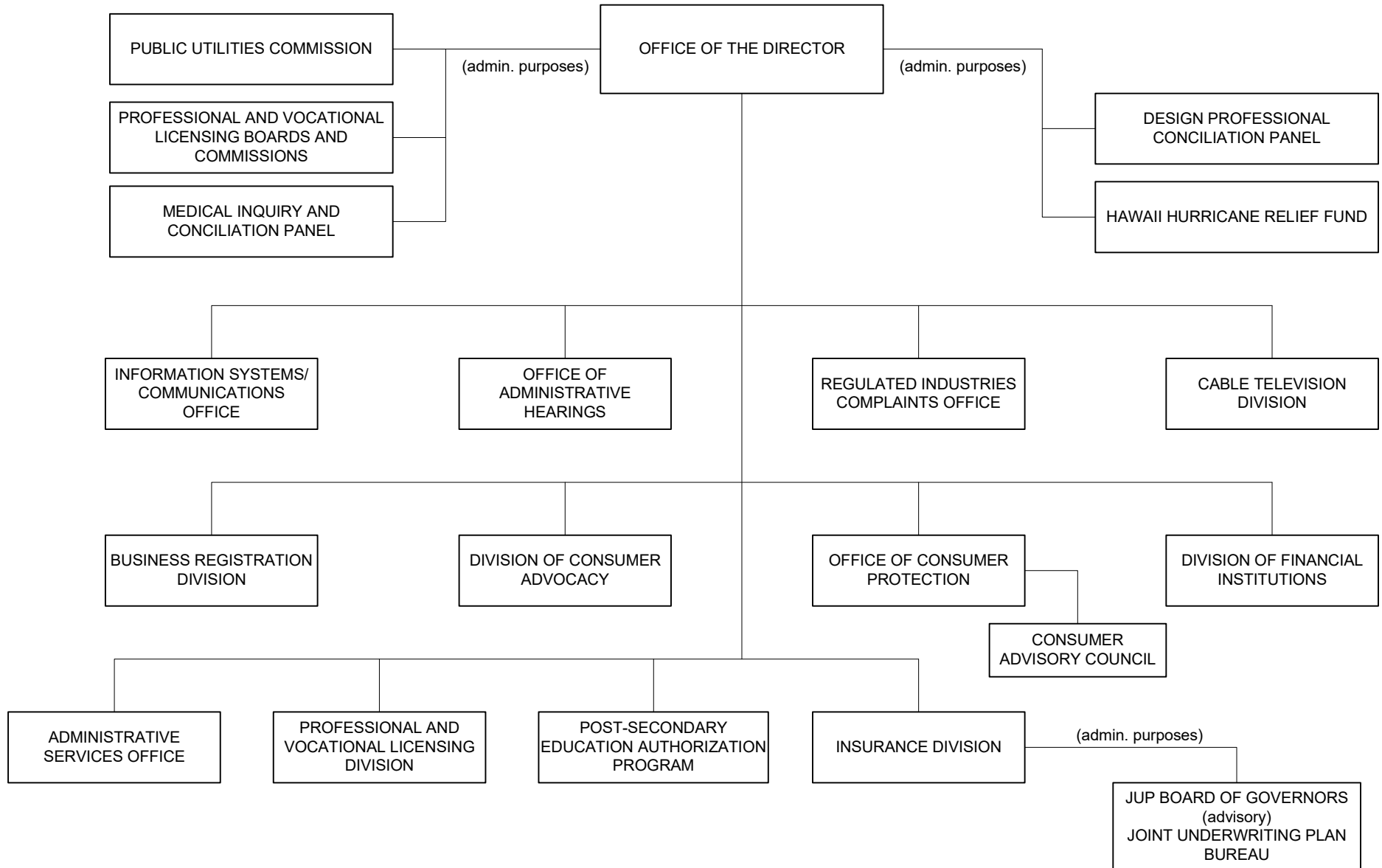




Department of Commerce and Consumer Affairs

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



DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

Department Summary

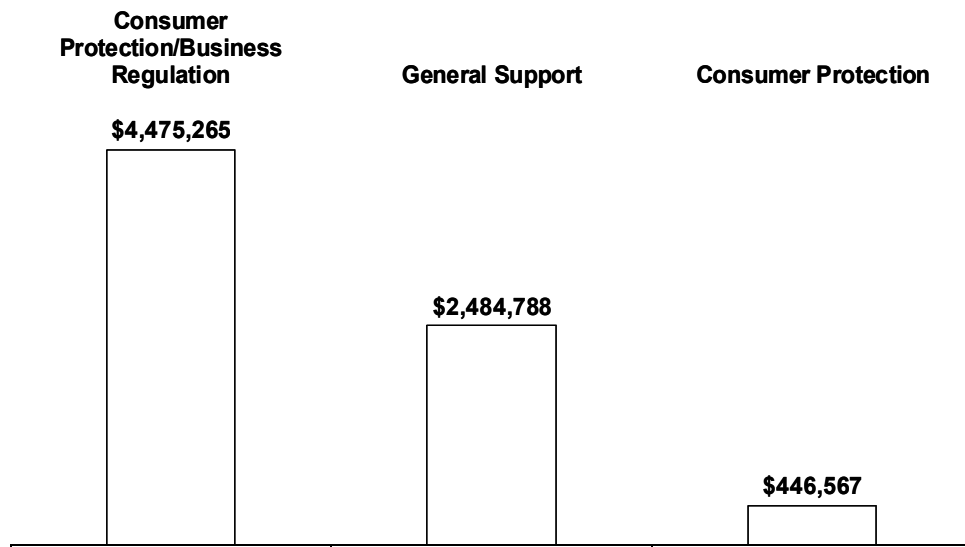
Mission Statement

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.

