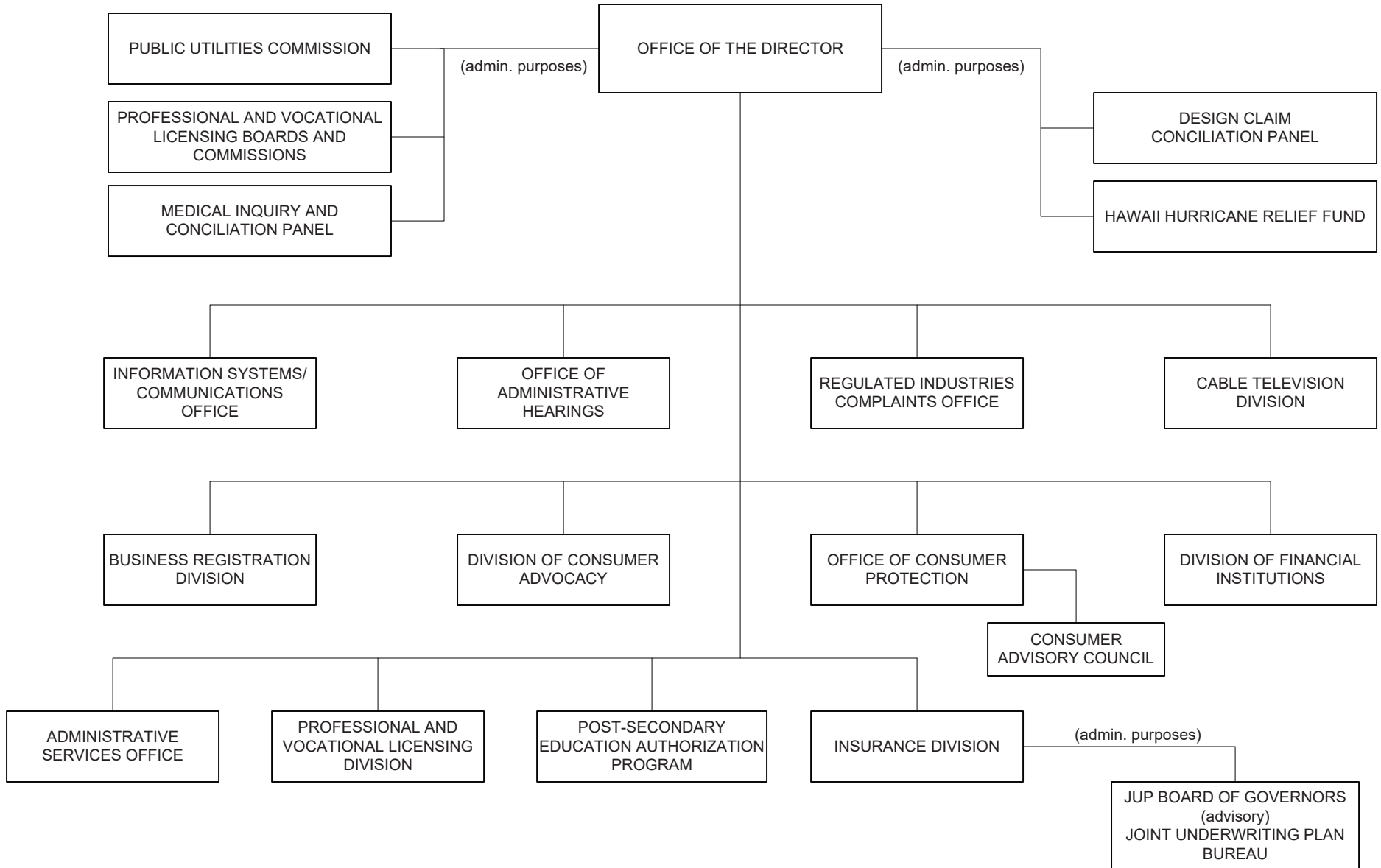




**Department of Commerce and Consumer
Affairs**

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



DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

Department Summary

Mission Statement

To promote a strong and healthy business environment by upholding fairness and public confidence in the marketplace, and by increasing knowledge and opportunity for our businesses and citizens.

Department Goals

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

Significant Measures of Effectiveness

1. Percent of homes where cable TV service is available in the state
2. Percent of alternate energy sources used by electric utilities
3. Average number of days to process corporation, partnership, LLC, tradenames with regular handling

	<u>FY 2026</u>	<u>FY 2027</u>
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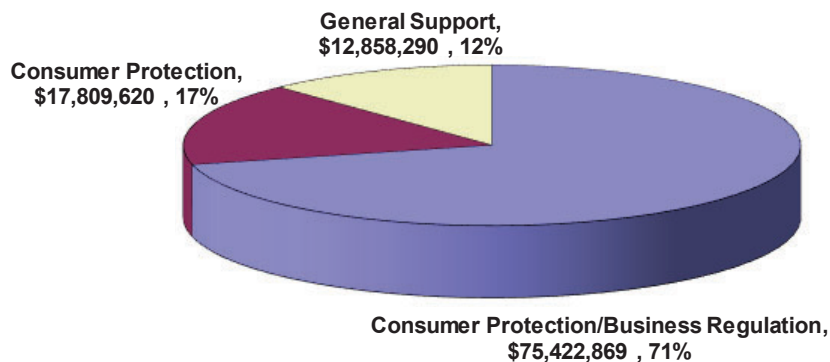
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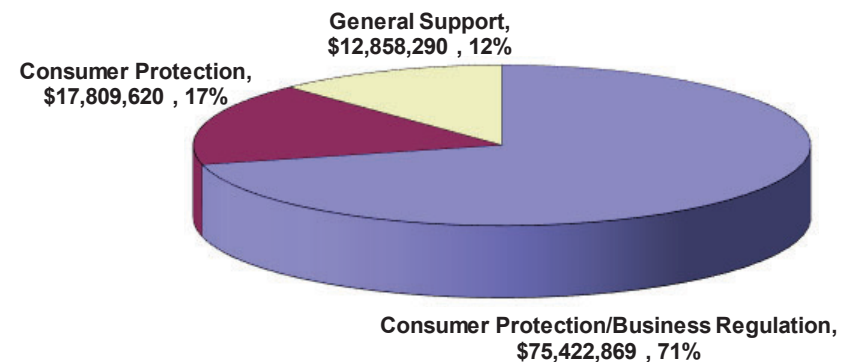
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FB 2025-2027 Operating Budget by Major Program Area

FY 2026



FY 2027



DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS MAJOR FUNCTIONS

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

MAJOR PROGRAM AREAS

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

Individual Rights

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

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

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	526.00	526.00	528.00	528.00
	Temp Positions	14.00	14.00	14.00	14.00
Special Funds	\$	100,462,433	100,462,433	118,349,609	102,607,842
	Perm Positions	8.00	8.00	8.00	8.00
	Temp Positions	4.00	4.00	4.00	4.00
Trust Funds	\$	3,482,937	3,482,937	3,482,937	3,482,937
		534.00	534.00	536.00	536.00
		18.00	18.00	18.00	18.00
Total Requirements		103,945,370	103,945,370	121,832,546	106,090,779

Major Adjustments in the Executive Budget Request: (general funds unless noted)

1. Adds \$12,000,000 in special funds for FY 26 for payments to the King Kalakaua Building's management association for repairs and renovations.
2. Adds \$1,500,000 for FY 26 and \$500,000 for FY 27 in special funds for Captive Insurance Branch information technology upgrades.
3. Adds \$1,000,000 in special funds for FY 26 for Maui wildfire-related consultant services for the Public Utilities Commission.
4. Adds \$900,000 in special funds for FY 26 for Maui wildfire-related consultant services for the Division of Consumer Advocacy.

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

DEPT OF COMMERCE & CONSUMER AFFAIRS

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
OPERATING COST	522.00*	534.00*	536.00*	536.00*	536.0*	536.0*	536.0*	536.0*
	19.00**	18.00**	18.00**	18.00**	18.0**	18.0**	18.0**	18.0**
PERSONAL SERVICES	48,049,515	67,728,664	68,371,249	68,429,482	68,428	68,428	68,428	68,428
OTHER CURRENT EXPENSES	26,363,776	51,807,297	53,461,297	37,661,297	37,663	37,663	37,663	37,663
TOTAL OPERATING COST	74,413,291	119,535,961	121,832,546	106,090,779	106,091	106,091	106,091	106,091
BY MEANS OF FINANCING								
	514.00*	526.00*	528.00*	528.00*	528.0*	528.0*	528.0*	528.0*
	14.00**	14.00**	14.00**	14.00**	14.0**	14.0**	14.0**	14.0**
SPECIAL FUND	72,463,726	116,356,917	118,349,609	102,607,842	102,608	102,608	102,608	102,608
	8.00*	8.00*	8.00*	8.00*	8.0*	8.0*	8.0*	8.0*
	5.00**	4.00**	4.00**	4.00**	4.0**	4.0**	4.0**	4.0**
TRUST FUNDS	1,949,565	3,179,044	3,482,937	3,482,937	3,483	3,483	3,483	3,483
TOTAL PERM POSITIONS	522.00*	534.00*	536.00*	536.00*	536.0*	536.0*	536.0*	536.0*
TOTAL TEMP POSITIONS	19.00**	18.00**	18.00**	18.00**	18.0**	18.0**	18.0**	18.0**
TOTAL PROGRAM COST	74,413,291	119,535,961	121,832,546	106,090,779	106,091	106,091	106,091	106,091

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

	<u>FY 2026</u>	<u>FY 2027</u>
Funding Sources:		
General Obligation Bonds	-	-
Federal Funds	-	-
	<hr/>	
Total Requirements	-	-
	<hr/> <hr/>	

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)
None.

STATE OF HAWAII
 PROGRAM ID:
 PROGRAM STRUCTURE NO:
 PROGRAM TITLE:

CCA
DEPT OF COMMERCE & CONSUMER AFFAIRS

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT
IN THOUSANDS OF DOLLARS

REPORT B78
 2 of 2

PROJECT NUMBER	PRIORITY NUMBER	SCOPE	PROJECT TITLE		BUDGET PERIOD						SUCCEED YEARS		
			PROJECT TOTAL	PRIOR YRS	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29		FY 29-30	FY 30-31
		LAND ACQUISITION	3,000	3,000									
		DESIGN	2,001	2,001									
		CONSTRUCTION	28,001	28,001									
		EQUIPMENT	1,998	1,998									
		TOTAL	35,000	35,000									
COST ELEMENT/MOF		G.O. BONDS	35,000	35,000									



Operating Budget Details

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

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

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
OPERATING COST	522.00*	534.00*	536.00*	536.00*	536.0*	536.0*	536.0*	536.0*
	19.00**	18.00**	18.00**	18.00**	18.0**	18.0**	18.0**	18.0**
PERSONAL SERVICES	48,049,515	67,728,664	68,371,249	68,429,482	68,428	68,428	68,428	68,428
OTHER CURRENT EXPENSES	26,363,776	51,807,297	53,461,297	37,661,297	37,663	37,663	37,663	37,663
TOTAL OPERATING COST	74,413,291	119,535,961	121,832,546	106,090,779	106,091	106,091	106,091	106,091
BY MEANS OF FINANCING								
	514.00*	526.00*	528.00*	528.00*	528.0*	528.0*	528.0*	528.0*
	14.00**	14.00**	14.00**	14.00**	14.0**	14.0**	14.0**	14.0**
SPECIAL FUND	72,463,726	116,356,917	118,349,609	102,607,842	102,608	102,608	102,608	102,608
	8.00*	8.00*	8.00*	8.00*	8.0*	8.0*	8.0*	8.0*
	5.00**	4.00**	4.00**	4.00**	4.0**	4.0**	4.0**	4.0**
TRUST FUNDS	1,949,565	3,179,044	3,482,937	3,482,937	3,483	3,483	3,483	3,483
TOTAL PERM POSITIONS	522.00*	534.00*	536.00*	536.00*	536.0*	536.0*	536.0*	536.0*
TOTAL TEMP POSITIONS	19.00**	18.00**	18.00**	18.00**	18.0**	18.0**	18.0**	18.0**
TOTAL PROGRAM COST	74,413,291	119,535,961	121,832,546	106,090,779	106,091	106,091	106,091	106,091

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

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

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
OPERATING COST	522.00*	534.00*	536.00*	536.00*	536.0*	536.0*	536.0*	536.0*
	19.00**	18.00**	18.00**	18.00**	18.0**	18.0**	18.0**	18.0**
PERSONAL SERVICES	48,049,515	67,728,664	68,371,249	68,429,482	68,428	68,428	68,428	68,428
OTHER CURRENT EXPENSES	26,363,776	51,807,297	53,461,297	37,661,297	37,663	37,663	37,663	37,663
TOTAL OPERATING COST	74,413,291	119,535,961	121,832,546	106,090,779	106,091	106,091	106,091	106,091
BY MEANS OF FINANCING								
	514.00*	526.00*	528.00*	528.00*	528.0*	528.0*	528.0*	528.0*
	14.00**	14.00**	14.00**	14.00**	14.0**	14.0**	14.0**	14.0**
SPECIAL FUND	72,463,726	116,356,917	118,349,609	102,607,842	102,608	102,608	102,608	102,608
	8.00*	8.00*	8.00*	8.00*	8.0*	8.0*	8.0*	8.0*
TRUST FUNDS	5.00**	4.00**	4.00**	4.00**	4.0**	4.0**	4.0**	4.0**
	1,949,565	3,179,044	3,482,937	3,482,937	3,483	3,483	3,483	3,483
TOTAL PERM POSITIONS	522.00*	534.00*	536.00*	536.00*	536.0*	536.0*	536.0*	536.0*
TOTAL TEMP POSITIONS	19.00**	18.00**	18.00**	18.00**	18.0**	18.0**	18.0**	18.0**
TOTAL PROGRAM COST	74,413,291	119,535,961	121,832,546	106,090,779	106,091	106,091	106,091	106,091

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

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

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
OPERATING COST	307.00*	317.00*	319.00*	319.00*	319.0*	319.0*	319.0*	319.0*
	16.00**	15.00**	15.00**	15.00**	15.0**	15.0**	15.0**	15.0**
PERSONAL SERVICES	29,545,971	41,577,853	42,010,703	42,068,936	42,068	42,068	42,068	42,068
OTHER CURRENT EXPENSES	17,680,552	27,896,358	31,665,358	27,865,358	27,866	27,866	27,866	27,866
TOTAL OPERATING COST	47,226,523	69,474,211	73,676,061	69,934,294	69,934	69,934	69,934	69,934
BY MEANS OF FINANCING								
	299.00*	309.00*	311.00*	311.00*	311.0*	311.0*	311.0*	311.0*
	11.00**	11.00**	11.00**	11.00**	11.0**	11.0**	11.0**	11.0**
SPECIAL FUND	45,545,144	66,395,848	70,293,805	66,552,038	66,552	66,552	66,552	66,552
	8.00*	8.00*	8.00*	8.00*	8.0*	8.0*	8.0*	8.0*
TRUST FUNDS	1,681,379	3,078,363	3,382,256	3,382,256	3,382	3,382	3,382	3,382
	5.00**	4.00**	4.00**	4.00**	4.0**	4.0**	4.0**	4.0**
TOTAL PERM POSITIONS	307.00*	317.00*	319.00*	319.00*	319.0*	319.0*	319.0*	319.0*
TOTAL TEMP POSITIONS	16.00**	15.00**	15.00**	15.00**	15.0**	15.0**	15.0**	15.0**
TOTAL PROGRAM COST	47,226,523	69,474,211	73,676,061	69,934,294	69,934	69,934	69,934	69,934

