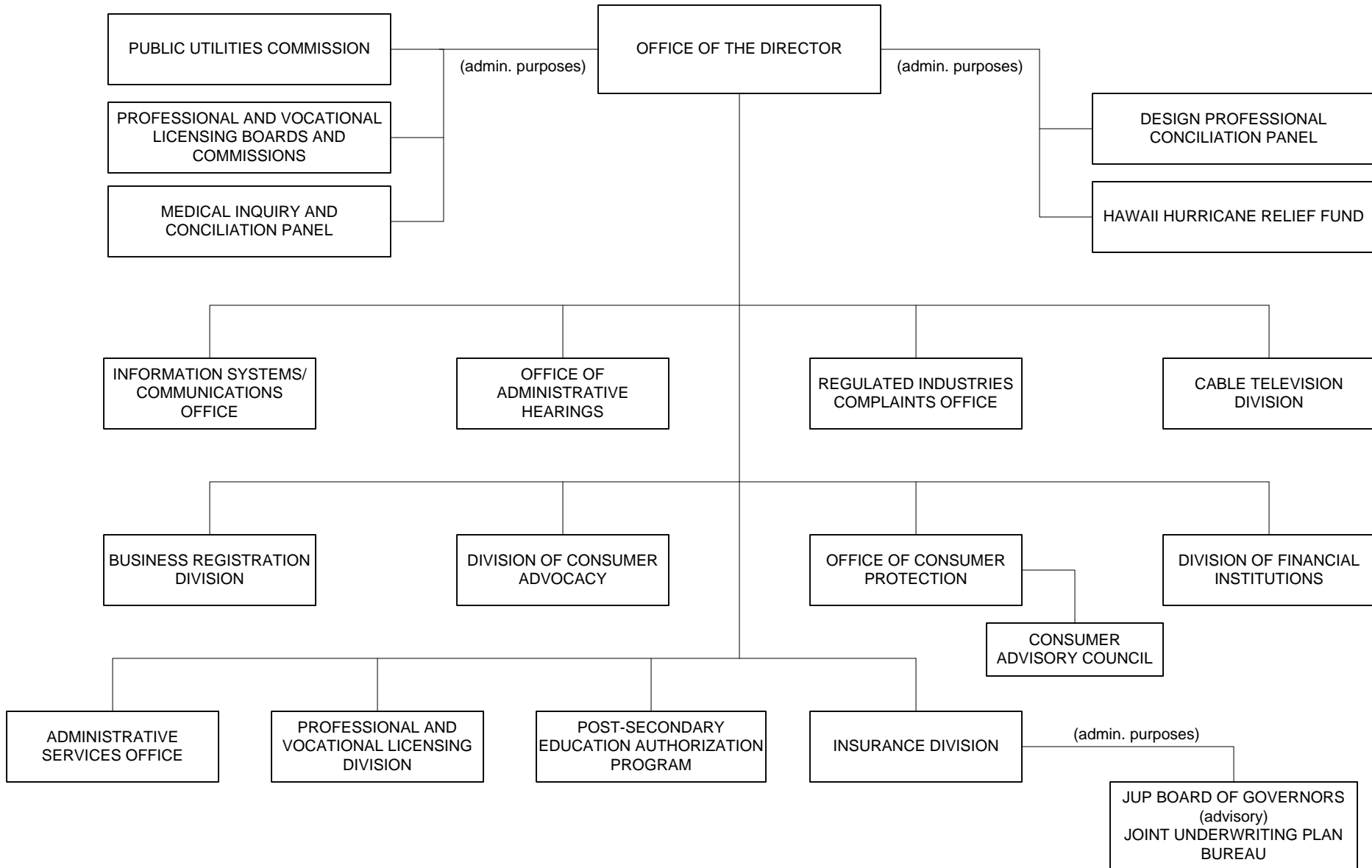




**Department of Commerce and Consumer
Affairs**

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



DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

Department Summary

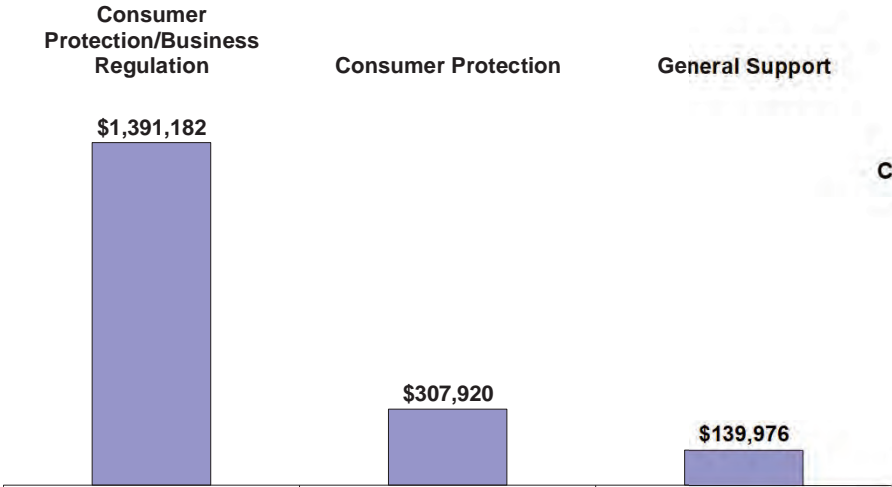
Mission Statement

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.