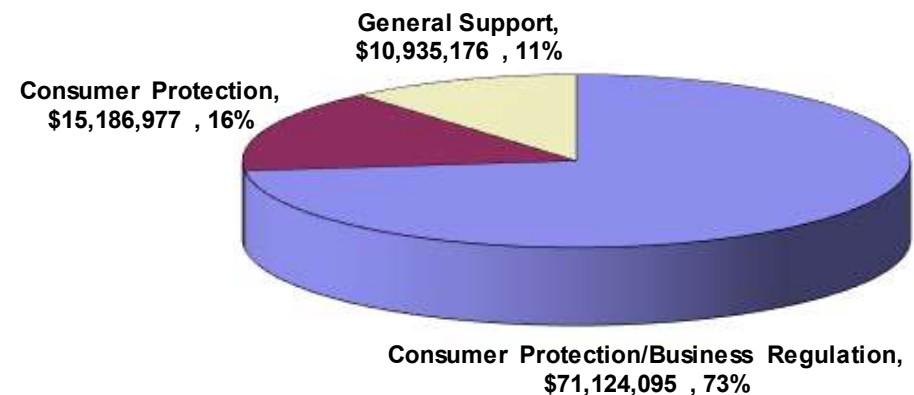
Department Goals

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

FY 2021 Supplemental Operating Budget Adjustments by Major Program



FY 2021 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 5/2019 + other budget acts FY 2020	Act 5/2019 + other budget acts FY 2021	FY 2020 Adjustments	FY 2021 Adjustments	Total FY 2020	Total FY 2021
Funding Sources:	Positions	Perm	513.00	513.00	-	-	513.00	513.00
		Temp	15.00	15.00	-	-	15.00	15.00
	Special Funds	\$	87,000,503	86,181,103	-	6,460,620	87,000,503	92,641,723
		Perm	-	-	-	-	-	-
		Temp	6.00	6.00	-	-	6.00	6.00
	Other Federal Funds	\$	251,000	251,000	-	-	251,000	251,000
		Perm	8.00	8.00	-	-	8.00	8.00
		Temp	5.00	5.00	-	-	5.00	5.00
	Trust Funds	\$	3,407,525	3,407,525	-	946,000	3,407,525	4,353,525
		Perm	521.00	521.00	-	-	521.00	521.00
		Temp	26.00	26.00	-	-	26.00	26.00
Total Requirements			\$ 90,659,028	89,839,628	-	7,406,620	90,659,028	97,246,248

Highlights: (general funds and FY 21 unless otherwise noted)

1. Adds \$3,500,000 in special funds to replace the outdated Business Registration Information Management System and Registration Documents Processing Management System.
2. Adds \$2,000,000 in special funds for King Kalakaua Building maintenance and emergency preparedness grant matching.
3. Adds \$897,000 in special funds for a Mobile Wi-Fi Lending Pilot Program and institutional network infrastructure costs.
4. Adds \$50,000 in special funds for consumer protection community outreach events.

Department of Commerce and Consumer Affairs
Capital Improvements Budget

	Act 40/2019 FY 2020	Act 40/2019 FY 2021	FY 2020 Adjustments	FY 2021 Adjustments	Total FY 2020	Total FY 2021
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	-	-	-	-	-	-
Total Requirements	-	-	-	-	-	-

Highlights: (general obligation bonds and FY 21 unless otherwise noted)
None.



Operating Budget Details

FY 21 EXECUTIVE SUPPLEMENTAL BUDGET
ERRATA FOR REPORT S61 AND S61-A

Please note that all pages of Report S61 and S61-A indicate the incorrect "percent change" in the "biennium totals" column for total capital costs. All "percent change" amounts for capital costs should be 100.00%, not 0.00%.

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

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

PROGRAM COSTS	FY 2020			FY 2021			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	521.00*	*	521.00*	521.00*	*	521.00*	*	*	
	26.00**	**	26.00**	26.00**	**	26.00**	**	**	**
PERSONAL SERVICES	57,243,291		57,243,291	57,243,291	400,620	57,643,911	114,486,582	114,887,202	
OTH CURRENT EXPENSES	33,378,637		33,378,637	32,563,337	6,896,000	39,459,337	65,941,974	72,837,974	
EQUIPMENT	37,100		37,100	33,000	110,000	143,000	70,100	180,100	
TOTAL OPERATING COST	90,659,028		90,659,028	89,839,628	7,406,620	97,246,248	180,498,656	187,905,276	4.10
BY MEANS OF FINANCING	513.00*	*	513.00*	513.00*	*	513.00*	*	*	
	15.00**	**	15.00**	15.00**	**	15.00**	**	**	**
SPECIAL FUND	87,000,503		87,000,503	86,181,103	6,460,620	92,641,723	173,181,606	179,642,226	
	*	*	*	*	*	*	*	*	*
	6.00**	**	6.00**	6.00**	**	6.00**	**	**	**
OTHER FEDERAL FUNDS	251,000		251,000	251,000		251,000	502,000	502,000	
	8.00*	*	8.00*	8.00*	*	8.00*	*	*	*
	5.00**	**	5.00**	5.00**	**	5.00**	**	**	**
TRUST FUNDS	3,407,525		3,407,525	3,407,525	946,000	4,353,525	6,815,050	7,761,050	
TOTAL PERM POSITIONS	521.00*	*	521.00*	521.00*	*	521.00*	*	*	
TOTAL TEMP POSITIONS	26.00**	**	26.00**	26.00**	**	26.00**	**	**	**
TOTAL PROGRAM COST	90,659,028		90,659,028	89,839,628	7,406,620	97,246,248	180,498,656	187,905,276	4.10

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID: CCA-
PROGRAM STRUCTURE NO: 1001
PROGRAM TITLE: PROTECTION OF THE CONSUMER

