

State of Hawaii



The FB 2025-27 Executive Biennium Budget

Budget in Brief

Prepared by the Department of Budget and Finance
December 16, 2024

EXECUTIVE CHAMBERS
State Capitol
Honolulu, Hawai'i 96813

**GOVERNOR'S MESSAGE TO THE
33rd STATE LEGISLATURE OF HAWAII'
MEETING IN THE REGULAR SESSION OF 2025**

In compliance with Article VII, Section 8, of the Hawai'i State Constitution, I hereby submit to the State Legislature the Executive Budget for Fiscal Biennium (FB) 2025-27 and the Program and Financial Plan for the period 2025-31.

OVERVIEW

In Hawai'i, we believe in taking care of family. From keiki to kupuna, we are one 'ohana. Our Administration has taken this philosophy to heart, recognizing the strength in supporting Hawai'i's families and the synergy of working together towards a common goal.

We are committed to continuing our ongoing recovery efforts from the Maui wildfires, the worst natural disaster in the State's history, including providing continued mental health support, temporary housing and a new elementary school. This tragedy continues to serve as a powerful reminder of the importance of community, compassion, and solidarity.

We believe that with the Legislature, our community partners, other sectors of government, and the private sector, we can improve the lives of Hawai'i's people. We have made significant progress with the support of the Legislature, with the enactment of these historic tax measures earlier this year:

- Act 46, SLH 2024, Relating to Income Tax, the Green Affordability Plan II (GAP II) incrementally increases standard deduction amounts and widens income tax

brackets; creating \$5.6 billion in savings for State taxpayers through 2031; and

- Act 47, SLH 2024, Relating to the General Excise and Use Tax (GET), exempts the GET from medical and dental services provided by healthcare providers to patients who receive Medicaid, Medicare, or TRICARE benefits, which provides crucial relief for providers in our State. This legislation will save taxpayers more than \$150 million in 2027 and 2028.

These tax relief measures will provide much-needed direct relief for working families in Hawai'i.

We believe the Executive Budget for FB 2025-27 is fiscally prudent given the Council on Revenues' (COR) September 5, 2024 general fund tax revenue growth rate forecast of 3.5% in FY 25 and 2.2% in FY 26. A recent \$350 million dollar estate tax collection has been received and is not currently reflected in the COR forecast. On January 8, the COR will meet to revise the forecast for 2025 and it is expected that this one-time collection will be included which could nearly double the forecast for FY 25 and flatten projections in future years.

Affordable housing continues to be one of our biggest challenges. Housing is the single largest expense for Hawai'i's families, accounting for 38% of household spending. Our housing challenges will have a ripple effect on families' other concerns such as healthcare, homelessness, and workforce shortages.

Supporting affordable housing development is a top priority for our Administration. There are five data-driven priorities to build a more affordable future for local residents:

1. Expanding affordable housing inventory.
2. Maintaining existing affordable units.
3. Offering more housing support to local residents.
4. Coordinating and modernizing Hawai'i's housing development process.
5. Communicating the urgency of the housing crisis.

We worked expeditiously to initiate our emergency housing plan by bringing together housing leaders from State and county agencies, housing experts, and community stakeholders. This collaborative effort is critical to expediting the availability of affordable housing across the State by alleviating the obstacles to development. This team had substantial input during the development of the Emergency Proclamation Relating to Affordable Housing and, to ensure that this effort continues, I issued the tenth Emergency Proclamation for Affordable Housing on December 6, 2024.

We have requested over \$500 million for FY 2025-27 to support housing and infrastructure, including: \$75 million in each fiscal year for Rental Housing Revolving Fund (RHRF) Tier II funding for development of housing for those earning 60% to 100% of the area median income, \$12.102 million in FY 26 and \$17.898 million in FY 27 for Phase 2 of the 99-Year Leasehold Program on O'ahu and \$62 million for University of Hawai'i (UH) West O'ahu infrastructure development for University Village near the rail service. In addition, \$68 million has been requested in FY 26 for the Hawai'i Public Housing Authority's Ka Lei Momi redevelopment projects to transform Mayor Wright Homes from a 70-year-old housing community with 364 low-income units, into a 2,448 unit mixed-use complex for the district's working-class families.

Our combined efforts in past legislative sessions are now paying dividends. Affordable housing measures spearheaded by the Legislature, the counties, our various State housing agencies and the private sector are fueling a mini boom in workforce and low-income housing developments.