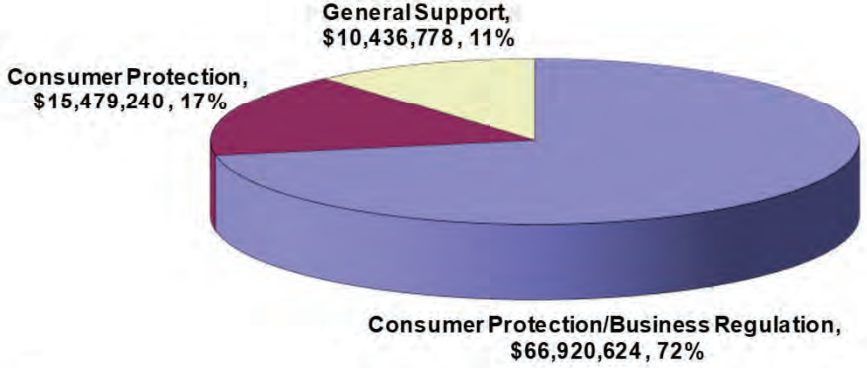
Department Goals

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

FY 2023 Supplemental Operating Budget Adjustments by Major Program



FY 2023 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

CCA 102	Cable Television	CCA 107	Post-Secondary Education Authorization
CCA 103	Consumer Advocate for Communication, Utilities, and Transportation Services	CCA 110	Office of Consumer Protection
CCA 104	Financial Services Regulation	CCA 111	Business Registration and Securities Regulation
CCA 105	Professional and Vocational Licensing	CCA 112	Regulated Industries Complaints Office
CCA 106	Insurance Regulatory Services	CCA 191	General Support
		CCA 901	Public Utilities Commission

**Department of Commerce and Consumer Affairs
Operating Budget**

Funding Sources:	Positions		Act 88/2021 + other	Act 88/2021 + other	FY 2022	FY 2023	Total	Total
			budget acts	budget acts	Adjustments	Adjustments	FY 2022	FY 2023
			FY 2022	FY 2023				
	Perm				-	-	-	-
	Temp				-	-	-	-
General Funds	\$				-	-	-	-
	Perm		514.00	514.00	-	11.00	514.00	525.00
	Temp		14.00	14.00	-	-	14.00	14.00
Special Funds	\$		90,365,637	87,541,637	-	1,914,198	90,365,637	89,455,835
	Perm		8.00	8.00	-	-	8.00	8.00
	Temp		5.00	5.00	-	(1.00)	5.00	4.00
Trust Funds	\$		3,455,927	3,455,927	-	(75,120)	3,455,927	3,380,807
	Perm		522.00	522.00	-	11.00	522.00	533.00
	Temp		19.00	19.00	-	(1.00)	19.00	18.00
Total Requirements	\$		93,821,564	90,997,564	-	1,839,078	93,821,564	92,836,642

Highlights: (general funds and FY 23 unless otherwise noted)

1. Adds 5.00 permanent positions and \$304,744 in special funds for the Professional and Vocational Licensing (PVL) Program to process and renew licenses.
2. Adds 3.00 permanent positions and \$365,832 in special funds for the Financial Services Regulation Program for small dollar lenders and non-depository trusts.
3. Adds 2.00 permanent positions and \$156,757 in special funds for the PVL Program for the licensure of midwives pursuant to Act 32, SLH 2019.
4. Adds \$450,000 in special funds for the Insurance Regulatory Services Program for a new fraud investigation system.

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

	Act 88/2021 FY 2022	Act 88/2021 FY 2023	FY 2022 Adjustments	FY 2023 Adjustments	Total FY 2022	Total FY 2023
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	-	-	-	-	-	-
Total Requirements	-	-	-	-	-	-

Highlights: (general obligation bonds and FY 23 unless otherwise noted)
None.



Operating Budget Details

EXECUTIVE SUPPLEMENTAL BUDGET

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

**CCA-
10
INDIVIDUAL RIGHTS**

(IN DOLLARS)

