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## **DETAILS OF VARIANCES**



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## **ECONOMIC DEVELOPMENT**

# VARIANCE REPORT

|  | FISCAL YEAR 2023-24 |         |           |    | THREE MONTHS ENDED 09-30-24 |           |          |    | NINE MONTHS ENDING 06-30-25 |           |           |    |
|--|---------------------|---------|-----------|----|-----------------------------|-----------|----------|----|-----------------------------|-----------|-----------|----|
|  | BUDGETED            | ACTUAL  | ± CHANGE  | %  | BUDGETED                    | ACTUAL    | ± CHANGE | %  | BUDGETED                    | ESTIMATED | ± CHANGE  | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>            |                     |         |           |    |                             |           |          |    |                             |           |           |    |
| <b>RESEARCH &amp; DEVELOPMENT COSTS</b>                |                     |         |           |    |                             |           |          |    |                             |           |           |    |
| <b>POSITIONS</b>                                       |                     |         |           |    |                             |           |          |    |                             |           |           |    |
| <b>EXPENDITURES (\$1,000's)</b>                        |                     |         |           |    |                             |           |          |    |                             |           |           |    |
| <b>OPERATING COSTS</b>                                 |                     |         |           |    |                             |           |          |    |                             |           |           |    |
| <b>POSITIONS</b>                                       | 481.00              | 373.00  | - 108.00  | 22 | 525.50                      | 400.50    | - 125.00 | 24 | 525.50                      | 473.50    | - 52.00   | 10 |
| <b>EXPENDITURES (\$1000's)</b>                         | 633,490             | 367,213 | - 266,277 | 42 | 65,532                      | 42,280    | - 23,252 | 35 | 477,683                     | 280,370   | - 197,313 | 41 |
| <b>TOTAL COSTS</b>                                     |                     |         |           |    |                             |           |          |    |                             |           |           |    |
| <b>POSITIONS</b>                                       | 481.00              | 373.00  | - 108.00  | 22 | 525.50                      | 400.50    | - 125.00 | 24 | 525.50                      | 473.50    | - 52.00   | 10 |
| <b>EXPENDITURES (\$1000's)</b>                         | 633,490             | 367,213 | - 266,277 | 42 | 65,532                      | 42,280    | - 23,252 | 35 | 477,683                     | 280,370   | - 197,313 | 41 |
|  | FISCAL YEAR 2023-24 |         |           |    | FISCAL YEAR 2024-25         |           |          |    |                             |           |           |    |
|  | PLANNED             | ACTUAL  | ± CHANGE  | %  | PLANNED                     | ESTIMATED | ± CHANGE | %  |                             |           |           |    |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>              |                     |         |           |    |                             |           |          |    |                             |           |           |    |
| 1. GROSS STATE PRODUCT (2012 CONSTANT \$ IN MILLIONS)  | 77876               | 89306   | + 11430   | 15 | 79277                       | 90876     | + 11599  | 15 |                             |           |           |    |
| 2. REAL PERSONAL INCOME (2012 CONSTANT \$ IN MILLIONS) | 62723               | 71611   | + 8888    | 14 | 63977                       | 72843     | + 8866   | 14 |                             |           |           |    |
| 3. UNEMPLOYMENT RATE (% TENTHS)                        | 6.6                 | 3.0     | - 3.6     | 55 | 5.0                         | 3.0       | - 2      | 40 |                             |           |           |    |
| 4. TOTAL EMPLOYMENT (THOUSANDS)                        | 643                 | 635     | - 8       | 1  | 648                         | 635       | - 13     | 2  |                             |           |           |    |
| 5. GROSS STATE PRODUCT (CURRENT \$ IN MILLIONS)        | 97860               | 112757  | + 14897   | 15 | 101614                      | 117827    | + 16213  | 16 |                             |           |           |    |
| 6. PERSONAL INCOME (CURRENT \$ IN MILLIONS)            | 86090               | 97226   | + 11136   | 13 | 89392                       | 101662    | + 12270  | 14 |                             |           |           |    |

# VARIANCE REPORT NARRATIVE FY 2024 AND FY 2025

## **PROGRAM TITLE: ECONOMIC DEVELOPMENT**

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### **PART I - EXPENDITURES AND POSITIONS**

The variance in the position count is generally attributed to vacancies due to budget constraints, personnel turnovers, and pending recruitment and filling. The variance for expenditures is generally attributed to personnel expenditures being less than planned due to position vacancies. Details of the position and expenditure variances are best examined at the lowest program level.

### **PART II - MEASURES OF EFFECTIVENESS**

See Lowest Level Programs for additional information.

# VARIANCE REPORT

|   | FISCAL YEAR 2023-24 |         |          |     | THREE MONTHS ENDED 09-30-24 |           |          |     | NINE MONTHS ENDING 06-30-25 |           |          |    |
|---|---------------------|---------|----------|-----|-----------------------------|-----------|----------|-----|-----------------------------|-----------|----------|----|
|   | BUDGETED            | ACTUAL  | ± CHANGE | %   | BUDGETED                    | ACTUAL    | ± CHANGE | %   | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>           |                     |         |          |     |                             |           |          |     |                             |           |          |    |
| <b>RESEARCH &amp; DEVELOPMENT COSTS</b>               |                     |         |          |     |                             |           |          |     |                             |           |          |    |
| <b>POSITIONS</b>                                      |                     |         |          |     |                             |           |          |     |                             |           |          |    |
| <b>EXPENDITURES (\$1,000's)</b>                       |                     |         |          |     |                             |           |          |     |                             |           |          |    |
| <b>OPERATING COSTS</b>                                |                     |         |          |     |                             |           |          |     |                             |           |          |    |
| <b>POSITIONS</b>                                      | 66.00               | 64.00   | - 2.00   | 3   | 95.00                       | 63.00     | - 32.00  | 34  | 95.00                       | 65.00     | - 30.00  | 32 |
| <b>EXPENDITURES (\$1000's)</b>                        | 20,223              | 19,451  | - 772    | 4   | 3,045                       | 2,157     | - 888    | 29  | 108,203                     | 11,773    | - 96,430 | 89 |
| <b>TOTAL COSTS</b>                                    |                     |         |          |     |                             |           |          |     |                             |           |          |    |
| <b>POSITIONS</b>                                      | 66.00               | 64.00   | - 2.00   | 3   | 95.00                       | 63.00     | - 32.00  | 34  | 95.00                       | 65.00     | - 30.00  | 32 |
| <b>EXPENDITURES (\$1000's)</b>                        | 20,223              | 19,451  | - 772    | 4   | 3,045                       | 2,157     | - 888    | 29  | 108,203                     | 11,773    | - 96,430 | 89 |
|   | FISCAL YEAR 2023-24 |         |          |     | FISCAL YEAR 2024-25         |           |          |     |                             |           |          |    |
|   | PLANNED             | ACTUAL  | ± CHANGE | %   | PLANNED                     | ESTIMATED | ± CHANGE | %   |                             |           |          |    |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>             |                     |         |          |     |                             |           |          |     |                             |           |          |    |
| 1. % INCREASE IN EXPORTS DUE TO PROG PARTICIPATION    | 10                  | NO DATA | - 10     | 100 | 10                          | NO DATA   | - 10     | 100 |                             |           |          |    |
| 2. \$ AMOUNT OF DIRECT EXPEN - FILM/TV PROD (MIL)     | 400                 | 211     | - 189    | 47  | 400                         | 250       | - 150    | 38  |                             |           |          |    |
| 3. %VALUE INCR OF CARGO IN/OUT OF FTZ (EXCL SUBZONES) | 3                   | -6      | - 9      | 300 | 3                           | 3         | + 0      | 0   |                             |           |          |    |
| 4. TOTAL VISITOR EXPENDITURES (\$ BILLIONS)           | 19.03               | 21      | + 1.97   | 10  | 19.95                       | 21.2      | + 1.25   | 6   |                             |           |          |    |

**PROGRAM TITLE: BUSINESS DEVELOPMENT**

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**PART I - EXPENDITURES AND POSITIONS**

Details of the position and expenditure variances are best examined at the lowest program level.

**PART II - MEASURES OF EFFECTIVENESS**

See Lowest Level Programs for additional information.

# VARIANCE REPORT

|   | FISCAL YEAR 2023-24 |        |          |     | THREE MONTHS ENDED 09-30-24 |           |          |    | NINE MONTHS ENDING 06-30-25 |           |          |   |
|---|---------------------|--------|----------|-----|-----------------------------|-----------|----------|----|-----------------------------|-----------|----------|---|
|   | BUDGETED            | ACTUAL | ± CHANGE | %   | BUDGETED                    | ACTUAL    | ± CHANGE | %  | BUDGETED                    | ESTIMATED | ± CHANGE | % |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>           |                     |        |          |     |                             |           |          |    |                             |           |          |   |
| RESEARCH & DEVELOPMENT COSTS                          |                     |        |          |     |                             |           |          |    |                             |           |          |   |
| POSITIONS   |                     |        |          |     |                             |           |          |    |                             |           |          |   |
| EXPENDITURES (\$1,000's)                              |                     |        |          |     |                             |           |          |    |                             |           |          |   |
| OPERATING COSTS                                       |                     |        |          |     |                             |           |          |    |                             |           |          |   |
| POSITIONS   | 10.00               | 10.00  | + 0.00   | 0   | 10.00                       | 10.00     | + 0.00   | 0  | 10.00                       | 10.00     | + 0.00   | 0 |
| EXPENDITURES (\$1000's)                               | 11,599              | 12,133 | + 534    | 5   | 1,034                       | 457       | - 577    | 56 | 4,061                       | 4,381     | + 320    | 8 |
| TOTAL COSTS   |                     |        |          |     |                             |           |          |    |                             |           |          |   |
| POSITIONS   | 10.00               | 10.00  | + 0.00   | 0   | 10.00                       | 10.00     | + 0.00   | 0  | 10.00                       | 10.00     | + 0.00   | 0 |
| EXPENDITURES (\$1000's)                               | 11,599              | 12,133 | + 534    | 5   | 1,034                       | 457       | - 577    | 56 | 4,061                       | 4,381     | + 320    | 8 |
|   | FISCAL YEAR 2023-24 |        |          |     | FISCAL YEAR 2024-25         |           |          |    |                             |           |          |   |
|   | PLANNED             | ACTUAL | ± CHANGE | %   | PLANNED                     | ESTIMATED | ± CHANGE | %  |                             |           |          |   |
| PART II: MEASURES OF EFFECTIVENESS                    |                     |        |          |     |                             |           |          |    |                             |           |          |   |
| 1. % INCREASE IN EXPORTS DUE TO PROG PARTICIPATION    | 10                  | 10     | + 0      | 0   | 10                          | 10        | + 0      | 0  |                             |           |          |   |
| 2. \$ VALUE OF TOTAL/PROJ SALES-TRADE & EXPORT PROMO  | 1900                | 4000   | + 2100   | 111 | 1900                        | 1900      | + 0      | 0  |                             |           |          |   |
| 3. # NEW FIRMS ENROLLED IN ENTERPRISE ZONE PROGRAM    | 25                  | 23     | - 2      | 8   | 25                          | 25        | + 0      | 0  |                             |           |          |   |
| PART III: PROGRAM TARGET GROUP                        |                     |        |          |     |                             |           |          |    |                             |           |          |   |
| 1. # OF FIRMS ENROLLED IN ENTERPRIZE ZONE PROGRAM     | 250                 | 180    | - 70     | 28  | 250                         | 250       | + 0      | 0  |                             |           |          |   |
| 2. #COMM-BASED ORGS, CO-OPS & SMALL BUS ASSISTED      | 200                 | 185    | - 15     | 8   | 200                         | 200       | + 0      | 0  |                             |           |          |   |
| 3. # SML & MED-SIZED ENTERPRISES EXPAND/NEW TO EXPORT | 40                  | 79     | + 39     | 98  | 40                          | 40        | + 0      | 0  |                             |           |          |   |
| PART IV: PROGRAM ACTIVITY                             |                     |        |          |     |                             |           |          |    |                             |           |          |   |
| 1. # INT'L BUSINESS DEVELOPMENT ACTIVITIES            | 25                  | 25     | + 0      | 0   | 25                          | 25        | + 0      | 0  |                             |           |          |   |
| 2. OUTREACH ACTIVITIES                                | 10                  | 10     | + 0      | 0   | 10                          | 10        | + 0      | 0  |                             |           |          |   |
| 3. #FIRMS ASSISTED FOR PARTIC IN ENTERPRSE ZONES      | 300                 | 310    | + 10     | 3   | 300                         | 300       | + 0      | 0  |                             |           |          |   |

**PROGRAM TITLE: STRATEGIC MARKETING AND SUPPORT**

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**PART I - EXPENDITURES AND POSITIONS**

The expenditures variance in FY 25 is due to the allotment of federal and revolving fund ceilings in the first quarter but spending will occur throughout the fiscal year and the 10% restrictions in general funds.

**PART II - MEASURES OF EFFECTIVENESS**

Item 2. The FY 24 planned amount is a typographical error and should reflect 19,000, not 1,900. In FY 24, total/projected export sales were below planned due to the continued strength of the dollar, making U.S. goods more expensive for foreign buyers. We expect this trend to continue and therefore anticipate total/projected export sales to be short of planned levels for FY 25.

**PART III - PROGRAM TARGET GROUPS**

Item 1. The Enterprise Zone Program (EZP) saw a drop-off on the number of enrolled companies due to two factors: 1) each year some companies graduate out of the program after their seven-year enrollment, so those companies need to be replaced just to keep the program enrollment numbers at the same level; and 2) during COVID-19 with restricted business outreach and travel, the numbers declined further. The EZP is now aggressively marketing to raise the number of enrolled companies back to previous levels.

Item 3. In FY 24, there was a surge in the number of small- and medium-sized enterprises registering for the Hawaii State Trade Expansion Program (HiSTEP) as more companies considered exporting as a way to expand their business, particularly after coming out of COVID-19. We expect this to level off for FY 25 as companies go through the HiSTEP export readiness training and many realize that they may not be ready to invest the time and resources needed to be a successful export company.

**PART IV - PROGRAM ACTIVITIES**

There are no significant variances.



PROGRAM TITLE:

OFFICE OF INTERNATIONAL AFFAIRS

12/3/24

PROGRAM-ID:

BED-101

PROGRAM STRUCTURE NO:

010102

|   | FISCAL YEAR 2023-24 |         |          |    | THREE MONTHS ENDED 09-30-24 |           |          |   | NINE MONTHS ENDING 06-30-25 |           |          |    |
|---|---------------------|---------|----------|----|-----------------------------|-----------|----------|---|-----------------------------|-----------|----------|----|
|   | BUDGETED            | ACTUAL  | ± CHANGE | %  | BUDGETED                    | ACTUAL    | ± CHANGE | % | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b> |                     |         |          |    |                             |           |          |   |                             |           |          |    |
| RESEARCH & DEVELOPMENT COSTS                |                     |         |          |    |                             |           |          |   |                             |           |          |    |
| POSITIONS                                   |                     |         |          |    |                             |           |          |   |                             |           |          |    |
| EXPENDITURES (\$1,000's)                    |                     |         |          |    |                             |           |          |   |                             |           |          |    |
| OPERATING COSTS                             |                     |         |          |    |                             |           |          |   |                             |           |          |    |
| POSITIONS                                   | 0.00                | 0.00    | + 0.00   | 0  | 0.00                        | 0.00      | + 0.00   | 0 | 0.00                        | 0.00      | + 0.00   | 0  |
| EXPENDITURES (\$1000's)                     | 500                 | 449     | - 51     | 10 | 0                           | 0         | + 0      | 0 | 250                         | 225       | - 25     | 10 |
| TOTAL COSTS                                 |                     |         |          |    |                             |           |          |   |                             |           |          |    |
| POSITIONS                                   | 0.00                | 0.00    | + 0.00   | 0  | 0.00                        | 0.00      | + 0.00   | 0 | 0.00                        | 0.00      | + 0.00   | 0  |
| EXPENDITURES (\$1000's)                     | 500                 | 449     | - 51     | 10 | 0                           | 0         | + 0      | 0 | 250                         | 225       | - 25     | 10 |
|   | FISCAL YEAR 2023-24 |         |          |    | FISCAL YEAR 2024-25         |           |          |   |                             |           |          |    |
|   | PLANNED             | ACTUAL  | ± CHANGE | %  | PLANNED                     | ESTIMATED | ± CHANGE | % |                             |           |          |    |
| PART II: MEASURES OF EFFECTIVENESS          |                     |         |          |    |                             |           |          |   |                             |           |          |    |
| 1. NO MEASURES DEVELOPED FOR PROGRAM        | NO DATA             | NO DATA | + 0      | 0  | NO DATA                     | NO DATA   | + 0      | 0 |                             |           |          |    |

**PROGRAM TITLE: OFFICE OF INTERNATIONAL AFFAIRS**

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**PART I - EXPENDITURES AND POSITIONS**

The expenditures variance in FY24 and FY25 is the 10% restrictions in general funds.

**PART II - MEASURES OF EFFECTIVENESS**

This is a new Program ID established by the 2023 Legislature; as such, no measures of effectiveness are available and/or have been developed for this program.

**PART III - PROGRAM TARGET GROUPS**

This is a new Program ID established by the 2023 Legislature; as such, no program target groups are available and/or have been developed for this program.

**PART IV - PROGRAM ACTIVITIES**

This is a new Program ID established by the 2023 Legislature; as such, no program activities are available and/or have been developed for this program.

PROGRAM TITLE: CREATIVE INDUSTRIES DIVISION

PROGRAM-ID: BED-105

PROGRAM STRUCTURE NO: 010103

|  | FISCAL YEAR 2023-24 |        |          |      | THREE MONTHS ENDED 09-30-24 |          |           |          | NINE MONTHS ENDING 06-30-25 |     |          |           |          |      |     |
|--|---------------------|--------|----------|------|-----------------------------|----------|-----------|----------|-----------------------------|-----|----------|-----------|----------|------|-----|
|  | BUDGETED            | ACTUAL | ± CHANGE |      | %                           | BUDGETED | ACTUAL    | ± CHANGE |                             | %   | BUDGETED | ESTIMATED | ± CHANGE |      | %   |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>          |                     |        |          |      |                             |          |           |          |                             |     |          |           |          |      |     |
| RESEARCH & DEVELOPMENT COSTS                         |                     |        |          |      |                             |          |           |          |                             |     |          |           |          |      |     |
| POSITIONS  |                     |        |          |      |                             |          |           |          |                             |     |          |           |          |      |     |
| EXPENDITURES (\$1,000's)                             |                     |        |          |      |                             |          |           |          |                             |     |          |           |          |      |     |
| OPERATING COSTS                                      |                     |        |          |      |                             |          |           |          |                             |     |          |           |          |      |     |
| POSITIONS  | 14.00               | 14.00  | +        | 0.00 | 0                           | 13.00    | 13.00     | +        | 0.00                        | 0   | 13.00    | 13.00     | +        | 0.00 | 0   |
| EXPENDITURES (\$1000's)                              | 2,517               | 1,540  | -        | 977  | 39                          | 649      | 393       | -        | 256                         | 39  | 2,380    | 2,600     | +        | 220  | 9   |
| TOTAL COSTS  |                     |        |          |      |                             |          |           |          |                             |     |          |           |          |      |     |
| POSITIONS  | 14.00               | 14.00  | +        | 0.00 | 0                           | 13.00    | 13.00     | +        | 0.00                        | 0   | 13.00    | 13.00     | +        | 0.00 | 0   |
| EXPENDITURES (\$1000's)                              | 2,517               | 1,540  | -        | 977  | 39                          | 649      | 393       | -        | 256                         | 39  | 2,380    | 2,600     | +        | 220  | 9   |
|  | FISCAL YEAR 2023-24 |        |          |      | FISCAL YEAR 2024-25         |          |           |          |                             |     |          |           |          |      |     |
|  | PLANNED             | ACTUAL | ± CHANGE |      | %                           | PLANNED  | ESTIMATED | ± CHANGE |                             | %   |          |           |          |      |     |
| PART II: MEASURES OF EFFECTIVENESS                   |                     |        |          |      |                             |          |           |          |                             |     |          |           |          |      |     |
| 1. CREATIVE ECONOMY SHARE OF HAWAII GDP (BIL)        | 4.0                 | 4.0    | +        | 0    | 0                           | 4.0      | 4.0       | +        | 0                           | 0   | 4.0      | 4.0       | +        | 0    | 0   |
| 2. # OF CREATIVE SECTOR JOBS (THOUS) IN HAWAII       | 60                  | 56     | -        | 4    | 7                           | 60       | 60        | +        | 0                           | 0   | 60       | 60        | +        | 0    | 0   |
| 3. # JOBS ON NEIGHBOR ISLANDS IN CREATIVE SECTORS    | 21                  | 14.5   | -        | 6.5  | 31                          | 21       | 18        | -        | 3                           | 14  | 21       | 18        | -        | 3    | 14  |
| 4. \$ AMOUNT OF DIRECT EXPEN - FILM/TV PROD (MIL)    | 400                 | 211    | -        | 189  | 47                          | 400      | 250       | -        | 150                         | 38  | 400      | 250       | -        | 150  | 38  |
| 5. \$ AMT ECONOMIC IMPACT - FILM/TV PROD (MIL)       | 800                 | 366    | -        | 434  | 54                          | 800      | 400       | -        | 400                         | 50  | 800      | 400       | -        | 400  | 50  |
| 6. \$ AMT OF TAXES GENERATED FROM FILM/TV PROD (MIL) | 50                  | 23     | -        | 27   | 54                          | 50       | 30        | -        | 20                          | 40  | 50       | 30        | -        | 20   | 40  |
| 7. \$ AMT OF ESTIMATED REBATE - ACT 275              | 50                  | 50     | +        | 0    | 0                           | 50       | 50        | +        | 0                           | 0   | 50       | 50        | +        | 0    | 0   |
| 8. \$ AMT OF PRODUCTION SPENT ON NEIGHBOR ISLANDS    | 55                  | 11     | -        | 44   | 80                          | 55       | 30        | -        | 25                          | 45  | 55       | 30        | -        | 25   | 45  |
| 9. \$ AMT OF HOUSEHOLD INCOME - TOTAL SPEND (MIL)    | 250                 | 85     | -        | 165  | 66                          | 250      | 100       | -        | 150                         | 60  | 250      | 100       | -        | 150  | 60  |
| PART III: PROGRAM TARGET GROUP                       |                     |        |          |      |                             |          |           |          |                             |     |          |           |          |      |     |
| 1. TOTAL \$ AMT/VALUE OF WFORCE DEV CONT - ACT 88/89 | 100                 | 108    | +        | 8    | 8                           | 100      | 50        | -        | 50                          | 50  | 100      | 50        | -        | 50   | 50  |
| 2. AMOUNT OF PARTICIPANTS - ENT DEV PROGRAMS         | 600                 | 553    | -        | 47   | 8                           | 600      | NO DATA   | -        | 600                         | 100 | 600      | NO DATA   | -        | 600  | 100 |
| 3. ESTIMATED REV. GEN. FM MUSIC PLACEMENTS (THOUS)   | 150                 | 93     | -        | 57   | 38                          | 150      | 100       | -        | 50                          | 33  | 150      | 100       | -        | 50   | 33  |
| PART IV: PROGRAM ACTIVITY                            |                     |        |          |      |                             |          |           |          |                             |     |          |           |          |      |     |
| 1. # PERMITS FOR FILM/TV/COM/INTERNET PROJ YEARLY    | 3200                | 1796   | -        | 1404 | 44                          | 3200     | 2500      | -        | 700                         | 22  | 3200     | 2500      | -        | 700  | 22  |
| 2. # OF CREATIVE CONTENT PROJ DEV FOR EXPORT         | 100                 | 86     | -        | 14   | 14                          | 100      | 86        | -        | 14                          | 14  | 100      | 86        | -        | 14   | 14  |
| 3. # OF MUSIC PLACEMENTS IN FILM, TV, COMMERCIALS    | 30                  | 18     | -        | 12   | 40                          | 35       | 35        | +        | 0                           | 0   | 35       | 35        | +        | 0    | 0   |

**PROGRAM TITLE: CREATIVE INDUSTRIES DIVISION**

**PART I - EXPENDITURES AND POSITIONS**

Initially, CID used Other Current Expenses (OCE) funds to engage an 89-day hire in the Program Specialist V position. In partnership with the UH Innovation Office, the UH Community College System as part of the Good Jobs Grant Notice of Funding Opportunity by the U.S. Department of Commerce Economic Development Administration Grant awarded to UH. The Department of Business, Economic Development and Tourism (DBEDT)-CID is a sub-contractor with funds going to support the position and fringe benefits until September 30, 2025. DBEDT-CID will be requesting A-funds to support salary and fringe for the position and convert it to permanent from temporary.

Expenditures: The FY 24 variance (General Fund) is due to CID using OCE funds to fund the 89-day hire until a full-time CS, SR-24 position was hired on April 9, 2023. Eventually, reimbursements from the U.S. Economic Development Administration Good Jobs Challenge Grant are being utilized to reimburse CID for the advanced funding of the position.

FY 25 variance includes Hawaii Revised Statutes 201-113, expenditure of \$112,000, a carry forward from the first quarter in A-funds of \$256,000, and the 10% restrictions. A planned RFP to fund creative content projects in FY 25 is estimated at \$400,000 but is dependent on the number of applicants and awards. Numbers are to be adjusted at the end of FY 25.

**PART II - MEASURES OF EFFECTIVENESS**

With support from DBEDT's Research and Economic Analysis Division (READ), the metrics reported are derived from the data sets in the DBEDT Targeted and Emerging Industries Report (2024; not yet publicly released) on Hawaii's Creative Industries (HCI).

Item 2. Current DBEDT READ data is reflective of 2023. Creative Industries employs 52,301 individuals, representing 6.2% of all jobs in the State. In total, the value of output from this sector equals \$5.1 billion.

Note: HCI includes both base growth, transitioning and emerging growth industries: (1) Film, Media, and Entertainment (television, streaming, internet and direct-to-consumer content, post-production, visual effects, interactive media, game development, and advertising); (2) Visual Arts (painting, drawing, printmaking, sculpture, folk art, and galleries); (3) Performing & Cultural Arts (theatre, music, dance, and hula); and (4) Design and Applied Arts (architecture, marketing, interior design, industrial design, fashion design, graphic/commercial design, culinary arts, web design, 3D design, and jewelry design).

Item 3. The decrease in jobs on the neighbor islands in creative sectors is also the result of decreased film and television productions statewide due to the Actors (SAG-AFTRA) and Writers (WGA) strikes in 2023 across the nation, including Hawaii.

Item 4. The variance in FY 24 data has dropped due to having fewer productions filmed in Hawaii in FY 23. Since then, we have seen a drop in new productions with the unexpected cancellation of the CBS procedural NCIS: Hawaii and other productions prior to that.

Item 5. The variance for FY 24 is a lower estimate due to the aftermath of industry strikes in 2023, economic struggles with studios, and a general downturn in production overall. We anticipate that we will not have as high of a production expenditure to report for FY 25. In addition, the variance in the FY 24 data of economic impacts factored at an aggregate 1.73 multiplier.

Note: Granular data using individual multipliers for those areas of the economy are based on the Hawaii Motion Picture, Digital Media and Film Production Tax Credit (Film Tax Credit) reports by productions and is contained in READ's annual Cost Benefit Analysis Legislative Report.