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

PROGRAM ID: CCA102
 PROGRAM STRUCTURE NO: 10010301
 PROGRAM TITLE: CABLE TELEVISION

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
OPERATING COST	7.00*	7.00*	6.00*	6.00*	6.0*	6.0*	6.0*	6.0*
	0.00**	0.00**	0.00**	0.00**	0.0**	0.0**	0.0**	0.0**
PERSONAL SERVICES	815,409	1,116,686	960,022	960,022	960	960	960	960
OTHER CURRENT EXPENSES	714,371	1,547,730	1,547,730	1,547,730	1,548	1,548	1,548	1,548
TOTAL OPERATING COST	1,529,780	2,664,416	2,507,752	2,507,752	2,508	2,508	2,508	2,508
BY MEANS OF FINANCING								
	7.00*	7.00*	6.00*	6.00*	6.0*	6.0*	6.0*	6.0*
	**	**	**	**	**	**	**	**
SPECIAL FUND	1,529,780	2,664,416	2,507,752	2,507,752	2,508	2,508	2,508	2,508
TOTAL PERM POSITIONS	7.00*	7.00*	6.00*	6.00*	6.0*	6.0*	6.0*	6.0*
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	1,529,780	2,664,416	2,507,752	2,507,752	2,508	2,508	2,508	2,508

PROGRAM ID: **CCA102**
PROGRAM STRUCTURE: **10010301**
PROGRAM TITLE: **CABLE TELEVISION**

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
MEASURES OF EFFECTIVENESS								
1. % HOMES WHERE CABLE TV SERVICE AVAILABLE IN STATE	99	99	99	99	99	99	99	99
2. %COMPL BY CABLE TV COM SYS W/STATE & REG RPTG REQS	99	99	99	99	99	99	99	99
3. % COMPLAINTS ADDRESSED WITHIN 30 DAYS	99	99	99	99	99	99	99	99
4. % OF BROADBAND PROJECTS/ACTIVITIES COMPLETED	99	99	99	99	99	99	99	99
PROGRAM TARGET GROUPS								
1. HAWAII HOUSEHOLDS (000)	545	545	545	545	545	545	545	545
2. HAWAII BUSINESSES (000)	36	36	36	36	36	36	36	36
3. CABLE TELEVISION SUBSCRIBERS (000)	345	340	340	340	340	340	340	340
4. CABLE TELEVISION COMPANIES	2	2	2	2	2	2	2	2
5. PEG ACCESS ORGANIZATIONS	4	4	4	4	4	4	4	4
6. BROADBAND SUBSCRIBERS (000)	395	395	395	395	395	395	395	395
PROGRAM ACTIVITIES								
1. # OF APPLICATIONS UNDER REVIEW BY CATV	6	6	6	6	6	6	6	6
2. # INSP, TST, INVSTGN, COMPL REV BEGUN/ENDED BY CATV	6	6	6	6	6	6	6	6
3. # MTGS ON DEV, CONST, USE OF FACIL REL TO CCS	4	4	4	4	4	4	4	4
4. # OF COMPLAINTS AND INQUIRIES RECEIVED	260	260	260	260	260	260	260	260
5. # OF INET PROJ REQUESTS RECEIVED/PROCESSED	40	40	40	40	40	40	40	40
6. # OF PEG ACCESS RELATED ACTIVITIES	200	200	200	200	200	200	200	200
7. # OF BROADBAND RELATED ACTIVITIES	120	120	120	120	120	120	120	120
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS)								
LICENSES, PERMITS, AND FEES	272	3,500	3,500	3,500	3,500	3,500	3,500	3,500
REVENUES FROM THE USE OF MONEY AND PROPERTY	254	200	200	200	200	200	200	200
CHARGES FOR CURRENT SERVICES	9							
TOTAL PROGRAM REVENUES	535	3,700	3,700	3,700	3,700	3,700	3,700	3,700
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS)								
SPECIAL FUNDS	535	3,700	3,700	3,700	3,700	3,700	3,700	3,700
TOTAL PROGRAM REVENUES	535	3,700	3,700	3,700	3,700	3,700	3,700	3,700

Program Plan Narrative

CCA102: CABLE TELEVISION

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A. Statement of Program Objectives

To promote responsive and reliable cable television communications services for the people of Hawaii by issuing cable franchises to qualified and suitable cable operators when it is in the public interest to do so; regulating cable television operators to ensure compliance with applicable State and federal law; expanding the statewide institutional network (INET); continuing the availability of public, educational, and governmental (PEG) cable access; and facilitating expanded and accelerated deployment of infrastructure to increase access to broadband.

B. Description of Request and Compliance with Section 37-68(1)(A)(B)

Transfers 1.00 permanent position and \$172,377 in special funds for FY 26 and FY 27 from the Cable Television Program to the Insurance Regulatory Services Program.

Adds \$12,729 in special funds for FY 26 and FY 27 for fringe benefits.

C. Description of Activities Performed

Franchising is the single most important tool by which the Division of Cable Television (DCT) can determine and build requirements for quality services. This applies to new franchises, franchise renewals, and transfers of franchises.

Technical inspections and reporting requirements are an important means by which quality cable communications services can be assured. The program continues to enforce and monitor compliance with applicable orders, laws, and rules.

Long-range planning to enhance DCT's ability to identify new and improved services, future community needs and interests, and enhance technologies.

Monitor complaint responses and complaint resolution to ensure improved consumer service.

Support PEG access to promote diversity of programming while procuring contracts for PEG services pursuant to Act 93, SLH 2014.

Advocate for Hawaii's broadband future pursuant to Act 199, SLH 2010, and Act 151, SLH 2011; continue to utilize work groups to develop applicable procedures and to facilitate the expansion of broadband services and technologies throughout the State, especially in unserved and underserved areas.

Expansion of the State's INET to meet the communications needs of the State in an efficient and effective manner.

D. Statement of Key Policies Pursued

To continue the policy of greater access to cable and broadband services to the extent possible in light of the State's topography, economics, and changing laws and technologies.

To meet community needs and interests by encouraging the continued accessibility of local educational, governmental, and public programming to all cable systems and broadband services.

To promote a coordinated approach to planning the State's future cable communication infrastructure; in part, by monitoring and participating in proceedings on both the federal and local levels.

To use cable communications to bring Hawaii's geographically dispersed communities closer together and to enrich Hawaii's diverse ethnic and cultural groups.

To encourage the cable industry to take a significant role in business development and job formation in Hawaii.

To pursue broadband policy and funding opportunities for the State of Hawaii.

E. Identification of Important Program Relationships

In cable regulation, federal law and State laws must be applied together. Communications and working relationships with the Federal Communications Commission (FCC) and members of Congress will continue to be developed and maintained. For the broadband advisory assistance council, working relationships have been developed with various federal, State, and county agencies and representatives from the

Program Plan Narrative

private sector.

Education and government institutions are important constituencies of cable regulation due to a federal law promoting access programming. Independent public producers and the cable advisory committee continue to provide input and advice to DCT.

Consumers continue to be a high priority in the cable regulatory program.

The incumbent cable operator in the State is large, operates multiple systems in the State, and has a national footprint. In 2011, the incumbent telephone service provider was granted a franchise to provide cable service on the island of Oahu.

F. Description of Major External Trends Affecting the Program

Federal laws and orders have limited the State's authority to regulate rates. The Cable Communications Policy Act of 1984, the Television Consumer Protection and Competition Act of 1992, and the Telecommunications Act of 1996 continue to spawn litigation and uncertainty in cable regulation and broadband services. The Telecommunications Act of 1996, which allows cable operators to develop advanced informational services and to enter local telephone and communications markets, also fosters entry by communication providers to the cable market. Local providers have already crossed over into these markets, which is consistent with national trends. As communications and cable television services migrate to Internet Protocol-based technologies, wireless broadband will enable these and more services for portable devices, blurring the lines between cable television services and informational services. The fact that technological advancements are quickly changing the way that cable services can be provided, among other issues, will provide additional challenges to DCT. Additionally, in 2018, the FCC began various proceedings impacting the regulation of cable rates in the State and the manner in which cable franchise fees are calculated. DCT is actively involved in these proceedings given the impact that these proceedings may have on DCT's ability to protect the interest of the public and the services that can be provided.

G. Discussion of Cost, Effectiveness, and Program Size Data

DCT's workload has steadily increased with the addition of broadband responsibilities, changes to the cable market, and increased desire by others for funding from the cable franchise fees. DCT's broadband activities range from efforts to map the availability of broadband service statewide; planning efforts and conducting pilot projects to facilitate broadband infrastructure development for unserved and underserved communities; and working on partnerships with other public and private agencies to expand and expedite broadband adoption; and monitoring and participating in FCC proceedings related to reforms affecting telecommunications, cable, and broadband. The program size data does not accurately capture the increasing level of activity and the complexity of the issues with which DCT is dealing. Since broadband is driven by fast-changing technologies, keeping staff up to date in this area continues to be a priority.

H. Discussion of Program Revenues

Program revenue is derived from annual fees assessed to franchised cable operators, consistent with federal law and based upon the operators' annual gross revenues.

I. Summary of Analysis Performed

The 2010 Hawaii State Legislature passed Act 199, amended by Act 151, SLH 2011, which added broadband responsibilities to Chapter 440G, HRS, with the objective to enhance access and availability of advanced broadband services at competitive and affordable price and cost.

J. Further Considerations

The State needs to remain flexible as rapid developments in both technology and the law continue to occur. As it is in the public interest to closely coordinate all communications planning through specific programs to take advantage of what each technology has to offer, it is logical and efficient for DCT to continue to work on cable television and broadband activities in concert.

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

PROGRAM ID: CCA103
 PROGRAM STRUCTURE NO: 10010302
 PROGRAM TITLE: CONSUMER ADVOCATE FOR COMM, UTIL & TRAN SVC

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
OPERATING COST	25.00*	25.00*	25.00*	25.00*	25.0*	25.0*	25.0*	25.0*
	0.00**	0.00**	0.00**	0.00**	0.0**	0.0**	0.0**	0.0**
PERSONAL SERVICES	2,210,405	3,616,645	3,685,270	3,685,270	3,685	3,685	3,685	3,685
OTHER CURRENT EXPENSES	657,326	1,259,050	2,159,050	1,259,050	1,259	1,259	1,259	1,259
TOTAL OPERATING COST	2,867,731	4,875,695	5,844,320	4,944,320	4,944	4,944	4,944	4,944
BY MEANS OF FINANCING								
	25.00*	25.00*	25.00*	25.00*	25.0*	25.0*	25.0*	25.0*
	**	**	**	**	**	**	**	**
SPECIAL FUND	2,867,731	4,875,695	5,844,320	4,944,320	4,944	4,944	4,944	4,944
TOTAL PERM POSITIONS	25.00*	25.00*	25.00*	25.00*	25.0*	25.0*	25.0*	25.0*
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	2,867,731	4,875,695	5,844,320	4,944,320	4,944	4,944	4,944	4,944

PROGRAM ID: **CCA103**
PROGRAM STRUCTURE: **10010302**
PROGRAM TITLE: **CONSUMER ADVOCATE FOR COMMUNICATIONS, UTIL & TRANSPORTATION SVCS**

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
MEASURES OF EFFECTIVENESS								
1. AVG % PUC DECSNS ACPT AGRMNT ENTRD BY CA W/RU	75	75	75	75	75	75	75	75
2. CONS SAVINGS DUE TO PARTIC IN UTIL PROC (000'S)	15000	10000	10000	10000	10000	10000	10000	10000
3. CONS SAV DUE TO PARTIC IN WATER CARR PROC (000'S)	1000	0	1000	0	1000	0	1000	0
4. % PROCEDURAL DEADLINES MET	100	100	100	100	100	100	100	100
5. # OF PEOPLE REACHED THRU EVENTS/DIST PUBLICATIONS	4500	4500	4500	4500	4500	4500	4500	4500
6. % OF COMPLAINTS RESPONDED TO WITHIN 24 HOURS	85	85	85	85	85	85	85	85
7. % OF ALT ENERGY SOURCES USED BY ELECTRIC UTILITIES	37	39	39	39	39	39	39	39
PROGRAM TARGET GROUPS								
1. DE FACTO POPULATION IN HAWAII (000'S)	1403	1585	1585	1585	1585	1585	1585	1585
2. # OF RESIDENTIAL ELECTRICAL METERS (000'S)	438	439	439	439	439	439	439	439
3. # OF NON-RESIDENTIAL USERS (000'S)	66	67	67	67	67	67	67	67
4. # OF ELECTRIC PUBLIC UTILITIES REGULATED BY PUC	4	4	4	4	4	4	4	4
5. # OF SUPPLIERS OF ELEC ENERGY TO ELEC PUB UTILS	45	47	47	47	47	47	47	47
6. # TELECOM COMMON CAR (FED & ST LIC) OPER IN HI	210	210	210	210	210	210	210	210
7. # PIPD GAS, WATR, WAST WATR PUB UTIL REG BY PUC	43	43	43	43	43	43	43	43
8. #PROP MOTOR CARRIERS HLDG CERT PUBLIC CONV & NESSTY	555	555	555	555	555	555	555	555
9. # PASS CARRIERS HLDG CERT PUBLIC CONV & NESSTY	1055	1060	1060	1060	1060	1060	1060	1060
10. # WATER CARRIERS REGULATED BY PUC	2	2	2	2	2	2	2	2
PROGRAM ACTIVITIES								
1. # OF UTILITY GENERAL RATE APPL REVIEWED BY DIV	7	7	7	7	7	7	7	7
2. #OF GEN TARIFF CHGS FILED BY MOTOR CARR REV BY DIV	0	0	0	0	0	0	0	0
3. # OF NON-RATE APPL BY UTIL COMP REV BY DIV	80	80	80	80	80	80	80	80
4. #OF INVST FOR QUAL SVC/OPER INTEG PARTIC IN BY DIV	2	2	2	2	2	2	2	2
5. # RULE-MKG PROC/GENERIC DCKTS PARTIC IN BY DIV	10	10	10	10	10	10	10	10
6. # OF EDUCATION/OUTREACH EVENTS ATTENDED	8	8	8	8	8	8	8	8
7. # OF NEWSLETTERS/PUBLICATIONS CREATED	4	4	4	4	4	4	4	4
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS)								
REVENUES FROM THE USE OF MONEY AND PROPERTY	395	20	20	20	20	20	20	20
NON-REVENUE RECEIPTS	4,604	4,494	4,494	4,494	4,494	4,494	4,494	4,494
TOTAL PROGRAM REVENUES	4,999	4,514	4,514	4,514	4,514	4,514	4,514	4,514
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS)								
SPECIAL FUNDS	4,999	4,514	4,514	4,514	4,514	4,514	4,514	4,514
TOTAL PROGRAM REVENUES	4,999	4,514	4,514	4,514	4,514	4,514	4,514	4,514

Program Plan Narrative

CCA103: CONSUMER ADVOCATE FOR COMM, UTIL & TRAN SVC

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A. Statement of Program Objectives

The Consumer Advocate Program (Program) ensures that Hawaii's public utilities and regulated transportation companies deliver services to consumers at fair cost that are sustainable, reliable, safe, and of high quality through advocacy, education, and planning.