PROGRAM COSTS	FY 2020			FY 2021			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	521.00*	*	521.00*	521.00*	*	521.00*	*	*	
	26.00**	**	26.00**	26.00**	**	26.00**	**	**	**
PERSONAL SERVICES	57,243,291		57,243,291	57,243,291	400,620	57,643,911	114,486,582	114,887,202	
OTH CURRENT EXPENSES	33,378,637		33,378,637	32,563,337	6,896,000	39,459,337	65,941,974	72,837,974	
EQUIPMENT	37,100		37,100	33,000	110,000	143,000	70,100	180,100	
TOTAL OPERATING COST	90,659,028		90,659,028	89,839,628	7,406,620	97,246,248	180,498,656	187,905,276	4.10
BY MEANS OF FINANCING									
	513.00*	*	513.00*	513.00*	*	513.00*	*	*	
	15.00**	**	15.00**	15.00**	**	15.00**	**	**	**
SPECIAL FUND	87,000,503		87,000,503	86,181,103	6,460,620	92,641,723	173,181,606	179,642,226	
	*	*	*	*	*	*	*	*	*
	6.00**	**	6.00**	6.00**	**	6.00**	**	**	**
OTHER FEDERAL FUNDS	251,000		251,000	251,000		251,000	502,000	502,000	
	8.00*	*	8.00*	8.00*	*	8.00*	*	*	*
	5.00**	**	5.00**	5.00**	**	5.00**	**	**	**
TRUST FUNDS	3,407,525		3,407,525	3,407,525	946,000	4,353,525	6,815,050	7,761,050	
TOTAL PERM POSITIONS	521.00*	*	521.00*	521.00*	*	521.00*	*	*	
TOTAL TEMP POSITIONS	26.00**	**	26.00**	26.00**	**	26.00**	**	**	**
TOTAL PROGRAM COST	90,659,028		90,659,028	89,839,628	7,406,620	97,246,248	180,498,656	187,905,276	4.10

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID: CCA-
PROGRAM STRUCTURE NO: 100103
PROGRAM TITLE: REGULATION OF SERVICES

PROGRAM COSTS	FY 2020			FY 2021			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	308.00*	*	308.00*	308.00*	-3.00*	305.00*	*	*	
	23.00**	**	23.00**	23.00**	**	23.00**	**	**	**
PERSONAL SERVICES	35,865,028		35,865,028	35,865,028	-325,287	35,539,741	71,730,056	71,404,769	
OTH CURRENT EXPENSES	27,214,231		27,214,231	26,773,931	1,246,000	28,019,931	53,988,162	55,234,162	
EQUIPMENT	37,100		37,100	33,000		33,000	70,100	70,100	
TOTAL OPERATING COST	63,116,359		63,116,359	62,671,959	920,713	63,592,672	125,788,318	126,709,031	0.73
BY MEANS OF FINANCING	300.00*	*	300.00*	300.00*	-3.00*	297.00*	*	*	
	12.00**	**	12.00**	12.00**	**	12.00**	**	**	**
SPECIAL FUND	59,558,515		59,558,515	59,114,115	-25,287	59,088,828	118,672,630	118,647,343	
	*	*	*	*	*	*	*	*	*
	6.00**	**	6.00**	6.00**	**	6.00**	**	**	**
OTHER FEDERAL FUNDS	251,000		251,000	251,000		251,000	502,000	502,000	
	8.00*	*	8.00*	8.00*	*	8.00*	*	*	*
	5.00**	**	5.00**	5.00**	**	5.00**	**	**	**
TRUST FUNDS	3,306,844		3,306,844	3,306,844	946,000	4,252,844	6,613,688	7,559,688	
TOTAL PERM POSITIONS	308.00*	*	308.00*	308.00*	-3.00*	305.00*	*	*	
TOTAL TEMP POSITIONS	23.00**	**	23.00**	23.00**	**	23.00**	**	**	**
TOTAL PROGRAM COST	63,116,359		63,116,359	62,671,959	920,713	63,592,672	125,788,318	126,709,031	0.73

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID: CCA-102
PROGRAM STRUCTURE NO: 10010301
PROGRAM TITLE: CABLE TELEVISION

PROGRAM COSTS	FY 2020			FY 2021			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*	-1.00*	7.00*	*	*	
	**	**	**	**	**	**	**	**	**
PERSONAL SERVICES	1,100,256		1,100,256	1,100,256	-129,370	970,886	2,200,512	2,071,142	
OTH CURRENT EXPENSES	1,549,730		1,549,730	1,549,730	897,000	2,446,730	3,099,460	3,996,460	
TOTAL OPERATING COST	2,649,986		2,649,986	2,649,986	767,630	3,417,616	5,299,972	6,067,602	14.48
BY MEANS OF FINANCING									
	8.00*	*	8.00*	8.00*	-1.00*	7.00*	*	*	
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	2,648,986		2,648,986	2,648,986	-129,370	2,519,616	5,297,972	5,168,602	
	*	*	*	*	*	*	*	*	
	**	**	**	**	**	**	**	**	**
TRUST FUNDS	1,000		1,000	1,000	897,000	898,000	2,000	899,000	
TOTAL PERM POSITIONS	8.00*	*	8.00*	8.00*	-1.00*	7.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	2,649,986		2,649,986	2,649,986	767,630	3,417,616	5,299,972	6,067,602	14.48

Narrative for Supplemental Budget Requests

FY 2021

Program ID: CCA 102

Program Structure Level: 10 01 03 01

Program Title: CABLE TELEVISION

A. Program Objective

To foster the development of safe, responsive, and reliable cable television services for the people of Hawaii by promoting the public interest in authorizations by the State regarding cable television franchises; regulate basic cable television rates (to the extent allowed) and services to ensure compliance with applicable State and federal laws; support the statewide institutional network (INET); continue the availability of public, educational, and governmental (PEG) access services; and to engage in activities promoting the expansion and deployment of broadband infrastructure and access to broadband services throughout the State.

B. Description of Request

1) Special Funds: Transfer 1 position and ceiling to the Office of Consumer Protection (-\$129,370).

2) Trust Funds: Increase Expenditure Levels for Institutional Network (INET) and Broadband Expansion (\$897,000).

C. Reasons for Request

1) Please refer to budget request CCA 110/DA - Transfer and re-describe 1 position and special funds ceiling from Cable Television to the Office of Consumer Protection.