PROGRAM COSTS	FY 2022			FY 2023			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	522.00*		522.00*	522.00*	11.00*	533.00*	*		*
	19.00**		19.00**	19.00**	-1.00**	18.00**	**		**
PERSONAL SERVICES	59,265,830		59,265,830	59,265,830	1,219,478	60,485,308	118,531,660	119,751,138	
OTH CURRENT EXPENSES	34,346,734		34,346,734	31,671,734	608,200	32,279,934	66,018,468	66,626,668	
EQUIPMENT	209,000		209,000	60,000	11,400	71,400	269,000	280,400	
TOTAL OPERATING COST	93,821,564		93,821,564	90,997,564	1,839,078	92,836,642	184,819,128	186,658,206	1.00
BY MEANS OF FINANCING									
	514.00*		514.00*	514.00*	11.00*	525.00*	*		*
	14.00**		14.00**	14.00**	**	14.00**	**		**
SPECIAL FUND	90,365,637		90,365,637	87,541,637	1,914,198	89,455,835	177,907,274	179,821,472	
	8.00*		8.00*	8.00*	*	8.00*	*		*
	5.00**		5.00**	5.00**	-1.00**	4.00**	**		**
TRUST FUNDS	3,455,927		3,455,927	3,455,927	-75,120	3,380,807	6,911,854	6,836,734	
TOTAL PERM POSITIONS	522.00*		522.00*	522.00*	11.00*	533.00*	*		*
TOTAL TEMP POSITIONS	19.00**		19.00**	19.00**	-1.00**	18.00**	**		**
TOTAL PROGRAM COST	93,821,564		93,821,564	90,997,564	1,839,078	92,836,642	184,819,128	186,658,206	1.00

EXECUTIVE SUPPLEMENTAL BUDGET

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

**CCA-
1001
PROTECTION OF THE CONSUMER**

(IN DOLLARS)

PROGRAM COSTS	FY 2022			FY 2023			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	522.00*		522.00*	522.00*	11.00*	533.00*	*		*
	19.00**		19.00**	19.00**	-1.00**	18.00**	**		**
PERSONAL SERVICES	59,265,830		59,265,830	59,265,830	1,219,478	60,485,308	118,531,660	119,751,138	
OTH CURRENT EXPENSES	34,346,734		34,346,734	31,671,734	608,200	32,279,934	66,018,468	66,626,668	
EQUIPMENT	209,000		209,000	60,000	11,400	71,400	269,000	280,400	
TOTAL OPERATING COST	93,821,564		93,821,564	90,997,564	1,839,078	92,836,642	184,819,128	186,658,206	1.00
BY MEANS OF FINANCING									
	514.00*		514.00*	514.00*	11.00*	525.00*	*		*
	14.00**		14.00**	14.00**	**	14.00**	**		**
SPECIAL FUND	90,365,637		90,365,637	87,541,637	1,914,198	89,455,835	177,907,274	179,821,472	
	8.00*		8.00*	8.00*	*	8.00*	*		*
	5.00**		5.00**	5.00**	-1.00**	4.00**	**		**
TRUST FUNDS	3,455,927		3,455,927	3,455,927	-75,120	3,380,807	6,911,854	6,836,734	
TOTAL PERM POSITIONS	522.00*		522.00*	522.00*	11.00*	533.00*	*		*
TOTAL TEMP POSITIONS	19.00**		19.00**	19.00**	-1.00**	18.00**	**		**
TOTAL PROGRAM COST	93,821,564		93,821,564	90,997,564	1,839,078	92,836,642	184,819,128	186,658,206	1.00

EXECUTIVE SUPPLEMENTAL BUDGET

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

**CCA-
100103
REGULATION OF SERVICES**

(IN DOLLARS)

PROGRAM COSTS	FY 2022			FY 2023			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	307.00*		*	307.00*	11.00*	318.00*	*		*
	16.00**		**	16.00**	-1.00**	15.00**	**		**
PERSONAL SERVICES	36,871,357			36,871,357	916,582	37,787,939	73,742,714	74,659,296	
OTH CURRENT EXPENSES	24,041,328			24,041,328	463,200	24,504,528	48,082,656	48,545,856	
EQUIPMENT					11,400	11,400		11,400	
TOTAL OPERATING COST	60,912,685			60,912,685	1,391,182	62,303,867	121,825,370	123,216,552	1.14
BY MEANS OF FINANCING									
	299.00*		*	299.00*	11.00*	310.00*	*		*
	11.00**		**	11.00**	**	11.00**	**		**
SPECIAL FUND	57,557,439			57,557,439	1,466,302	59,023,741	115,114,878	116,581,180	
	8.00*		*	8.00*	*	8.00*	*		*
	5.00**		**	5.00**	-1.00**	4.00**	**		**
TRUST FUNDS	3,355,246			3,355,246	-75,120	3,280,126	6,710,492	6,635,372	
TOTAL PERM POSITIONS	307.00*		*	307.00*	11.00*	318.00*	*		*
TOTAL TEMP POSITIONS	16.00**		**	16.00**	-1.00**	15.00**	**		**
TOTAL PROGRAM COST	60,912,685			60,912,685	1,391,182	62,303,867	121,825,370	123,216,552	1.14

EXECUTIVE SUPPLEMENTAL BUDGET

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

(IN DOLLARS)

PROGRAM COSTS	FY 2022			FY 2023			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	1,018,142		1,018,142	1,018,142		1,018,142	2,036,284	2,036,284	
OTH CURRENT EXPENSES	1,548,730		1,548,730	1,548,730		1,548,730	3,097,460	3,097,460	
TOTAL OPERATING COST	2,566,872		2,566,872	2,566,872		2,566,872	5,133,744	5,133,744	0.00
BY MEANS OF FINANCING	7.00*	*	7.00*	7.00*	*	7.00*	*	*	*
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	2,566,872		2,566,872	2,566,872		2,566,872	5,133,744	5,133,744	
TOTAL PERM POSITIONS	7.00*	*	7.00*	7.00*	*	7.00*	*	*	*
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	2,566,872		2,566,872	2,566,872		2,566,872	5,133,744	5,133,744	0.00