B. Description of Request and Compliance with Section 37-68(1)(A)(B)

Adds \$900,000 in special funds for FY 26 for consultant services.

Adds \$58,959 in special funds for FY 26 and FY 27 for fringe benefits.

C. Description of Activities Performed

The Program advocates positions on behalf of consumers of utility and transportation services before the State of Hawaii Public Utilities Commission (PUC), the Federal Communications Commission (FCC), and other federal, State, and local agencies. The division is a party to every application before the PUC which includes, but is not limited to, applications for authority to modify or offer new services; rate and fare proposals; revenue requirements; and capital improvement projects.

Compliance investigations are conducted regarding the adequacy and efficiency of utility services.

Education of consumers through various mediums, such as websites, newsletters, trade shows, fairs, and community meetings.

D. Statement of Key Policies Pursued

Ensure robust utility infrastructures and regulated services. This program is highly proactive in implementing the objectives and policies for transportation, energy, and telecommunications systems stated in the Hawaii State Planning Act, HRS, Section 226-17, 18, and 18.5, respectively. The program advances the public interest by advocating for dependable, efficient and reasonably priced regulatory services.

Fostering the adoption of renewable energy and energy efficiency resources. The program considers the long-term benefits of renewable and energy efficiency resources consistent with State objectives, which

helps to attract investment in Hawaii for utility projects.

Provide jobs; stabilize and diversify Hawaii's economy. The program strives to ensure the availability of high-quality utility and transportation services to facilitate customers, businesses, and industries' needs.

Maintain a healthy visitor industry. The program provides Hawaii a voice before regulatory agencies to encourage reasonably priced regulated services to ensure that Hawaii remains competitive with other tourist destinations.

Educate people about utility matters that affect them, how they can be wiser consumers, and how they can more fully participate in the regulatory process. Encourage consumers to play a more active role in moving our State's energy and other utility policies forward.

E. Identification of Important Program Relationships

Identify and pursue consistency between components of the Hawaii State Plan and Federal regulatory policies. However, Hawaii's uniqueness may, at times, require exemption from federal policies in selected areas and this program may need to make filings before the FCC or other federal agencies to protect Hawaii's interests.

Because PUC makes fact-based findings and determinations, the division provides PUC with well-researched, fact-based recommendations consistent with initiatives and consumers' interests.

At the county level, there are occasional overlaps that require coordination with county ordinances and regulatory policies.

Various State and county agencies, such as the Departments of Health, Business and Economic Development and Tourism, and Transportation, are continually consulted.

F. Description of Major External Trends Affecting the Program

Moving towards competition in the electric, transportation and telecommunications industries and resulting changes in regulation.

Changing governmental policies and technological developments in the

Program Plan Narrative

CCA103: CONSUMER ADVOCATE FOR COMM, UTIL & TRAN SVC

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energy field. Promotion of renewable energy and energy efficiency are examples. In addition, changing environmental regulations are affecting how utility service is provided and at what cost.

The growth of wide-spectrum telecommunications and changes in governmental policies are affecting the quality, quantity, nature and pricing of communication services and universal service support.

Changing governmental policies in the water and wastewater industries are affecting how services are provided and the costs incurred to serve customers.

Growing community awareness and other factors have increased public input into and associated costs of the regulatory process.

G. Discussion of Cost, Effectiveness, and Program Size Data

The Program has changed its area of emphasis and the methods by which it carries out the program directives. The program has focused more on certain utility services and educational outreach. The Program has secured significant customer savings in rate proceedings and supported various alternative energy projects.

The Program has sixteen of twenty-four positions filled, and also relies upon consultant services where the size, scope, and sophistication of the problems confronting consumers require specialized expertise.

H. Discussion of Program Revenues

Not applicable.

I. Summary of Analysis Performed

Four studies analyzed and evaluated the current regulatory program: (1) "Management Audit of the Public Utilities Commission and the Division of Consumer Advocacy" (January 2004); (2) "Management Audit of the Public Utilities Program of the State of Hawaii," (February 1989); (3) "Management Study of the Public Utilities Division, Department of Regulatory Agencies and the Public Utilities Commission," (January 1980); and (4) "Management Audit of the Public Utilities Program," (August 1975, three volumes). The Legislative Auditor has made several

recommendations affecting the Program.

J. Further Considerations

The Program has implemented some of the recommendations and continues to evaluate other recommendations included in the 2004 study as well as identify other measures that should enhance the Program's effectiveness.

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

PROGRAM ID: CCA104
 PROGRAM STRUCTURE NO: 10010303
 PROGRAM TITLE: FINANCIAL SERVICES REGULATION

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
OPERATING COST	40.00*	43.00*	43.00*	43.00*	43.0*	43.0*	43.0*	43.0*
	0.00**	0.00**	0.00**	0.00**	0.0**	0.0**	0.0**	0.0**
PERSONAL SERVICES	4,246,216	5,580,504	5,595,419	5,595,419	5,595	5,595	5,595	5,595
OTHER CURRENT EXPENSES	688,599	1,122,690	1,122,690	1,122,690	1,123	1,123	1,123	1,123
TOTAL OPERATING COST	4,934,815	6,703,194	6,718,109	6,718,109	6,718	6,718	6,718	6,718
BY MEANS OF FINANCING								
	40.00*	43.00*	43.00*	43.00*	43.0*	43.0*	43.0*	43.0*
	**	**	**	**	**	**	**	**
SPECIAL FUND	4,934,815	6,703,194	6,417,109	6,417,109	6,417	6,417	6,417	6,417
	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**
TRUST FUNDS			301,000	301,000	301	301	301	301
TOTAL PERM POSITIONS	40.00*	43.00*	43.00*	43.00*	43.0*	43.0*	43.0*	43.0*
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	4,934,815	6,703,194	6,718,109	6,718,109	6,718	6,718	6,718	6,718

PROGRAM ID: **CCA104**
PROGRAM STRUCTURE: **10010303**
PROGRAM TITLE: **FINANCIAL SERVICES REGULATION**

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
MEASURES OF EFFECTIVENESS								
1. % INST EXAMND IN TIMELY MANNER PURS TO STAT RULES	93	93	93	93	93	93	93	93
2. %COMPL FI,ED,MT,MS,MLO APP PROC TMLY & PRS TO STAT	90	90	90	90	90	90	90	90
3. % WRITTEN INQS REVIEWED/PROCESSED W/IN 30 DAYS	80	80	80	80	80	80	80	80
4. % LIC RENWLS REVIEW/PROC TIMELY, PURS TO STDS	94	94	94	94	94	94	94	94
5. % AUDITED FINANCIAL STATEMENTS REVIEWED PRS TO STAT	93	93	93	93	93	93	93	93
PROGRAM TARGET GROUPS								
1. DE FACTO POPULATION IN HAWAII (000)	1403	1585	1585	1585	1585	1585	1585	1585
2. FI,ED,MT,MS,MLO,MLOC BRNCHS & OTHER OFCS REGULATED	5500	5000	4500	4000	4000	4000	4000	4000
PROGRAM ACTIVITIES								
1. TTL \$ AMT ASSTS OF INSTITUTIONS EXAMIND (\$000,000)	57967	58546	59132	59723	60320	60923	60923	60923
2. # OF APPLICATIONS REVIEWED	1750	1500	1500	1500	1500	1500	1500	1500
3. # OF INQUIRIES RECEIVED	4000	4000	4000	4000	4000	4000	4000	4000
4. # OF LICENSES RENEWED	2500	3000	3000	3000	3000	3000	3000	3000
5. # AUDITED FIN STATEMENTS RECEIVED FOR REVIEW	91	92	93	94	95	96	96	96
6. # OF COMPLAINTS OPENED FOR INVESTIGATION	78	76	75	75	75	75	75	75
7. # OF NON-DEPOSITORY FINANCIAL INSTITUTION EXAMINED	52	52	52	52	52	52	52	52
8. # OF CONSUMERS WHO RECEIVED RESTITUTION	300	300	300	300	300	300	300	300
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS)								
TAXES	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
LICENSES, PERMITS, AND FEES	621	647	632	608	557	557	557	557
REVENUES FROM THE USE OF MONEY AND PROPERTY	520	20	20	20	20	20	20	20
CHARGES FOR CURRENT SERVICES	3,424	2,605	2,418	2,468	2,549	2,549	2,549	2,549
TOTAL PROGRAM REVENUES	6,565	5,272	5,070	5,096	5,126	5,126	5,126	5,126
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS)								
SPECIAL FUNDS	6,565	5,272	5,070	5,096	5,126	5,126	5,126	5,126
TOTAL PROGRAM REVENUES	6,565	5,272	5,070	5,096	5,126	5,126	5,126	5,126

Program Plan Narrative

CCA104: FINANCIAL SERVICES REGULATION

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A. Statement of Program Objectives

To ensure the safety, soundness, and regulatory compliance of State-chartered and State-licensed financial institutions which includes banks, trusts, escrow depositories, money transmitters, mortgage servicers, mortgage loan originators, and mortgage loan originator companies, installment lenders, non-depository trust companies, by fairly administering applicable statutes and rules, in order to protect the rights and funds of depositors, borrowers, consumers, and Hawaii citizens.

B. Description of Request and Compliance with Section 37-68(1)(A)(B)

Not applicable.

C. Description of Activities Performed

The major functions of the Insurance Regulatory Services Program (Program) are to: charter, supervise, regulate, and examine all State banks and credit unions, foreign bank branches, agencies and representative offices, and intra-Pacific branches; license, supervise, regulate, and examine non-depository companies including escrow depositories, money transmitters, mortgage loan originators, mortgage loan originator companies, and mortgage loan originator branches and mortgage servicer companies; and accept and investigate complaints by consumers.

D. Statement of Key Policies Pursued

The Program established a strategic plan and developed policies and operating guidelines to achieve plan objectives. The strategic plan is updated annually and is as follows:

1. Stay relevant in a changing environment.
2. Provide value for the services the division offers.
3. Expand employees' respective skill sets.
4. Embrace the new regulatory and compliance environment.
5. Deliver effective and timely services.

6. Communicate respectfully, timely, and meaningfully.

This strategic plan guides the Program's objectives, and the policies to accomplish those objectives are embedded in its policy and operating manuals.

E. Identification of Important Program Relationships

In supervising financial institutions authorized to take deposits, the Program works closely with the Federal Deposit Insurance Corporation (FDIC), Federal Reserve Bank of San Francisco (FRB), Bureau of Consumer Financial Protection (BCCFP), and National Credit Union Administration (NCUA).

The Program is recognized by two accreditation organizations as providing the highest standards of training for its staff and for appropriately supervising and examining chartered and licensed companies and individuals. The Program was first accredited by the Conference of State Bank Supervisors (CSBS) in 1990 and re-accredited in 1995, 2000, 2005, 2012, and 2018. The CSBS accreditation program sets high standards for State banking regulators nationwide. 47 of the 52 states meet CSBS accreditation requirements.

In the second quarter (Q2) of FY 15, Hawaii was the 18th state in the nation to be accredited by the CSBS/American Association of Residential Mortgage Regulators (AARMR) for mortgage supervision. The CSBS/AARMR accreditation program sets high standards for state mortgage regulators nationwide. Currently, 26 of 66 mortgage regulatory agencies meet CSBS/AARMR accreditation standards. The accreditation program includes the mortgage loan originator, mortgage loan originator companies, and mortgage servicer programs. Hawaii was also recognized for its robust regulatory scheme and oversight, as well as its mature examination program.

F. Description of Major External Trends Affecting the Program

Hawaii has six Hawaii State-chartered banks, two out-of-State chartered banks (CA and WA), two national banks, one intra-Pacific branch, and one foreign bank. The Program directly supervises the six Hawaii State-chartered banks, oversees with its sister states the two out-of-State chartered banks, and oversees one foreign bank. All State-

Program Plan Narrative

chartered banks are operating in a safe and sound manner and complying with regulatory laws and guidance. As of 2Q FY 17, all State-chartered banks have reported increased earnings due in part to increased loan growth. The Program conducts multi-state examinations with other states for non-depository companies that conduct business in the United States and abroad.

As the provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act") are implemented by the various federal regulatory agencies, the Program will also meet the needs to inform and supervise our State-chartered and State-licensed financial institutions for the protection of consumers. Some of the amendments of the Dodd-Frank Act include changes in capital requirements, executive compensation and corporate governance, the direction of the Bureau of Consumer Financial Protection, the regulatory burdens on community banks (banks with less than \$10 billion in assets), stress testing, mortgage foreclosure, loosening of lending standards and the Bank Secrecy Act and Anti-Money Laundering laws.

The Program is also watching the following issues over the next few years, as regulatory oversight continues to evolve and tighten:

1. Financial Technology (fintech) companies offering traditional banking products.
2. Effective regulation of Non-bank Financial Institutions and the impact on global economic conditions.
3. Basel III and efforts to harmonize capital requirements, regulation, and enforcement.

The long-term impact of the global financial crisis of the last decade has created a "new normal" for financial service products and delivery of products and services. This evolution has increased supervisory oversight, as mandated by new federal laws and as a response to consumer expectations. New federal laws changing the requirements under the Dodd-Frank Act have added new complexity to supervising both large banks and community banks.

The major outcome of the global financial crisis is the emergence of

fintech companies disrupting the financial industry by offering products and services traditionally offered by banks. Consequently, information security, cybersecurity risks, and data privacy have become a focus of the Program. Training and finding staff in this area is challenging due to the disparate salaries offered by the Program and private industry. The Program continues to aggressively respond to these rapidly changing global and local economic conditions and pursues the active regulation and supervision of Hawaii-chartered financial institutions to preserve their safety and soundness and protect the rights of depositors, borrowers, consumers, and other members of the community.

G. Discussion of Cost, Effectiveness, and Program Size Data

The Program measures performance in two ways. The first measurement is empirical and involves financial and examination-based measurements of the fiscal health and regulatory compliance of regulated financial institutions. This measurement is critical, especially in the current climate of global turmoil in the financial services industry, and demonstrates the Program's key area of responsibility to ensure the safety and soundness of Hawaii-chartered and licensed financial institutions. The second measurement involves the Program's internal throughput, i.e., how many complaints have been answered, how many applications have been processed, etc. This measurement is difficult to quantify, since the increasing complexity of inquiries makes reviewing applications and complaints and conducting investigations time- and resource-intensive. This measurement provides the Program with insight into how companies use innovations and solutions to address financial services. The Program is mindful that these measurements do not comprehensively indicate the division's efforts or the regulatory activity occurring at the State and federal level.