2) The purpose of this request is to: (a) expand broadband access by partnering with Hawaii State Public Library System (HSPLS) to establish a Mobile WiFi Hotspot Lending Pilot Program; and (b) offset some of the anticipated financial impacts resulting from the Federal Communications Commission's (FCC) 2019 Franchise Fees Order with respect to the INET. These activities will further the DCCA's role in facilitating efforts, particularly in unserved and underserved areas, to expand access to internet services throughout the State and to support the INET and governmental agencies that utilize the network. The proposed funding source is monies previously collected from cable subscribers that are being held by Oceanic Time Warner Cable LLC (now known as Spectrum Oceanic, LLC) specifically for broadband and INET purposes.

(a) DCCA requests permission to expend \$400,000 to assist HSPLS with costs associated with the establishment of a Mobile WiFi Hotspot Lending Pilot Program aimed at enhancing internet access across the State, particularly in unserved and underserved communities. According to American Community Survey estimates

ending 2017, nearly one-in-five Hawaii households do not have an internet subscription, with these numbers increasing among households making less than \$20,000 a year (approx. 46% of households with no internet subscription) and those in rural areas (approx. 26% of households with no internet subscription). To help address this "digital divide," many libraries, including the New York Public Library, Seattle Public Library, Chicago Public Library, and Boston Public Library, have established WiFi hotspot lending programs where portable hotspot devices are made available to library patrons to allow them to access the internet through laptops, smartphones, or tablets via a provider's cellular network. This pilot program seeks to emulate the successes of these and similar programs for Hawaii residents.

(b) DCCA requests permission to expend \$497,000 to address INET-related costs associated with the implementation of the FCC's 2019 Franchise Fees Order, which is scheduled to become effective on September 26, 2019. In August 2019, the FCC, in a 3-2 vote, concluded that costs associated with the construction, maintenance, and service of an INET must be assessed at their fair market value, which may include potential internet service, maintenance, or other operational costs. This new cost valuation method represents a stark change from the previously negotiated free and discounted (i.e., at-cost) INET services provided by the cable operators through their cable franchise agreements with the State. This request will be used to offset some of the anticipated INET costs associated with complying with the new federal rules set forth in the FCC's 2019 Franchise Fees Order.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

EXECUTIVE SUPPLEMENTAL BUDGET

REPORT: S61-A

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

(IN DOLLARS)

PROGRAM COSTS	FY 2020			FY 2021			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	25.00*	*	25.00*	25.00*	*	25.00*	*	*	
	**	**	**	**	**	**	**	**	**
PERSONAL SERVICES	3,033,536		3,033,536	3,033,536		3,033,536	6,067,072	6,067,072	
OTH CURRENT EXPENSES	1,460,550		1,460,550	1,460,550		1,460,550	2,921,100	2,921,100	
TOTAL OPERATING COST	4,494,086		4,494,086	4,494,086		4,494,086	8,988,172	8,988,172	0.00
BY MEANS OF FINANCING	25.00*	*	25.00*	25.00*	*	25.00*	*	*	
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	4,494,086		4,494,086	4,494,086		4,494,086	8,988,172	8,988,172	
TOTAL PERM POSITIONS	25.00*	*	25.00*	25.00*	*	25.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	4,494,086		4,494,086	4,494,086		4,494,086	8,988,172	8,988,172	0.00

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID: CCA-104
PROGRAM STRUCTURE NO: 10010303
PROGRAM TITLE: FINANCIAL SERVICES REGULATION

PROGRAM COSTS	FY 2020			FY 2021			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	40.00*	*	40.00*	40.00*	*	40.00*	*	*	
	**	**	**	**	**	**	**	**	**
PERSONAL SERVICES	4,439,398		4,439,398	4,439,398		4,439,398	8,878,796	8,878,796	
OTH CURRENT EXPENSES	1,037,090		1,037,090	1,037,090	50,000	1,087,090	2,074,180	2,124,180	
TOTAL OPERATING COST	5,476,488		5,476,488	5,476,488	50,000	5,526,488	10,952,976	11,002,976	0.46
BY MEANS OF FINANCING	40.00*	*	40.00*	40.00*	*	40.00*	*	*	
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	5,175,488		5,175,488	5,175,488	50,000	5,225,488	10,350,976	10,400,976	
	*	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**	**
TRUST FUNDS	301,000		301,000	301,000		301,000	602,000	602,000	
TOTAL PERM POSITIONS	40.00*	*	40.00*	40.00*	*	40.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	5,476,488		5,476,488	5,476,488	50,000	5,526,488	10,952,976	11,002,976	0.46

Narrative for Supplemental Budget Requests

FY 2021

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 and ensure regulatory compliance by State-licensed financial institutions, escrow depositories, money transmitters, mortgage servicers, mortgage loan originators and mortgage loan originator companies 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: Increase ceiling for Document Management System (DMS) recurring costs (\$50,000).

C. Reasons for Request

1) An increase of \$50,000 in the annual amount paid to MicroPact is needed for the purchase and ongoing maintenance of MicroPact's document management module. The document management system will manage and store documents created in the MicroPact system. Initially, it was thought that a new DCCA document management system would work with the MicroPact system, but that has been determined to be inaccurate.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID: CCA-105
PROGRAM STRUCTURE NO: 10010304
PROGRAM TITLE: PROFESSIONAL & VOCATIONAL LICENSING