Item 6. The estimated taxes generated are determined by an input/output model formula. We would like to project that we will be trending upwards. However, due to some pretty significant variables - economic struggle and restructuring at the studio level, causing an overall slowdown in the industry. As a result, we anticipate production in Hawaii will level off and

**PROGRAM TITLE: CREATIVE INDUSTRIES DIVISION**

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remain somewhat flat through FY 25.

Item 8. The variances for FY 24 and FY 25 are lower than the planned/estimated due to not having as many productions filming as there were in FY 23 and FY 24. The trend is expected to continue.

Item 9. The variances for FY 24 and FY 25 are estimated household incomes based on the total production spent through the application of the input/output multiplier of 1.73. We did not use the correct multiplier during the planning and that resulted in a higher planned household income. By using the correct multiplier, the estimated figure is lower, but much more realistic.

**PART III - PROGRAM TARGET GROUPS**

Item 1. The \$50k variance in FY 25 is due to projected increases in film productions throughout the State that are anticipated to increase expenditures on the tax credits which also increases funds going toward workforce development. In 2023 and 2024, there were Writers (WGA) and Actors (SAG-AFTRA) strikes that affected the film industry across the U.S., including Hawaii. Film and Television production is trending up during FY 25.

Item 2. Hawaii has a thriving and vital cultural ecosystem with a creative economy that supports a highly skilled workforce. This sector contributes to the advancement of Hawaii's general economy and positively impacts Hawaii's overall quality of life through innovation, fostering a flourishing environment for creative entrepreneurship and expanding the State's global export of creative content. CID manages and supports multiple programs to advance local internet projects (IP) development for Digital Export.

Item 3. DBEDT's Creative Lab Hawaii (CLH) Music Immersive program has afforded local songwriters the ability to license their work for national film, television, and international commercials generating \$100,000+/year, with over \$600,000 in placements to date. Throughout 2023, DBEDT-CID has assisted in 78 music placements of original songs in network

television, online trailers, cable and streaming media networks, major entertainment studios, advertising campaigns, and 25 media content developments in feature films, TV, short films, documentaries, web series, and mobile gaming apps.

**PART IV - PROGRAM ACTIVITIES**

Item 1. The number of permits for film, television, IP, etc., is slightly lower than planned for FY 24 and FY 25 due to the overall downturn in the industry and consequential slowdown in Hawaii.

Item 2. The actual total number of creative content projects developed for export, the current number of 27 reflects the challenges that local filmmakers encounter in completing any projects in development. Planning and refinement of projects took place and can be calculated as "in development" content/product. This will be added as a category in future eVariance reports.

Item 3. With the return of the CLH Music Immersive in 2022, along with other local songwriters hired by corporations to score their TV commercials, Hawaii artists have continued to monetize their creative IP in the areas of media and entertainment through licensing. Current metrics reflect data from the 2022-23 CLH Hawaii Accelerator program.

PROGRAM TITLE:

FOREIGN TRADE ZONE

12/3/24

PROGRAM-ID:

BED-107

PROGRAM STRUCTURE NO:

010104

|   | FISCAL YEAR 2023-24 |        |          |    | THREE MONTHS ENDED 09-30-24 |        |          |    | NINE MONTHS ENDING 06-30-25 |           |          |   |
|---|---------------------|--------|----------|----|-----------------------------|--------|----------|----|-----------------------------|-----------|----------|---|
|   | BUDGETED            | ACTUAL | ± CHANGE | %  | BUDGETED                    | ACTUAL | ± CHANGE | %  | BUDGETED                    | ESTIMATED | ± CHANGE | % |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b> |                     |        |          |    |                             |        |          |    |                             |           |          |   |
| RESEARCH & DEVELOPMENT COSTS                |                     |        |          |    |                             |        |          |    |                             |           |          |   |
| POSITIONS                                   |                     |        |          |    |                             |        |          |    |                             |           |          |   |
| EXPENDITURES (\$1,000's)                    |                     |        |          |    |                             |        |          |    |                             |           |          |   |
| OPERATING COSTS                             |                     |        |          |    |                             |        |          |    |                             |           |          |   |
| POSITIONS                                   | 16.00               | 14.00  | - 2.00   | 13 | 16.00                       | 14.00  | - 2.00   | 13 | 16.00                       | 16.00     | + 0.00   | 0 |
| EXPENDITURES (\$1000's)                     | 2,613               | 2,563  | - 50     | 2  | 668                         | 609    | - 59     | 9  | 2,123                       | 2,182     | + 59     | 3 |
| TOTAL COSTS                                 |                     |        |          |    |                             |        |          |    |                             |           |          |   |
| POSITIONS                                   | 16.00               | 14.00  | - 2.00   | 13 | 16.00                       | 14.00  | - 2.00   | 13 | 16.00                       | 16.00     | + 0.00   | 0 |
| EXPENDITURES (\$1000's)                     | 2,613               | 2,563  | - 50     | 2  | 668                         | 609    | - 59     | 9  | 2,123                       | 2,182     | + 59     | 3 |

|   | FISCAL YEAR 2023-24 |        |          |     | FISCAL YEAR 2024-25 |           |          |   |
|---|---------------------|--------|----------|-----|---------------------|-----------|----------|---|
|   | PLANNED             | ACTUAL | ± CHANGE | %   | PLANNED             | ESTIMATED | ± CHANGE | % |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>             |                     |        |          |     |                     |           |          |   |
| 1. %VALUE INCR OF CARGO IN/OUT OF FTZ (EXCL SUBZONES) | 3                   | 2      | - 1      | 33  | 3                   | 3         | + 0      | 0 |
| 2. % INCR VALUE CARGO IN/OUT OF ALL SUBZONES          | 3                   | -6     | - 9      | 300 | 3                   | 3         | + 0      | 0 |
| 3. % INCR IN VALUE OF CARGO IN/OUT OF PIER 2 FACIL    | 5                   | -26    | - 31     | 620 | 5                   | 5         | + 0      | 0 |
| 4. # OF NEW FIRMS USING FTZ PROGRAM                   | 30                  | 30     | + 0      | 0   | 30                  | 30        | + 0      | 0 |
| 5. % INCR IN VALUE OF EXPORTS FROM ALL FTZ FACILITIES | 5                   | 28     | + 23     | 460 | 5                   | 5         | + 0      | 0 |
| 6. INCR IN USERS' EMPLMT ATTRIB TO PARTIC IN FTZ PROG | 60                  | 107    | + 47     | 78  | 60                  | 60        | + 0      | 0 |
| 7. SATIS RATING BY FTZ USERS (1-5 SCALE)              | 4                   | 4      | + 0      | 0   | 4                   | 4         | + 0      | 0 |
| 8. YEARLY SPECIAL FUND BAL (TOT REV LESS TOT EXP)     | 0                   | 1.085  | + 1.085  | 0   | 0                   | 0         | + 0      | 0 |

|  |     |     |       |    |     |     |     |   |
|--|-----|-----|-------|----|-----|-----|-----|---|
| <b>PART III: PROGRAM TARGET GROUP</b>                |     |     |       |    |     |     |     |   |
| 1. FIRMS USING FTZ PROGRAM (NO.)                     | 250 | 317 | + 67  | 27 | 250 | 250 | + 0 | 0 |
| 2. COMPANIES THAT IMPORT/EXPORT DUTIABLE MERCHANDISE | 500 | 757 | + 257 | 51 | 500 | 500 | + 0 | 0 |
| 3. COMPANIES THAT MANUF USING DUTIABLE COMPONENTS    | 70  | 75  | + 5   | 7  | 70  | 70  | + 0 | 0 |

|   |      |      |        |    |      |      |     |   |
|---|------|------|--------|----|------|------|-----|---|
| <b>PART IV: PROGRAM ACTIVITY</b>                      |      |      |        |    |      |      |     |   |
| 1. VALUE OF CARGO IN/OUT OF FTZ (EXCL SUBZONES) (MIL) | 1750 | 3218 | + 1468 | 84 | 1750 | 1750 | + 0 | 0 |
| 2. VALUE OF CARGO IN/OUT OF SUBZONES (MIL)            | 7600 | 8262 | + 662  | 9  | 7600 | 7600 | + 0 | 0 |
| 3. VALUE OF CARGO IN/OUT OF PIER 2 FACILITY (MIL)     | 60   | 46   | - 14   | 23 | 60   | 60   | + 0 | 0 |
| 4. VALUE OF CARGO HANDLD FOR DEPT OF HOMELAND SEC     | 0    | 0    | + 0    | 0  | 0    | 0    | + 0 | 0 |
| 5. ADVERTISING/MARKETING EXPEND ZONE PROMOTION        | 75   | 5    | - 70   | 93 | 75   | 75   | + 0 | 0 |

**PROGRAM TITLE: FOREIGN TRADE ZONE**

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**PART I - EXPENDITURES AND POSITIONS**

The variances in FY 24 and the first quarter of FY 25 are due to staff vacancies. The Foreign-Trade Zone (FTZ) is actively in recruitment to fill each vacancy.

Account Clerk III: The position was vacated when the incumbent vacated position. FTZ has been actively recruiting for this position but has not found any qualified candidates. FTZ is awaiting the next list of eligible candidates from the Department of Human Resources Development. FTZ expects to fill the position by March 31, 2025.

Office Assistant IV: The position was vacated when the incumbent accepted a position in another department. FTZ has been in active recruitment but has not found a qualified candidate to effectively fill the position. FTZ expects to fill the position by June 30, 2025.

**PART II - MEASURES OF EFFECTIVENESS**

Items 1, 2, and 3. The variances are due to the decrease in FTZ activity and inventory following the COVID-19 pandemic.

Item 5. The variance is due to the worldwide increase in oil prices.

Item 6. The variance is a result of improved trade conditions following the COVID-19 pandemic impacting the number of firms using the FTZ.

**PART III - PROGRAM TARGET GROUPS**

Items 1 and 2. The variance in the number of firms using the FTZ is due to both the increase in FTZ activity and inventory following the COVID-19 pandemic.

**PART IV - PROGRAM ACTIVITIES**

Items 1. The variances in the value of cargo in and out of the FTZ (except subzones) and subzones, respectively, are due to the economic recovery following the COVID-19 pandemic.

Item 3. The variance is due to the decrease in FTZ activity and inventory following the COVID-19 pandemic.

Item 5. The variance in marketing expenses is due to the program reducing its marketing expenditures in an effort to maintain parity with program revenues within its special fund.

PROGRAM TITLE: GENERAL SUPPORT FOR ECONOMIC DEVELOPMENT  
 PROGRAM-ID: BED-142  
 PROGRAM STRUCTURE NO: 010105

|   | FISCAL YEAR 2023-24 |        |          |   | THREE MONTHS ENDED 09-30-24 |        |          |   | NINE MONTHS ENDING 06-30-25 |           |          |   |
|---|---------------------|--------|----------|---|-----------------------------|--------|----------|---|-----------------------------|-----------|----------|---|
|   | BUDGETED            | ACTUAL | ± CHANGE | % | BUDGETED                    | ACTUAL | ± CHANGE | % | BUDGETED                    | ESTIMATED | ± CHANGE | % |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b> |                     |        |          |   |                             |        |          |   |                             |           |          |   |
| <b>RESEARCH &amp; DEVELOPMENT COSTS</b>     |                     |        |          |   |                             |        |          |   |                             |           |          |   |
| <b>POSITIONS</b>                            |                     |        |          |   |                             |        |          |   |                             |           |          |   |
| <b>EXPENDITURES (\$1,000's)</b>             |                     |        |          |   |                             |        |          |   |                             |           |          |   |
| <b>OPERATING COSTS</b>                      |                     |        |          |   |                             |        |          |   |                             |           |          |   |
| <b>POSITIONS</b>                            | 26.00               | 26.00  | + 0.00   | 0 | 26.00                       | 26.00  | + 0.00   | 0 | 26.00                       | 26.00     | + 0.00   | 0 |
| <b>EXPENDITURES (\$1000's)</b>              | 2,994               | 2,766  | - 228    | 8 | 694                         | 698    | + 4      | 1 | 2,389                       | 2,385     | - 4      | 0 |
| <b>TOTAL COSTS</b>                          |                     |        |          |   |                             |        |          |   |                             |           |          |   |
| <b>POSITIONS</b>                            | 26.00               | 26.00  | + 0.00   | 0 | 26.00                       | 26.00  | + 0.00   | 0 | 26.00                       | 26.00     | + 0.00   | 0 |
| <b>EXPENDITURES (\$1000's)</b>              | 2,994               | 2,766  | - 228    | 8 | 694                         | 698    | + 4      | 1 | 2,389                       | 2,385     | - 4      | 0 |

|   | FISCAL YEAR 2023-24 |        |          |     | FISCAL YEAR 2024-25 |           |          |     |
|---|---------------------|--------|----------|-----|---------------------|-----------|----------|-----|
|   | PLANNED             | ACTUAL | ± CHANGE | %   | PLANNED             | ESTIMATED | ± CHANGE | %   |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>             |                     |        |          |     |                     |           |          |     |
| 1. # OF PROCUREMENT VIOLATIONS                        | 0                   | 0      | + 0      | 0   | 0                   | 0         | + 0      | 0   |
| 2. % ERROR-FREE SUMMARY WARRANT VOUCHERS PROCESSED    | 95                  | 97     | + 2      | 2   | 95                  | 95        | + 0      | 0   |
| 3. SERVER DOWNTIME AS % TOTAL OPERATIONAL TIME (<)    | 2.0                 | 2      | + 0      | 0   | 2.0                 | 2         | + 0      | 0   |
| 4. % DBEDT EMPLOYEES WORKING W/OUT FORMAL GRIEVANCE   | 98                  | 100    | + 2      | 2   | 98                  | 98        | + 0      | 0   |
| 5. # PROJECTS - DIGITAL EQUITY/LITERACY & REMOTE WORK | 5                   | 5      | + 0      | 0   | 5                   | 5         | + 0      | 0   |
| 6. # PROJECTS - EMPLOYEE WELLNESS/WORK-LIFE BALANCE   | 2                   | 0      | - 2      | 100 | 2                   | 0         | - 2      | 100 |

|  |     |     |      |   |     |     |      |    |
|--|-----|-----|------|---|-----|-----|------|----|
| <b>PART III: PROGRAM TARGET GROUP</b>            |     |     |      |   |     |     |      |    |
| 1. NUMBER OF DBEDT POSNS (PERMANENT & TEMPORARY) | 327 | 343 | + 16 | 5 | 327 | 386 | + 59 | 18 |
| 2. DIGITALLY DISADVANTAGED COMMUNITIES           | 10  | 10  | + 0  | 0 | 10  | 10  | + 0  | 0  |
| 3. DIGITALLY DISADVANTAGED RESIDENTS             | 100 | 100 | + 0  | 0 | 100 | 100 | + 0  | 0  |

|  |      |      |       |     |      |      |       |     |
|--|------|------|-------|-----|------|------|-------|-----|
| <b>PART IV: PROGRAM ACTIVITY</b>                     |      |      |       |     |      |      |       |     |
| 1. # OF REQUESTS FOR ALLOTMENT (A19) PREPARED        | 150  | 272  | + 122 | 81  | 150  | 275  | + 125 | 83  |
| 2. # OF SUMMARY WARRANT VOUCHERS PROCESSED           | 1250 | 1600 | + 350 | 28  | 1250 | 1600 | + 350 | 28  |
| 3. # OF FORMAL GRIEVANCES FILED ANNUALLY             | 5    | 0    | - 5   | 100 | 5    | 5    | + 0   | 0   |
| 4. # OF HR/PERSONNEL TRANSACTIONS PROCESSED ANNUALLY | 1500 | 1336 | - 164 | 11  | 1500 | 1300 | - 200 | 13  |
| 5. # DIGITAL EQUITY PROJECTS                         | 5    | 5    | + 0   | 0   | 5    | 5    | + 0   | 0   |
| 6. # BROADBAND HUI MEETING                           | 12   | 49   | + 37  | 308 | 12   | 50   | + 38  | 317 |
| 7. # EMPLOYEE WELLNESS PROGRAMS                      | 2    | 0    | - 2   | 100 | 2    | 0    | - 2   | 100 |



**PROGRAM TITLE: GENERAL SUPPORT FOR ECONOMIC DEVELOPMENT**

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**PART I - EXPENDITURES AND POSITIONS**

There are no significant variances.

**PART II - MEASURES OF EFFECTIVENESS**

Item 6. With the increase in the number of wellness programs implemented by the Hawaii Employer-Union Health Benefits Trust Fund (EUTF), the Department of Business, Economic Development and Tourism (DBEDT) has not had wellness activities done on its own the past FY 24. DBEDT plans to join the wellness program activities that the EUTF offers so we do not have to reinvent the wheel. This explains the 100% variance decrease in Employee Wellness Program activity.

**PART III - PROGRAM TARGET GROUPS**

Item 1. The increase in the number of employees is attributable to Hawaii Tourism Authority (HTA) positions being added back to the DBEDT Budget.

**PART IV - PROGRAM ACTIVITIES**

Item 1. DBEDT's actual number of Requests for Allotment (Form A-19) prepared varies based on the number of active federal grants, non-appropriated funds, and specific appropriations which changes each year.

Item 2. The 350 or 28% increase in the number of transactions is due to the new programs (Military and Community Relations Office and Hawaii Broadband and Digital Equity Office) and attached agencies (Agribusiness Development and Research and Stadium Authority) added to DBEDT.

Item 3. Personnel provides guidance to Program Managers on how to de-escalate any situation that may arise to grievances.

Item 4. Planned data should have been 1300 to reflect the true picture of the processed transactions.

Item 6. The Broadband Hui consists of community stakeholders from across the State including educators, healthcare, Hawaiian homestead, and rural residents, as well as organizations that represent ethnic and racial minorities, veterans, kupuna, people with disabilities, and income-constrained. As federal funds through the Infrastructure Investment and Jobs Act became actualized through the Broadband, Equity, Access and Deployment and Digital Equity Act programs, maintaining weekly convenings of the Broadband Hui plays an important part in keeping the communities engaged and informed.

Item 7. With the increase in the number of wellness programs implemented by the EUTF, DBEDT has not had wellness activities done on its own the past FY 24. DBEDT plans to join the wellness program activities that the EUTF offers so we do not have to reinvent the wheel. This explains the 100% variance decrease in Employee Wellness Program activity.

PROGRAM TITLE: HAWAII TOURISM AUTHORITY-ADMIN & GOVERNANCE

PROGRAM-ID: BED-113

PROGRAM STRUCTURE NO: 010201

|   | FISCAL YEAR 2023-24 |        |          |     | THREE MONTHS ENDED 09-30-24 |        |          |    | NINE MONTHS ENDING 06-30-25 |           |          |    |
|---|---------------------|--------|----------|-----|-----------------------------|--------|----------|----|-----------------------------|-----------|----------|----|
|   | BUDGETED            | ACTUAL | ± CHANGE | %   | BUDGETED                    | ACTUAL | ± CHANGE | %  | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b> |                     |        |          |     |                             |        |          |    |                             |           |          |    |
| <b>RESEARCH &amp; DEVELOPMENT COSTS</b>     |                     |        |          |     |                             |        |          |    |                             |           |          |    |
| <b>POSITIONS</b>                            |                     |        |          |     |                             |        |          |    |                             |           |          |    |
| <b>EXPENDITURES (\$1,000's)</b>             |                     |        |          |     |                             |        |          |    |                             |           |          |    |
| <b>OPERATING COSTS</b>                      |                     |        |          |     |                             |        |          |    |                             |           |          |    |
| <b>POSITIONS</b>                            | 0.00                | 0.00   | + 0.00   | 0   | 14.00                       | 10.00  | - 4.00   | 29 | 14.00                       | 10.00     | - 4.00   | 29 |
| <b>EXPENDITURES (\$1000's)</b>              | 64,000              | 0      | - 64,000 | 100 | 832                         | 797    | - 35     | 4  | 36,865                      | 2,402     | - 34,463 | 93 |
| <b>TOTAL COSTS</b>                          |                     |        |          |     |                             |        |          |    |                             |           |          |    |
| <b>POSITIONS</b>                            | 0.00                | 0.00   | + 0.00   | 0   | 14.00                       | 10.00  | - 4.00   | 29 | 14.00                       | 10.00     | - 4.00   | 29 |
| <b>EXPENDITURES (\$1000's)</b>              | 64,000              | 0      | - 64,000 | 100 | 832                         | 797    | - 35     | 4  | 36,865                      | 2,402     | - 34,463 | 93 |

|   | FISCAL YEAR 2023-24 |        |          |    | FISCAL YEAR 2024-25 |           |          |   |
|---|---------------------|--------|----------|----|---------------------|-----------|----------|---|
|   | PLANNED             | ACTUAL | ± CHANGE | %  | PLANNED             | ESTIMATED | ± CHANGE | % |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>             |                     |        |          |    |                     |           |          |   |
| 1. VISITOR EXPENDITURES (\$BILLIONS)                  | 19.03               | 21     | + 1.97   | 10 | 19.95               | 21.2      | + 1.25   | 6 |
| 2. PER PERSON PER DAY SPENDING (\$)                   | 220.63              | 217.5  | - 3.13   | 1  | 224.41              | 224.41    | + 0      | 0 |
| 3. RESIDENT SENTIMENT - % TOURISM IS OVERALL POSITIVE | 61                  | 65     | + 4      | 7  | 65                  | 65        | + 0      | 0 |
| 4. RES. SENTIMENT- % TOURISM POSITIVE FOR YOU/FAMILY  | 43                  | 47     | + 4      | 9  | 48                  | 48        | + 0      | 0 |
| 5. VISITOR SATIFICATION - % OVERALL SATISFACTION      | 85                  | 87.9   | + 2.9    | 3  | 85                  | 87.9      | + 2.9    | 3 |
| 6. VISITOR SATISFACTION - %LIKELY TO RECOMMEND HAWAII | 90                  | 89.3   | - 0.7    | 1  | 90                  | 90        | + 0      | 0 |
| 7. VISITOR SATISFACTION - % LIKELY TO REVISIT IN 5 YR | 85                  | 82     | - 3      | 4  | 85                  | 85        | + 0      | 0 |
| 8. CONVENTION CENTER ECONOMIC IMPACT (\$MILLIONS)     | 105.6               | 105.6  | + 0      | 0  | 123.3               | 123.3     | + 0      | 0 |

|   |      |      |        |     |      |      |        |     |
|---|------|------|--------|-----|------|------|--------|-----|
| <b>PART III: PROGRAM TARGET GROUP</b>               |      |      |        |     |      |      |        |     |
| 1. # OF TARGET VISITORS IN JAPAN MKT (MILLIONS)     | 6    | 6    | + 0    | 0   | 6    | 6    | + 0    | 0   |
| 2. # OF TARGET VISITORS IN US MKT (MILLIONS)        | 32.5 | 24   | - 8.5  | 26  | 32.5 | 24   | - 8.5  | 26  |
| 3. # VISITORS INDUSTRY BUSINESSES                   | 4269 | 9919 | + 5650 | 132 | 4269 | 9919 | + 5650 | 132 |
| 4. # MCI CITYWIDE & SINGLE PROPERTY CONVENTIONS TRG | 38   | 34   | - 4    | 11  | 40   | 56   | + 16   | 40  |
| 5. TOTAL VISITOR ARRIVALS (MILLIONS)                | 9.7  | 9.6  | - 0.1  | 1   | 10.1 | 9.6  | - 0.5  | 5   |

|  |      |     |       |    |      |     |       |    |
|--|------|-----|-------|----|------|-----|-------|----|
| <b>PART IV: PROGRAM ACTIVITY</b>                   |      |     |       |    |      |     |       |    |
| 1. # NATURAL RESOURCE PROJECTS FUNDED              | 40   | 40  | + 0   | 0  | 40   | 25  | - 15  | 38 |
| 2. # HAWAIIAN CULTURE PROJECTS FUNDED              | 40   | 34  | - 6   | 15 | 40   | 15  | - 25  | 63 |
| 3. # COMMUNITY PROJECTS FUNDED                     | 80   | 79  | - 1   | 1  | 80   | 35  | - 45  | 56 |
| 4. # VISITOR HOTSPOTS ADDRESSED                    | 12   | 12  | + 0   | 0  | 12   | 12  | + 0   | 0  |
| 5. # HTA SOCIAL MEDIA POSTS                        | 432  | 432 | + 0   | 0  | 432  | 450 | + 18  | 4  |
| 6. # TRAVEL TRADE EDUCATION SESSIONS - USA & JAPAN | 1678 | 824 | - 854 | 51 | 1678 | 824 | - 854 | 51 |
| 7. # GLOBAL MCI SALES CALLS & MCI TRADE SHOW APPTS | 750  | 750 | + 0   | 0  | 750  | 750 | + 0   | 0  |

**PROGRAM TITLE: HAWAII TOURISM AUTHORITY-ADMIN & GOVERNANCE**

**PART I - EXPENDITURES AND POSITIONS**

The Hawaii Tourism Authority (HTA) was not included in the executive budget in Act 164, SLH 2023. The Legislature appropriated \$64,000,000 for the HCC Rooftop Repair in Act 164, SLH 2023, but the Budget and Finance took back the funds after the Maui Wildfire.

Act 230, SLH 2024, divided HTA's operating budget into six programs: BED 113 (Administration and Governance), BED 114 (Branding and Marketing), BED 115, (Sports and Signature Events), BED 116 (Destination Stewardship and Community), BED 117 (Regenerative Tourism Development), and BED 118 (Workforce Development). Part one of this report only covers BED 113.

The Legislature appropriated \$3,696,000 and assigned 14 positions for program BED 113. As of September 30, 2024, HTA had 10 positions filled. The CEO search is still ongoing. The Contracts and Operations Manager is a relatively new vacancy. The Account Clerk II is a Civil Service position, and as such has faced challenges filling due to strict minimum qualifications and noncompetitive compensation. The Planner Position recruiting process is being approved by the Department of Business, Economic Development and Tourism's (DBEDT) Director and the Governor. Hiring freezes may prevent HTA from filling the three vacant exempt positions (CEO, Contracts and Operations Manager, and Planner).

HTA did not use the full amount of allotment due to the timing of when services were received and when payments were made. We will reallocate the remaining funds to a subsequent period for use. Also, a portion of the variance is the 10% restrictions in general funds.

Parts II to IV were measurements when HTA had a single program for HTA operations.

**PART II - MEASURES OF EFFECTIVENESS**

Item 1. The planned amount is based on DBEDT's Tourism Forecast for

Calendar Year (CY) 2024. The actual amount is based on DBEDT's Annual Visitor Report for CY 23.

Per the report: Spending by air visitors to the islands increased to \$20.66 billion (+5.1%) in 2023. The average daily spending was \$241 per person (+4.0%) compared to \$232 per person in 2022.

Lodging, the largest spending category by all visitors to Hawaii, increased to \$9.64 billion (+5.5%) in 2023. Food and beverage, the second largest category, rose to \$4.38 billion (+8.8%). Shopping at \$2.12 billion (+7.0%) was the third largest expense category in 2023, followed by transportation at \$1.96 billion (-10.9%) and entertainment and recreation at \$1.88 billion (+2.3%). Supplemental business spending in 2023 was \$132 million (+31.0%) compared to \$100.8 million in the previous year. These are additional business expenses spent locally on conventions and corporate meetings by out-of-state visitors (i.e., costs of space and equipment rentals, transportation, etc.) that were not included in personal spending.

Item 2. Source: The actual amount is based on DBEDT's Annual Visitor Report for CY 23. FY 25 Planned and Estimated amounts provided by DBEDT Tourism Research Division (TRD).