EXECUTIVE SUPPLEMENTAL BUDGET

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

CCA-103
10010302
CONSUMER ADVOCATE FOR COMM, UTIL & TRAN SVC

(IN DOLLARS)

PROGRAM COSTS	FY 2022			FY 2023			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	3,143,761		3,143,761	3,143,761		3,143,761	6,287,522	6,287,522	
OTH CURRENT EXPENSES	1,460,550		1,460,550	1,460,550		1,460,550	2,921,100	2,921,100	
TOTAL OPERATING COST	4,604,311		4,604,311	4,604,311		4,604,311	9,208,622	9,208,622	0.00
BY MEANS OF FINANCING	25.00*		25.00*	25.00*		25.00*			
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	4,604,311		4,604,311	4,604,311		4,604,311	9,208,622	9,208,622	
TOTAL PERM POSITIONS	25.00*		25.00*	25.00*		25.00*			
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	4,604,311		4,604,311	4,604,311		4,604,311	9,208,622	9,208,622	0.00

EXECUTIVE SUPPLEMENTAL BUDGET

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

CCA-104
10010303
FINANCIAL SERVICES REGULATION

(IN DOLLARS)

PROGRAM COSTS	FY 2022			FY 2023			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*	3.00*	43.00*	*	*	
	**	**	**	**	**	**	**	**	**
PERSONAL SERVICES	4,600,707		4,600,707	4,600,707	441,970	5,042,677	9,201,414	9,643,384	
OTH CURRENT EXPENSES	1,037,090		1,037,090	1,037,090	13,200	1,050,290	2,074,180	2,087,380	
EQUIPMENT					11,400	11,400		11,400	
TOTAL OPERATING COST	5,637,797		5,637,797	5,637,797	466,570	6,104,367	11,275,594	11,742,164	4.14
BY MEANS OF FINANCING	40.00*		40.00*	40.00*	3.00*	43.00*	*	*	
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	5,336,797		5,336,797	5,336,797	466,570	5,803,367	10,673,594	11,140,164	
	*	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**	**
TRUST FUNDS	301,000		301,000	301,000		301,000	602,000	602,000	
TOTAL PERM POSITIONS	40.00*		40.00*	40.00*	3.00*	43.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	5,637,797		5,637,797	5,637,797	466,570	6,104,367	11,275,594	11,742,164	4.14

**Narrative for Supplemental Budget Requests
FY 2023**

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) Adds 2.00 permanent positions and \$243,888 in special funds for the Small Dollar Lending Program.

2) Adds 1.00 permanent position and \$121,944 in special funds for the Non-Depository Trust Companies Program.

3) Adds \$100,738 in special funds for fringe benefits.

C. Reasons for Request

1) The purpose of this request is to provide the Division of Financial Institutions (DFI) with staffing and resources necessary to effectively manage a new program area created for DFI to license, supervise, and examine by Act 56, SLH 2021. The Small Dollar Lending (SDL) industry has long been ripe for potential consumer abuse. SDL is often the basis of unconscionable interest rates, fees, and sharp collection practices. The industry has experienced significant expansion in recent years, primarily due to the proliferation of online SDLs. This industry currently includes payday lenders, consumer lenders, and finance companies.

2) The purpose of this request is to provide DFI with staffing and resources necessary to effectively manage non-depository trust companies (NDTC). NDTCs are a new program area created for DFI to license, supervise, and examine pursuant to Act 105, SLH 2021.

Act 105, SLH 2021, which took effect on July 1, 2021, established regulation standards for NDTCs, making it possible for companies to apply for a NDTC license to provide fiduciary services to the public. This request is to authorize a position and associated funding to implement the new law.

3) Pursuant to Finance Memorandum No. 21-11, the State's fringe benefit assessment rate for non-general fund programs is 62.78% for FYs 23-27 due primarily to the projected costs for the pre-funding 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

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

CCA-105
10010304
PROFESSIONAL & VOCATIONAL LICENSING

(IN DOLLARS)