PROGRAM COSTS	FY 2020			FY 2021			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*	*	71.00*	*	*	
	16.00**	**	16.00**	16.00**	**	16.00**	**	**	**
PERSONAL SERVICES	7,418,713		7,418,713	7,418,713		7,418,713	14,837,426	14,837,426	
OTH CURRENT EXPENSES	3,278,075		3,278,075	3,278,075		3,278,075	6,556,150	6,556,150	
TOTAL OPERATING COST	10,696,788		10,696,788	10,696,788		10,696,788	21,393,576	21,393,576	0.00
BY MEANS OF FINANCING									
	63.00*	*	63.00*	63.00*	*	63.00*	*	*	
	11.00**	**	11.00**	11.00**	**	11.00**	**	**	**
SPECIAL FUND	7,892,944		7,892,944	7,892,944		7,892,944	15,785,888	15,785,888	
	8.00*	*	8.00*	8.00*	*	8.00*	*	*	
	5.00**	**	5.00**	5.00**	**	5.00**	**	**	**
TRUST FUNDS	2,803,844		2,803,844	2,803,844		2,803,844	5,607,688	5,607,688	
TOTAL PERM POSITIONS	71.00*	*	71.00*	71.00*	*	71.00*	*	*	
TOTAL TEMP POSITIONS	16.00**	**	16.00**	16.00**	**	16.00**	**	**	**
TOTAL PROGRAM COST	10,696,788		10,696,788	10,696,788		10,696,788	21,393,576	21,393,576	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 2020			FY 2021			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*	-2.00*	93.00*	*	*	
	7.00**	**	7.00**	7.00**	**	7.00**	**	**	**
PERSONAL SERVICES	11,049,815		11,049,815	11,049,815	-195,917	10,853,898	22,099,630	21,903,713	
OTH CURRENT EXPENSES	10,764,135		10,764,135	8,764,135	49,000	8,813,135	19,528,270	19,577,270	
TOTAL OPERATING COST	21,813,950		21,813,950	19,813,950	-146,917	19,667,033	41,627,900	41,480,983	-0.35
BY MEANS OF FINANCING	95.00*	*	95.00*	95.00*	-2.00*	93.00*	*	*	
	1.00**	**	1.00**	1.00**	**	1.00**	**	**	**
SPECIAL FUND	21,361,950		21,361,950	19,361,950	-195,917	19,166,033	40,723,900	40,527,983	
	*	*	*	*	*	*	*	*	*
OTHER FEDERAL FUNDS	6.00**	**	6.00**	6.00**	**	6.00**	**	**	**
	251,000		251,000	251,000		251,000	502,000	502,000	
	*	*	*	*	*	*	*	*	*
TRUST FUNDS	**	**	**	**	**	**	**	**	**
	201,000		201,000	201,000	49,000	250,000	402,000	451,000	
TOTAL PERM POSITIONS	95.00*	*	95.00*	95.00*	-2.00*	93.00*	*	*	
TOTAL TEMP POSITIONS	7.00**	**	7.00**	7.00**	**	7.00**	**	**	**
TOTAL PROGRAM COST	21,813,950		21,813,950	19,813,950	-146,917	19,667,033	41,627,900	41,480,983	-0.35

Narrative for Supplemental Budget Requests

FY 2021

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) Special Funds: Transfer 1 position and ceiling to the Office of Consumer Protection (-\$141,485).
- 2) Trust Funds: Increase ceiling for community outreach (\$49,000).
- 3) Special Funds: Transfer 1 position and ceiling to General Support (-\$54,432).

C. Reasons for Request

- 1) Please refer to budget request CCA 110/DA - Transfer and redescribe 1 position and special funds ceiling from Insurance Regulatory Services to the Office of Consumer Protection.
- 2) The Insurance Commissioner anticipates attending more training and education workshops and increasing community outreach efforts.
- 3) Please refer to budget request CCA 191/AA - Transfer and redescribe 1 position and special funds ceiling from Insurance Regulatory Services to General Support.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID: CCA-107
PROGRAM STRUCTURE NO: 10010307
PROGRAM TITLE: POST-SECONDARY EDUCATION AUTHORIZATION

PROGRAM COSTS	FY 2020			FY 2021			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	225,659		225,659	225,659		225,659	451,318	451,318	
OTH CURRENT EXPENSES	72,245		72,245	72,245		72,245	144,490	144,490	
TOTAL OPERATING COST	297,904		297,904	297,904		297,904	595,808	595,808	0.00
BY MEANS OF FINANCING	2.00*	*	2.00*	2.00*	*	2.00*	*	*	
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	297,904		297,904	297,904		297,904	595,808	595,808	
TOTAL PERM POSITIONS	2.00*	*	2.00*	2.00*	*	2.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	297,904		297,904	297,904		297,904	595,808	595,808	0.00

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID: CCA-901
PROGRAM STRUCTURE NO: 10010308
PROGRAM TITLE: PUBLIC UTILITIES COMMISSION

PROGRAM COSTS	FY 2020			FY 2021			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	67.00*	*	67.00*	67.00*	*	67.00*	*	*	
	**	**	**	**	**	**	**	**	**
PERSONAL SERVICES	8,597,651		8,597,651	8,597,651		8,597,651	17,195,302	17,195,302	
OTH CURRENT EXPENSES	9,052,406		9,052,406	10,612,106	250,000	10,862,106	19,664,512	19,914,512	
EQUIPMENT	37,100		37,100	33,000		33,000	70,100	70,100	
TOTAL OPERATING COST	17,687,157		17,687,157	19,242,757	250,000	19,492,757	36,929,914	37,179,914	0.68
BY MEANS OF FINANCING	67.00*	*	67.00*	67.00*	*	67.00*	*	*	
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	17,687,157		17,687,157	19,242,757	250,000	19,492,757	36,929,914	37,179,914	
TOTAL PERM POSITIONS	67.00*	*	67.00*	67.00*	*	67.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	17,687,157		17,687,157	19,242,757	250,000	19,492,757	36,929,914	37,179,914	0.68

**Narrative for Supplemental Budget Requests
FY 2021**

Program ID: CCA 901

Program Structure Level: 10 01 03 08

Program Title: PUBLIC UTILITIES COMMISSION

A. Program Objective

To ensure that regulated companies efficiently and safely provide their customers with adequate and reliable services at just and reasonable rates, while providing regulated companies with a fair opportunity to earn a reasonable rate.

B. Description of Request

1) Special Funds: Increase ceiling for other current expenses for consultant costs (\$250,000).