Item 3. Source: DBEDT's Spring 2024 Resident Sentiment Survey. The variance was most likely caused by the increase in perceived problems of tourism, such as damage to the environment, overcrowding, and high prices/higher cost of living. FY 25 Planned and Estimated amounts provided by DBEDT TRD.

Item 4. Source: DBEDT's Spring 2024 Resident Sentiment Survey. The variance was most likely caused by increased perceived benefits of tourism for the State's economy. FY 25 Planned and Estimated amounts provided by DBEDT TRD.

Item 5. Source: DBEDT's CY 23 Visitor Satisfaction and Activity Report (VSAR). FY 25 Planned and Estimated amounts provided by DBEDT TRD.

**PROGRAM TITLE: HAWAII TOURISM AUTHORITY-ADMIN & GOVERNANCE**

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Item 6. Source: DBEDT's CY 23 VSAR. FY 25 Planned and Estimated amounts provided by DBEDT TRD.

Item 7. Source: DBEDT's CY 23 VSAR. FY 25 Planned and Estimated amounts provided by DBEDT TRD.

Item 8. Source: HCC financial data for CY 23.

**PART III - PROGRAM TARGET GROUPS**

The COVID-19 pandemic has significantly impacted tourism in Hawaii, but the State has seen a gradual recovery with the reopening of tourism.

Item 1. The planned amount for this measure should be six million mindful, high-spending visitors in the Japan market. Singles making over \$75,000 and couples making over \$100,000 per year are classified as "high spenders" (Source: Hawaii Tourism Japan Branding Management Plan).

Item 2. The planned amount for this measure should be 24 million mindful, high-spending visitors in the U.S. market. Individuals and couples making over \$146,000/year are classified as "high spenders" (Source: Hawaii Tourism USA Branding Management Plan).

Item 3. HTA updated the metric in FY 24 to Number of Tourism-Related Industries (Transportation and Warehousing, Retail, Trade, Art, Entertainment and Recreation, Accommodations, and Food Services). In 2022, Accounted for 30.2% of the State Total Private Businesses. The figure for FY 24 is 9,919. The figure was provided by DBEDT.

Item 4. FY 24 Actual and FY 25 Estimate provided by Hawaii Visitors and Convention Bureau (HVCB) (Source: HVCB, Meetings, Conventions, Incentives, and Brand Marketing Plan).

Item 5. Source: DBEDT CY 23 figures. FY 25 Planned and Estimated amounts provided by DBEDT TRD.

**PART IV - PROGRAM ACTIVITIES**

Item 1. The Kahu Aina Program has not funded more than 40 projects per cycle year. HTA's goal is to fund 50 projects per year. The expected 37.5% decrease in FY 25 is due to decreased funding.

Items 2. Overall funding for Kukulua Ola was not as high as anticipated; therefore, the number of projects the selection committee decided to award did not meet the goal for this cycle year. The expected decrease in FY 25 is due to decreased program funding (Source: HTA staff for CY 24).

Item 3. The 56.25% decrease in community projected funding for FY 25 is due to decreased funding (Source: HTA Staff for CY 24).

Item 4. Source: HTA Staff.

Item 5. There was no significant variance.

Item 6. Travel education sessions were lower than estimated for FY 24 and FY 25 due to staffing shortages and decreased funding.

Item 7. Source: HTA Staff through GMTs and CY 23.

PROGRAM TITLE: HTA - BRANDING AND MARKETING

12/3/24

PROGRAM-ID: BED-114

PROGRAM STRUCTURE NO: 010202

|   | FISCAL YEAR 2023-24 |        |          |   | THREE MONTHS ENDED 09-30-24 |        |          |    | NINE MONTHS ENDING 06-30-25 |           |          |    |
|---|---------------------|--------|----------|---|-----------------------------|--------|----------|----|-----------------------------|-----------|----------|----|
|   | BUDGETED            | ACTUAL | ± CHANGE | % | BUDGETED                    | ACTUAL | ± CHANGE | %  | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b> |                     |        |          |   |                             |        |          |    |                             |           |          |    |
| RESEARCH & DEVELOPMENT COSTS                |                     |        |          |   |                             |        |          |    |                             |           |          |    |
| POSITIONS                                   |                     |        |          |   |                             |        |          |    |                             |           |          |    |
| EXPENDITURES (\$1,000's)                    |                     |        |          |   |                             |        |          |    |                             |           |          |    |
| OPERATING COSTS                             |                     |        |          |   |                             |        |          |    |                             |           |          |    |
| POSITIONS                                   |                     |        |          |   | 5.00                        | 4.00   | - 1.00   | 20 | 5.00                        | 5.00      | + 0.00   | 0  |
| EXPENDITURES (\$1000's)                     |                     |        |          |   | 8,831                       | 8,490  | - 341    | 4  | 30,418                      | 26,834    | - 3,584  | 12 |
| TOTAL COSTS                                 |                     |        |          |   |                             |        |          |    |                             |           |          |    |
| POSITIONS                                   |                     |        |          |   | 5.00                        | 4.00   | - 1.00   | 20 | 5.00                        | 5.00      | + 0.00   | 0  |
| EXPENDITURES (\$1000's)                     |                     |        |          |   | 8,831                       | 8,490  | - 341    | 4  | 30,418                      | 26,834    | - 3,584  | 12 |

**PROGRAM TITLE: HTA - BRANDING AND MARKETING**

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**PART I - EXPENDITURES AND POSITIONS**

Position variance - Hawaii Tourism Authority (HTA) is waiting to hire the CEO first so the new CEO can participate in the hiring process for the Chief Brand Officer.

Expenditures variance - It is the 10% restrictions in general funds.

**PART II - MEASURES OF EFFECTIVENESS**

This is a new program ID established by Act 230, SLH 2024; as such, no measures of effectiveness are available and/or have been developed for this program.

**PART III - PROGRAM TARGET GROUPS**

This is a new program ID established by Act 230, SLH 2024; as such, no program target groups are available and/or have been developed for this program.

**PART IV - PROGRAM ACTIVITIES**

This is a new program ID established by Act 230, SLH 2024; as such, no program activities are available and/or have been developed for this program.

PROGRAM TITLE: HTA - SPORTS AND SIGNATURE EVENTS

PROGRAM-ID: BED-115

PROGRAM STRUCTURE NO: 010203

|   | FISCAL YEAR 2023-24 |        |          |   | THREE MONTHS ENDED 09-30-24 |        |          |     | NINE MONTHS ENDING 06-30-25 |           |          |   |
|---|---------------------|--------|----------|---|-----------------------------|--------|----------|-----|-----------------------------|-----------|----------|---|
|   | BUDGETED            | ACTUAL | ± CHANGE | % | BUDGETED                    | ACTUAL | ± CHANGE | %   | BUDGETED                    | ESTIMATED | ± CHANGE | % |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b> |                     |        |          |   |                             |        |          |     |                             |           |          |   |
| RESEARCH & DEVELOPMENT COSTS                |                     |        |          |   |                             |        |          |     |                             |           |          |   |
| POSITIONS                                   |                     |        |          |   |                             |        |          |     |                             |           |          |   |
| EXPENDITURES (\$1,000's)                    |                     |        |          |   |                             |        |          |     |                             |           |          |   |
| OPERATING COSTS                             |                     |        |          |   |                             |        |          |     |                             |           |          |   |
| POSITIONS                                   |                     |        |          |   | 1.00                        | 0.00   | - 1.00   | 100 | 1.00                        | 1.00      | + 0.00   | 0 |
| EXPENDITURES (\$1000's)                     |                     |        |          |   | 1,647                       | 750    | - 897    | 54  | 5,671                       | 5,837     | + 166    | 3 |
| TOTAL COSTS                                 |                     |        |          |   |                             |        |          |     |                             |           |          |   |
| POSITIONS                                   |                     |        |          |   | 1.00                        | 0.00   | - 1.00   | 100 | 1.00                        | 1.00      | + 0.00   | 0 |
| EXPENDITURES (\$1000's)                     |                     |        |          |   | 1,647                       | 750    | - 897    | 54  | 5,671                       | 5,837     | + 166    | 3 |

**PROGRAM TITLE: HTA - SPORTS AND SIGNATURE EVENTS**

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**PART I - EXPENDITURES AND POSITIONS**

Position variance - Hawaii Tourism Authority (HTA) is in the process of filling the Sports Manager position.

Expenditures variance - It is due to the timing of when the contracts are executed and the 10% restrictions in general funds.

**PART II - MEASURES OF EFFECTIVENESS**

This is a new program ID established by Act 230, SLH 2024; as such, no measures of effectiveness are available and/or have been developed for this program.

**PART III - PROGRAM TARGET GROUPS**

This is a new program ID established by Act 230, SLH 2024; as such, no program target groups are available and/or have been developed for this program.

**PART IV - PROGRAM ACTIVITIES**

This is a new program ID established by Act 230, SLH 2024; as such, no program activities are available and/or have been developed for this program.



PROGRAM TITLE: HTA - DESTINATION STEWARDSHIP & COMMUNITY

PROGRAM-ID: BED-116

PROGRAM STRUCTURE NO: 010204

|   | FISCAL YEAR 2023-24 |        |          |   | THREE MONTHS ENDED 09-30-24 |        |          |    | NINE MONTHS ENDING 06-30-25 |           |          |    |
|---|---------------------|--------|----------|---|-----------------------------|--------|----------|----|-----------------------------|-----------|----------|----|
|   | BUDGETED            | ACTUAL | ± CHANGE | % | BUDGETED                    | ACTUAL | ± CHANGE | %  | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b> |                     |        |          |   |                             |        |          |    |                             |           |          |    |
| RESEARCH & DEVELOPMENT COSTS                |                     |        |          |   |                             |        |          |    |                             |           |          |    |
| POSITIONS                                   |                     |        |          |   |                             |        |          |    |                             |           |          |    |
| EXPENDITURES (\$1,000's)                    |                     |        |          |   |                             |        |          |    |                             |           |          |    |
| OPERATING COSTS                             |                     |        |          |   |                             |        |          |    |                             |           |          |    |
| POSITIONS                                   |                     |        |          |   | 7.00                        | 1.00   | - 6.00   | 86 | 7.00                        | 7.00      | + 0.00   | 0  |
| EXPENDITURES (\$1000's)                     |                     |        |          |   | 1,783                       | 252    | - 1,531  | 86 | 6,141                       | 6,880     | + 739    | 12 |
| TOTAL COSTS                                 |                     |        |          |   |                             |        |          |    |                             |           |          |    |
| POSITIONS                                   |                     |        |          |   | 7.00                        | 1.00   | - 6.00   | 86 | 7.00                        | 7.00      | + 0.00   | 0  |
| EXPENDITURES (\$1000's)                     |                     |        |          |   | 1,783                       | 252    | - 1,531  | 86 | 6,141                       | 6,880     | + 739    | 12 |

**PROGRAM TITLE: HTA - DESTINATION STEWARDSHIP & COMMUNITY**

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**PART I - EXPENDITURES AND POSITIONS**

Position variance - Since September 30, 2024, Hawaii Tourism Authority (HTA) filled two of the five Destination Manager positions and the Administrative Assistant position. HTA is working on filling the other three vacancies.

Expenditures variance - It is due to the timing of when the contracts are executed and the 10% restrictions in general funds.

**PART II - MEASURES OF EFFECTIVENESS**

This is a new program ID established by Act 230, SLH 2024; as such, no measures of effectiveness are available and/or have been developed for this program.

**PART III - PROGRAM TARGET GROUPS**

This is a new program ID established by Act 230, SLH 2024; as such, no program target groups are available and/or have been developed for this program.

**PART IV - PROGRAM ACTIVITIES**

This is a new program ID established by Act 230, SLH 2024; as such, no program activities are available and/or have been developed for this program.

PROGRAM TITLE: HTA - REGENERATIVE TOURISM DEVELOPMENT

PROGRAM-ID: BED-117

PROGRAM STRUCTURE NO: 010205

|   | FISCAL YEAR 2023-24 |        |          |   | THREE MONTHS ENDED 09-30-24 |        |          |   | NINE MONTHS ENDING 06-30-25 |           |          |    |
|---|---------------------|--------|----------|---|-----------------------------|--------|----------|---|-----------------------------|-----------|----------|----|
|   | BUDGETED            | ACTUAL | ± CHANGE | % | BUDGETED                    | ACTUAL | ± CHANGE | % | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b> |                     |        |          |   |                             |        |          |   |                             |           |          |    |
| RESEARCH & DEVELOPMENT COSTS                |                     |        |          |   |                             |        |          |   |                             |           |          |    |
| POSITIONS                                   |                     |        |          |   |                             |        |          |   |                             |           |          |    |
| EXPENDITURES (\$1,000's)                    |                     |        |          |   |                             |        |          |   |                             |           |          |    |
| OPERATING COSTS                             |                     |        |          |   |                             |        |          |   |                             |           |          |    |
| POSITIONS                                   |                     |        |          |   | 3.00                        | 3.00   | + 0.00   | 0 | 3.00                        | 3.00      | + 0.00   | 0  |
| EXPENDITURES (\$1000's)                     |                     |        |          |   | 846                         | 832    | - 14     | 2 | 2,916                       | 2,554     | - 362    | 12 |
| TOTAL COSTS                                 |                     |        |          |   |                             |        |          |   |                             |           |          |    |
| POSITIONS                                   |                     |        |          |   | 3.00                        | 3.00   | + 0.00   | 0 | 3.00                        | 3.00      | + 0.00   | 0  |
| EXPENDITURES (\$1000's)                     |                     |        |          |   | 846                         | 832    | - 14     | 2 | 2,916                       | 2,554     | - 362    | 12 |

**PROGRAM TITLE: HTA - REGENERATIVE TOURISM DEVELOPMENT**

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**PART I - EXPENDITURES AND POSITIONS**

Expenditures variance - It is the 10% restrictions in general funds.

**PART II - MEASURES OF EFFECTIVENESS**

This is a new program ID established by Act 230, SLH 2024; as such, no measures of effectiveness are available and/or have been developed for this program.

**PART III - PROGRAM TARGET GROUPS**

This is a new program ID established by Act 230, SLH 2024; as such, no program target groups are available and/or have been developed for this program.

**PART IV - PROGRAM ACTIVITIES**

This is a new program ID established by Act 230, SLH 2024; as such, no program activities are available and/or have been developed for this program.

PROGRAM TITLE: HTA - WORKFORCE DEVELOPMENT

PROGRAM-ID: BED-118

PROGRAM STRUCTURE NO: 010206

|   | FISCAL YEAR 2023-24 |        |          |   | THREE MONTHS ENDED 09-30-24 |        |          |     | NINE MONTHS ENDING 06-30-25 |           |          |    |
|---|---------------------|--------|----------|---|-----------------------------|--------|----------|-----|-----------------------------|-----------|----------|----|
|   | BUDGETED            | ACTUAL | ± CHANGE | % | BUDGETED                    | ACTUAL | ± CHANGE | %   | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b> |                     |        |          |   |                             |        |          |     |                             |           |          |    |
| RESEARCH & DEVELOPMENT COSTS                |                     |        |          |   |                             |        |          |     |                             |           |          |    |
| POSITIONS                                   |                     |        |          |   |                             |        |          |     |                             |           |          |    |
| EXPENDITURES (\$1,000's)                    |                     |        |          |   |                             |        |          |     |                             |           |          |    |
| OPERATING COSTS                             |                     |        |          |   | 0.00                        | 0.00   | + 0.00   | 0   | 0.00                        | 0.00      | + 0.00   | 0  |
| POSITIONS                                   |                     |        |          |   | 236                         | 0      | - 236    | 100 | 814                         | 945       | + 131    | 16 |
| EXPENDITURES (\$1000's)                     |                     |        |          |   |                             |        |          |     |                             |           |          |    |
| TOTAL COSTS                                 |                     |        |          |   | 0.00                        | 0.00   | + 0.00   | 0   | 0.00                        | 0.00      | + 0.00   | 0  |
| POSITIONS                                   |                     |        |          |   | 236                         | 0      | - 236    | 100 | 814                         | 945       | + 131    | 16 |
| EXPENDITURES (\$1000's)                     |                     |        |          |   |                             |        |          |     |                             |           |          |    |

**PROGRAM TITLE: HTA - WORKFORCE DEVELOPMENT**

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**PART I - EXPENDITURES AND POSITIONS**

The expenditures variance is due to the timing of when the contracts are executed and the 10% restrictions in general funds.

**PART II - MEASURES OF EFFECTIVENESS**

This is a new program ID established by Act 230, SLH 2024; as such, no measures of effectiveness are available and/or have been developed for this program.

**PART III - PROGRAM TARGET GROUPS**

This is a new program ID established by Act 230, SLH 2024; as such, no program target groups are available and/or have been developed for this program.

**PART IV - PROGRAM ACTIVITIES**

This is a new program ID established by Act 230, SLH 2024; as such, no program activities are available and/or have been developed for this program.

PROGRAM TITLE:

AGRICULTURE

12/3/24

PROGRAM-ID:

PROGRAM STRUCTURE NO: 0103

|   | FISCAL YEAR 2023-24 |        |          |     | THREE MONTHS ENDED 09-30-24 |           |          |    | NINE MONTHS ENDING 06-30-25 |           |          |    |
|---|---------------------|--------|----------|-----|-----------------------------|-----------|----------|----|-----------------------------|-----------|----------|----|
|   | BUDGETED            | ACTUAL | ± CHANGE | %   | BUDGETED                    | ACTUAL    | ± CHANGE | %  | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>           |                     |        |          |     |                             |           |          |    |                             |           |          |    |
| <b>RESEARCH &amp; DEVELOPMENT COSTS</b>               |                     |        |          |     |                             |           |          |    |                             |           |          |    |
| <b>POSITIONS</b>                                      |                     |        |          |     |                             |           |          |    |                             |           |          |    |
| <b>EXPENDITURES (\$1,000's)</b>                       |                     |        |          |     |                             |           |          |    |                             |           |          |    |
| <b>OPERATING COSTS</b>                                |                     |        |          |     |                             |           |          |    |                             |           |          |    |
| <b>POSITIONS</b>                                      | 328.00              | 236.00 | - 92.00  | 28  | 340.50                      | 244.50    | - 96.00  | 28 | 340.50                      | 295.50    | - 45.00  | 13 |
| <b>EXPENDITURES (\$1000's)</b>                        | 120,351             | 60,411 | - 59,940 | 50  | 15,390                      | 13,631    | - 1,759  | 11 | 62,183                      | 63,452    | + 1,269  | 2  |
| <b>TOTAL COSTS</b>                                    |                     |        |          |     |                             |           |          |    |                             |           |          |    |
| <b>POSITIONS</b>                                      | 328.00              | 236.00 | - 92.00  | 28  | 340.50                      | 244.50    | - 96.00  | 28 | 340.50                      | 295.50    | - 45.00  | 13 |
| <b>EXPENDITURES (\$1000's)</b>                        | 120,351             | 60,411 | - 59,940 | 50  | 15,390                      | 13,631    | - 1,759  | 11 | 62,183                      | 63,452    | + 1,269  | 2  |
|   | FISCAL YEAR 2023-24 |        |          |     | FISCAL YEAR 2024-25         |           |          |    |                             |           |          |    |
|   | PLANNED             | ACTUAL | ± CHANGE | %   | PLANNED                     | ESTIMATED | ± CHANGE | %  |                             |           |          |    |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>             |                     |        |          |     |                             |           |          |    |                             |           |          |    |
| 1. AMT OF AG OR AQUA FIN PROVIDED BY OTHR CRED SOURCS | 750                 | 0      | - 750    | 100 | 750                         | 750       | + 0      | 0  |                             |           |          |    |
| 2. # INTERCEPTED PEST SPECIES NOT ESTABLISHED IN HI   | 450                 | 466    | + 16     | 4   | 450                         | 475       | + 25     | 6  |                             |           |          |    |

**PROGRAM TITLE: AGRICULTURE**

**01 03**

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**PART I - EXPENDITURES AND POSITIONS**

Details of the position and expenditures variances are best examined at the lowest program level.

**PART II - MEASURES OF EFFECTIVENESS**

See Lowest Level Programs for additional information.



# VARIANCE REPORT

|   | FISCAL YEAR 2023-24        |               |                 |          | THREE MONTHS ENDED 09-30-24 |                  |                 |          | NINE MONTHS ENDING 06-30-25 |           |          |    |
|---|----------------------------|---------------|-----------------|----------|-----------------------------|------------------|-----------------|----------|-----------------------------|-----------|----------|----|
|   | BUDGETED                   | ACTUAL        | ± CHANGE        | %        | BUDGETED                    | ACTUAL           | ± CHANGE        | %        | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>           |                            |               |                 |          |                             |                  |                 |          |                             |           |          |    |
| <b>RESEARCH &amp; DEVELOPMENT COSTS</b>               |                            |               |                 |          |                             |                  |                 |          |                             |           |          |    |
| <b>POSITIONS</b>                                      |                            |               |                 |          |                             |                  |                 |          |                             |           |          |    |
| <b>EXPENDITURES (\$1,000's)</b>                       |                            |               |                 |          |                             |                  |                 |          |                             |           |          |    |
| <b>OPERATING COSTS</b>                                |                            |               |                 |          |                             |                  |                 |          |                             |           |          |    |
| <b>POSITIONS</b>                                      | 9.00                       | 5.00          | - 4.00          | 44       | 9.00                        | 5.00             | - 4.00          | 44       | 9.00                        | 7.00      | - 2.00   | 22 |
| <b>EXPENDITURES (\$1000's)</b>                        | 6,339                      | 1,878         | - 4,461         | 70       | 1,569                       | 1,569            | + 0             | 0        | 4,795                       | 4,795     | + 0      | 0  |
| <b>TOTAL COSTS</b>                                    |                            |               |                 |          |                             |                  |                 |          |                             |           |          |    |
| <b>POSITIONS</b>                                      | 9.00                       | 5.00          | - 4.00          | 44       | 9.00                        | 5.00             | - 4.00          | 44       | 9.00                        | 7.00      | - 2.00   | 22 |
| <b>EXPENDITURES (\$1000's)</b>                        | 6,339                      | 1,878         | - 4,461         | 70       | 1,569                       | 1,569            | + 0             | 0        | 4,795                       | 4,795     | + 0      | 0  |
|   | <b>FISCAL YEAR 2023-24</b> |               |                 |          | <b>FISCAL YEAR 2024-25</b>  |                  |                 |          |                             |           |          |    |
|   | <b>PLANNED</b>             | <b>ACTUAL</b> | <b>± CHANGE</b> | <b>%</b> | <b>PLANNED</b>              | <b>ESTIMATED</b> | <b>± CHANGE</b> | <b>%</b> |                             |           |          |    |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>             |                            |               |                 |          |                             |                  |                 |          |                             |           |          |    |
| 1. NUMBER OF LOANS APPROVED                           | 25                         | 11            | - 14            | 56       | 25                          | 25               | + 0             | 0        | 25                          | 25        | + 0      | 0  |
| 2. TOTAL DOLLAR AMOUNT OF LOANS APPROVED (000'S)      | 5000                       | 1274          | - 3726          | 75       | 5000                        | 5000             | + 0             | 0        | 5000                        | 5000      | + 0      | 0  |
| 3. ANNUAL ACREAGE CULTIVATED BY BORROWERS             | 10000                      | 7410          | - 2590          | 26       | 10000                       | 10000            | + 0             | 0        | 10000                       | 10000     | + 0      | 0  |
| 4. AMT OF EMPLOYEES OR LABORERS UTILIZED BY BORROWER  | 1000                       | 579           | - 421           | 42       | 1000                        | 1000             | + 0             | 0        | 1000                        | 1000      | + 0      | 0  |
| 5. AMT OF AG OR AQUA FIN PROVIDED BY OTHR CRED SOURCS | 750                        | 0             | - 750           | 100      | 750                         | 750              | + 0             | 0        | 750                         | 750       | + 0      | 0  |
| <b>PART III: PROGRAM TARGET GROUP</b>                 |                            |               |                 |          |                             |                  |                 |          |                             |           |          |    |
| 1. POTENTIAL QUALIFIED FARMERS/NEW FARMERS            | 7300                       | 7328          | + 28            | 0        | 7300                        | 7300             | + 0             | 0        | 7300                        | 7300      | + 0      | 0  |
| 2. POTENTIAL QUALIFED AQUACULTURISTS                  | 70                         | 70            | + 0             | 0        | 70                          | 70               | + 0             | 0        | 70                          | 70        | + 0      | 0  |
| 3. AGRICULTURE/AQUACULTURE COOPERATIVES               | 20                         | 20            | + 0             | 0        | 20                          | 20               | + 0             | 0        | 20                          | 20        | + 0      | 0  |
| 4. COMMERCIAL BANKS                                   | 5                          | 6             | + 1             | 20       | 5                           | 5                | + 0             | 0        | 5                           | 5         | + 0      | 0  |
| <b>PART IV: PROGRAM ACTIVITY</b>                      |                            |               |                 |          |                             |                  |                 |          |                             |           |          |    |
| 1. NUMBER OF PUBLIC RELATIONS CONTACTS                | 50                         | 32            | - 18            | 36       | 50                          | 50               | + 0             | 0        | 50                          | 50        | + 0      | 0  |
| 2. NO. OF SERVICING CONTACTS WITH EXISTING BORROWERS  | 700                        | 445           | - 255           | 36       | 700                         | 700              | + 0             | 0        | 700                         | 700       | + 0      | 0  |
| 3. NUMBER OF LOAN INQUIRIES RECEIVED BY THE DIVISION  | 125                        | 130           | + 5             | 4        | 125                         | 125              | + 0             | 0        | 125                         | 125       | + 0      | 0  |
| 4. AMOUNT COLLECTED BY PROGRAM (000'S)                | 2250                       | 1992          | - 258           | 11       | 2250                        | 2250             | + 0             | 0        | 2250                        | 2250      | + 0      | 0  |

**PROGRAM TITLE: FINANCIAL ASSISTANCE FOR AGRICULTURE**

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**PART I - EXPENDITURES AND POSITIONS**

The variances in FY 24 positions and expenditures are due to position vacancies and the lower dollar amount in loan disbursements. Variances in FY 25 positions are due to lack of qualified applicants for vacant positions.

**PART II - MEASURES OF EFFECTIVENESS**

Item 1 - The number of loans approved was below the planned total by 56% or 14 loans. The number of loans approved increased from the prior year reflecting the improving economy; however, the significant increase in the program's interest rates reduced demand for loans for the second half of the fiscal year.

Item 2 - The decrease in the total dollar amount in loans approved is related to the reduced total amount of loans approved. Furthermore, the loans approved included numerous emergency loans, which are usually smaller loan requests.

Item 3 - The decrease in cultivated acreage is due to the payoff of a loan by a large ranch and the smaller loan portfolio.

Item 4 - The amount was below the planned amount due to both the tight labor market, which made finding employees difficult, and farms adjusting to the increasing costs due to inflation which limited cash flow.

Item 5 - There were no funds provided by other credit sources. Encouraging participation loans with private lenders continues to be a challenge due to the perceived higher risk and lack of familiarity with the industry.

**PART III - PROGRAM TARGET GROUPS**

Item 4 - The number of Commercial banks was above the planned amount due to the conversion of a Federal Chartered Bank to a State Chartered Bank, increasing the total.

**PART IV - PROGRAM ACTIVITIES**

Item 1 - The number of public relations contacts was below the planned amount. The lower number of contacts are due to the 44% personnel vacancies in the division. As positions are filled, the division plans to expand outreach efforts to increase its loan portfolio.