PROGRAM COSTS	FY 2022			FY 2023			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*	8.00*	79.00*	*	*	
	16.00**		16.00**	16.00**	-1.00**	15.00**	**	**	**
PERSONAL SERVICES	7,692,771		7,692,771	7,692,771	471,841	8,164,612	15,385,542	15,857,383	
OTH CURRENT EXPENSES	3,278,075		3,278,075	3,278,075		3,278,075	6,556,150	6,556,150	
TOTAL OPERATING COST	10,970,846		10,970,846	10,970,846	471,841	11,442,687	21,941,692	22,413,533	2.15
BY MEANS OF FINANCING									
	63.00*		63.00*	63.00*	8.00*	71.00*	*	*	
	11.00**		11.00**	11.00**		11.00**	**	**	**
SPECIAL FUND	8,117,600		8,117,600	8,117,600	546,961	8,664,561	16,235,200	16,782,161	
	8.00*		8.00*	8.00*	*	8.00*	*	*	*
	5.00**		5.00**	5.00**	-1.00**	4.00**	**	**	**
TRUST FUNDS	2,853,246		2,853,246	2,853,246	-75,120	2,778,126	5,706,492	5,631,372	
TOTAL PERM POSITIONS	71.00*		71.00*	71.00*	8.00*	79.00*	*	*	
TOTAL TEMP POSITIONS	16.00**		16.00**	16.00**	-1.00**	15.00**	**	**	
TOTAL PROGRAM COST	10,970,846		10,970,846	10,970,846	471,841	11,442,687	21,941,692	22,413,533	2.15

**Narrative for Supplemental Budget Requests
FY 2023**

Program ID: CCA 105

Program Structure Level: 10 01 03 04

Program Title: PROFESSIONAL & VOCATIONAL LICENSING

A. Program Objective

To ensure that the individual is provided with professional, vocational, and personal services meeting acceptable standards of quality, equity and dependability by establishing and enforcing appropriate service standards; and to regulate activities for the protection, welfare and safety of the participants as well as the public.

B. Description of Request

- 1) Reduces 1.00 temporary position and \$85,460 in trust funds from the Real Estate Education Fund.
- 2) Adds 1.00 permanent position and \$85,460 in special funds from the Compliance Resolution Special Fund.
- 3) Adds 1.00 permanent position and \$61,863 in special funds for the licensure of Emergency Medical Technician-1s.
- 4) Adds 4.00 permanent positions and \$242,881 in special funds for the Licensing Branch.
- 5) Adds 2.00 permanent positions and \$156,757 in special funds for the licensure of midwifery.
- 6) Adds \$7,547 in trust funds for fringe benefits for the Condominium Education Trust Fund.
- 7) Adds \$2,793 in trust funds for fringe benefits for the Real Estate Recovery Fund.

C. Reasons for Request

1) and 2) The CRF (Compliance Resolution Fund) Program Analyst will assist the Administration Branch of the Professional and Vocational Licensing Division (PVLD) with, among other things, an increase in the use of information technology. Most recently, PVLD went live with its new license database - Ho'ala - and there is a significant amount of work associated with testing, implementation, and training that requires the expertise of a PVLD employee with subject matter expertise in PVLD workflows and processes. PVLD administers licensing for over 50 professional and vocational license types and the accuracy of its database is of

critical importance to many businesses, including healthcare and building trades. This trade off is also being done to assist with making updates to PVLD webpages, assist at a higher level with virtual board meetings, and work on any other projects as determined by the Licensing Administrator.

3) Act 119, SLH 2021, authorized the appropriation of a 0.50 permanent exempt position and funding of \$31,000 for FY 22 and FY 23 to implement the Act. PVLD is requesting an appropriation to establish and fund the position at a full 1.00 permanent exempt position, which will enable PVLD to implement and continue to maintain the timely processing and operational efficiency of regulating the new Emergency Medical Technician-1 license.

4) Due to the increased workload in the PVLD, Licensing Branch's (LB) Applications Section and Records Section, we are requesting additional funding and appropriation to establish 4.00 new permanent exempt Office Assistant (OA) positions (3.00 OA Vs and 1.00 OA IV). The number of initial applications for licensure received for the PVLD has increased by more than 20% in the past year. In FY 21 PVLD received 24,558 new applications, which is an increase of 5,810 more than the 18,748 applications received for FY 21. For FY 22, PVLD received 7,327 new applications in the first quarter of this year. Although PVLD tries to continue operations with the current staffing, it has become increasingly difficult for staff to keep up with the volume of applications to review and process. PVLD currently has 2,045 applications pending review, 4,376 deficient applications, and 2,045 applications pending exams. In addition to the increasing number of initial applications, staff must also process record changes, criminal history checks, continuing education compliance and license renewals for all 52 licensing areas regulated by the PVLD.

5) Act 32, SLH 2019, established 1.00 temporary Regulatory Board and Commissions Administrative Assistant position and 1.00 temporary Secretary position for FY 21 and FY 22. This request is to establish these positions on a permanent basis for FY 23. These positions are needed to address the increased workload in the PVLD, LB's Applications Section and Records Section, relating to this new licensure program. PVLD is requesting additional funding and appropriation to establish permanent exempt positions. In addition to the increasing number of initial applications, staff must also process record changes, criminal history checks, continuing education compliance and license renewals for this new licensing regulated by the PVLD.