C. Reasons for Request

1) The Public Utilities Commission requires the expertise brought by specialized consultants for matters relating to major energy dockets. These consultants and their services are necessary to help accelerate effective decision making and efficiently resolve these dockets.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID: CCA-
PROGRAM STRUCTURE NO: 100104
PROGRAM TITLE: ENFORCEMENT OF FAIR BUSINESS PRACTICES

PROGRAM COSTS	FY 2020			FY 2021			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	163.00*	*	163.00*	163.00*	2.00*	165.00*	*	*	
	2.00**	**	2.00**	2.00**	**	2.00**	**	**	**
PERSONAL SERVICES	15,594,849		15,594,849	15,594,849	401,119	15,995,968	31,189,698	31,590,817	
OTH CURRENT EXPENSES	3,422,432		3,422,432	3,122,432	3,600,000	6,722,432	6,544,864	10,144,864	
TOTAL OPERATING COST	19,017,281		19,017,281	18,717,281	4,001,119	22,718,400	37,734,562	41,735,681	10.60
BY MEANS OF FINANCING	163.00*	*	163.00*	163.00*	2.00*	165.00*	*	*	
	2.00**	**	2.00**	2.00**	**	2.00**	**	**	**
SPECIAL FUND	18,916,600		18,916,600	18,616,600	4,001,119	22,617,719	37,533,200	41,534,319	
	*	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**	**
TRUST FUNDS	100,681		100,681	100,681		100,681	201,362	201,362	
TOTAL PERM POSITIONS	163.00*	*	163.00*	163.00*	2.00*	165.00*	*	*	
TOTAL TEMP POSITIONS	2.00**	**	2.00**	2.00**	**	2.00**	**	**	**
TOTAL PROGRAM COST	19,017,281		19,017,281	18,717,281	4,001,119	22,718,400	37,734,562	41,735,681	10.60

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID: CCA-110
PROGRAM STRUCTURE NO: 10010401
PROGRAM TITLE: OFFICE OF CONSUMER PROTECTION

PROGRAM COSTS	FY 2020			FY 2021			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*	2.00*	20.00*	*	*	
	1.00**	**	1.00**	1.00**	**	1.00**	**	**	**
PERSONAL SERVICES	2,081,546		2,081,546	2,081,546	270,855	2,352,401	4,163,092	4,433,947	
OTH CURRENT EXPENSES	664,618		664,618	664,618	100,000	764,618	1,329,236	1,429,236	
TOTAL OPERATING COST	2,746,164		2,746,164	2,746,164	370,855	3,117,019	5,492,328	5,863,183	6.75
BY MEANS OF FINANCING									
	18.00*	*	18.00*	18.00*	2.00*	20.00*	*	*	
	1.00**	**	1.00**	1.00**	**	1.00**	**	**	**
SPECIAL FUND	2,645,483		2,645,483	2,645,483	370,855	3,016,338	5,290,966	5,661,821	
	*	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**	**
TRUST FUNDS	100,681		100,681	100,681		100,681	201,362	201,362	
TOTAL PERM POSITIONS	18.00*	*	18.00*	18.00*	2.00*	20.00*	*	*	
TOTAL TEMP POSITIONS	1.00**	**	1.00**	1.00**	**	1.00**	**	**	**
TOTAL PROGRAM COST	2,746,164		2,746,164	2,746,164	370,855	3,117,019	5,492,328	5,863,183	6.75

Narrative for Supplemental Budget Requests

FY 2021

Program ID: CCA 110

Program Structure Level: 10 01 04 01

Program Title: OFFICE OF CONSUMER PROTECTION

A. Program Objective

To protect consumers by investigating alleged violations of consumer protection laws, taking legal action to stop unfair or deceptive trade practices in the marketplace, and educating consumers and businesses about their respective rights and obligations in the marketplace under Hawaii consumer protection laws.

B. Description of Request

1) Special Funds: Transfer in 1 position and ceiling from Cable Television (\$129,370).

2) Special Funds: Transfer in 1 position and ceiling from Insurance Regulatory Services (\$141,485).

3) Special Funds: Increase ceiling for Central Services Assessment (\$50,000).

4) Special Funds: Increase ceiling for Community Outreach (\$50,000).

C. Reasons for Request

1) The Staff Attorney II handles significant consumer protection cases, often involving the ability to analyze financial improprieties and is expected to actively participate in the formulation of legal strategy in trial preparation and litigation.

The Staff Attorney prepares and files pleadings under various consumer protection laws, which the office is statutorily required to enforce. As such, the attorney is responsible in each case for assessing whether there exists sufficient evidence and legal authority to warrant legal action, conducting formal discovery, including depositions, appearing at hearings, and participating in all court proceedings through trial. The attorney is responsible for appeals taken in any of his or her cases, including drafting of briefs, motions, and appearing at all proceedings during the appeal, including oral argument. If necessary, the attorney shall enforce injunctions and collect judgments issued in these cases and is responsible for communicating with opposing counsel and individual complainants during the investigation and litigation of each individual case. This position will also assist the Executive Director in drafting legislation and preparing testimony.

2) The Office of Consumer Protection (OCP) Division lacks its own Information Specialist that focuses primarily on the work of the division. OCP has been extremely active in its enforcement efforts and its Executive Director is regularly interviewed by various media outlets of a variety of consumer protection topics. The division and public would benefit greatly from increased emphasis and focus on educating and advising consumers about a wide variety of consumer protection topics. In addition, the need for OCP and the department to provide information to the public is never as critical as when the State is anticipating or recovering from an emergency event. The department has several divisions with important roles in the recovery phase of an emergency event, and this position will assist the Director's Office in departmental outreach functions in the event the department's Communications Officer is unavailable or requires assistance. OCP has an important role during emergencies in advising the public and retailers about the State's price freeze (aka "price gouging") law and responding to violators as they may be identified, so this position's important departmental role in the context of an emergency will be consistent with the OCP's specific emergency functions. Allows the State's Consumer Protector to provide greater outreach of information to the public and hold events for consumer protection.