Item 2 - The number of servicing contacts was below the planned number due to the smaller loan portfolio. The number of contacts averaged out to four contacts per borrower, which meets the two field visits procedurally required.

Item 4 - The amount collected by the program was below the projected amount due to smaller loan portfolio.

PROGRAM TITLE:

PRODCVTY IMPRVMT & MGT ASSTNCE FOR AGR

PROGRAM-ID:

PROGRAM STRUCTURE NO: 010302

|  | FISCAL YEAR 2023-24 |        |          |    | THREE MONTHS ENDED 09-30-24 |           |          |    | NINE MONTHS ENDING 06-30-25 |           |          |    |
|--|---------------------|--------|----------|----|-----------------------------|-----------|----------|----|-----------------------------|-----------|----------|----|
|  | BUDGETED            | ACTUAL | ± CHANGE | %  | BUDGETED                    | ACTUAL    | ± CHANGE | %  | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>          |                     |        |          |    |                             |           |          |    |                             |           |          |    |
| RESEARCH & DEVELOPMENT COSTS                         |                     |        |          |    |                             |           |          |    |                             |           |          |    |
| POSITIONS  |                     |        |          |    |                             |           |          |    |                             |           |          |    |
| EXPENDITURES (\$1,000's)                             |                     |        |          |    |                             |           |          |    |                             |           |          |    |
| OPERATING COSTS                                      |                     |        |          |    |                             |           |          |    |                             |           |          |    |
| POSITIONS  | 169.00              | 131.00 | - 38.00  | 22 | 172.00                      | 132.00    | - 40.00  | 23 | 172.00                      | 151.00    | - 21.00  | 12 |
| EXPENDITURES (\$1000's)                              | 25,941              | 18,821 | - 7,120  | 27 | 5,382                       | 5,382     | + 0      | 0  | 18,563                      | 18,563    | + 0      | 0  |
| TOTAL COSTS  |                     |        |          |    |                             |           |          |    |                             |           |          |    |
| POSITIONS  | 169.00              | 131.00 | - 38.00  | 22 | 172.00                      | 132.00    | - 40.00  | 23 | 172.00                      | 151.00    | - 21.00  | 12 |
| EXPENDITURES (\$1000's)                              | 25,941              | 18,821 | - 7,120  | 27 | 5,382                       | 5,382     | + 0      | 0  | 18,563                      | 18,563    | + 0      | 0  |
|  | FISCAL YEAR 2023-24 |        |          |    | FISCAL YEAR 2024-25         |           |          |    |                             |           |          |    |
|  | PLANNED             | ACTUAL | ± CHANGE | %  | PLANNED                     | ESTIMATED | ± CHANGE | %  |                             |           |          |    |
| PART II: MEASURES OF EFFECTIVENESS                   |                     |        |          |    |                             |           |          |    |                             |           |          |    |
| 1. % TTL PARCELS INSP INTERCEPTED AS PROHIB/RESTRICT | .003                | .003   | + 0      | 0  | .003                        | .003      | + 0      | 0  |                             |           |          |    |
| 2. # INTERCEPTED PEST SPECIES NOT ESTABLISHED IN HI  | 450                 | 466    | + 16     | 4  | 450                         | 475       | + 25     | 6  |                             |           |          |    |

**PART I - EXPENDITURES AND POSITIONS**

Details of the position and expenditures variances are best examined at the lowest program level.

**PART II - MEASURES OF EFFECTIVENESS**

See Lowest Level Programs for additional information.

PROGRAM TITLE:

PLANT PEST AND DISEASE CONTROL

12/3/24

PROGRAM-ID:

AGR-122

PROGRAM STRUCTURE NO:

01030201

|   | FISCAL YEAR 2023-24 |        |          |    | THREE MONTHS ENDED 09-30-24 |        |          |    | NINE MONTHS ENDING 06-30-25 |           |          |    |
|---|---------------------|--------|----------|----|-----------------------------|--------|----------|----|-----------------------------|-----------|----------|----|
|   | BUDGETED            | ACTUAL | ± CHANGE | %  | BUDGETED                    | ACTUAL | ± CHANGE | %  | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b> |                     |        |          |    |                             |        |          |    |                             |           |          |    |
| <b>RESEARCH &amp; DEVELOPMENT COSTS</b>     |                     |        |          |    |                             |        |          |    |                             |           |          |    |
| <b>POSITIONS</b>                            |                     |        |          |    |                             |        |          |    |                             |           |          |    |
| <b>EXPENDITURES (\$1,000's)</b>             |                     |        |          |    |                             |        |          |    |                             |           |          |    |
| <b>OPERATING COSTS</b>                      |                     |        |          |    |                             |        |          |    |                             |           |          |    |
| <b>POSITIONS</b>                            | 114.00              | 85.00  | - 29.00  | 25 | 114.00                      | 88.00  | - 26.00  | 23 | 114.00                      | 100.00    | - 14.00  | 12 |
| <b>EXPENDITURES (\$1000's)</b>              | 18,641              | 13,588 | - 5,053  | 27 | 3,364                       | 3,364  | + 0      | 0  | 11,285                      | 11,285    | + 0      | 0  |
| <b>TOTAL COSTS</b>                          |                     |        |          |    |                             |        |          |    |                             |           |          |    |
| <b>POSITIONS</b>                            | 114.00              | 85.00  | - 29.00  | 25 | 114.00                      | 88.00  | - 26.00  | 23 | 114.00                      | 100.00    | - 14.00  | 12 |
| <b>EXPENDITURES (\$1000's)</b>              | 18,641              | 13,588 | - 5,053  | 27 | 3,364                       | 3,364  | + 0      | 0  | 11,285                      | 11,285    | + 0      | 0  |

|   | FISCAL YEAR 2023-24 |        |          |    | FISCAL YEAR 2024-25 |           |          |    |
|---|---------------------|--------|----------|----|---------------------|-----------|----------|----|
|   | PLANNED             | ACTUAL | ± CHANGE | %  | PLANNED             | ESTIMATED | ± CHANGE | %  |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>             |                     |        |          |    |                     |           |          |    |
| 1. % TTL PARCELS INSP INTERCEPTED AS PROHIB/RESTRICT  | .003                | .003   | + 0      | 0  | .003                | .003      | + 0      | 0  |
| 2. NUMBER OF PEST INTERCEPTIONS                       | 900                 | 911    | + 11     | 1  | 900                 | 900       | + 0      | 0  |
| 3. # INTERCEPTED PEST SPECIES NOT ESTABLISHED IN HI   | 450                 | 466    | + 16     | 4  | 450                 | 475       | + 25     | 6  |
| 4. # OF PROHIBITED ANIMALS INTERCEPTED OR CONFISCATED | 1500                | 1721   | + 221    | 15 | 1500                | 1750      | + 250    | 17 |
| 5. % OF CHEM/MECH CNTRL PROJ UNDER HI LEVEL OF CNTRL  | 15                  | 10     | - 5      | 33 | 15                  | 10        | - 5      | 33 |
| 6. % BIO CONTROL PROJECTS UNDER A HIGH LEVEL OF CNTRL | 35                  | 35     | + 0      | 0  | 35                  | 35        | + 0      | 0  |
| 7. COMPLIANCE RATE CERT NURS & PT OF ORIGIN EXP INSP  | 85                  | 99     | + 14     | 16 | 85                  | 99        | + 14     | 16 |

|  |      |      |        |     |      |      |        |     |
|--|------|------|--------|-----|------|------|--------|-----|
| <b>PART III: PROGRAM TARGET GROUP</b>                  |      |      |        |     |      |      |        |     |
| 1. NUMBER OF AIRCRAFT AND SHIP ARRIVALS (THOUSANDS)    | 46   | 51   | + 5    | 11  | 46   | 51   | + 5    | 11  |
| 2. NUMBER PASSENGER ARRIVALS BY AIR AND SEA (THOUS)    | 7000 | 5202 | - 1798 | 26  | 7000 | 5200 | - 1800 | 26  |
| 3. NO. OF REGULATED BAGGAGE, CARGO AND MAIL (THOUS)    | 8400 | 8025 | - 375  | 4   | 8400 | 8000 | - 400  | 5   |
| 4. NUMBER OF IMPORT PERMIT REQUESTS                    | 1000 | 1301 | + 301  | 30  | 1000 | 1300 | + 300  | 30  |
| 5. NUMBER OF SITES REQUIRING POST-ENTRY INSPECTIONS    | 520  | 475  | - 45   | 9   | 520  | 475  | - 45   | 9   |
| 6. NUMBER OF CERTIFIED NURSERIES                       | 165  | 120  | - 45   | 27  | 165  | 120  | - 45   | 27  |
| 7. NUMBER OF NEW NOXIOUS WEED INFESTATIONS             | 1    | 0    | - 1    | 100 | 1    | 0    | - 1    | 100 |
| 8. NUMBER OF WIDESPREAD NOXIOUS WEED INFESTATIONS      | 40   | 40   | + 0    | 0   | 40   | 40   | + 0    | 0   |
| 9. NO. OF NEW INFESTATIONS OF INSECTS AND OTHER PESTS  | 15   | 15   | + 0    | 0   | 15   | 15   | + 0    | 0   |
| 10. NO. OF WIDESPREAD INFEST OF INSECTS AND OTHER PEST | 10   | 10   | + 0    | 0   | 10   | 10   | + 0    | 0   |

|   |      |      |        |    |      |      |        |    |
|---|------|------|--------|----|------|------|--------|----|
| <b>PART IV: PROGRAM ACTIVITY</b>                      |      |      |        |    |      |      |        |    |
| 1. NUMBER OF AIRCRAFT AND SHIPS MONITORED (THOUSANDS) | 45   | 37   | - 8    | 18 | 45   | 37   | - 8    | 18 |
| 2. NUMBER OF AIR AND SEA PASSENGERS MONITORED (THOUS) | 6500 | 3707 | - 2793 | 43 | 6500 | 3800 | - 2700 | 42 |
| 3. NO. OF BAGGAGE, CARGO, AND MAIL INSPECTED (THOUS)  | 7000 | 6800 | - 200  | 3  | 7000 | 6800 | - 200  | 3  |
| 4. NUMBER OF POST-ENTRY INSPECTIONS CONDUCTED         | 150  | 50   | - 100  | 67 | 150  | 50   | - 100  | 67 |
| 5. NUMBER OF CERTIFIED NURSERY INSPECTIONS            | 340  | 236  | - 104  | 31 | 340  | 236  | - 104  | 31 |
| 6. NUMBER OF CHEM/MECH CNTRL AND ERADICATION PROJECTS | 12   | 5    | - 7    | 58 | 12   | 5    | - 7    | 58 |
| 7. BIOLOGICAL CONTROL OF PEST SPECIES (# OF PROJECTS) | 8    | 2    | - 6    | 75 | 8    | 2    | - 6    | 75 |
| 8. SEED TEST AND ANALYSIS (NUMBER OF LOTS)            | 35   | 3    | - 32   | 91 | 35   | 3    | - 32   | 91 |

**PROGRAM TITLE: PLANT PEST AND DISEASE CONTROL**

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**PART I - EXPENDITURES AND POSITIONS**

The variances in expenditures are due to restrictions, position vacancies, and lower than expected special and federal fund expenditures. The variances in positions are due to a lack of qualified applicants for vacant positions.

**PART II - MEASURES OF EFFECTIVENESS**

Item 2 - The number of pest interceptions increased due to increased staff effort on detecting high risk pests.

Item 4 - The number of prohibited animals intercepted or confiscated increased due to an increased interest in non-domestic animals and higher numbers of imports of unlisted animals, particularly aquatic organisms such as freshwater shrimp and marine invertebrates.

Item 5 - The decrease was due to: persistent drought conditions leading to a proliferation of weeds; anticipated resurgence of weed species in the aftermath of the fires on Maui and Hawaii Island; and invasive species impacts (two-lined spittlebug) also promoting weed proliferation.

Item 7 - Nursery compliance rates were higher than anticipated as nearly all certified nurseries are currently in compliance.

**PART III - PROGRAM TARGET GROUPS**

Item 1 - The increase is due to post-pandemic travel increases.

Item 2 - The number of passenger arrivals fluctuates with economic conditions. Hiring and training of new staff is necessary to expand coverage and increase monitoring activities.

Item 4 - The increase in permit volume was primarily for the importation of non-domestic animals as pets.

Item 6 - The number of certified nurseries was lower than estimated as certified nursery participants have chosen to opt out of the program to focus on local sales as opposed to export to the U.S. Mainland.

Item 7 - No new noxious weed detections have been made.

**PART IV - PROGRAM ACTIVITIES**

Items 1 and 2 - Monitoring activities were lower than estimated due to vacancies. Hiring and training of new staff is necessary to expand coverage and increase monitoring activities.

Item 4 - The loss of the permanent plant specialist, whose section has the most regulated sites, has resulted in reduced post-entry inspection counts.

Item 5 - The number of certified nursery inspections was lower than expected as some certified nursery participants have chosen to opt out of the program and inspections are performed twice a year.

Item 6 - The number of projects vary each fiscal year and the primary projects for control and eradication in current projects include little fire ant, coqui frog, and coconut rhinoceros beetle.

Item 7 - Due to a need to replace the air conditioning systems of our insect containment facility in the near future, new projects have been minimized to allow a complete shut down while renovations occur.

Item 8 - During the pandemic, seed distributors made adjustments and began ordering ornamental and flower seeds which are not regulated and do not require germination testing, resulting in the decrease of seed test and analysis.

|   | FISCAL YEAR 2023-24 |        |          |    | THREE MONTHS ENDED 09-30-24 |           |          |    | NINE MONTHS ENDING 06-30-25 |           |          |    |
|---|---------------------|--------|----------|----|-----------------------------|-----------|----------|----|-----------------------------|-----------|----------|----|
|   | BUDGETED            | ACTUAL | ± CHANGE | %  | BUDGETED                    | ACTUAL    | ± CHANGE | %  | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>         |                     |        |          |    |                             |           |          |    |                             |           |          |    |
| RESEARCH & DEVELOPMENT COSTS                        |                     |        |          |    |                             |           |          |    |                             |           |          |    |
| POSITIONS   |                     |        |          |    |                             |           |          |    |                             |           |          |    |
| EXPENDITURES (\$1,000's)                            |                     |        |          |    |                             |           |          |    |                             |           |          |    |
| OPERATING COSTS                                     |                     |        |          |    |                             |           |          |    |                             |           |          |    |
| POSITIONS   | 55.00               | 46.00  | - 9.00   | 16 | 58.00                       | 44.00     | - 14.00  | 24 | 58.00                       | 51.00     | - 7.00   | 12 |
| EXPENDITURES (\$1000's)                             | 7,300               | 5,233  | - 2,067  | 28 | 2,018                       | 2,018     | + 0      | 0  | 7,278                       | 7,278     | + 0      | 0  |
| TOTAL COSTS   |                     |        |          |    |                             |           |          |    |                             |           |          |    |
| POSITIONS   | 55.00               | 46.00  | - 9.00   | 16 | 58.00                       | 44.00     | - 14.00  | 24 | 58.00                       | 51.00     | - 7.00   | 12 |
| EXPENDITURES (\$1000's)                             | 7,300               | 5,233  | - 2,067  | 28 | 2,018                       | 2,018     | + 0      | 0  | 7,278                       | 7,278     | + 0      | 0  |
|   | FISCAL YEAR 2023-24 |        |          |    | FISCAL YEAR 2024-25         |           |          |    |                             |           |          |    |
|   | PLANNED             | ACTUAL | ± CHANGE | %  | PLANNED                     | ESTIMATED | ± CHANGE | %  |                             |           |          |    |
| PART II: MEASURES OF EFFECTIVENESS                  |                     |        |          |    |                             |           |          |    |                             |           |          |    |
| 1. NUMBER OF RABIES CASES IN THE COMMUNITY          | 0                   | 0      | + 0      | 0  | 0                           | 0         | + 0      | 0  | 0                           | 0         | + 0      | 0  |
| 2. NO. OF DISEASE-FREE STATUS OBTAINED & MAINTAINED | 5                   | 6      | + 1      | 20 | 5                           | 6         | + 1      | 20 | 5                           | 6         | + 1      | 20 |
| 3. NO.OF DISEASE CNTRL PROG W/ PUBLIC HEALTH IMPACT | 6                   | 6      | + 0      | 0  | 6                           | 6         | + 0      | 0  | 6                           | 6         | + 0      | 0  |

**PART I - EXPENDITURES AND POSITIONS**

Details of the position and expenditures variances are best examined at the lowest program level.

**PART II - MEASURES OF EFFECTIVENESS**

See Lowest Level Programs for additional information.



PROGRAM TITLE: RABIES QUARANTINE

12/3/24

PROGRAM-ID: AGR-131

PROGRAM STRUCTURE NO: 0103020201

|  | FISCAL YEAR 2023-24 |         |          |     | THREE MONTHS ENDED 09-30-24 |           |          |    | NINE MONTHS ENDING 06-30-25 |           |          |    |
|--|---------------------|---------|----------|-----|-----------------------------|-----------|----------|----|-----------------------------|-----------|----------|----|
|  | BUDGETED            | ACTUAL  | ± CHANGE | %   | BUDGETED                    | ACTUAL    | ± CHANGE | %  | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>            |                     |         |          |     |                             |           |          |    |                             |           |          |    |
| RESEARCH & DEVELOPMENT COSTS                           |                     |         |          |     |                             |           |          |    |                             |           |          |    |
| POSITIONS  |                     |         |          |     |                             |           |          |    |                             |           |          |    |
| EXPENDITURES (\$1,000's)                               |                     |         |          |     |                             |           |          |    |                             |           |          |    |
| OPERATING COSTS  |                     |         |          |     |                             |           |          |    |                             |           |          |    |
| POSITIONS  | 32.32               | 26.32   | - 6.00   | 19  | 32.32                       | 24.32     | - 8.00   | 25 | 32.32                       | 28.32     | - 4.00   | 12 |
| EXPENDITURES (\$1000's)                                | 4,536               | 3,355   | - 1,181  | 26  | 1,368                       | 1,368     | + 0      | 0  | 4,105                       | 4,105     | + 0      | 0  |
| TOTAL COSTS  |                     |         |          |     |                             |           |          |    |                             |           |          |    |
| POSITIONS  | 32.32               | 26.32   | - 6.00   | 19  | 32.32                       | 24.32     | - 8.00   | 25 | 32.32                       | 28.32     | - 4.00   | 12 |
| EXPENDITURES (\$1000's)                                | 4,536               | 3,355   | - 1,181  | 26  | 1,368                       | 1,368     | + 0      | 0  | 4,105                       | 4,105     | + 0      | 0  |
|  | FISCAL YEAR 2023-24 |         |          |     | FISCAL YEAR 2024-25         |           |          |    |                             |           |          |    |
|  | PLANNED             | ACTUAL  | ± CHANGE | %   | PLANNED                     | ESTIMATED | ± CHANGE | %  |                             |           |          |    |
| PART II: MEASURES OF EFFECTIVENESS                     |                     |         |          |     |                             |           |          |    |                             |           |          |    |
| 1. NUMBER OF RABIES CASES IN THE COMMUNITY             | 0                   | 0       | + 0      | 0   | 0                           | 0         | + 0      | 0  | 0                           | 0         | + 0      | 0  |
| 2. NUMBER OF ALIEN PESTS DETECTED                      | 6                   | 3       | - 3      | 50  | 6                           | 3         | - 3      | 50 | 6                           | 3         | - 3      | 50 |
| PART III: PROGRAM TARGET GROUP                         |                     |         |          |     |                             |           |          |    |                             |           |          |    |
| 1. DOGS AND CATS QUARANTINED                           | 500                 | 551     | + 51     | 10  | 500                         | 500       | + 0      | 0  | 500                         | 500       | + 0      | 0  |
| 2. POPULATION OF HAWAII                                | 1450000             | 1450000 | + 0      | 0   | 1450000                     | 1450000   | + 0      | 0  | 1450000                     | 1450000   | + 0      | 0  |
| PART IV: PROGRAM ACTIVITY                              |                     |         |          |     |                             |           |          |    |                             |           |          |    |
| 1. NUMBER OF DOGS AND CATS QUARANTINED - 120 DAYS      | 400                 | 415     | + 15     | 4   | 400                         | 400       | + 0      | 0  | 400                         | 400       | + 0      | 0  |
| 2. NO. OF DOGS & CATS QUARANTINED- LESS THAN 120 DAYS  | 550                 | 150     | - 400    | 73  | 550                         | 550       | + 0      | 0  | 550                         | 550       | + 0      | 0  |
| 3. NO. QUAL DOGS & CATS RELEASD AFTER INSP UPON ARRVL  | 15000               | 14006   | - 994    | 7   | 15000                       | 15000     | + 0      | 0  | 15000                       | 15000     | + 0      | 0  |
| 4. NUMBER OF DOGS AND CATS QUARANTINED - TRANSIT       | 200                 | 177     | - 23     | 12  | 200                         | 200       | + 0      | 0  | 200                         | 200       | + 0      | 0  |
| 5. NO. OF SATELLITE & APPROVED VET FACILITY MONITORED  | 30                  | 31      | + 1      | 3   | 30                          | 30        | + 0      | 0  | 30                          | 30        | + 0      | 0  |
| 6. NO. OF DOGS & CATS SAMPLED FOR EXTERNAL PARASITES   | 2                   | 5       | + 3      | 150 | 2                           | 2         | + 0      | 0  | 2                           | 2         | + 0      | 0  |
| 7. NO. OF DOGS & CATS SAMPLED FOR INTERNAL PARASITES   | 800                 | 855     | + 55     | 7   | 800                         | 800       | + 0      | 0  | 800                         | 800       | + 0      | 0  |
| 8. NO. SVC DOGS & ELIGIBLE GUIDE DOG ENTRIES PROCESSED | 1800                | 330     | - 1470   | 82  | 1800                        | 800       | - 1000   | 56 | 1800                        | 800       | - 1000   | 56 |

# VARIANCE REPORT NARRATIVE FY 2024 AND FY 2025

01 03 02 02 01  
AGR 131

## **PROGRAM TITLE: RABIES QUARANTINE**

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### **PART I - EXPENDITURES AND POSITIONS**

The variances in expenditures are due to vacant positions. The variances in positions filled are due to the inability to find qualified candidates for vacant positions.

### **PART II - MEASURES OF EFFECTIVENESS**

Item 2 - The reduction in alien pests detected may be associated with the use of newer tick products available for pets.

### **PART III - PROGRAM TARGET GROUPS**

Item 1 - The increased total amount of animals quarantined in FY 24 is primarily due to the increased number of animals arriving early and into the 120-day program. A slight decrease or no change is expected in FY 25.

### **PART IV - PROGRAM ACTIVITIES**

Item 2 - The decrease is due to a higher number of animals in the 5-day or less program or who were released on arrival.

Item 4 - The reason for a decrease in the numbers of animals transiting through the State is unknown.

Item 6 - The increase in the number of animals sampled for internal and external parasites may be indirectly due to the larger number of younger animals in quarantine that are typically sampled more frequently than older animals, and more frequently diagnosed with parasites requiring treatment and post-treatment sampling.

Item 8 - The decrease in Service Dogs entries may be due to new service animal guidelines under the U.S. Department of Transportation's Air Carrier Access Act and partly artificial due to compromised timely data entry due to position vacancies.

PROGRAM TITLE: ANIMAL DISEASE CONTROL

12/3/24

PROGRAM-ID: AGR-132

PROGRAM STRUCTURE NO: 0103020202

|  | FISCAL YEAR 2023-24 |         |          |    | THREE MONTHS ENDED 09-30-24 |           |          |    | NINE MONTHS ENDING 06-30-25 |           |          |    |
|--|---------------------|---------|----------|----|-----------------------------|-----------|----------|----|-----------------------------|-----------|----------|----|
|  | BUDGETED            | ACTUAL  | ± CHANGE | %  | BUDGETED                    | ACTUAL    | ± CHANGE | %  | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>            |                     |         |          |    |                             |           |          |    |                             |           |          |    |
| <b>RESEARCH &amp; DEVELOPMENT COSTS</b>                |                     |         |          |    |                             |           |          |    |                             |           |          |    |
| <b>POSITIONS</b>                                       |                     |         |          |    |                             |           |          |    |                             |           |          |    |
| <b>EXPENDITURES (\$1,000's)</b>                        |                     |         |          |    |                             |           |          |    |                             |           |          |    |
| <b>OPERATING COSTS</b>                                 |                     |         |          |    |                             |           |          |    |                             |           |          |    |
| <b>POSITIONS</b>                                       | 22.68               | 19.68   | - 3.00   | 13 | 25.68                       | 19.68     | - 6.00   | 23 | 25.68                       | 22.68     | - 3.00   | 12 |
| <b>EXPENDITURES (\$1000's)</b>                         | 2,764               | 1,878   | - 886    | 32 | 650                         | 650       | + 0      | 0  | 3,173                       | 3,173     | + 0      | 0  |
| <b>TOTAL COSTS</b>                                     |                     |         |          |    |                             |           |          |    |                             |           |          |    |
| <b>POSITIONS</b>                                       | 22.68               | 19.68   | - 3.00   | 13 | 25.68                       | 19.68     | - 6.00   | 23 | 25.68                       | 22.68     | - 3.00   | 12 |
| <b>EXPENDITURES (\$1000's)</b>                         | 2,764               | 1,878   | - 886    | 32 | 650                         | 650       | + 0      | 0  | 3,173                       | 3,173     | + 0      | 0  |
|  | FISCAL YEAR 2023-24 |         |          |    | FISCAL YEAR 2024-25         |           |          |    |                             |           |          |    |
|  | PLANNED             | ACTUAL  | ± CHANGE | %  | PLANNED                     | ESTIMATED | ± CHANGE | %  |                             |           |          |    |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>              |                     |         |          |    |                             |           |          |    |                             |           |          |    |
| 1. NO. OF DISEASE-FREE STATUS OBTAINED & MAINTAINED    | 5                   | 6       | + 1      | 20 | 5                           | 6         | + 1      | 20 |                             |           |          |    |
| 2. NO. OF OIE DISEASES OF LVSTK & POLTRY NOT IN STATE  | 111                 | 116     | + 5      | 5  | 111                         | 116       | + 5      | 5  |                             |           |          |    |
| 3. NO. DISEASE CNTRL & ERAD PRG & VOL DIS STATUS PROG  | 9                   | 9       | + 0      | 0  | 9                           | 9         | + 0      | 0  |                             |           |          |    |
| 4. NO. OF DISEASE CNTRL PROG W/ PUBLIC HEALTH IMPACT   | 6                   | 6       | + 0      | 0  | 6                           | 6         | + 0      | 0  |                             |           |          |    |
| <b>PART III: PROGRAM TARGET GROUP</b>                  |                     |         |          |    |                             |           |          |    |                             |           |          |    |
| 1. LIVESTOCK PRODUCERS                                 | 2700                | 2800    | + 100    | 4  | 2700                        | 2700      | + 0      | 0  |                             |           |          |    |
| 2. AQUACULTURE PRODUCERS                               | 100                 | 100     | + 0      | 0  | 100                         | 100       | + 0      | 0  |                             |           |          |    |
| 3. HUMAN POPULATION                                    | 1450000             | 1450000 | + 0      | 0  | 1450000                     | 1450000   | + 0      | 0  |                             |           |          |    |
| <b>PART IV: PROGRAM ACTIVITY</b>                       |                     |         |          |    |                             |           |          |    |                             |           |          |    |
| 1. NO. LVSTK & EXOTIC ANMLS INSP/TEST ON ENTRY         | 1500                | 1000    | - 500    | 33 | 1500                        | 1000      | - 500    | 33 |                             |           |          |    |
| 2. NO. DAY-OLD CHICKS AND HATCHED EGGS INSP ON ENTRY   | 700000              | 650000  | - 50000  | 7  | 700000                      | 650000    | - 50000  | 7  |                             |           |          |    |
| 3. NUMBER OF DOGS AND CATS INSPECTED ON ENTRY          | 18000               | 15142   | - 2858   | 16 | 18000                       | 17000     | - 1000   | 6  |                             |           |          |    |
| 4. NO. POLTRY, OTH BRDS, NON-DMSTC ANMLS INSP ON ENTRY | 16000               | 15000   | - 1000   | 6  | 16000                       | 17000     | + 1000   | 6  |                             |           |          |    |
| 5. NO. SMPLS COLLECTD & ANMLS FIELD TSTD: ENTRY, SURV  | 2000                | 2113    | + 113    | 6  | 2000                        | 2000      | + 0      | 0  |                             |           |          |    |
| 6. # OF LVSTCK/AQUA/ EPIDEMI DISEASE INVESTIGATIONS    | 12                  | 13      | + 1      | 8  | 12                          | 12        | + 0      | 0  |                             |           |          |    |
| 7. NO. SMPLS COLL/PRCSD FOR FED-ST DISEAS SURV PROGS   | 2000                | 2000    | + 0      | 0  | 2000                        | 2000      | + 0      | 0  |                             |           |          |    |
| 8. NO. LAB TESTS FOR LVSTK/POLTRY DIEASE SURVEILLANCE  | 4500                | 4531    | + 31     | 1  | 4500                        | 4500      | + 0      | 0  |                             |           |          |    |
| 9. NO. TESTS FOR IMPORTED ANMLS INCL DOGS AND CATS     | 6000                | 5500    | - 500    | 8  | 6000                        | 6000      | + 0      | 0  |                             |           |          |    |
| 10. # OF AQUATIC ANIMAL HEALTH DOCUMENTS ISSUED        | 1400                | 1353    | - 47     | 3  | 1400                        | 1400      | + 0      | 0  |                             |           |          |    |

**PROGRAM TITLE: ANIMAL DISEASE CONTROL**

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**PART I - EXPENDITURES AND POSITIONS**

The variances in expenditures are due to vacancies and the absence of special fund expenditures. The variances in positions are due to difficulties in finding qualified candidates for vacant positions.