Right now, my housing team is tracking more than 46,000 affordable housing units that will be built by State and county government agencies and private developers over the next decade. About 10,000 of those units will likely be completed by 2026. Without affordable housing, homelessness solutions remain limited. Our Administration and the statewide Office on Homelessness and Housing Solutions are focused on providing permanent solutions to homelessness by creating and protecting affordable spaces within our communities for Hawai'i's people to be housed and healed.

Kauhale tiny home development with service provider support and medical resources is the most impactful way to directly contribute solutions to homelessness and the costly impacts of homelessness to our healthcare industry.

Kauhale are communal living spaces, with modest housing units for individual households, and shared space for cooking and eating, recreation, growing food, or engaging in industrious activities together. Support services foster communal ownership, roles, and responsibilities among residents, in time reducing dependence on formal programs and dramatically brings down the recurring impact that high-need individuals may have on our health providers.

The FY 2025-27 Executive Budget requests \$50 million each year for kauhale development and to continue to provide these critical services. In addition, \$10.8 million in FY 26 and FY 27 has been requested to restore general fund support for family assessment centers, the Housing First Program, the Rapid Re-housing Program, and homeless outreach and civil legal services.

There are 20 completed kauhale village projects statewide and in 2025, we hope to bring that number to 30. By the end of 2026 there will be about 600 kauhale units to get people off the streets and provide them with essential wraparound services.

Education is the key to the success of our keiki and we have seen growing success in the last three years for summer learning hub programs that provide enrichment for students. For FY 26 and FY 27, nearly \$21 million has been requested to sustain and increase participation in the Department of Education's (DOE) summer learning programs.

The electricity costs to run our public school facilities have increased significantly. To keep up with rising energy costs and instability, we have requested \$15 million in FY 26 and FY 27 for electricity costs to cover the ongoing shortfall.

The U.S. Department of Defense Public Schools on Military Installations (PSMI) grant program will provide an 80% match to address various facility needs for schools that serve students from military families. The FB 2025-27 Executive Budget requests \$60 million in general obligation (G.O.) bond funds in FY 26 and \$30 million in G.O. bond funds in FY 27 to leverage State funding.

Early childhood education has been proven to improve outcomes for children throughout their lives. There are currently 92 public pre-kindergarten (Pre-K) classrooms in 74 schools.

To level the playing field for our keiki, we must expand the universal pre-kindergarten program. We are building on the addition of 223.00 full-time equivalent (FTE) positions and over \$16 million added during the last biennium, including over \$38 million a year for Preschool Open Doors programs; and we have requested 58.00 additional FTE permanent positions

and \$5.028 million in FY 26 and 108.00 additional FTE permanent positions and \$8.236 million in FY 27 to provide more pre-kindergarten classrooms each year.

Health care will always be a high priority of our Administration. One of our ongoing challenges is to keep healthcare providers in Hawai'i. The Hawai'i Physician Workforce Assessment Project's December 2023 Report estimated that there is an unmet need of 757 FTE physicians statewide.

To improve recruitment and retention in high-shortage areas, the Healthcare Education Loan Repayment Program (HELP) was launched earlier this year. HELP is a State-funded initiative to provide \$30 million for educational debt repayment to more than 900 healthcare professionals licensed or certified to practice in and provide care to patients in Hawai'i.

HELP prioritizes primary care and behavioral health specialists and those practicing in rural areas, including the neighbor islands. In exchange for a two-year commitment of full-time or half-time service, qualifying healthcare professionals would be eligible for loan repayments from \$12,500 to \$50,000. To ensure health care providers stay in our State and are attracted to our State, we have requested \$15 million for FY 26 and FY 27 to continue HELP.

We are investing a lot to expand medical services in rural and sparsely populated areas. The FB 2025-27 Executive Budget also includes \$25 million for the Keaau Outpatient Center for the construction of Urgent Care, Primary Care, Specialty Care, and Imaging Centers and a Behavioral Center to address the need for these services in the area. In addition, over \$44 million has been requested each year for improvements to Hawai'i Health System Corporation (HHSC) facilities, including the renovation of Kona Community Hospital's Emergency Department.