Over the last five years, the Program's staffing has undergone a tremendous change, with the addition of 23 new staff members who work with technology to meet the Program's goals and objectives. In FY 18, the Program added one new examiner. The Program's goals and objectives center on the orientation, training, and effective deployment of its examiners and providing best practices to licensees in a professional manner. Federal training programs administered by the FDIC and the Federal Reserve System are regularly used for this purpose, as are web-based programs provided by CSBS, the Risk Management Association, and the Hawaii Bankers Association. On-the-job training is also a

Program Plan Narrative

CCA104: FINANCIAL SERVICES REGULATION

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valuable component of the training plan. The Program's goals also focus on recruiting new staff who will be able to adjust to the rapidly changing landscape of the financial services industry. New financial service products continue to be created, modified, and initiated by licensees regulated and supervised by the Program. Delivery methods have also expanded through use of the internet, cellular phones, and other mobile devices, as well as their impact upon cybersecurity. Consequently, it is challenging for examiners to stay up-to-date with the latest iteration of products, services, and delivery methods.

H. Discussion of Program Revenues

Revenues are generated primarily from the franchise tax, financial institution assessments, application fees, license fees, examination fees, and administrative fines. Revenue estimates were based on the current level of program activities as adjusted for projected changes primarily based on the number of pending applications and plans to fill vacancies.

I. Summary of Analysis Performed

No significant analysis of specific issues was conducted.

J. Further Considerations

None.

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

PROGRAM ID: CCA105
 PROGRAM STRUCTURE NO: 10010304
 PROGRAM TITLE: PROFESSIONAL & VOCATIONAL LICENSING

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
OPERATING COST	71.00*	80.00*	80.00*	80.00*	80.0*	80.0*	80.0*	80.0*
	16.00**	15.00**	15.00**	15.00**	15.0**	15.0**	15.0**	15.0**
PERSONAL SERVICES	6,351,510	9,167,017	9,190,911	9,190,911	9,191	9,191	9,191	9,191
OTHER CURRENT EXPENSES	2,783,438	3,580,075	3,599,075	3,599,075	3,599	3,599	3,599	3,599
TOTAL OPERATING COST	9,134,948	12,747,092	12,789,986	12,789,986	12,790	12,790	12,790	12,790
BY MEANS OF FINANCING								
	63.00*	72.00*	72.00*	72.00*	72.0*	72.0*	72.0*	72.0*
	11.00**	11.00**	11.00**	11.00**	11.0**	11.0**	11.0**	11.0**
SPECIAL FUND	7,557,921	9,869,729	9,909,730	9,909,730	9,910	9,910	9,910	9,910
	8.00*	8.00*	8.00*	8.00*	8.0*	8.0*	8.0*	8.0*
TRUST FUNDS	1,577,027	2,877,363	2,880,256	2,880,256	2,880	2,880	2,880	2,880
	5.00**	4.00**	4.00**	4.00**	4.0**	4.0**	4.0**	4.0**
TOTAL PERM POSITIONS	71.00*	80.00*	80.00*	80.00*	80.0*	80.0*	80.0*	80.0*
TOTAL TEMP POSITIONS	16.00**	15.00**	15.00**	15.00**	15.0**	15.0**	15.0**	15.0**
TOTAL PROGRAM COST	9,134,948	12,747,092	12,789,986	12,789,986	12,790	12,790	12,790	12,790

PROGRAM ID: **CCA105**
PROGRAM STRUCTURE: **10010304**
PROGRAM TITLE: **PROFESSIONAL AND VOCATIONAL LICENSING**

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
MEASURES OF EFFECTIVENESS								
1. % NEW LICENSES ISSUED WITHIN 30-60 BUSINESS DAYS	95	80	80	80	80	80	80	80
2. % LICENSEES RENEWED WITHIN 30-60 BUSINESS DAYS	97	85	85	85	85	85	85	85
3. % PVL-PROPOSED LEGISLATIVE MEASURES ENACTED	90	90	90	90	90	90	90	90
PROGRAM TARGET GROUPS								
1. DE FACTO POPULATION IN HAWAII (000)	1403	1585	1585	1585	1585	1585	1585	1585
2. PERS/BUS LIC BY PVL (ALL STATUSES)	540000	559000	577000	595000	613000	631000	649000	667000
3. PERS/BUS LICENSED BY PVL (CURR AND ACT)	160000	169000	169000	169000	169000	169000	169000	169000
4. REG BOARDS, COMMISSIONS, PROG ASSIGNED TO PVL	52	52	52	52	52	52	52	52
PROGRAM ACTIVITIES								
1. # OF PROF & VOC APPLICATIONS RECEIVED	24000	26000	26000	26000	26000	26000	26000	26000
2. # OF EXAMINEES & REEXAMINEES	10900	7400	7400	7400	7400	7400	7400	7400
3. # OF APPLICANTS LICENSED	16000	20000	20000	20000	20000	20000	20000	20000
4. # OF PERMITS ISSUED	800	1000	1000	1000	1000	1000	1000	1000
5. # OF LICENSES RENEWED/RESTORED	70500	74000	72000	74000	72000	74000	72000	74000
6. # CONDO REQUESTS, APPLS, REPORTS & EDUC OFFERINGS	96000	96000	96000	96000	96000	96000	96000	96000
7. # OF REAL ESTATE REQUESTS AND EDUC OFFERINGS	158000	158000	158000	158000	158000	158000	158000	158000
8. # OF TIME SHARE/SUBDIVISION FILINGS RECEIVED	110	230	100	230	100	230	100	230
9. # OF NEW/REVISED HI ADMIN RULES PROMULGATED	3	3	3	3	3	3	3	3
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS)								
LICENSES, PERMITS, AND FEES	7,592	6,063	7,410	6,612	7,263	6,353	7,548	7,548
REVENUES FROM THE USE OF MONEY AND PROPERTY	424	155	153	155	153	153	153	153
CHARGES FOR CURRENT SERVICES	2,347	1,998	2,211	2,005	2,196	2,013	2,177	2,177
NON-REVENUE RECEIPTS	929	2,848	753	2,848	753	2,852	753	753
TOTAL PROGRAM REVENUES	11,292	11,064	10,527	11,620	10,365	11,371	10,631	10,631
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS)								
SPECIAL FUNDS	10,360	8,211	9,771	8,767	9,609	8,516	9,875	9,875
ALL OTHER FUNDS	932	2,853	756	2,853	756	2,855	756	756
TOTAL PROGRAM REVENUES	11,292	11,064	10,527	11,620	10,365	11,371	10,631	10,631

Program Plan Narrative

CCA105: PROFESSIONAL & VOCATIONAL LICENSING

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A. Statement of Program Objectives

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

B. Description of Request and Compliance with Section 37-68(1)(A)(B)

Adds \$25,000 in special funds for FY 26 and FY 27 for consultant services for the Inter-state Nursing Compact.

C. Description of Activities Performed

The Professional and Vocational Licensing Program (Program) is responsible for the licensing and regulation of 51 different professions and vocations. It provides administrative support to 25 regulatory licensing boards and, on behalf of the director of the department, administers 26 regulatory licensing programs.

The Program's trust funds are dedicated to specific statutory purposes to educate the licensees who are the contributors to the fund, serve as a source of monetary recovery for an injured consumer, or support increased government service demands by licensees. Two funds are federally mandated to collect fees on its behalf, with revenues going to the federal agency.

D. Statement of Key Policies Pursued

For both the special and trust funds, the Program's clients are to be serviced with quality, equity, dependability, and promptness. Individuals and entities licensed by the program are to be competent so that the consuming public's health, safety, and welfare are protected.

E. Identification of Important Program Relationships

The Program has equally important relationships with other State agencies, counties, federal agencies, private sector programs, and national regulatory and licensing bodies. Persons who are licensed by this program may be employees, contractors, or service providers of these private and public sector agencies. Consultation and coordination

may be necessary in cases where changes in licensing and regulation could have a significant or adverse effect on said agencies.

The trust funds do not necessarily require agency relationships since the beneficiaries of the trust funds are the contributing licensees, injured consumers, or a federal agency.

F. Description of Major External Trends Affecting the Program

A change in economic conditions could affect the number of persons seeking licensure or renewing licenses. This impacts revenues to the special fund and the trust funds and the program's self-sufficiency.

The Program continues to receive requests to take over licensing functions outside the jurisdiction and expertise of the Department of Commerce and Consumer Affairs. The expansion of the Program in this fashion would undermine and jeopardize its jurisdictional focus and negatively affect its current population of 158,520 licensees and the ongoing professional services that the Program currently provides them.

Federal licensing mandates also impact the Program, although nothing is pending at this time.

G. Discussion of Cost, Effectiveness, and Program Size Data

For the special fund, the budget is consistent with the Program's anticipated expenditures. The program's prudent spending requires it to have a fund balance at the end of the fiscal year, for carryover purposes. New regulatory programs enacted and assigned to the Program by the Legislature, as well as general increases in cost for products and services, could increase expenditures and result in an increase in program size.

For the trust funds, the budget is consistent with current workloads and anticipated expenditures.

H. Discussion of Program Revenues

For the special fund, all revenues are derived from fees paid by applicants for professional and vocational licenses and renewing

Program Plan Narrative

CCA105: PROFESSIONAL & VOCATIONAL LICENSING

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licensees.

With the advent of self-sufficiency in July 1994, the Program is sustained by its revenues, has provided discounts for online renewals where applicable and as provided for in HRS 92-28, continues its cost control measures to maintain appropriate service standards in spite of rising operational costs, and further ensures sufficient carryover balances each year

For the trust funds, revenues are derived from trust fund fees paid in the initial license and/or at renewal. Estimation of revenues is based on past trending and other planned programs of work, estimation of recovery fund payouts to consumers from the applicable fund(s). External considerations, such as the effect of economic conditions, also impact revenues.

I. Summary of Analysis Performed

No significant analysis of specific issues was conducted.

J. Further Considerations

None.

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

PROGRAM ID: CCA106
 PROGRAM STRUCTURE NO: 10010306
 PROGRAM TITLE: INSURANCE REGULATORY SERVICES

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
OPERATING COST	95.00*	94.00*	95.00*	95.00*	95.0*	95.0*	95.0*	95.0*
	0.00**	0.00**	0.00**	0.00**	0.0**	0.0**	0.0**	0.0**
PERSONAL SERVICES	8,765,078	12,331,288	12,541,252	12,541,252	12,541	12,541	12,541	12,541
OTHER CURRENT EXPENSES	7,270,528	9,906,532	11,406,532	10,406,532	10,407	10,407	10,407	10,407
TOTAL OPERATING COST	16,035,606	22,237,820	23,947,784	22,947,784	22,948	22,948	22,948	22,948
BY MEANS OF FINANCING	95.00*	94.00*	95.00*	95.00*	95.0*	95.0*	95.0*	95.0*
	**	**	**	**	**	**	**	**
SPECIAL FUND	15,931,254	22,036,820	23,746,784	22,746,784	22,747	22,747	22,747	22,747
	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**
TRUST FUNDS	104,352	201,000	201,000	201,000	201	201	201	201
TOTAL PERM POSITIONS	95.00*	94.00*	95.00*	95.00*	95.0*	95.0*	95.0*	95.0*
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	16,035,606	22,237,820	23,947,784	22,947,784	22,948	22,948	22,948	22,948

PROGRAM ID: **CCA106**
PROGRAM STRUCTURE: **10010306**
PROGRAM TITLE: **INSURANCE REGULATORY SERVICES**

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
MEASURES OF EFFECTIVENESS								
1. % OF COMPLAINTS RESOLVED WITHIN 90 DAYS	90	90	90	90	90	90	90	90
2. % INSURER'S EXAM WKLD COMPL AT LEAST ONCE IN 5 YR	100	100	100	100	100	100	100	100
3. % CAPTIVE INSUR EXAM WKLD CMP W/IN 3 OR 5 YR REQUI	100	80	100	100	100	100	100	100
4. % RATE/POL FILINGS REVIEWED W/IN STAT TIME REQMTS	95	95	95	95	95	95	95	95
5. % OF INSURANCE FRAUD CASES INDICTED BY THE STATE	100	100	100	100	100	100	100	100
6. % CHANGE FROM PRIOR YEAR IN # OF CAPTIVE LICENSEES	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
7. % SCREENING APPLICANTS ASSIGNED CLAIMS PRG	90	90	90	90	90	90	90	90
PROGRAM TARGET GROUPS								
1. DE FACTO POPULATION IN HAWAII (000)	1403	1585	1585	1585	1585	1585	1585	1585
2. INSURER LICENSEES REGULATED BY INSURANCE DIV	1397	1404	1411	1418	1426	1433	1433	1433
3. CAPTIVE LICENSEES REGULATED BY INSURANCE DIVISION	268	278	286	294	302	310	318	326
4. OTHER LICENSEES REGULATED BY INSURANCE DIVISION	123000	120000	125000	130000	135000	140000	145000	147000
5. MOTOR VEHICLES SUBJECT TO INS REGULATIONS (000)	1075	1030	1058	1068	1079	1090	1090	1090
PROGRAM ACTIVITIES								
1. # OF LICENSE APPL, RENEWALS & UPDATES PROCESSED	225026	314890	325001	335115	345233	355353	365527	375605
2. # OF COMPLAINTS	550	520	520	520	520	520	520	520
3. # FRAUD REFER & COMPLAINTS OPEN FOR INVESTIGATIONS	77	75	75	75	75	75	75	75
4. # INFORM BRFNCS & CAPTIVE DEV ACTIVITIES DURING YR	52	52	52	52	52	52	52	52
5. # OF ANNUAL COMPANY FILINGS PROCESSED	2611	3950	3878	3900	3924	3948	3971	3995
6. # INSUR & CAPTIVES APPL FOR CERT OF AUTH REVIEWED	34	41	35	35	35	35	35	35
7. # OF EXAMS OF DOMESTIC INS & INS-TYPE ENTITIES	50	58	52	54	60	62	63	57
8. # INSURER & ISSUER RATE & POLICY FILINGS ANALYZED	3810	3710	3610	3610	3610	3610	3610	3610
9. # OF PREMIUM TAX STATEMENTS FILED	11242	9187	9265	9343	9421	9499	9577	9655
10. # OF INSURER REPORTS ANALYZED CAPTIVES & RISK RTNT	341	334	334	334	334	334	334	334
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS)								
TAXES	214,455	218,200	221,300	223,400	225,400	227,400	229,400	231,400
LICENSES, PERMITS, AND FEES	6,253	6,250	6,500	6,750	7,000	7,250	7,500	7,500
REVENUES FROM THE USE OF MONEY AND PROPERTY	959	880	880	880	880	880	880	880
CHARGES FOR CURRENT SERVICES	9,918	10,814	10,634	10,939	11,239	11,539	11,839	11,839
FINES, FORFEITS AND PENALTIES	453	600	1,015	945	560	235	235	235
NON-REVENUE RECEIPTS	4,540	5,576	5,150	5,150	5,150	5,150	5,150	5,150
TOTAL PROGRAM REVENUES	236,578	242,320	245,479	248,064	250,229	252,454	255,004	257,004
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS)								
GENERAL FUNDS	215,741	220,426	223,000	225,000	227,000	229,000	231,000	233,000
SPECIAL FUNDS	20,631	21,689	22,274	22,859	23,024	23,249	23,799	23,799
ALL OTHER FUNDS	206	205	205	205	205	205	205	205
TOTAL PROGRAM REVENUES	236,578	242,320	245,479	248,064	250,229	252,454	255,004	257,004

Program Plan Narrative

CCA106: INSURANCE REGULATORY SERVICES

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A. Statement of Program Objectives

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

B. Description of Request and Compliance with Section 37-68(1)(A)(B)

Transfers in 1.00 permanent position and \$172,377 in special funds for FY 26 and FY 27 from the Cable Television Program to the Insurance Regulatory Services Program (Program).