**PART II - MEASURES OF EFFECTIVENESS**

Item 1 - The variance is due to Scrapie being added to the list of diseases.

**PART III - PROGRAM TARGET GROUPS**

No significant variances.

**PART IV - PROGRAM ACTIVITIES**

Item 1 - Number of livestock entering the State fluctuates each year depending on economic conditions.

Item 3 - The decrease is due to a reduction in the number of pets entering the State, which fluctuates each year with economic conditions.

PROGRAM TITLE:

PRODUCT DEVELOPMENT AND MARKETING FOR AGR

PROGRAM-ID:

PROGRAM STRUCTURE NO: 010303

|   | FISCAL YEAR 2023-24 |        |          |      | THREE MONTHS ENDED 09-30-24 |           |          |      | NINE MONTHS ENDING 06-30-25 |           |          |    |
|---|---------------------|--------|----------|------|-----------------------------|-----------|----------|------|-----------------------------|-----------|----------|----|
|   | BUDGETED            | ACTUAL | ± CHANGE | %    | BUDGETED                    | ACTUAL    | ± CHANGE | %    | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>           |                     |        |          |      |                             |           |          |      |                             |           |          |    |
| <b>RESEARCH &amp; DEVELOPMENT COSTS</b>               |                     |        |          |      |                             |           |          |      |                             |           |          |    |
| <b>POSITIONS</b>                                      |                     |        |          |      |                             |           |          |      |                             |           |          |    |
| <b>EXPENDITURES (\$1,000's)</b>                       |                     |        |          |      |                             |           |          |      |                             |           |          |    |
| <b>OPERATING COSTS</b>                                |                     |        |          |      |                             |           |          |      |                             |           |          |    |
| <b>POSITIONS</b>                                      | 69.00               | 42.00  | - 27.00  | 39   | 73.50                       | 48.50     | - 25.00  | 34   | 73.50                       | 63.50     | - 10.00  | 14 |
| <b>EXPENDITURES (\$1000's)</b>                        | 52,006              | 24,848 | - 27,158 | 52   | 4,701                       | 3,935     | - 766    | 16   | 23,293                      | 23,812    | + 519    | 2  |
| <b>TOTAL COSTS</b>                                    |                     |        |          |      |                             |           |          |      |                             |           |          |    |
| <b>POSITIONS</b>                                      | 69.00               | 42.00  | - 27.00  | 39   | 73.50                       | 48.50     | - 25.00  | 34   | 73.50                       | 63.50     | - 10.00  | 14 |
| <b>EXPENDITURES (\$1000's)</b>                        | 52,006              | 24,848 | - 27,158 | 52   | 4,701                       | 3,935     | - 766    | 16   | 23,293                      | 23,812    | + 519    | 2  |
|   | FISCAL YEAR 2023-24 |        |          |      | FISCAL YEAR 2024-25         |           |          |      |                             |           |          |    |
|   | PLANNED             | ACTUAL | ± CHANGE | %    | PLANNED                     | ESTIMATED | ± CHANGE | %    |                             |           |          |    |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>             |                     |        |          |      |                             |           |          |      |                             |           |          |    |
| 1. MARKETING ACTIVITIES CREATED, CONDUCTED OR MANAGED | 30                  | 33     | + 3      | 10   | 30                          | 30        | + 0      | 0    |                             |           |          |    |
| 2. NO. OF REQ FOR PROPOSALS OFFERED TO ASSOCIATION    | 4                   | 4      | + 0      | 0    | 4                           | 4         | + 0      | 0    |                             |           |          |    |
| 3. NO. OF CONTRACTS, LOA, MOU, ADMINISTERED           | 20                  | 594    | + 574    | 2870 | 20                          | 550       | + 530    | 2650 |                             |           |          |    |

**PART I - EXPENDITURES AND POSITIONS**

Details of the position and expenditures variances are best examined at the lowest program level.

**PART II - MEASURES OF EFFECTIVENESS**

See Lowest Level Programs for additional information.

PROGRAM TITLE: FORESTRY - RESOURCE MANAGEMENT & DEVELOPMENT

PROGRAM-ID: LNR-172

PROGRAM STRUCTURE NO: 01030301

|  | FISCAL YEAR 2023-24        |               |                 |          | THREE MONTHS ENDED 09-30-24 |                  |                 |          | NINE MONTHS ENDING 06-30-25 |           |          |   |
|--|----------------------------|---------------|-----------------|----------|-----------------------------|------------------|-----------------|----------|-----------------------------|-----------|----------|---|
|  | BUDGETED                   | ACTUAL        | ± CHANGE        | %        | BUDGETED                    | ACTUAL           | ± CHANGE        | %        | BUDGETED                    | ESTIMATED | ± CHANGE | % |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>            |                            |               |                 |          |                             |                  |                 |          |                             |           |          |   |
| <b>RESEARCH &amp; DEVELOPMENT COSTS</b>                |                            |               |                 |          |                             |                  |                 |          |                             |           |          |   |
| <b>POSITIONS</b>                                       |                            |               |                 |          |                             |                  |                 |          |                             |           |          |   |
| <b>EXPENDITURES (\$1,000's)</b>                        |                            |               |                 |          |                             |                  |                 |          |                             |           |          |   |
| <b>OPERATING COSTS</b>                                 |                            |               |                 |          |                             |                  |                 |          |                             |           |          |   |
| <b>POSITIONS</b>                                       | 35.00                      | 26.00         | - 9.00          | 26       | 35.00                       | 27.00            | - 8.00          | 23       | 35.00                       | 35.00     | + 0.00   | 0 |
| <b>EXPENDITURES (\$1000's)</b>                         | 40,791                     | 22,294        | - 18,497        | 45       | 2,335                       | 1,569            | - 766           | 33       | 14,498                      | 15,264    | + 766    | 5 |
| <b>TOTAL COSTS</b>                                     |                            |               |                 |          |                             |                  |                 |          |                             |           |          |   |
| <b>POSITIONS</b>                                       | 35.00                      | 26.00         | - 9.00          | 26       | 35.00                       | 27.00            | - 8.00          | 23       | 35.00                       | 35.00     | + 0.00   | 0 |
| <b>EXPENDITURES (\$1000's)</b>                         | 40,791                     | 22,294        | - 18,497        | 45       | 2,335                       | 1,569            | - 766           | 33       | 14,498                      | 15,264    | + 766    | 5 |
|  | <b>FISCAL YEAR 2023-24</b> |               |                 |          | <b>FISCAL YEAR 2024-25</b>  |                  |                 |          |                             |           |          |   |
|  | <b>PLANNED</b>             | <b>ACTUAL</b> | <b>± CHANGE</b> | <b>%</b> | <b>PLANNED</b>              | <b>ESTIMATED</b> | <b>± CHANGE</b> | <b>%</b> |                             |           |          |   |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>              |                            |               |                 |          |                             |                  |                 |          |                             |           |          |   |
| 1. BRD FT TIMBR PROVD FR ST FORST RES & TIMBR MNGT AR  | 2000                       | 1850          | - 150           | 8        | 2000                        | 1800             | - 200           | 10       |                             |           |          |   |
| 2. GR REV FR FORST PRD FR ST FORST RES & TIMBR MGT AR  | 25000                      | 50000         | + 25000         | 100      | 25000                       | 50000            | + 25000         | 100      |                             |           |          |   |
| 3. AREAS PROTC D THRU LAND ACQUISTN FOR FORSTRY PURPS  | 2000                       | 500           | - 1500          | 75       | 1000                        | 1000             | + 0             | 0        |                             |           |          |   |
| 4. RESOURCE RESTN & CONSN PROJECTS COMPLTD OR UNDERWY  | 15                         | 30            | + 15            | 100      | 15                          | 30               | + 15            | 100      |                             |           |          |   |
| 5. URBAN AND COMMUNITY FORESTRY PROJECTS               | 5                          | 25            | + 20            | 400      | 5                           | 25               | + 20            | 400      |                             |           |          |   |
| <b>PART III: PROGRAM TARGET GROUP</b>                  |                            |               |                 |          |                             |                  |                 |          |                             |           |          |   |
| 1. FOREST STEWARDSHIP PROGRAM (FSP) PROJECTS           | 15                         | 15            | + 0             | 0        | 15                          | 15               | + 0             | 0        |                             |           |          |   |
| 2. WATERSHED PARTNERSHIPS                              | 9                          | 9             | + 0             | 0        | 9                           | 9                | + 0             | 0        |                             |           |          |   |
| 3. URBAN AND COMMUNITY FORESTRY (UCF) PARTNERS         | 10                         | 30            | + 20            | 200      | 10                          | 30               | + 20            | 200      |                             |           |          |   |
| 4. OTHER CONSERVATION OR FOREST PRODUCT PROJECTS       | 150                        | 200           | + 50            | 33       | 150                         | 200              | + 50            | 33       |                             |           |          |   |
| <b>PART IV: PROGRAM ACTIVITY</b>                       |                            |               |                 |          |                             |                  |                 |          |                             |           |          |   |
| 1. TREE SEEDLINGS DISTRIBUTED                          | 25000                      | 85000         | + 60000         | 240      | 25000                       | 85000            | + 60000         | 240      |                             |           |          |   |
| 2. NUMBER OF TREES PLANTED IN STATE FOREST RESERVES    | 20000                      | 50000         | + 30000         | 150      | 20000                       | 50000            | + 30000         | 150      |                             |           |          |   |
| 3. NO. OF TIMBR PRODTN & FORST PRODUCTS PROJCTS IN-HOU | 5                          | 7             | + 2             | 40       | 5                           | 7                | + 2             | 40       |                             |           |          |   |
| 4. PRIVATE FORST MANAGMNT PROJCTS TO RESTORE & MAINTN  | 3                          | 10            | + 7             | 233      | 3                           | 10               | + 7             | 233      |                             |           |          |   |
| 5. LAND ACQSTN PRJCTS ONGOING OR CMLPTD FRST PR/MGT    | 3                          | 3             | + 0             | 0        | 1                           | 3                | + 2             | 200      |                             |           |          |   |
| 6. NO. OF HRS OF URBAN/COMMUNITY FORESTRY VOLUNTR SER  | 10000                      | 15000         | + 5000          | 50       | 10000                       | 15000            | + 5000          | 50       |                             |           |          |   |
| 7. NO.OF ORG/COMM RCVD EDUC, TCH, FIN ASST FR URB/COM  | 140                        | 350           | + 210           | 150      | 140                         | 350              | + 210           | 150      |                             |           |          |   |

**PROGRAM TITLE: FORESTRY - RESOURCE MANAGEMENT & DEVELOPMENT**

**PART I - EXPENDITURES AND POSITIONS**

The number of positions filled were less than the budgeted amount in FY 24 and first quarter of FY 25 due to vacancies attributed to staff promotions, retirements, and resignations.

The actual amount of expenditures for FY 24 was less than the budgeted amount due to anticipated grants that were budgeted but not awarded to the division.

Funds actually expended in the first quarter of FY 25 were less than budgeted due to delay in encumbering some program contracts and other contractor agreements, which are now anticipated to be encumbered in the second quarter of FY 25.

**PART II - MEASURES OF EFFECTIVENESS**

The Forestry Program's measures of effectiveness (MOE) under LNR 172 were impacted due to the infusion of an additional \$20 million in funding into this program in FY 24 and results occurring in both FY 24 and FY 25.

More revenue was generated due to the incorporation of a variety of factors, including new permits and revenue sources.

Item 2: In FY 24 and FY 25, the variance of +100% is due to the fact that there is a great deal of interest in recreation and other uses of the Forest Reserves, some of which generate revenue. The \$25,000 was an underestimate.

Item 3: The FY 24 and FY 25 variance of -75% for acres in land acquisition was an overestimate as no larger acquisition project closed during this time frame.

Item 4: The FY 24 and FY 25 variance of +100% was due to the fact that the Division of Forestry and Wildlife (DOFAW) has invested in a number of new restoration and reforestation projects, in part, a result of new funding and the opportunities this presents.

Item 5: The FY 24 and FY 25 variance of +400% was due to the Urban and Community Forestry (UCF) Program's ability to work with its partners to develop a number of new projects as a result of new funding.

**PART III - PROGRAM TARGET GROUPS**

The Forestry Program's MOEs under LNR 172 were impacted due to the infusion of an additional \$20 million in funding into this program in FY 24, with results expecting to occur in both FY 24 and FY 25. While the funding was not released until late in the fiscal year, program staff moved quickly to apply these funds to projects on-the-ground and reporting metrics are impacted, resulting in a variance above 10% as the activities are implemented and progress is measured. Some programs were able to distribute the funds to get more trees into the ground and partners supported.

Item 1: The FY 24 and FY 25 budgeted/estimated amount of 15 for Forest Stewardship Activities have been increasing as landowners are learning more about the support offered by the State program. The program has additional contracts this year.

Item 3: The FY 24 and FY 25 variance of +200% is due to UCF Partnerships expanding significantly due to the infusion of new State funds to the program. UCF is a growing topic of interest across the State.

Item 4: The variance of +33% in both FY 24 and FY 25 are due to new funds and expansion in projects occurring as funds were used to both expand existing and/or start new projects.

**PART IV - PROGRAM ACTIVITIES**

The Forestry Program's MOEs under LNR 172 were impacted due to the infusion of an additional \$20 million in funding into this program in FY 24 and results expecting to occur in both FY 24 and FY 25. While the funding was not released until late in the fiscal year, program staff moved quickly to apply these funds to projects on-the-ground and reporting metrics are impacted, resulting in a variance above 10% as the activities are



**PROGRAM TITLE: FORESTRY - RESOURCE MANAGEMENT & DEVELOPMENT**

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implemented and progress is measured. Some programs were able to distribute the funds to get more trees into the ground and partners supported. The influx of new funding is what accounted for the increases in measures.

Item 1: The FY 24 and FY 25 variance of +240% for tree seedling quantities increased last year as a result of increasing interest in reforestation projects on Hawaii Island and orders to the State Tree Nursery.

Item 2: For FY 24 and FY 25, the number of trees planted was higher by 150% due to the ability to support new tree planting and restoration projects with the additional 172 funding in FY 24.

Item 3: For FY 24 and FY 25, the variance of +40% is due to new resources that have allowed DOFAW to invest in some projects related to forest production, including an update in our forest products prices list and some other project work.

Item 4: For FY 24 and FY 25, the variance of +233% is due to the fact that the number of projects seeking to restore private lands has not changed but has been under-reported. There are at least ten contracts in place.

Item 6: For FY 24 and FY 25, the variance of +50% is because UCF has garnered great interest with a mighty increase in participation and the number of volunteer hours has grown accordingly.

Item 7: For FY 24 and FY 25, the variance of +150% is due to the number of groups seeking technical assistance from the Urban and Community program and partners has expanded significantly in part due to resources to support new partners and the growing interest in the topic across Hawaii.

# VARIANCE REPORT

|   | FISCAL YEAR 2023-24        |               |                 |          | THREE MONTHS ENDED 09-30-24 |                  |                 |          | NINE MONTHS ENDING 06-30-25 |           |          |       |   |      |    |
|---|----------------------------|---------------|-----------------|----------|-----------------------------|------------------|-----------------|----------|-----------------------------|-----------|----------|-------|---|------|----|
|   | BUDGETED                   | ACTUAL        | ± CHANGE        | %        | BUDGETED                    | ACTUAL           | ± CHANGE        | %        | BUDGETED                    | ESTIMATED | ± CHANGE | %     |   |      |    |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>           |                            |               |                 |          |                             |                  |                 |          |                             |           |          |       |   |      |    |
| <b>RESEARCH &amp; DEVELOPMENT COSTS</b>               |                            |               |                 |          |                             |                  |                 |          |                             |           |          |       |   |      |    |
| <b>POSITIONS</b>                                      |                            |               |                 |          |                             |                  |                 |          |                             |           |          |       |   |      |    |
| <b>EXPENDITURES (\$1,000's)</b>                       |                            |               |                 |          |                             |                  |                 |          |                             |           |          |       |   |      |    |
| <b>OPERATING COSTS</b>                                |                            |               |                 |          |                             |                  |                 |          |                             |           |          |       |   |      |    |
| <b>POSITIONS</b>                                      | 21.00                      | 10.00         | -               | 11.00    | 52                          | 25.50            | 16.50           | -        | 9.00                        | 35        | 25.50    | 20.50 | - | 5.00 | 20 |
| <b>EXPENDITURES (\$1000's)</b>                        | 2,838                      | 1,318         | -               | 1,520    | 54                          | 554              | 554             | +        | 0                           | 0         | 2,192    | 1,945 | - | 247  | 11 |
| <b>TOTAL COSTS</b>                                    |                            |               |                 |          |                             |                  |                 |          |                             |           |          |       |   |      |    |
| <b>POSITIONS</b>                                      | 21.00                      | 10.00         | -               | 11.00    | 52                          | 25.50            | 16.50           | -        | 9.00                        | 35        | 25.50    | 20.50 | - | 5.00 | 20 |
| <b>EXPENDITURES (\$1000's)</b>                        | 2,838                      | 1,318         | -               | 1,520    | 54                          | 554              | 554             | +        | 0                           | 0         | 2,192    | 1,945 | - | 247  | 11 |
|   | <b>FISCAL YEAR 2023-24</b> |               |                 |          | <b>FISCAL YEAR 2024-25</b>  |                  |                 |          |                             |           |          |       |   |      |    |
|   | <b>PLANNED</b>             | <b>ACTUAL</b> | <b>± CHANGE</b> | <b>%</b> | <b>PLANNED</b>              | <b>ESTIMATED</b> | <b>± CHANGE</b> | <b>%</b> |                             |           |          |       |   |      |    |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>             |                            |               |                 |          |                             |                  |                 |          |                             |           |          |       |   |      |    |
| 1. % OF ENFORCEMENT INSP THAT COMPLY W/ LAWS AND RULE | 95                         | 100           | +               | 5        | 5                           | 95               | 95              | +        | 0                           | 0         |          |       |   |      |    |
| 2. % CERTIFICATION REQUESTS FULFILLED                 | 100                        | 100           | +               | 0        | 0                           | 100              | 100             | +        | 0                           | 0         |          |       |   |      |    |
| 3. AVERAGE TURN AROUND TIME IN DAYS FOR COFFEE CERT   | 3                          | 3             | +               | 0        | 0                           | 3                | 3               | +        | 0                           | 0         |          |       |   |      |    |
| 4. % OF MIN CLASS ONE MILK PRICE RECEIVED BY PRODUCER | 100                        | 100           | +               | 0        | 0                           | 100              | 100             | +        | 0                           | 0         |          |       |   |      |    |
| 5. % OF AUDITED FARMS COMPLYING W/ GOOD AG PRACTICES  | 95                         | 96            | +               | 1        | 1                           | 95               | 95              | +        | 0                           | 0         |          |       |   |      |    |
| <b>PART III: PROGRAM TARGET GROUP</b>                 |                            |               |                 |          |                             |                  |                 |          |                             |           |          |       |   |      |    |
| 1. PRODUCERS AND PROCESSORS OF AGRICULTURAL PRODUCTS  | 5500                       | 5500          | +               | 0        | 0                           | 5500             | 5500            | +        | 0                           | 0         |          |       |   |      |    |
| 2. WHOLESALERS AND RETAILERS OF AGRICULTURAL PRODUCTS | 430                        | 424           | -               | 6        | 1                           | 430              | 430             | +        | 0                           | 0         |          |       |   |      |    |
| 3. PRODUCERS, PROD-DISTRIB & DISTRIBUTORS OF MILK     | 20                         | 18            | -               | 2        | 10                          | 20               | 19              | -        | 1                           | 5         |          |       |   |      |    |
| 4. PRODUCERS AND DISTRIBUTORS OF ANIMAL FEED PRODUCTS | 7                          | 6             | -               | 1        | 14                          | 7                | 7               | +        | 0                           | 0         |          |       |   |      |    |
| <b>PART IV: PROGRAM ACTIVITY</b>                      |                            |               |                 |          |                             |                  |                 |          |                             |           |          |       |   |      |    |
| 1. # OF CERT ISSUED FOR GRADE AND COND OF AG COMM     | 800                        | 804           | +               | 4        | 1                           | 800              | 800             | +        | 0                           | 0         |          |       |   |      |    |
| 2. # OF LOTS OF AG COMM INSP FOR COMP W/ LAWS & RULES | 120                        | 50            | -               | 70       | 58                          | 120              | 110             | -        | 10                          | 8         |          |       |   |      |    |
| 3. NUMBER OF DEALERS IN AG PRODUCTS LICENSED          | 925                        | 848           | -               | 77       | 8                           | 925              | 850             | -        | 75                          | 8         |          |       |   |      |    |
| 4. # PRODUCERS, PROD-DIST, AND DIST OF MILK LICENSED  | 20                         | 19            | -               | 1        | 5                           | 20               | 19              | -        | 1                           | 5         |          |       |   |      |    |
| 5. NUMBER OF MONTHLY MILK PAYROLLS CALCULATED         | 24                         | 24            | +               | 0        | 0                           | 24               | 24              | +        | 0                           | 0         |          |       |   |      |    |
| 6. # OF TIMES MIN PRICE TO MILK PRODUCERS IS ADJUSTED | 12                         | 12            | +               | 0        | 0                           | 12               | 12              | +        | 0                           | 0         |          |       |   |      |    |
| 7. # OF HRS EDUC SESSIONS TO IMP COMP W/ LAWS & RULE  | 10                         | 0             | -               | 10       | 100                         | 10               | 0               | -        | 10                          | 100       |          |       |   |      |    |

# VARIANCE REPORT NARRATIVE FY 2024 AND FY 2025

01 03 03 02  
AGR 151

## **PROGRAM TITLE: QUALITY AND PRICE ASSURANCE**

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### **PART I - EXPENDITURES AND POSITIONS**

The expenditure variances are due to position vacancies and lower than expected special, revolving, and federal fund expenditures. The position variances are due to lack of qualified candidates for vacant positions.

### **PART II - MEASURES OF EFFECTIVENESS**

No significant variances.

### **PART III - PROGRAM TARGET GROUPS**

Item 3 - The decrease in producers, producer-distributors, and distributors of milk is due to the closing of one dairy.

Item 4 - The decrease in producers and distributors importing animal feed products is possibly due to shipping costs.

### **PART IV - PROGRAM ACTIVITIES**

Item 2 - The decreased number of lots inspected for compliance with laws and rules is due to a temporary shifting of priorities due to shortage of staff from retirements and resignations.

Item 7 - The decreased number of hours of education sessions conducted is due to limited outreach activities because of shortage of staff from retirements and resignations.