Mental health care is a high priority for our Administration. The FB 2025-27 Executive Budget includes requests for the Hawai'i State Hospital (HSH) for \$13 million for FY 26 and FY 27 for locum tenens contracts for required medical and psychiatry services and \$8.65 million for FY 26 to cover the funding shortfall for overtime and other payroll costs. A request for \$5.5 million for FY 26 for contracts for psychiatric beds for inpatient adult mental health services has also been included.

The State's Med-QUEST program provides Medicaid health insurance benefits to those who are most in need. The FB 2025-27 Executive Budget requests increases for Medicaid health care payments of \$15.771 million in general funds and \$35.272 million in federal funds in FY 26 and FY 27 for increased Death Benefits Program payments and in-home Home- and Community-Based Services payments; and to restore funding for increased private professional services payments, increased applied behavioral analysis services payments, and Child Wellness Incentive Pilot Program payments.

Our Administration will continue to support the Native Hawaiian community to address ongoing disparities. We are working closely with the Department of Hawaiian Home Lands (DHHL) to ensure that homestead lands are provided to the thousands of native Hawaiian beneficiaries more expeditiously. In addition, the Executive Budget supports the repair and maintenance of infrastructure within DHHL's subdivisions by including \$20 million in both FY 26 and FY 27.

With the historic passage of Act 279, SLH 2022, which appropriated \$600 million to reduce DHHL's decades-long wait list, the department is engaged in an aggressive strategy to deliver more than 7,500 homes and lots to its Native Hawaiian beneficiaries over the next five years.

We have a deep appreciation for Hawai'i's unique natural environment and as we are all caretakers of these islands, have a responsibility to preserve it for our keiki. To provide more resources for conservation efforts and to broaden the responsibility in preserving Hawai'i's natural beauty to include visitors to our State, we will be proposing ways to generate revenue for restoration and mitigation projects.

Biosecurity plays a significant role in protecting the natural resources of our islands while ensuring the sustainability of our agricultural industry. The complex challenges of invasive species require the State's continued investment; thus, we have requested 44.00 FTE permanent positions and \$12.735 million in FY 26 and FY 27 for biosecurity programs for the Department of Agriculture.

In July 2024, I convened Hawai'i's Climate Advisory Team (CAT). The CAT is charged with developing policy recommendations to minimize the impacts of future climate-related natural disasters and to speed recovery from the physical and financial damage they cause. Our Administration is committed to developing strong policies that prioritize the well-being and security of residents, while effectively managing State resources for a sustainable and resilient future.

The State of Hawai'i is a pioneer among states for our 100% renewable energy portfolio standard, with a commitment to eliminate our dependency on fossil fuels by 2045. The federal Inflation Reduction Act, which introduced and expanded tax credits for clean energy technologies, has new provisions that allow states to receive a payment ("elective pay" as known as "direct pay") equal to the full value of tax credits for qualifying clean energy projects. To optimize the direct pay option, budget requests for State agencies proposing to transition to clean energy will be coordinated by the Hawai'i State Energy Office and submitted in a proposal to the Legislature.

Update on 2023 Maui Wildfires

On August 8, 2023, 102 lives were lost, and thousands were indelibly changed after a series of wildfires broke out on the island of Maui. The deadly wildfires scorched thousands of acres, causing widespread damage in the town of Lahaina, located in West Maui, while destroying over 2,000 residential homes and displacing over 8,000 residents.

In the period following the wildfires, Maui's and the State's economies were negatively impacted, in large part due to the decrease in tourism. Nonessential travel to affected areas in West Maui was initially restricted in the immediate period after the wildfires but, by November 1, 2023, all of West Maui except for the disaster area in Lahaina was reopened to the public, including visitors. As of July 2024, visitor arrivals to Maui had recovered to approximately 80% of pre-wildfire levels, with average per-person visitor spending in Maui up 3% for the month of July 2024 compared to July 2023.

In the approximately 16 months since the fires, State, federal, and local agencies, including the Federal Emergency Management Agency and the County of Maui, have coordinated the initial phases of the recovery, planning, and rebuilding process, including provision of financial and other assistance and support to displaced residents, debris clearing in residential and commercial areas, restoration of infrastructure, and establishment of temporary and long-term housing and educational facilities.

Currently, the State and its federal, county and private-sector partners plan to build more than 1,200 temporary housing units for wildfire survivors in central and west Maui. That is in addition to providing direct rental assistance aid for more than 5,600 displaced residents.