6) and 7) Pursuant to Finance Memorandum No. 21-11, the State's fringe benefit assessment rate for non-general fund programs is 62.78% for FYs 23-27 due

**Narrative for Supplemental Budget Requests
FY 2023**

Program ID: CCA 105

Program Structure Level: 10 01 03 04

Program Title: PROFESSIONAL & VOCATIONAL LICENSING

primarily to the projected costs for the pre-funding 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

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

CCA-106
10010306
INSURANCE REGULATORY SERVICES

(IN DOLLARS)

PROGRAM COSTS	FY 2022			FY 2023			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*	*	*	
	**	**	**	**	**	**	**	**	**
PERSONAL SERVICES	11,272,065		11,272,065	11,272,065		11,272,065	22,544,130	22,544,130	
OTH CURRENT EXPENSES	8,636,532		8,636,532	8,636,532	450,000	9,086,532	17,273,064	17,723,064	
TOTAL OPERATING COST	19,908,597		19,908,597	19,908,597	450,000	20,358,597	39,817,194	40,267,194	1.13
BY MEANS OF FINANCING	95.00*	*	95.00*	95.00*	*	95.00*	*	*	
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	19,707,597		19,707,597	19,707,597	450,000	20,157,597	39,415,194	39,865,194	
	*	*	*	*	*	*	*	*	
	**	**	**	**	**	**	**	**	**
TRUST FUNDS	201,000		201,000	201,000		201,000	402,000	402,000	
TOTAL PERM POSITIONS	95.00*	*	95.00*	95.00*	*	95.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	
TOTAL PROGRAM COST	19,908,597		19,908,597	19,908,597	450,000	20,358,597	39,817,194	40,267,194	1.13

**Narrative for Supplemental Budget Requests
FY 2023**

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) Adds \$450,000 in special funds for a fraud information technology system.

C. Reasons for Request

1) This request will allow the Insurance Division (INS) to implement an automated fraud investigation system. This new application is needed to efficiently be able to manage the caseload of the Insurance Fraud Investigation Branch and allow for data analysis in order to provide for proper data reporting and management. This will allow INS to meet requirements and tasks for development of a cloud-based Web hosting solution, including: additional content management, document and workflow systems, associated professional IT (information technology) services, and subscription and licenses. This will improve efficiencies and processes presently offered in the 32-bit Oracle Forms application, running in Legacy Desktop Mode within Windows 10 Desktop Operating Systems and making backend calls to the Oracle Database, known as HIDS. The primary goal is to establish the consolidated and integrated public service delivery capability for Development/Test and Production that will streamline the migration, implementation and support of modern replacement for the aging HIDS 32 bit desktop application that is burdened by limitations of scale and scope briefly including Oracle out of date and unsupported software requiring labor intensive mitigation controls by the Information Systems and Communications Office and the Office of Enterprise Services for same day backup-restoration of services, along with legacy OS dependent application architecture and support restrictions from required use of Windows Compatibility Mode in the Windows 10 Desktop suite. This software cannot be relied upon and remains a backwards compatibility standard and imitative with future versions of the Microsoft Product landscape.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

EXECUTIVE SUPPLEMENTAL BUDGET

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

CCA-107
10010307
POST-SECONDARY EDUCATION AUTHORIZATION

(IN DOLLARS)

PROGRAM COSTS	FY 2022			FY 2023			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	233,859		233,859	233,859	2,771	236,630	467,718	470,489	
OTH CURRENT EXPENSES	72,245		72,245	72,245		72,245	144,490	144,490	
TOTAL OPERATING COST	306,104		306,104	306,104	2,771	308,875	612,208	614,979	0.45
BY MEANS OF FINANCING	2.00*	*	2.00*	2.00*	*	2.00*	*	*	
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	306,104		306,104	306,104	2,771	308,875	612,208	614,979	
TOTAL PERM POSITIONS	2.00*	*	2.00*	2.00*	*	2.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	306,104		306,104	306,104	2,771	308,875	612,208	614,979	0.45

**Narrative for Supplemental Budget Requests
FY 2023**

Program ID: CCA 107

Program Structure Level: 10 01 03 07

Program Title: POST-SECONDARY EDUCATION AUTHORIZATION

A. Program Objective

To ensure the soundness of accredited degree-granting post-secondary educational institutions by fairly administering applicable statutes and rules in order to protect students, consumers, and other members of the community.

B. Description of Request

1) Adds \$2,771 in trust funds for fringe benefits.

C. Reasons for Request

1) Pursuant to Finance Memorandum No. 21-11, the State's fringe benefit assessment rate for non-general fund programs is 62.78% for FYs 23-27 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

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

CCA-901
10010308
PUBLIC UTILITIES COMMISSION

(IN DOLLARS)

PROGRAM COSTS	FY 2022			FY 2023			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	8,910,052		8,910,052	8,910,052		8,910,052	17,820,104	17,820,104	
OTH CURRENT EXPENSES	8,008,106		8,008,106	8,008,106		8,008,106	16,016,212	16,016,212	
TOTAL OPERATING COST	16,918,158		16,918,158	16,918,158		16,918,158	33,836,316	33,836,316	0.00
BY MEANS OF FINANCING	67.00*		67.00*	67.00*		67.00*			
	**	*	**	**	*	**	**	*	**
SPECIAL FUND	16,918,158		16,918,158	16,918,158		16,918,158	33,836,316	33,836,316	
TOTAL PERM POSITIONS	67.00*		67.00*	67.00*		67.00*			
TOTAL TEMP POSITIONS	**	*	**	**	*	**	**	*	**
TOTAL PROGRAM COST	16,918,158		16,918,158	16,918,158		16,918,158	33,836,316	33,836,316	0.00