# VARIANCE REPORT

|   | FISCAL YEAR 2023-24 |        |          |       | THREE MONTHS ENDED 09-30-24 |           |          |   | NINE MONTHS ENDING 06-30-25 |           |          |       |   |      |      |
|---|---------------------|--------|----------|-------|-----------------------------|-----------|----------|---|-----------------------------|-----------|----------|-------|---|------|------|
|   | BUDGETED            | ACTUAL | ± CHANGE | %     | BUDGETED                    | ACTUAL    | ± CHANGE | % | BUDGETED                    | ESTIMATED | ± CHANGE | %     |   |      |      |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>           |                     |        |          |       |                             |           |          |   |                             |           |          |       |   |      |      |
| RESEARCH & DEVELOPMENT COSTS                          |                     |        |          |       |                             |           |          |   |                             |           |          |       |   |      |      |
| POSITIONS   |                     |        |          |       |                             |           |          |   |                             |           |          |       |   |      |      |
| EXPENDITURES (\$1,000's)                              |                     |        |          |       |                             |           |          |   |                             |           |          |       |   |      |      |
| OPERATING COSTS                                       |                     |        |          |       |                             |           |          |   |                             |           |          |       |   |      |      |
| POSITIONS   | 13.00               | 6.00   | -        | 7.00  | 54                          | 13.00     | 5.00     | - | 8.00                        | 62        | 13.00    | 8.00  | - | 5.00 | 38   |
| EXPENDITURES (\$1000's)                               | 8,377               | 1,236  | -        | 7,141 | 85                          | 1,812     | 1,812    | + | 0                           | 0         | 6,603    | 6,603 | + | 0    | 0    |
| TOTAL COSTS   |                     |        |          |       |                             |           |          |   |                             |           |          |       |   |      |      |
| POSITIONS   | 13.00               | 6.00   | -        | 7.00  | 54                          | 13.00     | 5.00     | - | 8.00                        | 62        | 13.00    | 8.00  | - | 5.00 | 38   |
| EXPENDITURES (\$1000's)                               | 8,377               | 1,236  | -        | 7,141 | 85                          | 1,812     | 1,812    | + | 0                           | 0         | 6,603    | 6,603 | + | 0    | 0    |
|   | FISCAL YEAR 2023-24 |        |          |       | FISCAL YEAR 2024-25         |           |          |   |                             |           |          |       |   |      |      |
|   | PLANNED             | ACTUAL | ± CHANGE | %     | PLANNED                     | ESTIMATED | ± CHANGE | % |                             |           |          |       |   |      |      |
| PART II: MEASURES OF EFFECTIVENESS                    |                     |        |          |       |                             |           |          |   |                             |           |          |       |   |      |      |
| 1. MARKETING ACTIVITIES CREATED, CONDUCTED OR MANAGED | 30                  | 33     | +        | 3     | 10                          | 30        | 30       | + | 0                           | 0         | 30       | 30    | + | 0    | 0    |
| 2. PRODUCER GROUPS CONTACTED THRU OUTREACH ACTIVITIES | 40                  | 46     | +        | 6     | 15                          | 40        | 50       | + | 10                          | 25        | 40       | 50    | + | 10   | 25   |
| 3. NO. OF REQ FOR PROPOSALS OFFERED TO ASSOCIATION    | 4                   | 4      | +        | 0     | 0                           | 4         | 4        | + | 0                           | 0         | 4        | 4     | + | 0    | 0    |
| 4. NO. OF CONTRACTS, LOA, MOU, ADMINISTERED           | 20                  | 594    | +        | 574   | 2870                        | 20        | 550      | + | 530                         | 2650      | 20       | 550   | + | 530  | 2650 |
| PART III: PROGRAM TARGET GROUP                        |                     |        |          |       |                             |           |          |   |                             |           |          |       |   |      |      |
| 1. PRODUCERS AND PROCESSORS OF AGRICULTURAL PRODUCTS  | 7330                | 6569   | -        | 761   | 10                          | 7330      | 6569     | - | 761                         | 10        | 7330     | 6569  | - | 761  | 10   |
| 2. COMMODITY GROUPS                                   | 10                  | 10     | +        | 0     | 0                           | 10        | 10       | + | 0                           | 0         | 10       | 10    | + | 0    | 0    |
| 3. COMMODITY ASSOCIATIONS, COOPERATIVES, FEDERATIONS  | 10                  | 16     | +        | 6     | 60                          | 10        | 15       | + | 5                           | 50        | 10       | 15    | + | 5    | 50   |
| PART IV: PROGRAM ACTIVITY                             |                     |        |          |       |                             |           |          |   |                             |           |          |       |   |      |      |
| 1. SEEK AND APPLY FOR FED FUNDING VIA GRANTS, PRGMS   | 3                   | 3      | +        | 0     | 0                           | 3         | 3        | + | 0                           | 0         | 3        | 3     | + | 0    | 0    |
| 2. COLLECT, COMPILE AND PUBLISH STATISTICS            | 55                  | 50     | -        | 5     | 9                           | 55        | 55       | + | 0                           | 0         | 55       | 55    | + | 0    | 0    |
| 3. CREATE ECONOMIC REPORTS AND MARKET STUDIES         | 15                  | 14     | -        | 1     | 7                           | 15        | 15       | + | 0                           | 0         | 15       | 15    | + | 0    | 0    |
| 4. PLAN, MANAGE, OR ATTEND TRADE SHOWS                | 5                   | 7      | +        | 2     | 40                          | 5         | 8        | + | 3                           | 60        | 5        | 8     | + | 3    | 60   |

**PROGRAM TITLE: AGRICULTURAL DEVELOPMENT AND MARKETING**

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**PART I - EXPENDITURES AND POSITIONS**

The expenditure variances are due to position vacancies, expenditure restrictions, and reduced federal fund expenditures. The position variances are due to the lack of qualified candidates for vacant positions.

**PART II - MEASURES OF EFFECTIVENESS**

Items 1 and 2 - With the assistance of two interns from Hele Imua Internship, the program was able to increase marketing and outreach activities.

Item 4 - The increase was due to the contracts in total being administered for these programs: Micro-Grants for Food Security Program, Specialty Crop Block Grant Program, and Sponsorship and Product Promotion.

**PART III - PROGRAM TARGET GROUPS**

Item 1 - The decrease is attributed to the recently released 2022 Agricultural Census for Hawaii, which revised the count of agricultural producers to 6,569, down from 7,330 in the previous 2017 Agricultural Census.

Item 3 - With the assistance of two interns from Hele Imua Internship, the program was able to connect with six more commodity associations and attend their meetings or conferences.

**PART IV - PROGRAM ACTIVITIES**

Item 4 - State Trade and Export Promotions (STEP) funds were obtained from the Department of Business, Economic Development and Tourism which allowed the Market Development Branch to participate in two additional trade shows internationally and domestically.

# VARIANCE REPORT

|  | FISCAL YEAR 2023-24 |        |          |     | THREE MONTHS ENDED 09-30-24 |           |          |     | NINE MONTHS ENDING 06-30-25 |           |          |    |
|--|---------------------|--------|----------|-----|-----------------------------|-----------|----------|-----|-----------------------------|-----------|----------|----|
|  | BUDGETED            | ACTUAL | ± CHANGE | %   | BUDGETED                    | ACTUAL    | ± CHANGE | %   | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>        |                     |        |          |     |                             |           |          |     |                             |           |          |    |
| <b>RESEARCH &amp; DEVELOPMENT COSTS</b>            |                     |        |          |     |                             |           |          |     |                             |           |          |    |
| <b>POSITIONS</b>                                   |                     |        |          |     |                             |           |          |     |                             |           |          |    |
| <b>EXPENDITURES (\$1,000's)</b>                    |                     |        |          |     |                             |           |          |     |                             |           |          |    |
| <b>OPERATING COSTS</b>                             |                     |        |          |     |                             |           |          |     |                             |           |          |    |
| <b>POSITIONS</b>                                   | 81.00               | 58.00  | - 23.00  | 28  | 86.00                       | 59.00     | - 27.00  | 31  | 86.00                       | 74.00     | - 12.00  | 14 |
| <b>EXPENDITURES (\$1000's)</b>                     | 36,065              | 14,864 | - 21,201 | 59  | 3,738                       | 2,745     | - 993    | 27  | 15,532                      | 16,282    | + 750    | 5  |
| <b>TOTAL COSTS</b>                                 |                     |        |          |     |                             |           |          |     |                             |           |          |    |
| <b>POSITIONS</b>                                   | 81.00               | 58.00  | - 23.00  | 28  | 86.00                       | 59.00     | - 27.00  | 31  | 86.00                       | 74.00     | - 12.00  | 14 |
| <b>EXPENDITURES (\$1000's)</b>                     | 36,065              | 14,864 | - 21,201 | 59  | 3,738                       | 2,745     | - 993    | 27  | 15,532                      | 16,282    | + 750    | 5  |
|  | FISCAL YEAR 2023-24 |        |          |     | FISCAL YEAR 2024-25         |           |          |     |                             |           |          |    |
|  | PLANNED             | ACTUAL | ± CHANGE | %   | PLANNED                     | ESTIMATED | ± CHANGE | %   |                             |           |          |    |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>          |                     |        |          |     |                             |           |          |     |                             |           |          |    |
| 1. # OF ACRES RECLASSIFIED FROM AGR TO URBAN USE   | 50                  | 0      | - 50     | 100 | 50                          | 0         | - 50     | 100 |                             |           |          |    |
| 2. LANDS IRRIGATED BY DEPT OF AG IRRIG SYS (ACRES) | 12500               | 12551  | + 51     | 0   | 12500                       | 12559     | + 59     | 0   |                             |           |          |    |

**PART I - EXPENDITURES AND POSITIONS**

Details of the position and expenditures variances are best examined at the lowest program level.

**PART II - MEASURES OF EFFECTIVENESS**

See Lowest Level Programs for additional information.

PROGRAM TITLE:

AGRICULTURAL RESOURCE MANAGEMENT

12/3/24

PROGRAM-ID:

AGR-141

PROGRAM STRUCTURE NO:

01030401

|  | FISCAL YEAR 2023-24 |        |          |       | THREE MONTHS ENDED 09-30-24 |           |          |   | NINE MONTHS ENDING 06-30-25 |           |          |       |   |      |    |
|--|---------------------|--------|----------|-------|-----------------------------|-----------|----------|---|-----------------------------|-----------|----------|-------|---|------|----|
|  | BUDGETED            | ACTUAL | ± CHANGE | %     | BUDGETED                    | ACTUAL    | ± CHANGE | % | BUDGETED                    | ESTIMATED | ± CHANGE | %     |   |      |    |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>        |                     |        |          |       |                             |           |          |   |                             |           |          |       |   |      |    |
| RESEARCH & DEVELOPMENT COSTS                       |                     |        |          |       |                             |           |          |   |                             |           |          |       |   |      |    |
| POSITIONS  |                     |        |          |       |                             |           |          |   |                             |           |          |       |   |      |    |
| EXPENDITURES (\$1,000's)                           |                     |        |          |       |                             |           |          |   |                             |           |          |       |   |      |    |
| OPERATING COSTS                                    |                     |        |          |       |                             |           |          |   |                             |           |          |       |   |      |    |
| POSITIONS  | 40.00               | 29.00  | -        | 11.00 | 28                          | 40.00     | 30.00    | - | 10.00                       | 25        | 40.00    | 34.00 | - | 6.00 | 15 |
| EXPENDITURES (\$1000's)                            | 10,903              | 9,092  | -        | 1,811 | 17                          | 1,452     | 1,452    | + | 0                           | 0         | 4,539    | 4,539 | + | 0    | 0  |
| TOTAL COSTS  |                     |        |          |       |                             |           |          |   |                             |           |          |       |   |      |    |
| POSITIONS  | 40.00               | 29.00  | -        | 11.00 | 28                          | 40.00     | 30.00    | - | 10.00                       | 25        | 40.00    | 34.00 | - | 6.00 | 15 |
| EXPENDITURES (\$1000's)                            | 10,903              | 9,092  | -        | 1,811 | 17                          | 1,452     | 1,452    | + | 0                           | 0         | 4,539    | 4,539 | + | 0    | 0  |
|  | FISCAL YEAR 2023-24 |        |          |       | FISCAL YEAR 2024-25         |           |          |   |                             |           |          |       |   |      |    |
|  | PLANNED             | ACTUAL | ± CHANGE | %     | PLANNED                     | ESTIMATED | ± CHANGE | % |                             |           |          |       |   |      |    |
| PART II: MEASURES OF EFFECTIVENESS                 |                     |        |          |       |                             |           |          |   |                             |           |          |       |   |      |    |
| 1. LANDS IRRIGATED BY DEPT OF AG IRRIG SYS (ACRES) | 12500               | 12551  | +        | 51    | 0                           | 12500     | 12559    | + | 59                          | 0         |          |       |   |      |    |
| 2. AGRICULTURAL LANDS LEASED (ACRES)               | 22400               | 27650  | +        | 5250  | 23                          | 25000     | 73163    | + | 48163                       | 193       |          |       |   |      |    |
| PART III: PROGRAM TARGET GROUP                     |                     |        |          |       |                             |           |          |   |                             |           |          |       |   |      |    |
| 1. FARMS SERVED BY DEPT OF AG IRRIG SYSTEMS        | 720                 | 702    | -        | 18    | 3                           | 720       | 702      | - | 18                          | 3         |          |       |   |      |    |
| 2. FARMS LEASED ON DEPT OF AG LANDS                | 500                 | 458    | -        | 42    | 8                           | 500       | 557      | + | 57                          | 11        |          |       |   |      |    |
| PART IV: PROGRAM ACTIVITY                          |                     |        |          |       |                             |           |          |   |                             |           |          |       |   |      |    |
| 1. NO. OF CURRENT IRRIGATION/LAND CIP PROJECTS     | 75                  | 42     | -        | 33    | 44                          | 75        | 47       | - | 28                          | 37        |          |       |   |      |    |
| 2. NUMBER OF NEW WATER SERVICES INSTALLED          | 10                  | 4      | -        | 6     | 60                          | 10        | 10       | + | 0                           | 0         |          |       |   |      |    |
| 3. PIPELINE AND DITCHES MAINTAINED (MILES)         | 100                 | 100    | +        | 0     | 0                           | 100       | 100      | + | 0                           | 0         |          |       |   |      |    |
| 4. NO. OF AG LAND FIELD INSPECTIONS CONDUCTED      | 900                 | 458    | -        | 442   | 49                          | 900       | 1114     | + | 214                         | 24        |          |       |   |      |    |
| 5. NUMBER OF DAM SAFETY INSPECTIONS CONDUCTED      | 25                  | 23     | -        | 2     | 8                           | 25        | 25       | + | 0                           | 0         |          |       |   |      |    |



**PROGRAM TITLE: AGRICULTURAL RESOURCE MANAGEMENT**

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**PART I - EXPENDITURES AND POSITIONS**

The expenditure variances are due to vacant positions and lower than expected special and revolving fund expenditures. The position variances are due to a lack of qualified candidates for vacant positions.

**PART II - MEASURES OF EFFECTIVENESS**

Item 2 - The increase in the amount of agricultural lands leased is attributed to the transfer of properties from the Department of Land and Natural Resources (DLNR) to the Department of Agriculture (DOA) under Act 90.

**PART III - PROGRAM TARGET GROUPS**

No significant variances.

**PART IV - PROGRAM ACTIVITIES**

Item 1 - The lower number of capital improvement program (CIP) projects can be attributed to the completion of projects and the limited funding of CIP projects.

Item 2 - The lower number of new water services installed can be attributed to reservoirs undergoing major improvements. No new water services will take place until the construction projects are completed and the water is refilled in the reservoir.

Item 4 - Actual FY 24 - DOA did not complete inspections of all properties under DOA's management in FY 24 due to the urgency of having to complete due diligence inspections on potential Act 90 transfers. Priority was given to inspect potential Act 90 transfers.

PROGRAM TITLE:

GENERAL ADMINISTRATION FOR AGRICULTURE

12/3/24

PROGRAM-ID:

AGR-192

PROGRAM STRUCTURE NO:

01030403

|   | FISCAL YEAR 2023-24 |        |          |    | THREE MONTHS ENDED 09-30-24 |        |          |     | NINE MONTHS ENDING 06-30-25 |           |          |     |
|---|---------------------|--------|----------|----|-----------------------------|--------|----------|-----|-----------------------------|-----------|----------|-----|
|   | BUDGETED            | ACTUAL | ± CHANGE | %  | BUDGETED                    | ACTUAL | ± CHANGE | %   | BUDGETED                    | ESTIMATED | ± CHANGE | %   |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>           |                     |        |          |    |                             |        |          |     |                             |           |          |     |
| RESEARCH & DEVELOPMENT COSTS                          |                     |        |          |    |                             |        |          |     |                             |           |          |     |
| POSITIONS   |                     |        |          |    |                             |        |          |     |                             |           |          |     |
| EXPENDITURES (\$1,000's)                              |                     |        |          |    |                             |        |          |     |                             |           |          |     |
| OPERATING COSTS                                       |                     |        |          |    |                             |        |          |     |                             |           |          |     |
| POSITIONS   | 32.00               | 20.00  | - 12.00  | 38 | 31.00                       | 20.00  | - 11.00  | 35  | 31.00                       | 25.00     | - 6.00   | 19  |
| EXPENDITURES (\$1000's)                               | 4,008               | 3,377  | - 631    | 16 | 796                         | 796    | + 0      | 0   | 4,814                       | 4,814     | + 0      | 0   |
| TOTAL COSTS   |                     |        |          |    |                             |        |          |     |                             |           |          |     |
| POSITIONS   | 32.00               | 20.00  | - 12.00  | 38 | 31.00                       | 20.00  | - 11.00  | 35  | 31.00                       | 25.00     | - 6.00   | 19  |
| EXPENDITURES (\$1000's)                               | 4,008               | 3,377  | - 631    | 16 | 796                         | 796    | + 0      | 0   | 4,814                       | 4,814     | + 0      | 0   |
|   |                     |        |          |    |                             |        |          |     |                             |           |          |     |
|   |                     |        |          |    | FISCAL YEAR 2023-24         |        |          |     | FISCAL YEAR 2024-25         |           |          |     |
|   |                     |        |          |    | PLANNED                     | ACTUAL | ± CHANGE | %   | PLANNED                     | ESTIMATED | ± CHANGE | %   |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>             |                     |        |          |    |                             |        |          |     |                             |           |          |     |
| 1. # OF ACRES RECLASSIFIED FROM AG TO URBAN USE       |                     |        |          |    | 50                          | 0      | - 50     | 100 | 50                          | 0         | - 50     | 100 |
| 2. NUMBER OF POSITIONS FILLED                         |                     |        |          |    | 50                          | 42     | - 8      | 16  | 50                          | 50        | + 0      | 0   |
| 3. % OF VENDOR PAYMENTS MADE WITHN 30 DAYS            |                     |        |          |    | 95                          | 98     | + 3      | 3   | 95                          | 98        | + 3      | 3   |
| 4. % OF DATA PROCESSING REQUESTS COMPLETED            |                     |        |          |    | 95                          | 95     | + 0      | 0   | 95                          | 95        | + 0      | 0   |
| <b>PART III: PROGRAM TARGET GROUP</b>                 |                     |        |          |    |                             |        |          |     |                             |           |          |     |
| 1. INVENTORY OF IMPORTANT AG LANDS (ACRES)            |                     |        |          |    | 137000                      | 137000 | + 0      | 0   | 137000                      | 137000    | + 0      | 0   |
| 2. EMPLOYEES (NUMBER)                                 |                     |        |          |    | 325                         | 328    | + 3      | 1   | 325                         | 334       | + 9      | 3   |
| 3. DIVISIONS (NUMBER)                                 |                     |        |          |    | 6                           | 6      | + 0      | 0   | 6                           | 6         | + 0      | 0   |
| 4. BRANCHES (NUMBER)                                  |                     |        |          |    | 12                          | 12     | + 0      | 0   | 12                          | 12        | + 0      | 0   |
| 5. ATTACHED AGENCIES (NUMBER)                         |                     |        |          |    | 0                           | 0      | + 0      | 0   | 0                           | 0         | + 0      | 0   |
| <b>PART IV: PROGRAM ACTIVITY</b>                      |                     |        |          |    |                             |        |          |     |                             |           |          |     |
| 1. # LAND USE PERMIT APPL REVIEWED AFFECTING AG LANDS |                     |        |          |    | 25                          | 25     | + 0      | 0   | 25                          | 25        | + 0      | 0   |
| 2. NUMBER OF PURCHASE ORDERS PROCESSED                |                     |        |          |    | 1450                        | 2486   | + 1036   | 71  | 1450                        | 2500      | + 1050   | 72  |
| 3. NUMBER OF PETTY CASH CHECKS PROCESSED              |                     |        |          |    | 40                          | 58     | + 18     | 45  | 40                          | 50        | + 10     | 25  |
| 4. NUMBER OF DATA PROCESSING REQUESTS RECEIVED        |                     |        |          |    | 600                         | 579    | - 21     | 4   | 600                         | 600       | + 0      | 0   |

**PROGRAM TITLE: GENERAL ADMINISTRATION FOR AGRICULTURE**

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**PART I - EXPENDITURES AND POSITIONS**

The variances in expenditures are due to vacant positions and budget restrictions. The variances in positions filled are due to a lack of qualified applicants.

**PART II - MEASURES OF EFFECTIVENESS**

Item 1 - There have been no reclassifications from agricultural to urban use for three consecutive years.

Item 2 - The FY 24 variance in the number of positions filled is due to lack of qualified applicants.

**PART III - PROGRAM TARGET GROUPS**

No significant variances.

**PART IV - PROGRAM ACTIVITIES**

Item 2 - The increase is due to the issuance of purchase orders for the micro-grant program. This program will continue into FY 25.

Item 3 - There was an increased number of petty cash checks processed because there were more invoices for \$50 to \$100.

VARIANCE REPORT

|   | FISCAL YEAR 2023-24 |        |          |    | THREE MONTHS ENDED 09-30-24 |        |          |    | NINE MONTHS ENDING 06-30-25 |           |          |    |
|---|---------------------|--------|----------|----|-----------------------------|--------|----------|----|-----------------------------|-----------|----------|----|
|   | BUDGETED            | ACTUAL | ± CHANGE | %  | BUDGETED                    | ACTUAL | ± CHANGE | %  | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b> |                     |        |          |    |                             |        |          |    |                             |           |          |    |
| <b>RESEARCH &amp; DEVELOPMENT COSTS</b>     |                     |        |          |    |                             |        |          |    |                             |           |          |    |
| <b>POSITIONS</b>                            |                     |        |          |    |                             |        |          |    |                             |           |          |    |
| <b>EXPENDITURES (\$1,000's)</b>             |                     |        |          |    |                             |        |          |    |                             |           |          |    |
| <b>OPERATING COSTS</b>                      |                     |        |          |    |                             |        |          |    |                             |           |          |    |
| <b>POSITIONS</b>                            | 9.00                | 9.00   | + 0.00   | 0  | 15.00                       | 9.00   | - 6.00   | 40 | 15.00                       | 15.00     | + 0.00   | 0  |
| <b>EXPENDITURES (\$1000's)</b>              | 21,154              | 2,395  | - 18,759 | 89 | 1,490                       | 497    | - 993    | 67 | 6,179                       | 6,929     | + 750    | 12 |
| <b>TOTAL COSTS</b>                          |                     |        |          |    |                             |        |          |    |                             |           |          |    |
| <b>POSITIONS</b>                            | 9.00                | 9.00   | + 0.00   | 0  | 15.00                       | 9.00   | - 6.00   | 40 | 15.00                       | 15.00     | + 0.00   | 0  |
| <b>EXPENDITURES (\$1000's)</b>              | 21,154              | 2,395  | - 18,759 | 89 | 1,490                       | 497    | - 993    | 67 | 6,179                       | 6,929     | + 750    | 12 |

|   | FISCAL YEAR 2023-24 |         |          |   | FISCAL YEAR 2024-25 |           |          |   |
|---|---------------------|---------|----------|---|---------------------|-----------|----------|---|
|   | PLANNED             | ACTUAL  | ± CHANGE | % | PLANNED             | ESTIMATED | ± CHANGE | % |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>             |                     |         |          |   |                     |           |          |   |
| 1. PROGRAM ID ADDED IN ACT 219/22                     | NO DATA             | NO DATA | + 0      | 0 | NO DATA             | NO DATA   | + 0      | 0 |
| 2. ACRES OF AGRICULTURAL LANDS DIRECTLY MANAGED       | NO DATA             | 22833   | + 22833  | 0 | NO DATA             | 22833     | + 22833  | 0 |
| 3. ACRES AG LANDS SRVED BY ADC IRRIG SYS & INFRSTRC   | NO DATA             | 16287   | + 16287  | 0 | NO DATA             | 16287     | + 16287  | 0 |
| 4. NO. OF IRRIG AND INFRSTRC PROJ MANAGED BY ADC      | 4                   | 4       | + 0      | 0 | 4                   | 4         | + 0      | 0 |
| 5. NUMBER OF AGRICULTURE RELATED FACILITIES MANAGED B | 4                   | 4       | + 0      | 0 | 4                   | 4         | + 0      | 0 |
| 6. ADC PROJECTS THAT BENEFIT DIVERSIFIED AGRICULTURE  | 16                  | 16      | + 0      | 0 | 16                  | 16        | + 0      | 0 |
| 7. ACRES OF LAND AGRIC CONSERV EASEMNTS UNDER ADC     | 108                 | 108     | + 0      | 0 | 108                 | 108       | + 0      | 0 |
| 8. AGRIC RELATED PROJ NEEDING ADC EVAL & INVOLVEMENT  | 3                   | 3       | + 0      | 0 | 3                   | 3         | + 0      | 0 |

| <b>PART III: PROGRAM TARGET GROUP</b>                 |         |       |         |   |         |       |         |   |
|---|---------|-------|---------|---|---------|-------|---------|---|
| 1. ACRES FRMR SUGAR & PINE LND AVAIL FOR CONT AG USE  | NO DATA | 75000 | + 75000 | 0 | NO DATA | 75000 | + 75000 | 0 |
| 2. MAJOR AGRICULTURAL IRRIGATION SYS & INFRASTRUCTURE | 11      | 11    | + 0     | 0 | 11      | 11    | + 0     | 0 |
| 3. AG PRCESSING, MRSHALLING, PACKING, WAREHSING FACIL | 3       | 3     | + 0     | 0 | 3       | 3     | + 0     | 0 |
| 4. PRDCRS AND RELATED AGRIBUSINESS IN ADC PROJ AREAS  | 148     | 148   | + 0     | 0 | 148     | 148   | + 0     | 0 |
| 5. AGRICULTURAL COOPERATIVES                          | 6       | 6     | + 0     | 0 | 6       | 6     | + 0     | 0 |
| 6. LNDOWNRS INTRESTD IN PRSERVING AG LAND OR INFRSTR  | 6       | 6     | + 0     | 0 | 6       | 6     | + 0     | 0 |
| 7. PRVT GRPS, GOV AGNCIES WRKING AG OR LND/WTR ISSUES | 20      | 20    | + 0     | 0 | 20      | 20    | + 0     | 0 |

| <b>PART IV: PROGRAM ACTIVITY</b>                      |         |         |     |   |         |         |     |   |
|---|---------|---------|-----|---|---------|---------|-----|---|
| 1. AGRICULTURAL LANDS MANAGED BY ADC (ACRES)          | NO DATA | NO DATA | + 0 | 0 | NO DATA | NO DATA | + 0 | 0 |
| 2. # OF ONGOING IRRIG SYS AND INFRASTRUCTURE PROJECTS | 11      | 11      | + 0 | 0 | 11      | 11      | + 0 | 0 |
| 3. # OF TECH ASSIST/CONSULT/PROJ/STUDIES INITI BY ADC | 2       | 2       | + 0 | 0 | 2       | 2       | + 0 | 0 |
| 4. # OF GRANTS AND CONTRACTS AWRDED OR MANAGED BY ADC | 1       | 1       | + 0 | 0 | 1       | 1       | + 0 | 0 |
| 5. # OF ONGOING CAPITAL IMP PROJ FOR ADC ASSETS       | 6       | 6       | + 0 | 0 | 6       | 6       | + 0 | 0 |
| 6. # PRDCRS BENEFIT FR ADC LAND, IRRIG, INFRSTR & FAC | 143     | 143     | + 0 | 0 | 143     | 143     | + 0 | 0 |
| 7. ACRES COVRD BY AG CONS EASMNT TITLES HELD BY ADC   | 108     | 108     | + 0 | 0 | 108     | 108     | + 0 | 0 |
| 8. AGRICULTURE RELATED PROJ BEING EVALUATED BY ADC    | 2       | 2       | + 0 | 0 | 2       | 2       | + 0 | 0 |

**PROGRAM TITLE: AGRIBUSINESS DEVELOPMENT AND RESEARCH**

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**PART I - EXPENDITURES AND POSITIONS**

The expenditures variance for the FY 24 budget versus the actual was the result of the Governor taking back the \$17.5 million from Agribusiness Development and Research's (ADC) budget for projects funded by general funds and not releasing \$1.26 million of the requested funds for ADC contracts.

The position variance in FY 25 is due to a six-month delay in hiring six full-time equivalent positions. The projected hiring of the remaining budgeted vacant positions will be in the second and third quarters of FY 25, pending approval.

The expenditures variance in the FY 25 first quarter (Q1) is caused by expected higher expenses in the third and the fourth quarters (Q3 and Q4). Q1 and the second quarter are periods of contracting and the start of work. Q3 and Q4 work are completed and payments are made through the end of the contracts and purchase orders. Also, a portion of the variance is the 10% restrictions in general funds.

**PART II - MEASURES OF EFFECTIVENESS**

There are no significant variances.

**PART III - PROGRAM TARGET GROUPS**

There are no significant variances.

**PART IV - PROGRAM ACTIVITIES**

There are no significant variances.



**PROGRAM TITLE: FISHERIES AND AQUACULTURE**

**01 04**

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**PART I - EXPENDITURES AND POSITIONS**

Details of the position and expenditure variances are best examined at the lowest program level.