3) Central services assessment is based on a percentage of collected revenue, which continues to increase. As such, an increase in the ceiling is needed for the increased assessment.

4) Allows the State's Consumer Protector to provide greater outreach of information to the public and hold events for consumer protection.

D. Significant Changes to Measures of Effectiveness and Program Size

The addition of these positions and funding to support critical consumer protection, education, and outreach initiatives are in alignment with the Governor's plan.

EXECUTIVE SUPPLEMENTAL BUDGET

REPORT: S61-A

PROGRAM ID: CCA-111
 PROGRAM STRUCTURE NO: 10010403
 PROGRAM TITLE: BUSINESS REGISTRATION & SECURITIES REGULATN

(IN DOLLARS)

PROGRAM COSTS	FY 2020			FY 2021			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	79.00*	*	79.00*	79.00*	*	79.00*	*	*	
	**	**	**	**	**	**	**	**	**
PERSONAL SERVICES	6,883,402		6,883,402	6,883,402	54,552	6,937,954	13,766,804	13,821,356	
OTH CURRENT EXPENSES	1,587,555		1,587,555	1,587,555	3,500,000	5,087,555	3,175,110	6,675,110	
TOTAL OPERATING COST	8,470,957		8,470,957	8,470,957	3,554,552	12,025,509	16,941,914	20,496,466	20.98
BY MEANS OF FINANCING	79.00*	*	79.00*	79.00*	*	79.00*	*	*	
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	8,470,957		8,470,957	8,470,957	3,554,552	12,025,509	16,941,914	20,496,466	
TOTAL PERM POSITIONS	79.00*	*	79.00*	79.00*	*	79.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	8,470,957		8,470,957	8,470,957	3,554,552	12,025,509	16,941,914	20,496,466	20.98

Narrative for Supplemental Budget Requests

FY 2021

Program ID: CCA 111

Program Structure Level: 10 01 04 03

Program Title: BUSINESS REGISTRATION & SECURITIES REGULATN

A. Program Objective

To ensure that business registration information is fully and accurately maintained regarding the general organization of businesses by providing for the registration of corporations, partnerships, limited liability companies, trade names, trademarks, service mark, and publicity name rights and to ensure compliance with and enforcement of securities-related and franchise statutes as well as other statutes administered by the business registration division.

B. Description of Request

1) Special Funds: Increase ceiling to replace outdated business registration systems (\$3,500,000).

2) Special Funds: Increase ceiling for fringe benefits (\$54,552).

C. Reasons for Request

1) Increase in ceiling is being requested for the replacement of the Business Registration Division's (BREG) Business Registration Information Management (BRIMS) and Registration Documents Processing Management (RDPMS) systems. RDPMS, which is over 20 years old and holds the images of business registration documents received by BREG (paper filings are manually scanned in; electronic filings are received via portal), and BRIMS, which is 20 years old, is the functional application used to manage and process all business registration information contained in those documents. Both systems are dependent on each other and currently reside on non-supported ORACLE software. An integrated, modernized solution is required to make use of state-of-the art technology and will allow streamlined, effective and efficient processing of filings and manage the State's business registry workflows. Each year, BREG processes over 160,000 business registration transactions (registrations, changes, annual reports, etc.), and maintains the filing information for over 207,000 registered entities. As BREG's records are permanent, the systems maintain over one million records relating to the various entities and filings submitted. A new system would address compatibility issues, provide more automation with BREG's online portal, increase efficiency in the processing of filings, would allow for a simplified process for data analysis and reporting, and allow for integration with other department applications.

2) Pursuant to Finance Memorandum No. 18-16, the State's fringe benefit assessment rate for non-general fund programs is 60% for FY 20 and FY 21 due primarily to the projected costs for the prefunding of other post-employment benefits. The Department requires the requested budget increase to effectively fund all authorized positions.

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 2020			FY 2021			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	6,629,901		6,629,901	6,629,901	75,712	6,705,613	13,259,802	13,335,514	
OTH CURRENT EXPENSES	1,170,259		1,170,259	870,259		870,259	2,040,518	2,040,518	
TOTAL OPERATING COST	7,800,160		7,800,160	7,500,160	75,712	7,575,872	15,300,320	15,376,032	0.49
BY MEANS OF FINANCING	66.00*	*	66.00*	66.00*	*	66.00*	*	*	
	1.00**	**	1.00**	1.00**	**	1.00**	**	**	**
SPECIAL FUND	7,800,160		7,800,160	7,500,160	75,712	7,575,872	15,300,320	15,376,032	
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	7,800,160		7,800,160	7,500,160	75,712	7,575,872	15,300,320	15,376,032	0.49

Narrative for Supplemental Budget Requests

FY 2021

Program ID: CCA 112

Program Structure Level: 10 01 04 04

Program Title: REGULATED INDUSTRIES COMPLAINTS OFFICE

A. Program Objective

To assist the general public through consumer education and by enforcing the State's licensing law.

B. Description of Request

1) Special Funds: Increase ceiling for additional funding for a Program Specialist (\$47,616).

2) Special Funds: Increase ceiling for additional funding for a Legal Assistant (\$28,096).

C. Reasons for Request

1) An Office Assistant, Position No. 118554, is being re-described into a program specialist. The Program Specialist position is needed to assist the Regulated Industries Complaints Office (RICO) and the Complaints and Enforcement Officer (CEO) with budget, fiscal, Information Technology (IT) (including being the point person for the new complaints system), and certain other duties, which will improve RICO operations significantly by enabling the CEO and RICO to focus on RICO's mandate of receiving, investigating, hearing, arbitrating and prosecuting complaints involving the 51 different occupations that are regulated statewide. Other divisions in the Department already have a Deputy or Program Specialist or Analyst that handle similar responsibilities on a daily basis, but the absence of such a position at RICO means that the CEO must handle these responsibilities every day, which can be particularly time-consuming, especially when they concern neighbor island staff and offices. The sensitive nature of some of the duties make it difficult for the CEO to delegate ad hoc tasks to supervisory staff. Expertise and continuity are also needed in budget, fiscal, IT and other administrative areas, which the Program Specialist position will help to ensure.