Adds \$1,500,000 in special funds for FY 26 and \$500,000 for FY 27 for the Captive Insurance Branch's (CIB) information technology project.

Adds \$4,629 in FY 26 and FY 27 for fringe benefits.

C. Description of Activities Performed

The Program is responsible for the regulatory oversight of the insurance industry. The major activities are: analysis of approval or disapproval of policies and rate filings; review of insurance entities' financial, operating and tax statements; field examinations of insurers, health maintenance organizations, rating organizations, mutual and fraternal benefit societies, advisory organizations, agencies, independent claims organizations, and guaranty associations; qualification examinations and licensing insurers, health maintenance organizations, and all categories of producers to transact insurance; administration of the Hawaii Joint Underwriting Plan, including the development and promulgation of motor vehicle insurance rates, and legal service plans; investigation of complaints by the public of alleged violations of insurance statutes and rules and other consumer requests for assistance; investigation of violations and enforcement of insurance fraud laws with the exception of workers' compensation insurance; regulatory surveillance for market conduct and financial condition of all insurers, health maintenance organizations, and mutual and fraternal benefit societies for compliance with insurance laws; and licensing, examination and regulatory oversight of the captive insurance companies and development of the captive industry in Hawaii.

D. Statement of Key Policies Pursued

Assuring the public of the broadest possible insurance coverages and benefits commensurate with reasonable rates from competent insurers and producers; monitoring the financial solvency of licensed insurance companies to assure the insurers' ability to pay claims; enforcing all laws and regulations; and improving the level of voluntary compliance by the industry and public.

E. Identification of Important Program Relationships

The Director of the Department of Commerce and Consumer Affairs has tasked the Program to provide staff support services in the administration of Chapter 448D, HRS, Dental Service Organizations, and Chapter 488, HRS, Legal Service Plans. The Insurance Commissioner is an ex-officio member of the Hawaii Hurricane Relief Fund (HHRF).

F. Description of Major External Trends Affecting the Program

Major external trends affecting the Program are as follows:

1. Hawaii is experiencing unprecedented rate increases in the condominium insurance market due to a hardening global insurance industry and the recent increase of catastrophic events around the world. The Program is continuing to work with the Joint Executive and Legislative Task Force to implement short-term fixes and recommend emergency changes or legislative proposals.
2. The HHRF was recently reconstituted with a full number of board members, after many years of dormancy. The Program is working with the HHRF Board of Directors to assist with the board's efforts to provide insurance to the condominium market.

G. Discussion of Cost, Effectiveness, and Program Size Data

1. The Financial Surveillance and Examination Branch (FSEB) performs quarterly and annual financial analyses and evaluates the financial condition of twenty-eight domestic insurers in accordance with guidelines established by the NAIC. FSEB also conducts financial examinations of domestic insurers at least once every three to five years in accordance with the Hawaii Revised Statutes and guidelines established by the NAIC.

Program Plan Narrative

CCA106: INSURANCE REGULATORY SERVICES

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FSEB also licenses and renews approximately 1,400 out-of-state insurers who are authorized to conduct the business of insurance in Hawaii and processed more than 9,978 premium tax returns and collected over \$211 million in premium taxes and assessments.

2. The Compliance and Enforcement Branch (CEB) handles an average of 400 complaints annually. CEB also reviews approximately 2,300 license applications for criminal and administrative violation background checks and fields approximately 1,400 consumer calls a year.

3. The Rate and Policy Analysis Branch completed 95% of forms and rate filings reviews within the statutory time requirements in the last fiscal year. Annually, approximately 4,400 forms and rate filings are analyzed.

4. The Licensing Branch (LB) maintains the licensing database for over 114,000 licensees. Hawaii licenses and registrations for new, renewal, late renewal, reinstatement, appointments, termination of appointments, addition of lines of authority, and address changes are submitted online. All CE providers and course approvals or renewals must be submitted online. LB continues to work with our IT provider to accept online submissions for name and designated responsible licensed producers changes and anticipates both online services will go live in 2025. The voluntary surrender of licenses will continue to be processed manually by LB until they are available for online submission.

5. CIB has 269 active captive insurance companies licensed at the end of last fiscal year. Hawaii continues to attract captives from Fortune 500 companies in the United States and a growing number of Japan-based corporations that normally have few business contacts in the United States. These captive insurance companies add millions of dollars in investments held in Hawaii and managed by local Hawaii banks and financial institutions. As of December 31, 2023, total investments held in Hawaii was approximately \$2.16 billion. Hawaii's captive industry also supports many specialized local professional services from the sectors of public accounting, legal, claims administration, and other insurance-related services.

6. The Insurance Fraud Investigations Branch (IFIB) received 517 referrals from insurance companies, various agencies, and the public. Of those accepted for prosecution, criminal indictments were obtained

against 25 individuals who submitted fraudulent claims totaling \$390,000 for the fiscal year.

7. The Health Branch (HB) received and reviewed 108 health insurance rate and form filings all within statutory time requirements, resulting in consumer savings of over \$6.9 million. The HB reviewed 124 complaints with the resolution of complaints resulting in consumer savings of \$353,000. The branch handles about 300 information inquiries a year.

H. Discussion of Program Revenues

The program collected \$211.8 million in insurance premium taxes for deposit into the general fund in FY 24.

The program's operating expenditures, except for CB, are paid from the Compliance Resolution Fund (CRF). The CRF revenue sources are licensing fees, fines, penalties, reimbursements, and assessments to cover the program's operating needs. Additionally, funds are available for the education and training of staff and personnel and to pay for the cost of consumer education and information from a trust fund established pursuant to Section 431:2-214, Hawaii Revised Statutes.

CB's operating expenditures are paid from the Captive Insurance Administrative Fund (CIAF). The CIAF revenue sources are premium taxes, fees, fines, penalties, and reimbursements to cover the program's costs.

I. Summary of Analysis Performed

No significant analysis of specific issues was conducted.

J. Further Considerations

None.

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

PROGRAM ID: CCA107
 PROGRAM STRUCTURE NO: 10010307
 PROGRAM TITLE: POST-SECONDARY EDUCATION AUTHORIZATION

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
OPERATING COST	2.00*	1.00*	1.00*	1.00*	1.0*	1.0*	1.0*	1.0*
	0.00**	0.00**	0.00**	0.00**	0.0**	0.0**	0.0**	0.0**
PERSONAL SERVICES	87,449	169,143	176,877	176,877	177	177	177	177
OTHER CURRENT EXPENSES	19,149	72,175	72,175	72,175	72	72	72	72
TOTAL OPERATING COST	106,598	241,318	249,052	249,052	249	249	249	249
BY MEANS OF FINANCING	2.00*	1.00*	1.00*	1.00*	1.0*	1.0*	1.0*	1.0*
	**	**	**	**	**	**	**	**
SPECIAL FUND	106,598	241,318	249,052	249,052	249	249	249	249
TOTAL PERM POSITIONS	2.00*	1.00*	1.00*	1.00*	1.0*	1.0*	1.0*	1.0*
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	106,598	241,318	249,052	249,052	249	249	249	249

PROGRAM ID: **CCA107**
PROGRAM STRUCTURE: **10010307**
PROGRAM TITLE: **POST-SECONDARY EDUCATION AUTHORIZATION**

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
MEASURES OF EFFECTIVENESS								
1. % OF WRITTEN INQUIRIES ADDRESSED WITHIN 30 DAYS	85	85	85	85	85	85	85	85
2. % OF COMPLETED APPLICATIONS REVIEWED WITHIN 60 DAYS	80	80	80	80	80	80	80	80
3. % OF COMPLAINTS ADDRESSED WITHIN 90 DAYS	75	75	75	75	75	75	75	75
PROGRAM TARGET GROUPS								
1. # OF ACCRTD DGR GRNTING POST-SEC ED INSTS RGLTD	25	19	19	19	19	19	19	19
PROGRAM ACTIVITIES								
1. # WRTN INQ RECVD CONCERN LAW'S REQ FOR AUTHORIZTN	120	120	120	120	120	120	120	120
2. # OF APPLICATIONS RECEIVED AND REVIEWED	21	7	12	7	12	7	12	7
3. NUMBER OF AUTHORIZATIONS OR REAUTHORIZATIONS	21	7	12	7	12	7	12	7
4. NUMBER OF COMPLAINTS RECEIVED	3	3	3	3	3	3	3	3
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS)								
LICENSES, PERMITS, AND FEES	178	141	178	141	178	141	178	129
REVENUES FROM THE USE OF MONEY AND PROPERTY	1	1	1	1	1	1	1	1
TOTAL PROGRAM REVENUES	179	142	179	142	179	142	179	130
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS)								
SPECIAL FUNDS	179	142	179	142	179	142	179	130
TOTAL PROGRAM REVENUES	179	142	179	142	179	142	179	130

Program Plan Narrative

CCA107: POST-SECONDARY EDUCATION AUTHORIZATION

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A. Statement of Program Objectives

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

B. Description of Request and Compliance with Section 37-68(1)(A)(B)

Adds \$7,282 in special funds for FY 26 and FY 27 for fringe benefits.

C. Description of Activities Performed

The Department of Commerce and Consumer Affairs (DCCA) was tasked by Act 180, SLH 2013, with establishing the Hawaii Post-Secondary Education Authorization Program (HPEAP) to comply with 34 C.F.R. Section 600.9. The law, codified as Chapter 305J, HRS, requires accredited, degree-granting, post-secondary educational institutions physically present in the State to obtain State authorization to be eligible for Title IV student financial aid. To meet its objective, HPEAP performs the following functions:

1. HPEAP provides information to educational institutions seeking authorization or clarification of the law regarding its requirements and exemptions and provides information to consumers regarding the complaints process.
2. HPEAP receives and reviews applications and issues authorizations and subsequent reauthorizations on a biennial basis.
3. HPEAP monitors authorized institutions for compliance with the law and rules and receives and reviews complaints, conducts investigations, and takes legal action, if necessary, to address violations of the law or rules.
4. HPEAP receives and reviews any claims from students of closed authorized institutions and receives educational records from these institutions.
5. HPEAP issues transcripts of closed authorized institutions to former students and employment screening companies.

6. HPEAP serves as the State's portal entity for the State Authorization Reciprocity Agreement (SARA). Institutions which want to be a part of SARA must be approved by HPEAP before offering distance education courses to students in other SARA member states.

D. Statement of Key Policies Pursued

HPEAP seeks to implement the State Plan for Individual Rights by working to resolve complaints and investigations in a timely manner, by providing information to consumers as they navigate the complaints process, and by working with educational institutions as they navigate the authorization process.

E. Identification of Important Program Relationships

HPEAP maintains contact with the U.S. Department of Education (USDE) to monitor changes in federal regulations and to ensure that the State complies with federal requirements. Additionally, HPEAP works with USDE-recognized accrediting agencies to monitor actions taken by the accrediting agencies relevant to authorized institutions.

F. Description of Major External Trends Affecting the Program

Major external trends, including national and local trends regarding industry practices and economics, can affect the program. For example, USDE regulations concerning distance learning and licensure disclosure notifications to students by institutions may affect program operations. Any new federal requirements will need to be reconciled with HPEAP's law.

G. Discussion of Cost, Effectiveness, and Program Size Data

The Program has attempted to minimize costs to the extent feasible because projections show the Program is not self-sufficient. At this time, the Program is operating with one staff member; however, DCCA will need to pursue adequate funding in the near future to ensure it has sufficient resources to investigate complaints, engage in enforcement activities, and respond to any sudden closures of institutions.

Program Plan Narrative

CCA107: POST-SECONDARY EDUCATION AUTHORIZATION

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H. Discussion of Program Revenues

Program revenues are derived from authorization fees and reauthorization fees paid by authorized institutions. Authorizations are renewed biennially, resulting in variances between fiscal years. The number of institutions in the target group which are required to be authorized is limited, and revenue projections indicate the Program is not self-sufficient.

I. Summary of Analysis Performed

No significant analysis of specific issues was conducted.

J. Further Considerations

None.

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

PROGRAM ID: CCA901
 PROGRAM STRUCTURE NO: 10010308
 PROGRAM TITLE: PUBLIC UTILITIES COMMISSION

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
OPERATING COST	67.00*	67.00*	69.00*	69.00*	69.0*	69.0*	69.0*	69.0*
	0.00**	0.00**	0.00**	0.00**	0.0**	0.0**	0.0**	0.0**
PERSONAL SERVICES	7,069,904	9,596,570	9,860,952	9,919,185	9,919	9,919	9,919	9,919
OTHER CURRENT EXPENSES	5,547,141	10,408,106	11,758,106	9,858,106	9,858	9,858	9,858	9,858
TOTAL OPERATING COST	12,617,045	20,004,676	21,619,058	19,777,291	19,777	19,777	19,777	19,777
BY MEANS OF FINANCING								
	67.00*	67.00*	69.00*	69.00*	69.0*	69.0*	69.0*	69.0*
	**	**	**	**	**	**	**	**
SPECIAL FUND	12,617,045	20,004,676	21,619,058	19,777,291	19,777	19,777	19,777	19,777
TOTAL PERM POSITIONS	67.00*	67.00*	69.00*	69.00*	69.0*	69.0*	69.0*	69.0*
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	12,617,045	20,004,676	21,619,058	19,777,291	19,777	19,777	19,777	19,777