**PART II - MEASURES OF EFFECTIVENESS**

See Lowest Level Programs for additional information.

PROGRAM TITLE:

AQUACULTURE DEVELOPMENT

12/3/24

PROGRAM-ID:

AGR-153

PROGRAM STRUCTURE NO:

010403

|  | FISCAL YEAR 2023-24 |        |          |      | THREE MONTHS ENDED 09-30-24 |           |          |   | NINE MONTHS ENDING 06-30-25 |           |          |      |   |      |    |
|--|---------------------|--------|----------|------|-----------------------------|-----------|----------|---|-----------------------------|-----------|----------|------|---|------|----|
|  | BUDGETED            | ACTUAL | ± CHANGE | %    | BUDGETED                    | ACTUAL    | ± CHANGE | % | BUDGETED                    | ESTIMATED | ± CHANGE | %    |   |      |    |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>        |                     |        |          |      |                             |           |          |   |                             |           |          |      |   |      |    |
| RESEARCH & DEVELOPMENT COSTS                       |                     |        |          |      |                             |           |          |   |                             |           |          |      |   |      |    |
| POSITIONS  |                     |        |          |      |                             |           |          |   |                             |           |          |      |   |      |    |
| EXPENDITURES (\$1,000's)                           |                     |        |          |      |                             |           |          |   |                             |           |          |      |   |      |    |
| OPERATING COSTS                                    |                     |        |          |      |                             |           |          |   |                             |           |          |      |   |      |    |
| POSITIONS  | 7.00                | 3.00   | -        | 4.00 | 57                          | 7.00      | 3.00     | - | 4.00                        | 57        | 7.00     | 5.00 | - | 2.00 | 29 |
| EXPENDITURES (\$1000's)                            | 1,094               | 735    | -        | 359  | 33                          | 251       | 251      | + | 0                           | 0         | 851      | 851  | + | 0    | 0  |
| TOTAL COSTS  |                     |        |          |      |                             |           |          |   |                             |           |          |      |   |      |    |
| POSITIONS  | 7.00                | 3.00   | -        | 4.00 | 57                          | 7.00      | 3.00     | - | 4.00                        | 57        | 7.00     | 5.00 | - | 2.00 | 29 |
| EXPENDITURES (\$1000's)                            | 1,094               | 735    | -        | 359  | 33                          | 251       | 251      | + | 0                           | 0         | 851      | 851  | + | 0    | 0  |
|  | FISCAL YEAR 2023-24 |        |          |      | FISCAL YEAR 2024-25         |           |          |   |                             |           |          |      |   |      |    |
|  | PLANNED             | ACTUAL | ± CHANGE | %    | PLANNED                     | ESTIMATED | ± CHANGE | % |                             |           |          |      |   |      |    |
| PART II: MEASURES OF EFFECTIVENESS                 |                     |        |          |      |                             |           |          |   |                             |           |          |      |   |      |    |
| 1. AQUACULTURE PRODUCTION (THOUSANDS OF POUNDS)    | 750                 | 715    | -        | 35   | 5                           | 750       | 720      | - | 30                          | 4         |          |      |   |      |    |
| 2. PRIMARY VALUE OF AQUACULTURE PRODUCTION (\$000) | 95000               | 89627  | -        | 5373 | 6                           | 95000     | 95000    | + | 0                           | 0         |          |      |   |      |    |
| 3. TOTAL AQUACULTURE EMPLOYMENT                    | 450                 | 415    | -        | 35   | 8                           | 450       | 415      | - | 35                          | 8         |          |      |   |      |    |
| PART III: PROGRAM TARGET GROUP                     |                     |        |          |      |                             |           |          |   |                             |           |          |      |   |      |    |
| 1. AQUACULTURE OPERATIONS STATEWIDE                | 65                  | 60     | -        | 5    | 8                           | 65        | 65       | + | 0                           | 0         |          |      |   |      |    |
| PART IV: PROGRAM ACTIVITY                          |                     |        |          |      |                             |           |          |   |                             |           |          |      |   |      |    |
| 1. INFORMATION SENT (NUMBER)                       | 175                 | 170    | -        | 5    | 3                           | 175       | 175      | + | 0                           | 0         |          |      |   |      |    |
| 2. PERMIT ASSISTANCE (NUMBER)                      | 200                 | 205    | +        | 5    | 3                           | 200       | 200      | + | 0                           | 0         |          |      |   |      |    |
| 3. DISEASE ASSISTANCE (NUMBER OF CASES)            | 250                 | 255    | +        | 5    | 2                           | 250       | 250      | + | 0                           | 0         |          |      |   |      |    |
| 4. PROMOTIONAL EVENTS AND PRESENTATIONS (NUMBER)   | 4                   | 4      | +        | 0    | 0                           | 4         | 3        | - | 1                           | 25        |          |      |   |      |    |



# VARIANCE REPORT NARRATIVE FY 2024 AND FY 2025

01 04 03  
AGR 153

## **PROGRAM TITLE: AQUACULTURE DEVELOPMENT**

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### **PART I - EXPENDITURES AND POSITIONS**

The variances in expenditures are due staff vacancies and lower than anticipated expenditures from the Aquaculture Development Special Fund. The position variances are due to a lack of qualified candidates for vacant positions.

### **PART II - MEASURES OF EFFECTIVENESS**

Item 2 - The aquaculture industry has rebounded from COVID-19 impacts. The value of production established a new record for the industry but fell short of the planned amount. The industry is expected to continue to expand in FY 25.

### **PART III - PROGRAM TARGET GROUPS**

No significant variances.

### **PART IV - PROGRAM ACTIVITIES**

No significant variances.

# VARIANCE REPORT

|  | FISCAL YEAR 2023-24 |         |           |     | THREE MONTHS ENDED 09-30-24 |           |          |    | NINE MONTHS ENDING 06-30-25 |           |          |   |
|--|---------------------|---------|-----------|-----|-----------------------------|-----------|----------|----|-----------------------------|-----------|----------|---|
|  | BUDGETED            | ACTUAL  | ± CHANGE  | %   | BUDGETED                    | ACTUAL    | ± CHANGE | %  | BUDGETED                    | ESTIMATED | ± CHANGE | % |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>  |                     |         |           |     |                             |           |          |    |                             |           |          |   |
| <b>RESEARCH &amp; DEVELOPMENT COSTS</b>      |                     |         |           |     |                             |           |          |    |                             |           |          |   |
| <b>POSITIONS</b>                             |                     |         |           |     |                             |           |          |    |                             |           |          |   |
| <b>EXPENDITURES (\$1,000's)</b>              |                     |         |           |     |                             |           |          |    |                             |           |          |   |
| <b>OPERATING COSTS</b>                       |                     |         |           |     |                             |           |          |    |                             |           |          |   |
| <b>POSITIONS</b>                             | 8.00                | 8.00    | + 0.00    | 0   | 9.00                        | 8.00      | - 1.00   | 11 | 9.00                        | 9.00      | + 0.00   | 0 |
| <b>EXPENDITURES (\$1000's)</b>               | 172,522             | 57,699  | - 114,823 | 67  | 27,217                      | 11,960    | - 15,257 | 56 | 91,896                      | 93,212    | + 1,316  | 1 |
| <b>TOTAL COSTS</b>                           |                     |         |           |     |                             |           |          |    |                             |           |          |   |
| <b>POSITIONS</b>                             | 8.00                | 8.00    | + 0.00    | 0   | 9.00                        | 8.00      | - 1.00   | 11 | 9.00                        | 9.00      | + 0.00   | 0 |
| <b>EXPENDITURES (\$1000's)</b>               | 172,522             | 57,699  | - 114,823 | 67  | 27,217                      | 11,960    | - 15,257 | 56 | 91,896                      | 93,212    | + 1,316  | 1 |
|  | FISCAL YEAR 2023-24 |         |           |     | FISCAL YEAR 2024-25         |           |          |    |                             |           |          |   |
|  | PLANNED             | ACTUAL  | ± CHANGE  | %   | PLANNED                     | ESTIMATED | ± CHANGE | %  |                             |           |          |   |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>    |                     |         |           |     |                             |           |          |    |                             |           |          |   |
| 1. INCREASE IN NUMBER OF COMPANIES FUNDED    | 0                   | NO DATA | + 0       | 0   | 0                           | NO DATA   | + 0      | 0  | 0                           | NO DATA   | + 0      | 0 |
| 2. # OF COMPANIES ASSTD WITH HTDC PROGRAMS   | 25                  | 118     | + 93      | 372 | 25                          | 25        | + 0      | 0  | 25                          | 25        | + 0      | 0 |
| 3. TOTAL TENANT EXPENDITURES (\$M)           | 130                 | 130     | + 0       | 0   | 140                         | 140       | + 0      | 0  | 140                         | 140       | + 0      | 0 |
| 4. NELHA REVENUES (INCL REIMBURSABLES) (\$M) | 6.0                 | 6       | + 0       | 0   | 6.5                         | 6.5       | + 0      | 0  | 6.5                         | 6.5       | + 0      | 0 |

**PROGRAM TITLE: TECHNOLOGY AND ENERGY**

**01 05**

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**PART I - EXPENDITURES AND POSITIONS**

Details of the position and expenditure variances are best examined at the lowest program level.

**PART II - MEASURES OF EFFECTIVENESS**

See Lowest Level Programs for additional information.

PROGRAM TITLE:

HAWAII STATE ENERGY OFFICE

12/3/24

PROGRAM-ID:

BED-120

PROGRAM STRUCTURE NO:

010501

|   | FISCAL YEAR 2023-24 |         |          |      | THREE MONTHS ENDED 09-30-24 |           |          |     | NINE MONTHS ENDING 06-30-25 |           |          |    |
|---|---------------------|---------|----------|------|-----------------------------|-----------|----------|-----|-----------------------------|-----------|----------|----|
|   | BUDGETED            | ACTUAL  | ± CHANGE | %    | BUDGETED                    | ACTUAL    | ± CHANGE | %   | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>     |                     |         |          |      |                             |           |          |     |                             |           |          |    |
| RESEARCH & DEVELOPMENT COSTS                    |                     |         |          |      |                             |           |          |     |                             |           |          |    |
| POSITIONS                                       |                     |         |          |      |                             |           |          |     |                             |           |          |    |
| EXPENDITURES (\$1,000's)                        |                     |         |          |      |                             |           |          |     |                             |           |          |    |
| OPERATING COSTS                                 |                     |         |          |      |                             |           |          |     |                             |           |          |    |
| POSITIONS                                       | 1.00                | 1.00    | + 0.00   | 0    | 1.00                        | 1.00      | + 0.00   | 0   | 1.00                        | 1.00      | + 0.00   | 0  |
| EXPENDITURES (\$1000's)                         | 10,410              | 6,891   | - 3,519  | 34   | 2,388                       | 689       | - 1,699  | 71  | 9,621                       | 2,797     | - 6,824  | 71 |
| TOTAL COSTS                                     |                     |         |          |      |                             |           |          |     |                             |           |          |    |
| POSITIONS                                       | 1.00                | 1.00    | + 0.00   | 0    | 1.00                        | 1.00      | + 0.00   | 0   | 1.00                        | 1.00      | + 0.00   | 0  |
| EXPENDITURES (\$1000's)                         | 10,410              | 6,891   | - 3,519  | 34   | 2,388                       | 689       | - 1,699  | 71  | 9,621                       | 2,797     | - 6,824  | 71 |
|   | FISCAL YEAR 2023-24 |         |          |      | FISCAL YEAR 2024-25         |           |          |     |                             |           |          |    |
|   | PLANNED             | ACTUAL  | ± CHANGE | %    | PLANNED                     | ESTIMATED | ± CHANGE | %   |                             |           |          |    |
| PART II: MEASURES OF EFFECTIVENESS              |                     |         |          |      |                             |           |          |     |                             |           |          |    |
| 1. ENERGY USERS STATEWIDE REACHED               | 471000              | 459077  | - 11923  | 3    | 474000                      | 480000    | + 6000   | 1   |                             |           |          |    |
| 2. ENERGY SECTOR STAKEHOLDERS REACHED           | 55650               | 90752   | + 35102  | 63   | 58433                       | 90700     | + 32267  | 55  |                             |           |          |    |
| 3. SESF 12 ACTIVATIONS STAFFED (%)              | 100                 | 100     | + 0      | 0    | 100                         | 100       | + 0      | 0   |                             |           |          |    |
| PART III: PROGRAM TARGET GROUP                  |                     |         |          |      |                             |           |          |     |                             |           |          |    |
| 1. ENERGY USERS STATEWIDE                       | 1570000             | 1590000 | + 20000  | 1    | 1580000                     | 1590000   | + 10000  | 1   |                             |           |          |    |
| 2. ENERGY SECTOR STAKEHOLDERS                   | 2494                | 67093   | + 64599  | 2590 | 2618                        | 68        | - 2550   | 97  |                             |           |          |    |
| PART IV: PROGRAM ACTIVITY                       |                     |         |          |      |                             |           |          |     |                             |           |          |    |
| 1. ENERGY USER ENGAGEMENTS                      | 60                  | 150     | + 90     | 150  | 72                          | 154       | + 82     | 114 |                             |           |          |    |
| 2. ENERGY SECTOR STAKEHOLDER ENGAGEMENTS        | 36                  | 27      | - 9      | 25   | 48                          | 27        | - 21     | 44  |                             |           |          |    |
| 3. SESF 12 SUPPORT (# STAFF HOURS ALLOCATED)    | 4118                | 4061    | - 57     | 1    | 4118                        | 4118      | + 0      | 0   |                             |           |          |    |
| 4. ANALYSES, TECHNICAL ASSISTANCE, AND PROJECTS | 90                  | 83      | - 7      | 8    | 90                          | 91        | + 1      | 1   |                             |           |          |    |

**PROGRAM TITLE: HAWAII STATE ENERGY OFFICE**

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**PART I - EXPENDITURES AND POSITIONS**

The variance in FY 24 and FY 25 expenditures is due to the full allotment of the Volkswagen (VW) Trust fund. While the entire settlement amount is budgeted each year, the execution of the program will take several years. Also, a portion of the variance is the 10% restrictions in general funds.

**PART II - MEASURES OF EFFECTIVENESS**

Item 2. The number is higher due to Hawaii State Energy Office's (HSEO) increased education (schools) work, the inclusion of HSEO's Clean Energy Wayfinders engagements, and the addition of HSEO's Newsletter subscribers and website users.

**PART III - PROGRAM TARGET GROUPS**

Item 2. The number is higher due to HSEO's increased education (schools) work, the inclusion of HSEO's Clean Energy Wayfinders engagements, and the addition of HSEO's social followers and website visitors.

**PART IV - PROGRAM ACTIVITIES**

Item 1. Number is higher due to HSEO's increased education (schools) work and the inclusion of HSEO's Clean Energy Wayfinders engagements.

Item 2. HSEO expanded some of its energy user engagements to include energy sector stakeholder engagements which are counted in that Program Activity causing a reduction in this count.



**PROGRAM TITLE: HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

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**PART I - EXPENDITURES AND POSITIONS**

Position: The variance is due to a six-month delay in hiring one new full-time equivalent position in FY 25.

Expenditures: Actual/estimated expenditures and encumbrances for FY 24 and the first three months of FY 25 reflect activity from appropriations outside of Act 230, SLH 2024, including specific appropriation general funds and non-appropriated federal grants. Also, a portion of the variance is the 10% restrictions in general funds.

**PART II - MEASURES OF EFFECTIVENESS**

Item 1. Included in this number are attendees of Hawaii Technology Development Corporation (HTDC) events throughout the year.

Item 2. HTDC received Section 5 funding from the Governor for our core programs. The Accelerator Program provides assistance to multiple companies at once.

Item 3. All three core programs: Hawaii Small Business Innovation Research (HSBIR); Manufacturing Assistance Program (MAP); and Accelerator; were funded by the Legislature, giving the Hawaii Technology Development Corporation (HTDC) more funds to distribute.

Item 4. Disbursement of \$60 million awarded to HTDC from the U.S. Treasury commenced in the past year.

Item 5. With funding of HTDC core programs, it enabled startups to begin hiring people.

**PART III - PROGRAM TARGET GROUPS**

Item 1. With the MAP program funded, HTDC was able to provide services to Hawaii's manufacturers.

Item 2. With funding for all core programs, applications for assistance were up.

**PART IV - PROGRAM ACTIVITIES**

Item 1. HTDC launched a refreshed website, and activity has been robust and our facility programs are well received.

# VARIANCE REPORT

|   | FISCAL YEAR 2023-24 |        |          |    | THREE MONTHS ENDED 09-30-24 |           |          |    | NINE MONTHS ENDING 06-30-25 |           |          |   |
|---|---------------------|--------|----------|----|-----------------------------|-----------|----------|----|-----------------------------|-----------|----------|---|
|   | BUDGETED            | ACTUAL | ± CHANGE | %  | BUDGETED                    | ACTUAL    | ± CHANGE | %  | BUDGETED                    | ESTIMATED | ± CHANGE | % |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>           |                     |        |          |    |                             |           |          |    |                             |           |          |   |
| RESEARCH & DEVELOPMENT COSTS                          |                     |        |          |    |                             |           |          |    |                             |           |          |   |
| POSITIONS   |                     |        |          |    |                             |           |          |    |                             |           |          |   |
| EXPENDITURES (\$1,000's)                              |                     |        |          |    |                             |           |          |    |                             |           |          |   |
| OPERATING COSTS                                       |                     |        |          |    |                             |           |          |    |                             |           |          |   |
| POSITIONS   | 0.00                | 0.00   | + 0.00   | 0  | 0.00                        | 0.00      | + 0.00   | 0  | 0.00                        | 0.00      | + 0.00   | 0 |
| EXPENDITURES (\$1000's)                               | 7,853               | 6,119  | - 1,734  | 22 | 2,044                       | 1,472     | - 572    | 28 | 5,880                       | 5,880     | + 0      | 0 |
| TOTAL COSTS   |                     |        |          |    |                             |           |          |    |                             |           |          |   |
| POSITIONS   | 0.00                | 0.00   | + 0.00   | 0  | 0.00                        | 0.00      | + 0.00   | 0  | 0.00                        | 0.00      | + 0.00   | 0 |
| EXPENDITURES (\$1000's)                               | 7,853               | 6,119  | - 1,734  | 22 | 2,044                       | 1,472     | - 572    | 28 | 5,880                       | 5,880     | + 0      | 0 |
|   | FISCAL YEAR 2023-24 |        |          |    | FISCAL YEAR 2024-25         |           |          |    |                             |           |          |   |
|   | PLANNED             | ACTUAL | ± CHANGE | %  | PLANNED                     | ESTIMATED | ± CHANGE | %  |                             |           |          |   |
| PART II: MEASURES OF EFFECTIVENESS                    |                     |        |          |    |                             |           |          |    |                             |           |          |   |
| 1. NELHA REVENUES (INCL REIMBURSABLES) (\$M)          | 6.0                 | 6      | + 0      | 0  | 6.5                         | 6.5       | + 0      | 0  |                             |           |          |   |
| 2. ENERGY PRODUCED FROM RENEWABLE RESOURCES (MWH/YR)  | 6000                | 6000   | + 0      | 0  | 6500                        | 6500      | + 0      | 0  |                             |           |          |   |
| 3. TOTAL TENANT EXPENDITURES (\$M)                    | 130                 | 130    | + 0      | 0  | 140                         | 140       | + 0      | 0  |                             |           |          |   |
| 4. ANNUAL TENANT CAPITAL IMPROVEMENT (\$M)            | 10                  | 10     | + 0      | 0  | 10                          | 10        | + 0      | 0  |                             |           |          |   |
| 5. SEAWATER SYSTEM DELIVERY RELIABILITY (%)           | 99.999              | 99.99  | - 0.009  | 0  | 99.999                      | 99.999    | + 0      | 0  |                             |           |          |   |
| PART III: PROGRAM TARGET GROUP                        |                     |        |          |    |                             |           |          |    |                             |           |          |   |
| 1. PUBLIC EDUCATIONAL OUTREACH PARTICIPANTS           | 3000                | 3000   | + 0      | 0  | 3000                        | 03000     | + 0      | 0  |                             |           |          |   |
| PART IV: PROGRAM ACTIVITY                             |                     |        |          |    |                             |           |          |    |                             |           |          |   |
| 1. TOTAL EMPLOYMENT AT NELHA (PUBLIC & PRIVATE)       | 590                 | 590    | + 0      | 0  | 640                         | 640       | + 0      | 0  |                             |           |          |   |
| 2. TOTAL VOLUME OF SEAWATER PUMPED MONTHLY (MGALS)    | 620                 | 620    | + 0      | 0  | 630                         | 630       | + 0      | 0  |                             |           |          |   |
| 3. TOTAL NUMBER OF NELHA TENANTS                      | 65                  | 65     | + 0      | 0  | 80                          | 80        | + 0      | 0  |                             |           |          |   |
| 4. PERCENTAGE OF NELHA LAND IN USE                    | 53                  | 53     | + 0      | 0  | 55                          | 55        | + 0      | 0  |                             |           |          |   |
| 5. TOTAL CUMULATIVE CIP; TENANT, STATE, FEDERAL (\$M) | 205                 | 205    | + 0      | 0  | 235                         | 235       | + 0      | 0  |                             |           |          |   |
| 6. BEACH PARK USE (# OF ATTENDEES)                    | 54000               | 54000  | + 0      | 0  | 56000                       | 56000     | + 0      | 0  |                             |           |          |   |



**PROGRAM TITLE: NATURAL ENERGY LAB OF HAWAII AUTHORITY**

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**PART I - EXPENDITURES AND POSITIONS**

The expenditures for the first quarter were delayed to the second quarter (i.e., assessments for ceded land, central and administrative, janitorial and security contracts).

Note: Reporting is inclusive of all means of financing and contract encumbrances from previous years, same as reported in previous years.

**PART II - MEASURES OF EFFECTIVENESS**

There are no significant variances.

**PART III - PROGRAM TARGET GROUPS**

There are no significant variances.

**PART IV - PROGRAM ACTIVITIES**

There are no significant variances.

# VARIANCE REPORT

|   | FISCAL YEAR 2023-24        |               |                 |          | THREE MONTHS ENDED 09-30-24 |                  |                 |          | NINE MONTHS ENDING 06-30-25 |           |          |    |
|---|----------------------------|---------------|-----------------|----------|-----------------------------|------------------|-----------------|----------|-----------------------------|-----------|----------|----|
|   | BUDGETED                   | ACTUAL        | ± CHANGE        | %        | BUDGETED                    | ACTUAL           | ± CHANGE        | %        | BUDGETED                    | ESTIMATED | ± CHANGE | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>           |                            |               |                 |          |                             |                  |                 |          |                             |           |          |    |
| <b>RESEARCH &amp; DEVELOPMENT COSTS</b>               |                            |               |                 |          |                             |                  |                 |          |                             |           |          |    |
| <b>POSITIONS</b>                                      |                            |               |                 |          |                             |                  |                 |          |                             |           |          |    |
| <b>EXPENDITURES (\$1,000's)</b>                       |                            |               |                 |          |                             |                  |                 |          |                             |           |          |    |
| <b>OPERATING COSTS</b>                                |                            |               |                 |          |                             |                  |                 |          |                             |           |          |    |
| <b>POSITIONS</b>                                      | 0.00                       | 0.00          | + 0.00          | 0        | 0.00                        | 0.00             | + 0.00          | 0        | 0.00                        | 0.00      | + 0.00   | 0  |
| <b>EXPENDITURES (\$1000's)</b>                        | 136,019                    | 31,170        | - 104,849       | 77       | 21,511                      | 8,829            | - 12,682        | 59       | 65,353                      | 78,035    | + 12,682 | 19 |
| <b>TOTAL COSTS</b>                                    |                            |               |                 |          |                             |                  |                 |          |                             |           |          |    |
| <b>POSITIONS</b>                                      | 0.00                       | 0.00          | + 0.00          | 0        | 0.00                        | 0.00             | + 0.00          | 0        | 0.00                        | 0.00      | + 0.00   | 0  |
| <b>EXPENDITURES (\$1000's)</b>                        | 136,019                    | 31,170        | - 104,849       | 77       | 21,511                      | 8,829            | - 12,682        | 59       | 65,353                      | 78,035    | + 12,682 | 19 |
|   | <b>FISCAL YEAR 2023-24</b> |               |                 |          | <b>FISCAL YEAR 2024-25</b>  |                  |                 |          |                             |           |          |    |
|   | <b>PLANNED</b>             | <b>ACTUAL</b> | <b>± CHANGE</b> | <b>%</b> | <b>PLANNED</b>              | <b>ESTIMATED</b> | <b>± CHANGE</b> | <b>%</b> |                             |           |          |    |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>             |                            |               |                 |          |                             |                  |                 |          |                             |           |          |    |
| 1. % FINANCING FOR UNDERSERVED RATE PAYERS            | NO DATA                    | 100           | + 100           | 0        | NO DATA                     | 100              | + 100           | 0        |                             |           |          |    |
| 2. ESTIMATED KWH PRO/REDUCTION OVER LIFETIME (000)    | NO DATA                    | 45093         | + 45093         | 0        | NO DATA                     | 72000            | + 72000         | 0        |                             |           |          |    |
| 3. EST BARRELS OF PETROLEUM DISPLACED (000)           | 21.5                       | 28            | + 6.5           | 30       | 21.5                        | 44               | + 22.5          | 105      |                             |           |          |    |
| 4. EST METRIC TONS OF GREENHOUSE GAS AVOIDED (000)    | 10.5                       | 14            | + 3.5           | 33       | 15                          | 21               | + 6             | 40       |                             |           |          |    |
| 5. ACCESS TO CAPITAL PROVIDED TO # SMALL BUS/NONPROF  | 10                         | 33            | + 23            | 230      | 15                          | 18               | + 3             | 20       |                             |           |          |    |
| 6. PUBLIC/PRIVATE CAPITAL INVESTED IN PROGRAM (000'S) | NO DATA                    | 16951         | + 16951         | 0        | NO DATA                     | 20000            | + 20000         | 0        |                             |           |          |    |
| 7. JOBS CREATED OR RETAINED                           | 182                        | 171           | - 11            | 6        | 217                         | 217              | + 0             | 0        |                             |           |          |    |
| 8. STATE TAX REVENUE GENERATED (000'S)                | NO DATA                    | 2134          | + 2134          | 0        | NO DATA                     | 2200             | + 2200          | 0        |                             |           |          |    |
| <b>PART III: PROGRAM TARGET GROUP</b>                 |                            |               |                 |          |                             |                  |                 |          |                             |           |          |    |
| 1. RATE PAYERS  | 45                         | 84            | + 39            | 87       | 45                          | 100              | + 55            | 122      |                             |           |          |    |
| 2. SMALL BUSINESSES AND NONPROFITS                    | 10                         | 33            | + 23            | 230      | 15                          | 18               | + 3             | 20       |                             |           |          |    |
| 3. COMMERCIAL PROPERTY OWNERS                         | 3                          | 0             | - 3             | 100      | 5                           | 3                | - 2             | 40       |                             |           |          |    |
| <b>PART IV: PROGRAM ACTIVITY</b>                      |                            |               |                 |          |                             |                  |                 |          |                             |           |          |    |
| 1. ORIGINATE AND SERVICE CLEAN ENERGY LOANS           | 400                        | 542           | + 142           | 36       | 400                         | 600              | + 200           | 50       |                             |           |          |    |
| 2. SSBCI HI-CAP COLLATERAL SUPPORT & HI-CAP CDFI LOAN | 10                         | 21            | + 11            | 110      | 25                          | 25               | + 0             | 0        |                             |           |          |    |
| 3. COMMERCIAL PROPERTY ASSESSED FINANCING PROGRAM     | 1                          | 0             | - 1             | 100      | 4                           | 3                | - 1             | 25       |                             |           |          |    |

**PROGRAM TITLE: HAWAII GREEN INFRASTRUCTURE AUTHORITY**

**PART I - EXPENDITURES AND POSITIONS**

The Hawaii Green Infrastructure Authority's (HGIA) FY 24 budget included appropriations for operating overhead, program expenses, a loan ceiling, \$50.0 million in general funds, a bond ceiling for Green Energy Market Securitization (GEMS) bond payments and expenses, and a bond ceiling "cushion" required by the bond indenture documents for 1.5 times the bond payments of \$6.5 million. This \$6.5 million is not intended or expected to be spent and, as such, is not included in the estimated amounts. Total loans funded during the year aggregated \$16.6 million. Overhead and program expenses of \$1.2 million were offset by approximately \$5.1 million in revenue earned during the fiscal year. However, an Order from the Public Utilities Commission (PUC) requires all loan repayments (principal and interest) to be transferred on an annual basis. In September 2023, HGIA transferred \$3.7 million to the PUC's account at Bank of Hawaii.