2) Additional funds are needed to pay for the re-description of an Office Assistant to a Legal Assistant. RICO is a division within the Department that enforces the licensing laws covering 51 different occupations statewide. Due to increased self-reporting by licensees, referrals from other jurisdictions, and the Legislature's desire to have Hawaii health care licensing boards act quickly when they learn of out-of-state disciplinary actions (Act 38, SLH 2016), the Legal Assistant position is needed by the Legal Section to help achieve swifter enforcement through expedited analyses and drafting of legal actions, which would minimize the need for attorney time on these and similar matters. The position will work closely with

the attorneys on large, complex and sensitive prosecutions, too, all of which have and will continue to increase over the years. The Legal Assistant position will also work closely with the Legal and Administration Sections on processing the high number of records requests that RICO receives annually and that routinely involve private information requiring redaction; performing sensitive legislative research, tracking and drafting; and creating and maintaining research used for enforcement purposes.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

REPORT: S61-A

PROGRAM ID: CCA-191
PROGRAM STRUCTURE NO: 100105
PROGRAM TITLE: GENERAL SUPPORT

PROGRAM COSTS	FY 2020			FY 2021			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	50.00*	*	50.00*	50.00*	1.00*	51.00*	*	*	
	1.00**	**	1.00**	1.00**	**	1.00**	**	**	**
PERSONAL SERVICES	5,783,414		5,783,414	5,783,414	324,788	6,108,202	11,566,828	11,891,616	
OTH CURRENT EXPENSES	2,741,974		2,741,974	2,666,974	2,050,000	4,716,974	5,408,948	7,458,948	
EQUIPMENT					110,000	110,000		110,000	
TOTAL OPERATING COST	8,525,388		8,525,388	8,450,388	2,484,788	10,935,176	16,975,776	19,460,564	14.64
BY MEANS OF FINANCING	50.00*	*	50.00*	50.00*	1.00*	51.00*	*	*	
	1.00**	**	1.00**	1.00**	**	1.00**	**	**	**
SPECIAL FUND	8,525,388		8,525,388	8,450,388	2,484,788	10,935,176	16,975,776	19,460,564	
TOTAL PERM POSITIONS	50.00*	*	50.00*	50.00*	1.00*	51.00*	*	*	
TOTAL TEMP POSITIONS	1.00**	**	1.00**	1.00**	**	1.00**	**	**	**
TOTAL PROGRAM COST	8,525,388		8,525,388	8,450,388	2,484,788	10,935,176	16,975,776	19,460,564	14.64

Narrative for Supplemental Budget Requests FY 2021

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: Increase ceiling for the King Kalakaua Building (KKB) repairs and maintenance and Federal Emergency Management Agency (FEMA) emergency preparedness grant match (\$2,000,000).
- 2) Special Funds: Increase ceiling for fringe benefits for CCA 191/AA (\$245,571).
- 3) Special Funds: Increase ceiling for fringe benefits for CCA 191/AH (\$16,121).
- 4) Special Funds: Increase ceiling for fringe benefits for CCA 191/AI (\$4,325).
- 5) Special Funds: Increase ceiling for network servers and printers (\$50,000).
- 6) Special Funds: Increase ceiling for Integration Platform as a Service (iPaaS) information technology project (\$50,000).
- 7) Special Funds: Increase ceiling for firewall replacement (\$60,000).
- 8) Special Funds: Transfer in 1 position and ceiling from Insurance Regulatory Services (\$58,771).

C. Reasons for Request

1) (a) The cooling tower in the KKB is nearly 20 years old. This system requires replacement as leaking and constant repairs have damaged other parts of the building. KKB's building management association has decided to replace the unit as costs have exceeded repair and maintenance budgets. Roof damage from Hurricane Lane, as well as repair to structural supporting columns, are also required and approved by the association. Please note that KKB is a historical building, which drives up the repair and maintenance costs. KKB's management association has allowed DCCA to spread the cost of the air conditioning (A/C) replacement, roof, and column repairs over two years. We will be submitting

a follow-up budget request in the FB 2021-23 biennium of \$1M to cover the remaining costs. The following is a breakdown of costs requested for this budget request:

A/C Cooling Tower - \$750,000; Roof Repair - \$75,000; Structural Column Repair - \$175,000

1) (b) DCCA has applied for a FEMA emergency preparedness grant to harden the roof and disaster operations center (DOC) windows in the building.

FEMA Grant Match - \$1,000,000

2) Pursuant to Finance Memorandum (F.M.) No. 18-16, the State's fringe benefit assessment rate for non-general fund programs is 60% for FY 20 and FY 21 due primarily to the projected costs for the prefunding of other post-employment benefits (OPEB). The Department requires the requested budget increase to effectively fund all staffing and budget resources to facilitate efficient regulatory action.

3) Pursuant to F.M. No. 18-16, the State's fringe benefit assessment rate for non-general fund programs is 60% for FY 20 and FY 21 due primarily to the projected costs for the prefunding of OPEB. The Department requires the requested budget increase to effectively fund all staffing and budget resources to facilitate efficient regulatory action.

4) Pursuant to F.M. No. 18-16, the State's fringe benefit assessment rate for non-general fund programs is 60% for FY 20 and FY 21 due primarily to the projected costs for the prefunding of OPEB. The Department requires the requested budget increase to effectively fund all staffing and budget resources to facilitate efficient regulatory action.

5) This budget request is for annual replacement of network servers and printers that have ended its useful life and can no longer be supported and maintained. This replacement schedule is in line with IT's life cycle replacement plans.

6) The purpose of this software is to act as an intermediary between different software products. It is from a category of products called Integration Platform as a Service (iPaaS). It provides the advantage of being able to transform and translate data between dissimilar systems, while providing a method to access