PROGRAM ID: **CCA901**
PROGRAM STRUCTURE: **10010308**
PROGRAM TITLE: **PUBLIC UTILITIES COMMISSION**

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
MEASURES OF EFFECTIVENESS								
1. % RATE CASE APPS WHERE DEC(I/F) W/IN APP TEST YR	100	100	100	100	100	100	100	100
2. % ELECTRIC PPAS COMPLTD W/IN STIPULATED TIME FRAME	100	100	100	100	100	100	100	100
3. % INFORMAL COMPLAINTS CLOSED WITHIN 90 DAYS	85	100	100	100	100	100	100	100
4. % OF UIPA REQUESTS RESP TO W/IN STAT TIMEFRAME	90	100	100	100	100	100	100	100
5. % OF COMPLETED COAS/CORS APP DEC ISS W/IN 120 DAYS	2	100	100	100	100	100	100	100
6. NO. MONTHLY UTILITY TARIFF ORDERS TIMELY FILED	2	12	12	12	12	12	12	12
7. # OF MNTHLY MOTOR CARRIER TRIFF ORDRS TIMELY FILED		12	12	12	12	12	12	12
8. % UTIL RENEW GEN APPS COMP W/IN PTIES STIP TMFRAME		100	100	100	100	100	100	100
9. % UTIL NONRNW GEN APP RTMT W/IN PTIES STIP TMFRME		100	100	100	100	100	100	100
PROGRAM TARGET GROUPS								
1. ELECTRIC AND GAS COMPANIES	5	5	5	5	5	5	5	5
2. PROPERTY CARRIERS	526	526	526	526	526	526	526	526
3. PASSENGER CARRIERS	943	943	943	943	943	943	943	943
4. WATER COMMON CARRIERS	2	2	2	2	2	2	2	2
5. PRIVATE WATER AND WASTEWATER UTILITY COMPANIES	39	39	39	39	39	39	39	39
6. TELECOMMUNICATIONS COMPANIES	185	185	185	185	185	185	185	185
7. NONREGULATED OPERATORS OF SUBSURFACE INSTALLATIONS	47	10	10	10	10	10	10	10
PROGRAM ACTIVITIES								
1. NUMBER OF APPLICATIONS FILED	435	435	435	435	435	435	435	435
2. NO. DECISIONS/ORDERS & ORDERS ISSUED DOCKETD MATTR	870	870	870	870	870	870	870	870
3. NO. PUBLIC HEARINGS AND CONTESTED CASE HEARINGS	20	20	20	20	20	20	20	20
4. NUMBER OF CACS INVESTIGATIONS INITIATED	30	150	150	150	150	150	150	150
5. NUMBER OF CONTRACTED PROGRAMS ADMINISTERED	90	3	3	3	3	3	3	3
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS)								
CHARGES FOR CURRENT SERVICES	22,177	22,876	22,876	22,876	22,876	22,876	22,876	22,876
FINES, FORFEITS AND PENALTIES	187	206	206	206	206	206	206	206
NON-REVENUE RECEIPTS	2,104	4,000	4,000	4,000	4,000	4,000	4,000	4,000
TOTAL PROGRAM REVENUES	24,468	27,082	27,082	27,082	27,082	27,082	27,082	27,082
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS)								
GENERAL FUNDS	2,104	4,000	4,000	4,000	4,000	4,000	4,000	4,000
SPECIAL FUNDS	22,364	23,082	23,082	23,082	23,082	23,082	23,082	23,082
TOTAL PROGRAM REVENUES	24,468	27,082	27,082	27,082	27,082	27,082	27,082	27,082

Program Plan Narrative

CCA901: PUBLIC UTILITIES COMMISSION

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A. Statement of Program Objectives

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

B. Description of Request and Compliance with Section 37-68(1)(A)(B)

Adds 1.00 permanent position and \$58,233 for FY 26 and \$116,466 for FY 27 in special funds for an Auditor V.

Adds 1.00 permanent position and \$167,772 in special funds for FY 26 and 27 for an Engineer V.

Adds \$1,000,000 in special funds for FY 26 for 2023 Maui Wildfires-related consultant costs.

Adds \$900,000 in special funds for FY 26 for statutory cash transfers to the Division of Consumer Advocacy (DCA).

Adds \$12,729 in special funds for FY 26 and FY 27 for fringe benefits.

Adds \$350,000 in special funds for FY 26 and FY 27 for central services assessments.

C. Description of Activities Performed

The Public Utilities Commission (PUC) Program (Program) is engaged in legislative, judicial, and administrative regulatory activities, such as:

1. Establishing rules and regulations, which include service standards for regulated public utilities and transportation companies;
2. Rendering decisions regarding the reasonableness of rates and the efficiency in operational and service practices affecting ratepayers and the public;
3. Processing applications; reviewing requests; and conducting audits, inspections, and enforcement activities of companies under the PUC's jurisdiction, to ensure compliance with rules and regulations; and

4. Developing and administering ratepayer-focused programs pursuant to legislative/statutory directives, such as renewable energy and energy efficiency programs, the One Call Center and Telecommunications Relay Services

D. Statement of Key Policies Pursued

Ensuring Hawaii's public utility consumers have access to essential utilities and services that are delivered in safe, reliable, and resilient ways. This is achieved by being engaged and well-informed on emerging issues in the utility industry; fostering utilities' economic viability; making decisions with integrity and attention to cultural, environmental, and economic concerns; and maintaining an outstanding team who are well-prepared and supported to deliver strong regulatory oversight on behalf of Hawaii's residents.

E. Identification of Important Program Relationships

Environmental and economic concerns due to public utility operations and conservation and efficient use of energy are related to the objectives of the Departments of Health; Land and Natural Resources; Labor and Industrial Relations (DLIR); Taxation; and Business, Economic Development, and Tourism. For transportation, excavator, and subsurface installation services, the Department of Transportation, county offices statewide, and the DLIR are involved in the safety of operations of regulated entities. DCA is the agency tasked with representing consumers of the State in regulatory matters before the Program.

F. Description of Major External Trends Affecting the Program

1. Several major legislative mandates, including the Renewable Portfolio Standards, the Energy Efficiency Portfolio Standards, the Public Benefits Fee, the Community-based Renewable Energy Program, and others, are key energy initiatives under the purview of the Program. Given the State's overall desire to promote clean energy policies to stabilize Hawaii's economy and move towards energy independence, the majority of the Program's time and resources are devoted to this sector.
2. The Federal Universal Service Fund (USF) Program, created by the U.S. Congress through the Telecommunications Act of 1934,

Program Plan Narrative

CCA901: PUBLIC UTILITIES COMMISSION

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as amended in 1996 (Act) is designed primarily to: (1) promote the availability of quality telecommunications services (TS) at just, reasonable, and affordable rates; (2) increase access to advance TS throughout the Nation; and (3) advance the availability of such services to all consumers, including those in low-income, rural, insular, and high-cost areas, at rates reasonably comparable to those charged in urban areas. As provided by the Act, the USF receives contributions from providers of the TS and the moneys paid out to those carriers designated as Eligible Telecommunications Carriers (ETCs) in order to assist them in recovering the costs of providing the TS.

In addition to designating ETCs, the PUC annually certifies to the Federal Communications Commission (FCC) that all ETCs that receive high-cost USF support are using those funds for their intended purposes. On November 18, 2011, the FCC released a comprehensive order to reform universal service, which added broadband as a supported service, changed funding eligibility and distribution, and adopted a number of specific performances and reporting obligations. On April 1, 2016, the FCC released an order to modernize and reform the Lifeline telephone subsidy for low-income Americans to include internet access. The FCC's stated goals of reform are to preserve and advance the availability of fixed and mobile voice and broadband services, and to minimize the USF contribution burden on the public.

3. Several environmental matters and actions of the Federal government affect the regulation of public utilities in Hawaii; changes in laws and regulations can change utility service costs significantly, and these changes have the potential to affect both existing and future facilities. Such regulations include the Mercury and Air Toxics Standards (MATS), the National Ambient Air Quality Standards (NAAQS), nationwide standards for controlling hazardous air pollutant emissions from industrial, commercial, institutional boilers and process heaters, the Regional Haze Federal Implementation Plan and programs to control carbon emissions from power plants.

G. Discussion of Cost, Effectiveness, and Program Size Data

The Program continues to transition and enhance its organizational structure to support the rapid evolution of the Commission's role and responsibilities. The Program's integral role in helping Hawaii achieve its clean energy goals by 2045, as well as in supporting the tourism and

commercial business sectors, resulted in an increased volume of cases and complexity of work. As the Program's continuously strives for efficient and effective operations, it must ensure it has adequate and appropriate staff and program resources to address the Program's growing responsibilities.

H. Discussion of Program Revenues

Program revenues are collected from regulated utilities and transportation companies from the public utility fee assessed on regulated revenues, penalties, citations, and filing fees. For FY 24, it is projected that \$17 million will be collected. Funds remaining in the PUC Special Fund in excess of \$1 million are lapsed from the PUC Special Fund to the General Fund in the first quarter following the fiscal year-end pursuant to Section 269-33(d).

I. Summary of Analysis Performed

The Program is implementing its 2024-2027 Strategic Plan, which focuses on three priority goals: to have established well-documented and accessible, modernized systems, and a mechanism to track issues and improvements; to increase employees' productivity and satisfaction by enhancing access to and understanding of human resource protocols for professional engagement, growth, and development; and to have guidelines and activities for increased public engagement that inform the Program's decision-making.

J. Further Considerations

None.

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

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

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
OPERATING COST	164.00*	163.00*	163.00*	163.00*	163.0*	163.0*	163.0*	163.0*
	2.00**	2.00**	2.00**	2.00**	2.0**	2.0**	2.0**	2.0**
PERSONAL SERVICES	13,179,651	18,552,416	18,735,118	18,735,118	18,735	18,735	18,735	18,735
OTHER CURRENT EXPENSES	4,552,252	3,913,077	4,563,077	4,563,077	4,564	4,564	4,564	4,564
TOTAL OPERATING COST	17,731,903	22,465,493	23,298,195	23,298,195	23,299	23,299	23,299	23,299
BY MEANS OF FINANCING								
	164.00*	163.00*	163.00*	163.00*	163.0*	163.0*	163.0*	163.0*
	2.00**	2.00**	2.00**	2.00**	2.0**	2.0**	2.0**	2.0**
SPECIAL FUND	17,463,717	22,364,812	23,197,514	23,197,514	23,198	23,198	23,198	23,198
	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**
TRUST FUNDS	268,186	100,681	100,681	100,681	101	101	101	101
TOTAL PERM POSITIONS	164.00*	163.00*	163.00*	163.00*	163.0*	163.0*	163.0*	163.0*
TOTAL TEMP POSITIONS	2.00**	2.00**	2.00**	2.00**	2.0**	2.0**	2.0**	2.0**
TOTAL PROGRAM COST	17,731,903	22,465,493	23,298,195	23,298,195	23,299	23,299	23,299	23,299

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

PROGRAM ID: CCA110
 PROGRAM STRUCTURE NO: 10010401
 PROGRAM TITLE: OFFICE OF CONSUMER PROTECTION

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
OPERATING COST	19.00*	19.00*	20.00*	20.00*	20.0*	20.0*	20.0*	20.0*
	1.00**	1.00**	1.00**	1.00**	1.0**	1.0**	1.0**	1.0**
PERSONAL SERVICES	2,002,898	2,617,970	2,720,572	2,720,572	2,721	2,721	2,721	2,721
OTHER CURRENT EXPENSES	639,184	863,788	1,213,788	1,213,788	1,214	1,214	1,214	1,214
TOTAL OPERATING COST	2,642,082	3,481,758	3,934,360	3,934,360	3,935	3,935	3,935	3,935
BY MEANS OF FINANCING								
	19.00*	19.00*	20.00*	20.00*	20.0*	20.0*	20.0*	20.0*
	1.00**	1.00**	1.00**	1.00**	1.0**	1.0**	1.0**	1.0**
SPECIAL FUND	2,373,896	3,381,077	3,833,679	3,833,679	3,834	3,834	3,834	3,834
	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**
TRUST FUNDS	268,186	100,681	100,681	100,681	101	101	101	101
TOTAL PERM POSITIONS	19.00*	19.00*	20.00*	20.00*	20.0*	20.0*	20.0*	20.0*
TOTAL TEMP POSITIONS	1.00**	1.00**	1.00**	1.00**	1.0**	1.0**	1.0**	1.0**
TOTAL PROGRAM COST	2,642,082	3,481,758	3,934,360	3,934,360	3,935	3,935	3,935	3,935

PROGRAM ID: **CCA110**
PROGRAM STRUCTURE: **10010401**
PROGRAM TITLE: **OFFICE OF CONSUMER PROTECTION**

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
MEASURES OF EFFECTIVENESS								
1. # CONSUMERS DIRECTLY AFFECTED BY OFFICE ACTN (000)	50	50	50	50	50	50	50	50
2. # BUSINESSES DIRECTLY AFFECTED BY OFFICE INVSTGTNS	900	900	900	900	900	900	900	900
3. \$ AMT RECOVERED THROUGH LEGAL ACTION (EX MS) (000)	700	700	700	700	700	700	700	700
4. \$ AMTS RECOVERED THRU MULTISTATE CASES (000)	1000	1500	1500	1500	1500	1500	1500	1500
5. % LEGAL ACTIONS RESOLVED IN FAVOR OF OCP	100	100	100	100	100	100	100	100
PROGRAM TARGET GROUPS								
1. RESIDENT STATE POPULATION (000)	1400	1400	1400	1400	1400	1400	1400	1400
2. VISITORS TO HAWAII (000)	8000	8000	8000	8000	8000	8000	8000	8000
PROGRAM ACTIVITIES								
1. # OF CONSUMER COMPLAINTS REC (EXCL LANDLD/TENANT)	1000	1000	1000	1000	1000	1000	1000	1000
2. # OF COMPLAINTS INITIATED BY OCP	75	75	75	75	75	75	75	75
3. # OF LANDLORD-TENANT INQUIRIES RECEIVED	10000	17500	17500	17500	17500	17500	17500	17500
4. # OF COMPLNTS RESOLVED AT INVESTIGATIVE LEVEL	700	700	700	700	700	700	700	700
5. # OF MULTISTATE CASES INCL CASES W/O LEGAL ACTION	8	20	20	20	20	20	20	20
6. # OF LEGAL ACTIONS (INCLUDING MULTISTATE CASES)	15	15	15	15	15	15	15	15
7. # INQ RECVD ON BUSINESS COMPLAINT HISTORIES	10000	12000	12000	12000	12000	12000	12000	12000
8. # PERSONS REACHED THRU EDUCATIONAL EFFORTS	10000	50000	50000	50000	50000	50000	50000	50000
9. # LEG PROP FOR WHICH OCP PROVIDED TESTIMONY	20	20	20	20	20	20	20	20
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS)								
REVENUES FROM THE USE OF MONEY AND PROPERTY	289	11	11	11	11	11	11	11
CHARGES FOR CURRENT SERVICES	3	1	1	1	1	1	1	1
FINES, FORFEITS AND PENALTIES	1,069	2,200	2,200	2,200	2,200	2,200	2,200	2,200
TOTAL PROGRAM REVENUES	1,361	2,212	2,212	2,212	2,212	2,212	2,212	2,212
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS)								
SPECIAL FUNDS	1,361	2,212	2,212	2,212	2,212	2,212	2,212	2,212
TOTAL PROGRAM REVENUES	1,361	2,212	2,212	2,212	2,212	2,212	2,212	2,212

Program Plan Narrative

CCA110: OFFICE OF CONSUMER PROTECTION

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A. Statement of Program Objectives

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

B. Description of Request and Compliance with Section 37-68(1)(A)(B)

Transfers in 1.00 permanent position and \$62,110 in special funds for FY 26 and FY 27 from the Business Registration and Securities Regulation Program to the Office of Consumer Protection Program.

Adds \$350,000 in special funds for FY 26 and FY 27 for Central Services Assessment.

Adds \$33,495 in special funds for FY 26 and FY 27 to vary and re-describe a position into an Investigator.