EXECUTIVE SUPPLEMENTAL BUDGET

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

**CCA-
100104
ENFORCEMENT OF FAIR BUSINESS PRACTICES**

(IN DOLLARS)

PROGRAM COSTS	FY 2022			FY 2023			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	164.00*		164.00*	164.00*		164.00*			
	2.00**		2.00**	2.00**		2.00**			
PERSONAL SERVICES	16,283,589		16,283,589	16,283,589	89,976	16,373,565	32,567,178	32,657,154	
OTH CURRENT EXPENSES	6,672,432		6,672,432	3,672,432	50,000	3,722,432	10,344,864	10,394,864	
TOTAL OPERATING COST	22,956,021		22,956,021	19,956,021	139,976	20,095,997	42,912,042	43,052,018	0.33
BY MEANS OF FINANCING									
	164.00*		164.00*	164.00*		164.00*			
	2.00**		2.00**	2.00**		2.00**			
SPECIAL FUND	22,855,340		22,855,340	19,855,340	139,976	19,995,316	42,710,680	42,850,656	
	*		*	*		*	*	*	
	**		**	**		**	**	**	
TRUST FUNDS	100,681		100,681	100,681		100,681	201,362	201,362	
TOTAL PERM POSITIONS	164.00*		164.00*	164.00*		164.00*			
TOTAL TEMP POSITIONS	2.00**		2.00**	2.00**		2.00**			
TOTAL PROGRAM COST	22,956,021		22,956,021	19,956,021	139,976	20,095,997	42,912,042	43,052,018	0.33

EXECUTIVE SUPPLEMENTAL BUDGET

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

CCA-110
10010401
OFFICE OF CONSUMER PROTECTION

(IN DOLLARS)

PROGRAM COSTS	FY 2022			FY 2023			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	19.00*		19.00*	19.00*		19.00*			
	1.00**		1.00**	1.00**		1.00**			
PERSONAL SERVICES	2,279,274		2,279,274	2,279,274		2,279,274	4,558,548	4,558,548	
OTH CURRENT EXPENSES	714,618		714,618	714,618	50,000	764,618	1,429,236	1,479,236	
TOTAL OPERATING COST	2,993,892		2,993,892	2,993,892	50,000	3,043,892	5,987,784	6,037,784	0.84
BY MEANS OF FINANCING									
	19.00*		19.00*	19.00*		19.00*			
	1.00**		1.00**	1.00**		1.00**			
SPECIAL FUND	2,893,211		2,893,211	2,893,211	50,000	2,943,211	5,786,422	5,836,422	
	*		*	*		*	*	*	
	**		**	**		**	**	**	
TRUST FUNDS	100,681		100,681	100,681		100,681	201,362	201,362	
TOTAL PERM POSITIONS	19.00*		19.00*	19.00*		19.00*			
TOTAL TEMP POSITIONS	1.00**		1.00**	1.00**		1.00**			
TOTAL PROGRAM COST	2,993,892		2,993,892	2,993,892	50,000	3,043,892	5,987,784	6,037,784	0.84

**Narrative for Supplemental Budget Requests
FY 2023**

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) Adds \$50,000 in special funds for central services assessment.

C. Reasons for Request

1) 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.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

EXECUTIVE SUPPLEMENTAL BUDGET

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

CCA-111
10010403
BUSINESS REGISTRATION & SECURITIES REGULATN

(IN DOLLARS)

PROGRAM COSTS	FY 2022			FY 2023			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	7,133,513		7,133,513	7,133,513		7,133,513	14,267,026	14,267,026	
OTH CURRENT EXPENSES	5,087,555		5,087,555	2,087,555		2,087,555	7,175,110	7,175,110	
TOTAL OPERATING COST	12,221,068		12,221,068	9,221,068		9,221,068	21,442,136	21,442,136	0.00
BY MEANS OF FINANCING	79.00*	*	79.00*	79.00*	*	79.00*	*	*	
	**	**	**	**	**	**	**	**	**
SPECIAL FUND	12,221,068		12,221,068	9,221,068		9,221,068	21,442,136	21,442,136	
TOTAL PERM POSITIONS	79.00*	*	79.00*	79.00*	*	79.00*	*	*	
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	12,221,068		12,221,068	9,221,068		9,221,068	21,442,136	21,442,136	0.00

EXECUTIVE SUPPLEMENTAL BUDGET

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

CCA-112
10010404
REGULATED INDUSTRIES COMPLAINTS OFFICE

(IN DOLLARS)

PROGRAM COSTS	FY 2022			FY 2023			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	6,870,802		6,870,802	6,870,802	89,976	6,960,778	13,741,604	13,831,580	
OTH CURRENT EXPENSES	870,259		870,259	870,259		870,259	1,740,518	1,740,518	
TOTAL OPERATING COST	7,741,061		7,741,061	7,741,061	89,976	7,831,037	15,482,122	15,572,098	0.58
BY MEANS OF FINANCING	66.00*	*	66.00*	66.00*	*	66.00*	*	*	
	1.00**	**	1.00**	1.00**	**	1.00**	**	**	
SPECIAL FUND	7,741,061		7,741,061	7,741,061	89,976	7,831,037	15,482,122	15,572,098	
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	7,741,061		7,741,061	7,741,061	89,976	7,831,037	15,482,122	15,572,098	0.58

**Narrative for Supplemental Budget Requests
FY 2023**

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) Adds \$89,976 in special funds for fringe benefits.