Due to an intentional decision made in September 2019 to allow the remaining GEMS capital to only finance hard-to-reach under served ratepayers (see Part III - Program Target Groups), the amount of loans being deployed are lower than when HGIA was able to fund all applicants, coupled with the \$6.5 million "extra" GEMS bond ceiling, resulting in a 74% variance in the actual to budgeted expenditures. Reaching low-income and disadvantaged communities is more time consuming and consumes more resources.

The actual timing of a loan being funded is dependent on the various contractors achieving specified milestones in the project contracts for loans approved. Projects typically take between 6 to 18 months to complete, making it hard to predict the timing of loan funding. As of June 30, 2024, HGIA had \$27.8 million in committed loans.

**PART II - MEASURES OF EFFECTIVENESS**

Items 3 and 4. The positive variance in the actual kWh (kilowatt-hours) production/reduction, estimated barrels of petroleum displaced, and greenhouse gas avoided are due to HGIA exceeding its target for clean energy loans in FY 24.

Item 5. The positive variance in access to capital provided to small businesses/nonprofits and private capital mobilized is due to the State Small Business Credit Initiative (SSBCI) HI-CAP programs.

Item 7. However, HGIA did not meet its jobs created target during the year as funding levels were lower than anticipated.

**PART III - PROGRAM TARGET GROUPS**

Item 1. As mentioned above, the positive variance in the ratepayers goal is due to HGIA assisting more ratepayers than anticipated during the fiscal year.

Item 2. The SSBCI HI-CAP program enabled HGIA to assist more small businesses and nonprofits than targeted.

Item 3. The negative variance in the commercial property owners' goal is due to the delayed implementation of the Commercial Property Assessed Clean Energy (C-PACE) program. The Legislature passed Act 41, SLH 2024 to repeal the county's involvement in this financing program and allow condominium associations to also be eligible for financing. Governor Green signed the bill on May 30, 2024, and the HI C-PACE program was launched on July 1, 2024.

**PART IV - PROGRAM ACTIVITIES**

Item 1. The positive variance in the number of clean energy loans originated and serviced is due to rising interest rates which decreased the number of payoffs as refinancing mortgages were not cost-effective during the fiscal year.

Item 2. HGIA was able to assist more small businesses and nonprofits than anticipated under the SSBCI HI-CAP programs.

Item 3. The negative variance is due to the delayed launch of the C-PACE program.

PROGRAM TITLE:

WATER AND LAND DEVELOPMENT

12/3/24

PROGRAM-ID:

LNR-141

PROGRAM STRUCTURE NO:

0106

|   | FISCAL YEAR 2023-24 |        |          |      | THREE MONTHS ENDED 09-30-24 |        |          |   | NINE MONTHS ENDING 06-30-25 |           |          |       |   |      |    |
|---|---------------------|--------|----------|------|-----------------------------|--------|----------|---|-----------------------------|-----------|----------|-------|---|------|----|
|   | BUDGETED            | ACTUAL | ± CHANGE | %    | BUDGETED                    | ACTUAL | ± CHANGE | % | BUDGETED                    | ESTIMATED | ± CHANGE | %     |   |      |    |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b> |                     |        |          |      |                             |        |          |   |                             |           |          |       |   |      |    |
| <b>RESEARCH &amp; DEVELOPMENT COSTS</b>     |                     |        |          |      |                             |        |          |   |                             |           |          |       |   |      |    |
| <b>POSITIONS</b>                            |                     |        |          |      |                             |        |          |   |                             |           |          |       |   |      |    |
| <b>EXPENDITURES (\$1,000's)</b>             |                     |        |          |      |                             |        |          |   |                             |           |          |       |   |      |    |
| <b>OPERATING COSTS</b>                      |                     |        |          |      |                             |        |          |   |                             |           |          |       |   |      |    |
| <b>POSITIONS</b>                            | 28.00               | 21.00  | -        | 7.00 | 25                          | 28.00  | 22.00    | - | 6.00                        | 21        | 28.00    | 27.00 | - | 1.00 | 4  |
| <b>EXPENDITURES (\$1000's)</b>              | 4,357               | 3,768  | -        | 589  | 14                          | 1,031  | 672      | - | 359                         | 35        | 3,493    | 3,852 | + | 359  | 10 |
| <b>TOTAL COSTS</b>                          |                     |        |          |      |                             |        |          |   |                             |           |          |       |   |      |    |
| <b>POSITIONS</b>                            | 28.00               | 21.00  | -        | 7.00 | 25                          | 28.00  | 22.00    | - | 6.00                        | 21        | 28.00    | 27.00 | - | 1.00 | 4  |
| <b>EXPENDITURES (\$1000's)</b>              | 4,357               | 3,768  | -        | 589  | 14                          | 1,031  | 672      | - | 359                         | 35        | 3,493    | 3,852 | + | 359  | 10 |

|   | FISCAL YEAR 2023-24 |        |          |      | FISCAL YEAR 2024-25 |           |          |   |      |    |
|---|---------------------|--------|----------|------|---------------------|-----------|----------|---|------|----|
|   | PLANNED             | ACTUAL | ± CHANGE | %    | PLANNED             | ESTIMATED | ± CHANGE | % |      |    |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>             |                     |        |          |      |                     |           |          |   |      |    |
| 1. SURFACE WATER SUPPLY DEVELOPED (MGD)               | 0                   | 0      | +        | 0    | 0                   | 0         | +        | 0 |      |    |
| 2. GROUNDWATER SUPPLY DEVELOPED (MGD)                 | 1                   | 1      | +        | 0    | 1                   | 1         | +        | 0 |      |    |
| 3. WATER CREDITS PROVID TO STATE AGENCIES (1000 GALS) | 0                   | 0      | +        | 0    | 0                   | 0         | +        | 0 |      |    |
| 4. STATE LANDS DEVELOPED (ACRES)                      | 10                  | 10     | +        | 0    | 10                  | 10        | +        | 0 |      |    |
| 5. GEOTHERMAL ROYALTIES COLLECTED (DOLLARS)           | 2000                | 3604   | +        | 1604 | 80                  | 2000      | 3237     | + | 1237 | 62 |
| 6. ROCKFALL PROJECTS IMPLEMENTED (# OF PROJECTS)      | 4                   | 4      | +        | 0    | 0                   | 4         | 4        | + | 0    | 0  |

|   |     |     |   |     |   |     |     |   |     |   |
|---|-----|-----|---|-----|---|-----|-----|---|-----|---|
| <b>PART III: PROGRAM TARGET GROUP</b>                   |     |     |   |     |   |     |     |   |     |   |
| 1. DEFACTO POPULTN BENEFITNG FR IMPRVMENTS (NO. IN MIL) | 1.5 | 1.6 | + | 0.1 | 7 | 1.5 | 1.6 | + | 0.1 | 7 |

|   |       |       |   |       |     |       |       |   |       |    |
|---|-------|-------|---|-------|-----|-------|-------|---|-------|----|
| <b>PART IV: PROGRAM ACTIVITY</b>                      |       |       |   |       |     |       |       |   |       |    |
| 1. PLANNING AND PROGRAMMING (NUMBER OF PROJECTS)      | 25    | 27    | + | 2     | 8   | 25    | 26    | + | 1     | 4  |
| 2. PROJECTS DESIGNED (NUMBER OF PROJECTS)             | 30    | 32    | + | 2     | 7   | 30    | 32    | + | 2     | 7  |
| 3. ENGINEERING CONSULTANT CONTRACTS ADMINISTERED      | 30    | 32    | + | 2     | 7   | 30    | 32    | + | 2     | 7  |
| 4. ENGIN SVCS PROVIDD TO OTHER DLNR OFFICES (MAN HRS) | 20000 | 21600 | + | 1600  | 8   | 20000 | 20000 | + | 0     | 0  |
| 5. CIP EXPENDITURES (\$1,000)                         | 40000 | 26872 | - | 13128 | 33  | 40000 | 30000 | - | 10000 | 25 |
| 6. ALTERNATE WATER DEVLPM PROJECTS INVESTIGATED (NO.) | 0     | 0     | + | 0     | 0   | 0     | 0     | + | 0     | 0  |
| 7. GEOTHERMAL RESOURCE PERMITS ISSUED (# OF PERMITS)  | 1     | 0     | - | 1     | 100 | 1     | 1     | + | 0     | 0  |
| 8. ROCKFALL/SLOPE MOVEMNT AREAS INVSTGTD &OR ADDRSSD  | 5     | 5     | + | 0     | 0   | 5     | 5     | + | 0     | 0  |

**PROGRAM TITLE: WATER AND LAND DEVELOPMENT**

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**PART I - EXPENDITURES AND POSITIONS**

FY 24 position and expenditure variances are due to budgeted unfilled positions under various stages of recruitment. The program has experienced difficulties in recruitment due to the prolonged historically low unemployment rate and lack of interested and qualified applicants. To fill its vacancies, the program is attempting to recruit positions at lower levels and has redescribed a position.

FY 25 differences in budgeted amount and actual expenditures are primarily payroll savings due to staff vacancies and corresponding funds for activities to be performed, and unused accrued vacation/sick leave funds for the Capital Improvement Program Project staff.

**PART II - MEASURES OF EFFECTIVENESS**

Item 5: In FY 24, the continued restoration of power production after the 2018 shutdown significantly increased geothermal royalties, with further growth expected in FY 25. A \$366,805 payment for underpaid royalties from 2012 to 2020 also contributed to the FY 24 variance.

**PART III - PROGRAM TARGET GROUPS**

There are no significant variances to report for program target groups.

**PART IV - PROGRAM ACTIVITIES**

Item 5: The FY 24 variance reflects actual expenditures based on contractor invoicing and payment processing; an additional \$65 million is encumbered in consultant and/or construction contracts for expenditure in FY 25 and beyond.

Item 7: No geothermal resource permit applications were received in FY 24.

PROGRAM TITLE:

HAWAII COMMUNITY DEVELOPMENT AUTHORITY

12/3/24

PROGRAM-ID:

BED-150

PROGRAM STRUCTURE NO:

0107

|   | FISCAL YEAR 2023-24 |        |          |    | THREE MONTHS ENDED 09-30-24 |        |          |   | NINE MONTHS ENDING 06-30-25 |           |          |   |
|---|---------------------|--------|----------|----|-----------------------------|--------|----------|---|-----------------------------|-----------|----------|---|
|   | BUDGETED            | ACTUAL | ± CHANGE | %  | BUDGETED                    | ACTUAL | ± CHANGE | % | BUDGETED                    | ESTIMATED | ± CHANGE | % |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b> |                     |        |          |    |                             |        |          |   |                             |           |          |   |
| <b>RESEARCH &amp; DEVELOPMENT COSTS</b>     |                     |        |          |    |                             |        |          |   |                             |           |          |   |
| <b>POSITIONS</b>                            |                     |        |          |    |                             |        |          |   |                             |           |          |   |
| <b>EXPENDITURES (\$1,000's)</b>             |                     |        |          |    |                             |        |          |   |                             |           |          |   |
| <b>OPERATING COSTS</b>                      |                     |        |          |    |                             |        |          |   |                             |           |          |   |
| <b>POSITIONS</b>                            | 21.00               | 21.00  | + 0.00   | 0  | 23.00                       | 21.00  | - 2.00   | 9 | 23.00                       | 23.00     | + 0.00   | 0 |
| <b>EXPENDITURES (\$1000's)</b>              | 81,309              | 64,155 | - 17,154 | 21 | 911                         | 860    | - 51     | 6 | 8,065                       | 7,473     | - 592    | 7 |
| <b>TOTAL COSTS</b>                          |                     |        |          |    |                             |        |          |   |                             |           |          |   |
| <b>POSITIONS</b>                            | 21.00               | 21.00  | + 0.00   | 0  | 23.00                       | 21.00  | - 2.00   | 9 | 23.00                       | 23.00     | + 0.00   | 0 |
| <b>EXPENDITURES (\$1000's)</b>              | 81,309              | 64,155 | - 17,154 | 21 | 911                         | 860    | - 51     | 6 | 8,065                       | 7,473     | - 592    | 7 |

|   | FISCAL YEAR 2023-24 |        |          |    | FISCAL YEAR 2024-25 |           |          |     |
|---|---------------------|--------|----------|----|---------------------|-----------|----------|-----|
|   | PLANNED             | ACTUAL | ± CHANGE | %  | PLANNED             | ESTIMATED | ± CHANGE | %   |
| <b>PART II: MEASURES OF EFFECTIVENESS</b>           |                     |        |          |    |                     |           |          |     |
| 1. # OF NEW HOUSING UNITS IN KAKAAKO                | 350                 | 350    | + 0      | 0  | 350                 | 350       | + 0      | 0   |
| 2. COMMUNITY BENEFITS-KAKAAKO                       | 1                   | 1      | + 0      | 0  | 1                   | 1         | + 0      | 0   |
| 3. NEW AFFORDABLE HOUSING UNITS IN KAKAAKO (%)      | 20                  | 20     | + 0      | 0  | 20                  | 20        | + 0      | 0   |
| 4. COMMUNITY BENEFITS-KALAELOA                      | 1                   | 1      | + 0      | 0  | 1                   | 1         | + 0      | 0   |
| 5. NEW AFFORDABLE HOUSING UNITS IN KALAELOA (%)     | 20                  | 20     | + 0      | 0  | 20                  | 20        | + 0      | 0   |
| 6. RESTORATION OF WETLANDS IN HEEIA                 | 6                   | 6      | + 0      | 0  | 6                   | 6         | + 0      | 0   |
| 7. REDEVELOPED PUBLIC LAND IN THE PULEHUNUI         | 0                   | 0      | + 0      | 0  | 2                   | 0         | - 2      | 100 |
| 8. COUNTIES ENGAGED IN TRANSIT ORIENTED DEVELOPMENT | 2                   | 1      | - 1      | 50 | 3                   | 2         | - 1      | 33  |

|   |       |       |         |     |       |       |         |     |
|---|-------|-------|---------|-----|-------|-------|---------|-----|
| <b>PART III: PROGRAM TARGET GROUP</b>                 |       |       |         |     |       |       |         |     |
| 1. # OF RESIDENTS IN KAKAAKO                          | 30280 | 40000 | + 9720  | 32  | 30280 | 40000 | + 9720  | 32  |
| 2. #OF BUSINESSES KAKAAKO                             | 1266  | 1400  | + 134   | 11  | 1266  | 1400  | + 134   | 11  |
| 3. # OF LANDUSERS WITHIN KALAELOA                     | 35    | 30    | - 5     | 14  | 35    | 30    | - 5     | 14  |
| 4. # RESIDENTS WITHIN KALAELOA & SURROUNDING AREA     | 6050  | 10000 | + 3950  | 65  | 6050  | 10000 | + 3950  | 65  |
| 5. # OF RESIDENTS WITHING HEEIA                       | 0     | 10000 | + 10000 | 0   | 0     | 10000 | + 10000 | 0   |
| 6. # OF LAND USERS WITHIN PULEHUNUI                   | 1     | 0     | - 1     | 100 | 2     | 0     | - 2     | 100 |
| 7. # OF RESIDENTS WITHIN THE TOD DISTRICTS AND SURROU | 0     | 0     | + 0     | 0   | 0     | 0     | + 0     | 0   |

|  |        |   |          |     |    |    |      |    |
|--|--------|---|----------|-----|----|----|------|----|
| <b>PART IV: PROGRAM ACTIVITY</b>               |        |   |          |     |    |    |      |    |
| 1. DEVELOPMENT PERMITS ISSUED IN KAKAAKO       | 2      | 2 | + 0      | 0   | 2  | 2  | + 0  | 0  |
| 2. NEW PUBLIC IMPROVEMENTS IN KAKAAKO (\$M)    | 20     | 2 | - 18     | 90  | 0  | 0  | + 0  | 0  |
| 3. REVISED KAKAAKO MAUKA AREA RULES            | 0      | 0 | + 0      | 0   | 0  | 1  | + 1  | 0  |
| 4. NEW INFRASTRUCTURE DEVELOPMENT IN KALAELOA  | 12.125 | 0 | - 12.125 | 100 | 0  | 30 | + 30 | 0  |
| 5. REVISED KALAELOA MASTER PLAN AND RULES      | 0      | 0 | + 0      | 0   | 0  | 1  | + 1  | 0  |
| 6. NEW INFRASTRUCTURE DEVELOPMENT IN PULEHUNUI | 24     | 0 | - 24     | 100 | 20 | 15 | - 5  | 25 |
| 7. PLANNING IN TOD DISTRICTS                   | 1      | 1 | + 0      | 0   | 1  | 1  | + 0  | 0  |

**PROGRAM TITLE: HAWAII COMMUNITY DEVELOPMENT AUTHORITY**

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**PART I - EXPENDITURES AND POSITIONS**

The expenditures variance in FY 24 is due to the Governor releasing \$61,000,000 less \$1,625,000 for the Lahaina Wildfires.

**PART II - MEASURES OF EFFECTIVENESS**

Items 7 and 8. Projects will not be in the construction phase in FY 25 as previously planned.

**PART III - PROGRAM TARGET GROUPS**

Items 1-4 and 6. Updated estimated counts. The description of the program target group is the key element of Part III, not the value and variance.

**PART IV - PROGRAM ACTIVITIES**

Items 2, 4, and 6. The planned amounts reflect budget requests and actual/estimated reflect funding received.

PROGRAM TITLE: HAWAII HOUSING FINANCE AND DEVELOPMENT CORP

PROGRAM-ID: BED-160

PROGRAM STRUCTURE NO: 0108

|   | FISCAL YEAR 2023-24 |         |          |     | THREE MONTHS ENDED 09-30-24 |           |          |     | NINE MONTHS ENDING 06-30-25 |           |           |    |
|---|---------------------|---------|----------|-----|-----------------------------|-----------|----------|-----|-----------------------------|-----------|-----------|----|
|   | BUDGETED            | ACTUAL  | ± CHANGE | %   | BUDGETED                    | ACTUAL    | ± CHANGE | %   | BUDGETED                    | ESTIMATED | ± CHANGE  | %  |
| <b>PART I: EXPENDITURES &amp; POSITIONS</b>         |                     |         |          |     |                             |           |          |     |                             |           |           |    |
| RESEARCH & DEVELOPMENT COSTS                        |                     |         |          |     |                             |           |          |     |                             |           |           |    |
| POSITIONS   |                     |         |          |     |                             |           |          |     |                             |           |           |    |
| EXPENDITURES (\$1,000's)                            |                     |         |          |     |                             |           |          |     |                             |           |           |    |
| OPERATING COSTS                                     |                     |         |          |     |                             |           |          |     |                             |           |           |    |
| POSITIONS   | 23.00               | 20.00   | - 3.00   | 13  | 23.00                       | 21.00     | - 2.00   | 9   | 23.00                       | 23.00     | + 0.00    | 0  |
| EXPENDITURES (\$1000's)                             | 169,634             | 160,994 | - 8,640  | 5   | 3,512                       | 1,628     | - 1,884  | 54  | 217,167                     | 54,305    | - 162,862 | 75 |
| TOTAL COSTS   |                     |         |          |     |                             |           |          |     |                             |           |           |    |
| POSITIONS   | 23.00               | 20.00   | - 3.00   | 13  | 23.00                       | 21.00     | - 2.00   | 9   | 23.00                       | 23.00     | + 0.00    | 0  |
| EXPENDITURES (\$1000's)                             | 169,634             | 160,994 | - 8,640  | 5   | 3,512                       | 1,628     | - 1,884  | 54  | 217,167                     | 54,305    | - 162,862 | 75 |
|   | FISCAL YEAR 2023-24 |         |          |     | FISCAL YEAR 2024-25         |           |          |     |                             |           |           |    |
|   | PLANNED             | ACTUAL  | ± CHANGE | %   | PLANNED                     | ESTIMATED | ± CHANGE | %   |                             |           |           |    |
| PART II: MEASURES OF EFFECTIVENESS                  |                     |         |          |     |                             |           |          |     |                             |           |           |    |
| 1. # OF UNITS FOR SALE TO HOMEBUYERS                | 328                 | 331     | + 3      | 1   | 100                         | 0         | - 100    | 100 |                             |           |           |    |
| 2. # OF UNITS FOR NEW RENTAL HOUSING                | 150                 | 1250    | + 1100   | 733 | 450                         | 1010      | + 560    | 124 |                             |           |           |    |
| 3. # OF UNITS PRESERVED FOR EXISTING RENTAL HOUSING | 150                 | 0       | - 150    | 100 | 150                         | 571       | + 421    | 281 |                             |           |           |    |
| PART III: PROGRAM TARGET GROUP                      |                     |         |          |     |                             |           |          |     |                             |           |           |    |
| 1. HSEHLDS EARNING UP TO 140% OF AREA MEDIAN INCOME | 4000                | 4000    | + 0      | 0   | 4000                        | 4000      | + 0      | 0   |                             |           |           |    |
| PART IV: PROGRAM ACTIVITY                           |                     |         |          |     |                             |           |          |     |                             |           |           |    |
| 1. LOANS/GRANTS FOR ACQ/REHAB/DEV OF HSG            | 382                 | 1204    | + 822    | 215 | 1399                        | 954       | - 445    | 32  |                             |           |           |    |
| 2. RESERVE TAX CRDT FOR ACQ/REHAB/DEV OF HSG UNITS  | 150                 | 1254    | + 1104   | 736 | 150                         | 179       | + 29     | 19  |                             |           |           |    |
| 3. ISSUE TAX-EXEMPT REVENUE BONDS (\$M)             | 74                  | 263.5   | + 189.5  | 256 | 406.4                       | 282.5     | - 123.9  | 30  |                             |           |           |    |
| 4. FACILITATE DEVELOPMENT OF REAL PROPERTY (UNITS)  | 428                 | 802     | + 374    | 87  | 100                         | 200       | + 100    | 100 |                             |           |           |    |
| 5. ASSIST HOMEBUYERS (UNITS)                        | 458                 | 198     | - 260    | 57  | 450                         | 374       | - 76     | 17  |                             |           |           |    |



**PROGRAM TITLE: HAWAII HOUSING FINANCE AND DEVELOPMENT CORP**

**PART I - EXPENDITURES AND POSITIONS**

The position variances are primarily due to the lack of interested and qualified applicants for the vacant positions. Most of the applicants on the eligibility list provided by Human Resources did not respond to our interview inquiries or had already found employment.

The expenditure variance for FY 24 is primarily the result of the timing of federal grant award expenditures as projects may take several years to complete. The initial year expenditures are mainly administrative costs and subsequent years expenditures are for larger project costs.

In the first quarter of FY 25, the actual expenditures of the non-federally funded appropriations were slightly delayed with the expectation that the expenditures would be caught up during the remainder of the fiscal year. Federally funded expenditures fluctuate depending on the progression of funded projects that may be expended over multiple years. Also, a large contract encumbrance was delayed until the next quarter.

Per Act 230, SLH 2024, Hawaii Housing Finance and Development Corporation (HHFDC) was appropriated \$198,557,000 for general funds. The Department of Defense (DOD) transferred \$164,746,953 to the Major Disaster Fund, leaving our total operating budget to \$55,932,272. The difference amount of \$162,862 for the Nine Months Ending 06-30-25 is the DOD transfer plus the first quarter difference of \$1,884.

**PART II - MEASURES OF EFFECTIVENESS**

Item 1. For FY 25, the anticipated project was delayed until FY 26.

Item 2. The positive variances in the number of new rental units for FY 24 are the result of the completion (or estimated completion) of projects that were delayed due to the COVID-19 pandemic. Many projects estimated for previous years were delayed until FY 24 and FY 25 due to rising construction costs.

Item 3. The variance in the number of existing affordable rental housing

preserved for FY 24 is a new rehabilitation project approved by the HHFDC Board of Directors. Unfortunately, this project is delayed until FY 26. There is another project estimated for FY 25, resulting in a positive variance.

**PART III - PROGRAM TARGET GROUPS**

Item 1. Households earning up to 140% of the U.S. Department of Housing and Urban Development average median income in accordance with a Hawaii Housing Planning Study conducted in 2019 increased to 4,000 units. A new study is currently in progress. The company conducting the study was unable to complete the project and was transferred to another entity.

**PART IV - PROGRAM ACTIVITIES**

Item 1. The positive variance in the number of units under loan originations for FY 24 is primarily a result of the delayed start of projects from previous years and an increase in project applications. Act 236, SLH 2022, increased the Rental Housing Revolving Fund (RHRF) infusion and subsequent RHRF infusions have allowed significantly more projects to be awarded RHRF loans. This also allowed projects to receive additional funding to cover the rising construction costs and thus many projects were moved from FY 25 to FY 24.

Item 2. The positive variance for FY 24 and FY 25 is the result of the increase in the number of project applications and awards. Many projects that were delayed due to the uncertainty of the COVID-19 pandemic have resumed. The positive effect of Act 236, SLH 2022, appropriation and subsequent RHRF infusions also applies to this item, as noted in Item 1. above. The project funding awards for FY 25 will be later this fiscal year.

Item 3. The variance in the number of tax-exempt revenue bonds issued for FY 24 is a result of rising development and construction costs, causing developers to utilize bond financing for their below-market interest rates. Many developers had projects delayed from design and permitting issues, thus moving the bond issuances to FY 24 from FY 25, which resulted in a

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positive variance for FY 24 and a negative variance for FY 25.

Item 4. The positive variances for FY 24 and FY 25 in the facilitation of real property development are due to planning and construction delays. Projects planned for FY 23 were delayed until FY 24. There was a significant increase in the projects completed that were assisted by the Dwelling Unit Revolving Fund's 201H expedited processing and exemptions. For FY 25, units for Maui are anticipated as HHFDC is assisting in the rebuilding of Lahaina after the devastating wildfires.

Item 5. This program activity was recently revised to be the number of homebuyers assisted through HHFDC's finance programs, instead of the number of units, resulting in negative variances for FY 24 and FY 25. These programs are the Single-Family Mortgage Loan Program, the Down Payment Assistance Program, and the Mortgage Credit Certificate Program (MCCP). The first two programs will begin in the latter part of FY 25, and the loans may take time to process and may be included in FY 26 numbers. The Mortgage Credit Certificate Program recently received funding for FY 24 and resumed issuing new certificates to assist first-time homebuyers. However, the funding is almost exhausted and will probably not continue in FY 25.