C. Description of Activities Performed

The Office of Consumer Advocacy Program (Program) performs the following activities:

Investigation of Complaints: Receive consumer complaints on a statewide basis; determine all facts of complaint; determine from facts the likelihood of a violation of any consumer protection law; refer cases which fall within the jurisdiction of another agency; inform the complainant of course of action to be taken, if any, by this office or another governmental agency; coordinate fact-finding functions with other governmental agencies; monitor advertisements; and subpoena witnesses for investigation of facts.

Landlord-Tenant Cases: Provide Residential Landlord-Tenant Code information to callers.

Prosecution: Determine adequacy of the evidence to prove violation prior to filing a complaint in court; negotiate Assurance of Voluntary Compliance or Consent Judgment: Prior to the filing of a complaint in court, take court action against a business entity that has violated

consumer protection laws; obtain injunction, civil penalties and restitution for consumers in court actions and settlement of cases.

Legislation and Rulemaking: Adopt rules to protect consumers; draft consumer protection legislation; recommend consumer protection legislation to the Legislature; and offer testimony on other consumer protection legislation.

D. Statement of Key Policies Pursued

To protect the interests of both the general public and legitimate businesses by investigating alleged violations of consumer protection laws; taking legal action to stop unfair or deceptive practices in the marketplace; proposing, drafting, or responding to consumer protection-related legislation; contributing to DCCA's efforts in educating the consumer public and businesses of their respective legal rights and obligations in the marketplace; to promote voluntary compliance with consumer protection-related laws by the business community; to enforce consumer protection laws within the Office of Consumer Protection's jurisdiction; and to promote and to assist in the formation of consumer education groups and programs.

E. Identification of Important Program Relationships

Important program relationships are maintained with the National Association of Attorneys General, the Federal Trade Commission, the Consumer Financial Protection Bureau, the U.S. Consumer Product Safety Commission, State Attorney Generals, various divisions of DCCA, the Department of the Attorney General, and various county, State, and federal law enforcement agencies.

F. Description of Major External Trends Affecting the Program

State and federal consumer protection offices across the country continue to be a strong force in protecting the public from unfair or deceptive trade practices. The Program regularly participates in joint investigations and prosecutions with numerous State and federal agencies, such as the State Attorneys General, the Federal Trade Commission, and the Consumer Financial Protection Bureau. Close inter-jurisdictional coordination with these external entities empowers the division to expand its level of consumer protection without increasing costs.

Program Plan Narrative

CCA110: OFFICE OF CONSUMER PROTECTION

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G. Discussion of Cost, Effectiveness, and Program Size Data

As a result of the Governor's Maui wildfire tenant protections, the Program experienced significant increases in the number of inquiries to its Landlord-Tenant Information Center, with approximately 19,000 inquiries received in FY 24. The Program is an engaged participant in dozens of multi-state investigations and continues to investigate complaints received from the public and bring its own cases. As consumer counsel for the State, the Program fulfills its legislative mandate to coordinate consumer protection functions with local, State, and federal agencies. The Program's Investigations Branch has eleven employees while the Legal Branch has eight employees. The Program's small size requires it to coordinate with other agencies to address consumer protection issues wherever they arise.

H. Discussion of Program Revenues

The Program underwrites a large portion of its operating revenues through fines and penalties collected from cases, including resolutions of multi-state investigations. While these recoveries are unpredictable from year to year, the resolution of cases is a critical source of revenue for the Program.

I. Summary of Analysis Performed

No significant analysis of specific issues was conducted.

J. Further Considerations

None.

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

PROGRAM ID: CCA111
 PROGRAM STRUCTURE NO: 10010403
 PROGRAM TITLE: BUSINESS REGISTRATION & SECURITIES REGULATN

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
OPERATING COST	79.00*	78.00*	77.00*	77.00*	77.0*	77.0*	77.0*	77.0*
	0.00**	0.00**	0.00**	0.00**	0.0**	0.0**	0.0**	0.0**
PERSONAL SERVICES	5,459,368	7,975,908	7,950,340	7,950,340	7,950	7,950	7,950	7,950
OTHER CURRENT EXPENSES	3,145,422	2,082,555	2,482,555	2,482,555	2,483	2,483	2,483	2,483
TOTAL OPERATING COST	8,604,790	10,058,463	10,432,895	10,432,895	10,433	10,433	10,433	10,433
BY MEANS OF FINANCING								
	79.00*	78.00*	77.00*	77.00*	77.0*	77.0*	77.0*	77.0*
	**	**	**	**	**	**	**	**
SPECIAL FUND	8,604,790	10,058,463	10,432,895	10,432,895	10,433	10,433	10,433	10,433
TOTAL PERM POSITIONS	79.00*	78.00*	77.00*	77.00*	77.0*	77.0*	77.0*	77.0*
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	8,604,790	10,058,463	10,432,895	10,432,895	10,433	10,433	10,433	10,433

PROGRAM ID: **CCA111**
PROGRAM STRUCTURE: **10010403**
PROGRAM TITLE: **BUSINESS REGISTRATION AND SECURITIES REGULATION**

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
MEASURES OF EFFECTIVENESS								
1. AV DAYS PROC CORP,PART,LLC,TRADE NM W/EXPED HANDLG	1	1	1	1	1	1	1	1
2. AV DAYS PROC CORP,PART,LLC,TRADE NM W/ REG HANDLG	3	3	3	3	3	3	3	3
3. AV DAYS PROC APPS FOR BROKER-DEALERS/INV ADVISERS	25	25	25	25	25	25	25	25
4. AV DAYS TO PROCESS APPS FOR AGENTS	15	15	15	15	15	15	15	15
5. AV DAYS TO PROCESS APPS FOR INVESTMT ADVISER REPS	15	15	15	15	15	15	15	15
PROGRAM TARGET GROUPS								
1. CORP, PART, LLC,TRNAMES, TRMKS,SVC MKS ON REC	220000	230000	230000	230000	230000	230000	230000	230000
2. BRKR, AGENTS, SECURITIES OFF, INV ADV & REP	130000	160000	160000	160000	160000	160000	160000	160000
3. FRANCHISES		1000	1000	1000	1000	1000	1000	1000
PROGRAM ACTIVITIES								
1. # DOCS RECEIVED FOR PROCESSING & ANNUAL REPORTS	180000	180000	180000	180000	180000	180000	180000	180000
2. # SECURITIES COMPLIANCE APPLICATIONS RECEIVED	75000	161000	161000	161000	161000	161000	161000	161000
3. # OF ENFORCEMENT CASES OPENED	65	45	45	45	45	45	45	45
4. # OF INQUIRIES RECEIVED BY SECURITIES ENFORCEMENT	1500	250	250	250	250	250	250	250
5. # OF COMPLTS CLOSED IN ENFORCEMENT IN FY	30	40	40	40	40	40	40	40
6. # OF ORDERS, CONSENT AGREE AND SETTLMNTS COMPLETED	20	10	10	10	10	10	10	10
7. # OF SUSPENSIONS OR BARS IMPOSED	10	5	5	5	5	5	5	5
8. # OF PERSONS REACHED THRU INVSTR ED PROG ACTIVITY	25000	20000	20000	20000	20000	20000	20000	20000
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS)								
LICENSES, PERMITS, AND FEES	7,831	7,000	5,000	5,000	5,000	5,000	5,000	5,000
REVENUES FROM THE USE OF MONEY AND PROPERTY	1,310	100	100	100	100	100	100	100
CHARGES FOR CURRENT SERVICES	7,430	4,918	4,618	4,618	4,618	4,618	4,618	4,618
FINES, FORFEITS AND PENALTIES	520	75	75	75	75	75	75	75
TOTAL PROGRAM REVENUES	17,091	12,093	9,793	9,793	9,793	9,793	9,793	9,793
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS)								
SPECIAL FUNDS	17,091	12,093	9,793	9,793	9,793	9,793	9,793	9,793
TOTAL PROGRAM REVENUES	17,091	12,093	9,793	9,793	9,793	9,793	9,793	9,793

Program Plan Narrative

A. Statement of Program Objectives

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

B. Description of Request and Compliance with Section 37-68(1)(A)(B)

Transfers out 1.00 permanent position and \$62,110 in special funds for FY 26 and FY 27 from the Business Registration and Securities Regulation Program (Program) to the Office of Consumer Protection Program.

Adds \$15,225 in special funds for FY 26 and FY 27 for fringe benefits.

Adds \$400,000 in special funds for FY 26 and FY 27 for central services assessments.

C. Description of Activities Performed

Ministerial business registration, processing, and maintenance of business registration documents for corporations, partnerships, limited liability companies, trade names, etc. Determine that all documents are filed in compliance with applicable statutory requirements. Maintain the State's business registry. Provide general assistance to businesses registering with the Business Registration Division (Division).

Regulatory oversight over the securities industry and franchises in the State in the following areas: registration of broker-dealers, agents, investment advisers, investment adviser representatives, investment companies, and securities and franchise offerings for sale in the State; field examinations of broker-dealers and investment advisers in the State; review of securities and franchise offerings for sale in the State; and enforcement of the Hawaii Uniform Securities Act and the Hawaii Franchise Investment Law. The Program also conducts statewide outreach through its Investor Education Program, which provides free presentations and resources relating to investment fraud protection.

D. Statement of Key Policies Pursued

Implementation of the State Plan for Individual Rights by ensuring that:

All business registration documents filed with the Program are efficiently examined for compliance with statutory requirements and recorded accordingly. Access to public documents is available online. Assistance is provided to businesses registering with the Program.

All sales of securities and franchise offerings are done in compliance with State laws. Securities broker-dealers, agents, investment advisers, investment adviser representatives and investment companies are properly registered under State law. Applications for registration are examined in a consistent and detailed manner to ensure compliance with State laws. Appropriate investigative and legal action is taken to protect investors against fraud.

Investor education outreach programs and materials are provided to the public statewide to educate and spread awareness of, and tools to protect against frauds and scams.

E. Identification of Important Program Relationships

Relationships are maintained with the United States Securities and Exchange Commission, the Financial Industry Regulatory Authority, securities divisions of the different states and provinces of Canada, the Office of Consumer Protection, the Department of the Attorney General, the Department of Taxation, the Department of Human Services, the Executive Office on Aging, county prosecutors' offices, the International Association of Corporation Administrators, the North American Securities Administrator's Association, Inc., the Federal Bureau of Investigation, the U.S. Commodity Futures Trading Commission, the Honolulu Police Department, Hawaii Credit Union League, Kupuna Alert Partners, and the Institute for Native Pacific Education and Culture.

F. Description of Major External Trends Affecting the Program

The Program expects to see changes relating to federal securities regulation as a result of the new administration. The Program continues to monitor any changes in federal regulation that may affect State securities laws. Cases involving securities violations are

Program Plan Narrative

CCA111: BUSINESS REGISTRATION & SECURITIES REGULATN

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expected to remain steady, but securities fraud schemes are likely to increase in complexity. In addition, security cases involving seniors are expected to rise as the senior population continues to grow. The Program also anticipates an increase in demand for the growth of the investor education program to educate the public, from children to seniors, to provide financial literacy information and investor protection information.

including ongoing modifications and improvements to information technology systems.

G. Discussion of Cost, Effectiveness, and Program Size Data

The discrepancy in planned expenditures is due in part to staff attrition, position vacancies, and the timing of expenditure payments. Our measures of effectiveness showed several discrepancies. The increased average number of days to process securities applications can be attributed to ongoing changes to internal processes, and staff attrition.

The discrepancy between the Program's budgeted program size and the actual number of positions filled last year is due to attrition, including a number of retirements. The Program continues to actively recruit to fill all of its vacant positions.

Over the next four years, we expect information technology costs to rise as the Division will likely incur added costs relating to licensing, maintenance, and hardware requirements of its recent and ongoing IT projects for its securities and business registration branches. It is expected that the measures of effectiveness will remain steady, and the Division will continue to recruit to fill vacant positions.

H. Discussion of Program Revenues

Revenues are expected to be slightly higher than last year due to the continuation of some business registration and securities registration filing fees being collected at statutory levels.

I. Summary of Analysis Performed

Not applicable.

J. Further Considerations

The Program continuously looks at improving its systems and public interfaces to offer the efficiency and cost-effectiveness of online services,

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

PROGRAM ID: CCA112
 PROGRAM STRUCTURE NO: 10010404
 PROGRAM TITLE: REGULATED INDUSTRIES COMPLAINTS OFFICE

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
OPERATING COST	66.00*	66.00*	66.00*	66.00*	66.0*	66.0*	66.0*	66.0*
	1.00**	1.00**	1.00**	1.00**	1.0**	1.0**	1.0**	1.0**
PERSONAL SERVICES	5,717,385	7,958,538	8,064,206	8,064,206	8,064	8,064	8,064	8,064
OTHER CURRENT EXPENSES	767,646	966,734	866,734	866,734	867	867	867	867
TOTAL OPERATING COST	6,485,031	8,925,272	8,930,940	8,930,940	8,931	8,931	8,931	8,931
BY MEANS OF FINANCING								
	66.00*	66.00*	66.00*	66.00*	66.0*	66.0*	66.0*	66.0*
	1.00**	1.00**	1.00**	1.00**	1.0**	1.0**	1.0**	1.0**
SPECIAL FUND	6,485,031	8,925,272	8,930,940	8,930,940	8,931	8,931	8,931	8,931
TOTAL PERM POSITIONS	66.00*	66.00*	66.00*	66.00*	66.0*	66.0*	66.0*	66.0*
TOTAL TEMP POSITIONS	1.00**	1.00**	1.00**	1.00**	1.0**	1.0**	1.0**	1.0**
TOTAL PROGRAM COST	6,485,031	8,925,272	8,930,940	8,930,940	8,931	8,931	8,931	8,931