C. Reasons for Request

1) Pursuant to Finance Memorandum No. 21-11, the State's fringe benefit assessment rate for non-general fund programs is 62.78% for FYs 23-27 due primarily to the projected costs for the pre-funding 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

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

(IN DOLLARS)

PROGRAM COSTS	FY 2022			FY 2023			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	51.00*	*	51.00*	51.00*	*	51.00*	*	*	
	1.00**	**	1.00**	1.00**	**	1.00**	**	**	
PERSONAL SERVICES	6,110,884		6,110,884	6,110,884	212,920	6,323,804	12,221,768	12,434,688	
OTH CURRENT EXPENSES	3,632,974		3,632,974	3,957,974	95,000	4,052,974	7,590,948	7,685,948	
EQUIPMENT	209,000		209,000	60,000		60,000	269,000	269,000	
TOTAL OPERATING COST	9,952,858		9,952,858	10,128,858	307,920	10,436,778	20,081,716	20,389,636	1.53
BY MEANS OF FINANCING	51.00*	*	51.00*	51.00*	*	51.00*	*	*	
	1.00**	**	1.00**	1.00**	**	1.00**	**	**	
SPECIAL FUND	9,952,858		9,952,858	10,128,858	307,920	10,436,778	20,081,716	20,389,636	
TOTAL PERM POSITIONS	51.00*	*	51.00*	51.00*	*	51.00*	*	*	
TOTAL TEMP POSITIONS	1.00**	**	1.00**	1.00**	**	1.00**	**	**	
TOTAL PROGRAM COST	9,952,858		9,952,858	10,128,858	307,920	10,436,778	20,081,716	20,389,636	1.53

**Narrative for Supplemental Budget Requests
FY 2023**

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) Adds \$10,000 in special funds for cloud service subscription and maintenance for the Office of Administrative Hearings (OAH).
- 2) Adds \$85,000 in special funds for cloud service subscription and maintenance for the Information Systems and Communications Office.
- 3) Adds \$195,922 in special funds for fringe benefits.
- 4) Adds \$16,998 in special funds for fringe benefits.

C. Reasons for Request

- 1) This request is for user licenses for a cloud-based case management application and covers all users in OAH.
- 2) This request is for a Hybrid data center (on premises + cloud) implementation, maintenance, and subscription for cloud services in order to reduce need for expanding physical server footprint while increasing availability and resiliency.
- 3) and 4) Pursuant to Finance Memorandum No. 21-11, the State's fringe benefit assessment rate for non-general fund programs is 62.78% for FYs 23-27 due primarily to the projected costs for the pre-funding 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

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

(IN DOLLARS)

DEPT OF COMMERCE & CONSUMER AFFAIRS

PROGRAM COSTS	FY 2022			FY 2023			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	522.00*		522.00*	522.00*	11.00*	533.00*	*		*
	19.00**		19.00**	19.00**	-1.00**	18.00**	**		**
PERSONAL SERVICES	59,265,830		59,265,830	59,265,830	1,219,478	60,485,308	118,531,660	119,751,138	
OTH CURRENT EXPENSES	34,346,734		34,346,734	31,671,734	608,200	32,279,934	66,018,468	66,626,668	
EQUIPMENT	209,000		209,000	60,000	11,400	71,400	269,000	280,400	
TOTAL OPERATING COST	93,821,564		93,821,564	90,997,564	1,839,078	92,836,642	184,819,128	186,658,206	1.00
BY MEANS OF FINANCING									
	514.00*		514.00*	514.00*	11.00*	525.00*	*		*
	14.00**		14.00**	14.00**	**	14.00**	**		**
SPECIAL FUND	90,365,637		90,365,637	87,541,637	1,914,198	89,455,835	177,907,274	179,821,472	
	8.00*		8.00*	8.00*	*	8.00*	*		*
	5.00**		5.00**	5.00**	-1.00**	4.00**	**		**
TRUST FUNDS	3,455,927		3,455,927	3,455,927	-75,120	3,380,807	6,911,854	6,836,734	
TOTAL PERM POSITIONS	522.00*		522.00*	522.00*	11.00*	533.00*	*		*
TOTAL TEMP POSITIONS	19.00**		19.00**	19.00**	-1.00**	18.00**	**		**
TOTAL PROGRAM COST	93,821,564		93,821,564	90,997,564	1,839,078	92,836,642	184,819,128	186,658,206	1.00