PROGRAM ID: **CCA112**
PROGRAM STRUCTURE: **10010404**
PROGRAM TITLE: **REGULATED INDUSTRIES COMPLAINTS OFFICE**

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
MEASURES OF EFFECTIVENESS								
1. % OF RICO SETTLEMENT AGREEMENTS ADOPTED	95	95	95	95	95	95	95	95
2. % OF RECOMMENDED ORDERS IN FAVOR OF STATE	95	95	95	95	95	95	95	95
3. % OF FINAL ORDERS SUSTAINED ON APPEAL	95	95	95	95	95	95	95	95
4. NUMBER OF LEGAL ACTIONS	350	250	250	250	250	250	250	250
5. NUMBER OF SCAP ARBITRATIONS ADMINISTRATED		70	70	70	70	70	70	70
6. NUMBER OF CONSUMER REFUNDS/ CAR LOAN PAY OFFS		20	20	20	20	20	20	20
7. NUMBER OF FORMAL RECORDS-REQUEST RESPONSES		75	75	75	75	75	75	75
PROGRAM TARGET GROUPS								
1. DE FACTO POPULATION IN HAWAII (000)	1403	1585	1585	1585	1585	1585	1585	1585
2. LICENSEES (000)	540	555	555	555	555	555	555	555
3. BOARDS & COMMISSIONS ADMIN ASSIGNED TO DCCA	52	52	52	52	52	52	52	52
PROGRAM ACTIVITIES								
1. # INQUIRIES TO CONSUMER RESOURCE CENTER	15000	15000	15000	15000	15000	15000	15000	15000
2. # COMPLAINT HISTORY INQUIRIES	70000	70000	70000	70000	70000	70000	70000	70000
3. # OF COMPLAINTS RECEIVED	3000	3000	3000	3000	3000	3000	3000	3000
4. # PEOPLE REACHED THRU CONS ED & COMPLAINT PROCESS	55000	55000	55000	55000	55000	55000	55000	55000
5. # ASSISTS BY NI OFCS TO PUBLIC ON NON-RICO MATTERS	2500	2500	2500	2500	2500	2500	2500	2500
6. # OF ORDERS & JUDGMENTS	350	250	250	250	250	250	250	250
7. # COMPLETED INVESTIGATIONS	900	900	900	900	900	900	900	900
8. # SITE INSPECTIONS AND LICENSURE COMPLIANCE CHECKS	900	900	900	900	900	900	900	900
9. NUMBER OF SCAP EDUCATION & COMMUNITY OUTREACH		1	1	1	1	1	1	1
10. NUMBER OF SCAP CONSUMER & MANUFACTURER INQUIRIES		100	100	100	100	100	100	100
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS)								
REVENUES FROM THE USE OF MONEY AND PROPERTY	586	25	25	25	25	25	25	25
CHARGES FOR CURRENT SERVICES	8,777	7,842	7,843	7,843	7,843	7,843	7,843	7,843
FINES, FORFEITS AND PENALTIES	1,030	350	350	350	350	350	350	350
TOTAL PROGRAM REVENUES	10,393	8,217	8,218	8,218	8,218	8,218	8,218	8,218
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS)								
SPECIAL FUNDS	10,391	8,215	8,216	8,216	8,216	8,216	8,216	8,216
ALL OTHER FUNDS	2	2	2	2	2	2	2	2
TOTAL PROGRAM REVENUES	10,393	8,217	8,218	8,218	8,218	8,218	8,218	8,218

Program Plan Narrative

CCA112: REGULATED INDUSTRIES COMPLAINTS OFFICE

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A. Statement of Program Objectives

To assist the general public through intaking, investigating, and prosecuting probable licensing law violations by licensees and unlicensed persons; provide information to help consumers make more informed decisions about hiring a professional or vocational service provider; and help to ensure compliance by licensees.

B. Description of Request and Compliance with Section 37-68(1)(A)(B)

Adds \$84,398 in special funds for FY 26 and FY 27 for fringe benefits.

C. Description of Activities Performed

The Regulated Industries Complaints Office (Program) performs the investigation and prosecutorial functions for the over 51 professional boards, commissions, and programs that are administratively attached to the Department of Commerce and Consumer Affairs. To meet its objective, the Program performs the following functions:

1. The Program receives complaints, conducts investigations, and prosecutes licensing law violations. Through the administrative process, the Program may seek fines, restitution, and license sanctions. The Program also prosecutes unlicensed activity through the issuance of citations and by filing civil lawsuits in the Circuit Courts.
2. The Program strives to enable consumers to make more informed decisions through research tools available on or through its website, including downloadable brochures, and by having a presence at industry events and consumer fairs. The Consumer Resource Center and the License Business and Information Center in the Program's Intake Section also provide real time licensing, business registration, and complaint history information to callers.
3. The Program also administers the State Certified Arbitration Program (SCAP) for "lemon" motor vehicle claims.

D. Statement of Key Policies Pursued

The Program seeks to implement the State Plan for Individual Rights by continuing to work to resolve investigations and complaints in a timely

manner, through information available to consumers as they navigate the marketplace, and by prosecuting violators of State licensing laws.

E. Identification of Important Program Relationships

The Program periodically collaborates with other departments and law enforcement agencies on the federal and county levels.

F. Description of Major External Trends Affecting the Program

Major external trends, including national and local trends regarding industry practices, consumerism, and economics, affect the Program. For example, a dip in home sales may result in fewer complaints based on real estate transactions. The same dip may result in an increase in complaints about real estate rentals. An uptick in construction may result in an increase in complaints against unlicensed contractors. The Program's workload also changes as new laws and new programs are implemented.

G. Discussion of Cost, Effectiveness, and Program Size Data

The Program's revenue structure requires that there be a sufficient fund balance each fiscal year for carryover purposes. New regulatory programs enacted by the Legislature and assigned to the agency and continuing increases in costs for personnel, products, and services have increased expenditures.

H. Discussion of Program Revenues

The vast majority of the Program's revenues are derived from compliance resolution fees paid by licensees. Revenues fluctuate with economic trends. Additionally, licenses are renewed biennially, resulting in higher revenues in odd-numbered years. Therefore, it is important that the program maintains sufficient carryover balances each year so that it can continue to support its operations during even-numbered fiscal years.

I. Summary of Analysis Performed

No significant analysis of specific issues was conducted.

J. Further Considerations

None.

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

PROGRAM ID: CCA191
 PROGRAM STRUCTURE NO: 100105
 PROGRAM TITLE: GENERAL SUPPORT

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
OPERATING COST	51.00*	54.00*	54.00*	54.00*	54.0*	54.0*	54.0*	54.0*
	1.00**	1.00**	1.00**	1.00**	1.0**	1.0**	1.0**	1.0**
PERSONAL SERVICES	5,323,893	7,598,395	7,625,428	7,625,428	7,625	7,625	7,625	7,625
OTHER CURRENT EXPENSES	4,130,972	19,997,862	17,232,862	5,232,862	5,233	5,233	5,233	5,233
TOTAL OPERATING COST	9,454,865	27,596,257	24,858,290	12,858,290	12,858	12,858	12,858	12,858
BY MEANS OF FINANCING								
	51.00*	54.00*	54.00*	54.00*	54.0*	54.0*	54.0*	54.0*
	1.00**	1.00**	1.00**	1.00**	1.0**	1.0**	1.0**	1.0**
SPECIAL FUND	9,454,865	27,596,257	24,858,290	12,858,290	12,858	12,858	12,858	12,858
TOTAL PERM POSITIONS	51.00*	54.00*	54.00*	54.00*	54.0*	54.0*	54.0*	54.0*
TOTAL TEMP POSITIONS	1.00**	1.00**	1.00**	1.00**	1.0**	1.0**	1.0**	1.0**
TOTAL PROGRAM COST	9,454,865	27,596,257	24,858,290	12,858,290	12,858	12,858	12,858	12,858

PROGRAM ID: **CCA191**
PROGRAM STRUCTURE: **100105**
PROGRAM TITLE: **GENERAL SUPPORT**

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
MEASURES OF EFFECTIVENESS								
1. %CASES COMPL W/IN DESIG TIME FOR CONTSTD CASE HRGS	85	85	85	85	85	85	85	85
2. %HRGS OFFCER REC ORDERS ADOPTED BY FINAL ADM AUTH	90	90	90	90	90	90	90	90
3. % HRGS OFFR REC ORDRS ADPT FINAL ADM AUTH SUSTAIN	90	90	90	90	90	90	90	90
4. % OF ERROR-FREE INVOICES PROCESSED	99	99	99	99	99	99	99	99
5. %COMPLAINTS/INQ RESPONDED TO IN TIMELY MANNER	95	95	95	95	95	95	95	95
6. %LEG HRGS TO WHICH TIMELY WRITTN TESTMNY SUBMTTD	95	95	95	95	95	95	95	95
7. %REQUESTS FOR SYSTEMS ADDTNS OR ENHANCE FULFILLED	50	90	90	90	90	90	90	90
8. % INFORMATION SYS WORK REQ COMPLETED IN REQ'D TIME	85	85	85	85	85	85	85	85
PROGRAM TARGET GROUPS								
1. DE FACTO POPULATION IN HAWAII (000)	1403	1585	1585	1585	1585	1585	1585	1585
2. LICENSEES (000)	540	555	555	555	555	555	555	555
3. DCCA DIVISIONS	13	13	13	13	13	13	13	13
4. BOARDS & COMMISSIONS ADMIN ASSIGNED TO DCCA	53	53	53	53	53	53	53	53
5. DCCA EMPLOYEES	551	551	551	551	551	551	551	551
PROGRAM ACTIVITIES								
1. # WRITTN NOTICES ISS BY HRGS OFF RE: PROCED EVENTS	450	450	450	450	450	450	450	450
2. # PRE-HRG EVENTS BY HRG OFF INVOLVG THE PARTIES	200	200	200	200	200	200	200	200
3. # HEARINGS CONDUCTED BY HEARINGS OFFICERS	150	150	150	150	150	150	150	150
4. # RECOMMENDED & FINAL ORDERS ISS BY HRGS OFFICERS	200	200	200	200	200	200	200	200
5. TOTAL EDUCATIONAL OUTREACH IMPRESSIONS	25000	100000	100000	100000	100000	100000	100000	100000
6. # SYSTEMS ADDED OR ENHANCED	145	145	145	145	145	145	145	145
7. # OF INFORMATION SYSTEMS WORK REQUESTS	4300	4700	4700	4700	4700	4700	4700	4700
8. # OF INVOICES PROCESSED	8000	8000	8000	8000	8000	8000	8000	8000
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS)								
REVENUES FROM THE USE OF MONEY AND PROPERTY	145	20	20	20	20	20	20	20
CHARGES FOR CURRENT SERVICES	514	859	859	859	859	859	859	859
TOTAL PROGRAM REVENUES	659	879	879	879	879	879	879	879
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS)								
SPECIAL FUNDS	659	879	879	879	879	879	879	879
TOTAL PROGRAM REVENUES	659	879	879	879	879	879	879	879

Program Plan Narrative

CCA191: GENERAL SUPPORT

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A. Statement of Program Objectives

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

B. Description of Request and Compliance with Section 37-68(1)(A)(B)

Adds \$12,000,000 in special funds for FY 26 to pay the King Kalakaua Building's managing association for building renovations.

Adds \$6,725 in special funds for FY 26 and FY 27 for fringe benefits for the Information Systems Communications Office (ISCO).

C. Description of Activities Performed

The General Support Program (Program) is organized into four divisions: the Director's Office (DO); Administrative Services Office (ASO); ISCO; and the Office of Administrative Hearings (OAH).

1. DO provides: general policy and administrative leadership; supervision and coordination of the various programs of the department; assistance in the direction and supervision of operating divisions; and centralized personnel management and organizational analysis support services to operating divisions.

2. ASO provides to the divisions of the Department of Commerce and Consumer Affairs (DCCA): centralized budgeting and accounting services; centralized clerical services; building management services; and other administrative support services.

3. ISCO provides to the divisions of DCCA: services to find, acquire, implement, and maintain information technology; support for telephone systems, through the Department of Accounting and General Services and the State's telephone service providers, for additions, changes, and problems to telephone services, as well as maintenance of phone directories for internal and external use; services to enhance and update DCCA's website; support for the Automated Information System, a computer driven system that contains pre-recorded DCCA contact information, consumer information, consumer alerts, and forms; and network support services, including upgrades to provide increased

network performance, uptime, and additional layers of protection from malicious software.

4. OAH provides: specialized staff support to the divisions, as well as attached boards/commissions, by conducting pre-hearing conferences and formal hearings to resolve business disputes through impartial and informed treatment of consumer complaints; recommended decisions based on written findings of fact and conclusions of law; and administrative hearings of appeals relating to the administration of the State's Procurement Code, the Employer-Union Health Benefits Trust Fund, and the Employees' Retirement System. In addition, OAH administers the Medical Inquiry and Conciliation Panel and the Design Claims Conciliation Panel.

D. Statement of Key Policies Pursued

The Program's divisions implement the State Plan for Individual Rights through the following:

1. DO provides support services in the implementation of the State Plan for Individual Rights, Sociocultural Advancement-government, and Fiscal Management-government by examining policies and procedures to improve the efficiency and effectiveness of the administrative processes, as well as to improve the quality of programmed services provided.

2. ASO ensures that departmental programs are provided with the necessary support in the areas of budgeting, accounting, cashiering, building maintenance, and administrative services.

3. ISCO strives to improve the efficiency of divisions' operations and therein provide faster and lower cost service to commerce and consumers; strives to make all public information readily available, up-to-date, and in formats, and at hours of the day and week that are convenient to commerce and consumers; and strives to protect information from malicious or fraudulent tampering or inappropriate release.

4. OAH provides a fair, simple, and speedy adjudication of contested cases by conducting administrative hearings. The administrative review of determinations will provide a basis for informed and correct administrative action to protect individual rights

Program Plan Narrative

CCA191: GENERAL SUPPORT

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against arbitrariness, whim and unreasonableness.

E. Identification of Important Program Relationships

ASO assists and maintains contacts with compatible programs in other Executive Branch departments, most notably, the Departments of the Attorney General, Budget and Finance, Accounting and General Services, Human Resources Development, and Education.

ISCO interacts with the Office of Enterprise Technology Services (ETS) to execute ETS initiatives that are beneficial to DCCA, as well as contributing to ETS fact-finding and planning activities.

F. Description of Major External Trends Affecting the Program

The Program is affected by major external trends, as they affect the other programs within the department. Public awareness of consumerism continues to affect the number of hearings conducted by OAH. Public interest in having governmental services online, combined with an increased number of device types used to access online services, as well as an increase in both evolving cyber threats and telework demands, affects the volume and nature of work performed by ISCO.

G. Discussion of Cost, Effectiveness, and Program Size Data

DCCA is responsible for the effective administration of all departmental programs. In order to enable these programs to function efficiently, the Director provides adequate resources and management services to ensure efficient and effective utilization of manpower and expenditures.

The Program's current organization and activities are subject to change depending upon the amount and quality of centralized administrative support services and specific supportive services required for effective coordination of resources and objectives of the departmental program. Any increase in the number of programs or activities placed in the department by legislative action will cause a proportionate increase in the administration and management of resources available, program planning, accounting and disbursement of general, special, and capital improvement monies, as well as personnel services, centralized mail processing, records reproduction services, and other centralized administrative support services provided.

H. Discussion of Program Revenues

Estimation of program revenues is based on past collections and future estimates of the licensee population.

I. Summary of Analysis Performed

No significant analysis of specific issues was conducted.

J. Further Considerations

None.



Capital Budget Details

STATE OF HAWAII
 PROGRAM ID:
 PROGRAM STRUCTURE NO:
 PROGRAM TITLE:

CCA191
100105
GENERAL SUPPORT

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT
IN THOUSANDS OF DOLLARS

REPORT B78
 1 of 2

PROJECT NUMBER	PRIORITY NUMBER	SCOPE COST ELEMENT/MOF	PROJECT TITLE		BUDGET PERIOD						SUCCEED YEARS	
			PROJECT TOTAL	PRIOR YRS	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29		FY 29-30
			PROGRAM TOTALS									
		LAND ACQUISITION	3,000	3,000								
		DESIGN	2,001	2,001								
		CONSTRUCTION	28,001	28,001								
		EQUIPMENT	1,998	1,998								
		TOTAL	35,000	35,000								
		G.O. BONDS	35,000	35,000								