In August 2024, we made a significant commitment to pay \$807.5 million as the State's share of part of a global agreement of over \$4 billion for Lahaina wildfire victims. This is in addition to the State's \$65 million contribution to the One 'Ohana Fund made last year. The expedited agreement will help to provide additional resources to those affected by the wildfires as quickly as possible.

As Maui continues to rebuild, we must ensure that the necessary funding continues to be available. The FB 2025-27 Executive Budget includes the following requests to support the Maui's recovery and statewide wildfire prevention and disaster response:

Operating:

- \$200,000,000 in revolving funds in FY 26 and FY 27 for State Risk Management and Insurance Administration for insurance proceeds to be used for Maui recovery projects.
- \$3,000,000 in FY 26 for West Maui fire prevention at Ukumehame wetland and stream.
- \$4,000,000 in FY 26 for fire pre-suppression, readiness, response, and post-fire restoration and rehabilitation activities for the Department of Land and Natural Resources (DLNR).
- \$15,000,000 in FY 26 for statewide fire mitigation for State highways.
- Adds 22.00 permanent positions and \$1,425,696 in FY 26 and FY 27 for fire and emergency response activities, statewide.
- 15.75 FTE temporary positions and \$1,406,296 in general funds and 4.25 FTE temporary positions and \$487,770 in other federal funds for both fiscal years to adequately staff

and restructure Hawai'i Emergency Management Agency (HI-EMA) to perform current and relevant emergency management functions.

- \$230,000 for FY 26 to modernize and consolidate equipment for distributed antenna systems in preparation for effective disaster response.

Capital Improvement Program (CIP):

- Adds \$131,000,000 in FY 26 for Lahaina Elementary School, Maui.
- \$1,750,000 in FY 26 for Pohakea Fire Prevention and Suppression Infrastructure, Maui.
- \$13,000,000 in FY 26 for maintenance dredging and reconstruction of the outer marginal wharf at Lahaina Small Boat Harbor, Maui.

THE ECONOMY

Tourism on Maui has understandably slowed but, in other markets around the State, moderate growth of the tourism industry continues. Year-to-date visitor spending through October 2024 is down by 1.0% when compared to the same period in 2023, however, O'ahu, Hawai'i, and Kaua'i have all shown positive growth.

Visitor arrivals have been nearly flat this calendar year through October, but there has been a growing return of Japanese visitors. Arrivals of Japanese visitors have been nearly 30% more for the ten-month period compared to the same period of 2023, despite unfavorable economic conditions. There is room for growth, but other international visitors are also expected to fill in the gaps.

Hawai'i's tourism industry continues to be an important source of revenue for the State and local businesses. Our Administration is actively pursuing paths toward a more sustainable tourism industry with less social and environmental impact and more demonstrable benefits to the people of Hawai'i.

Beyond visitor promotion, we are aggressively moving to rebuild private sector relationships and increase the inflow of foreign direct investment from Japan into the State, which we anticipate will grow in the coming years and benefit Hawai'i's housing, transportation, and energy sectors.

The construction industry remains strong in Hawai'i, with many large public and private sector projects underway or in the pipeline. Private building permit values increased 18.6% during the first nine months of calendar year 2024 compared to the same period in 2023, while government contracts have averaged \$1.3 billion per year since 2009.

Job growth in the construction industry is strong and Hawai'i is focused on supporting the trades through extensive educational programs provided through UH's community college system (CCS). Housing prices remain high due to strong demand and tight supply, though the cost for residents is somewhat offset by relatively low property tax rates for resident homeowners.

With the sixth lowest unemployment rate in the country, Hawai'i's labor market continues to demonstrate strength. Through 2024, the State's unemployment rate has improved from 3.1% for January to 2.9% (preliminary) for October, 1.2% less than the national unemployment rate for October.

REVENUE PROJECTIONS

At its September 5, 2024 meeting, the Council on Revenues (COR) lowered its FY 25 general fund tax revenue growth rate forecast from 4.8% to 3.5% and reduced its forecasts from 4.5% to 2.2% for FY 26; 4.0% to 3.5% for FY 27; 3.5% to 3.1% for FY 28 and FY 29; and 3.5% to 1.9% for FY 30. The COR also added its projection for FY 31 of 3.1%.

The COR expects a temporary boost in general fund tax revenues in FY 25 and FY 26 that will be followed by a return to the State's long-term average rate of economic growth due to the recovery of tourism on Maui, a gradual return of Japanese visitors, a strong construction outlook, and the stimulative effects from the anticipated cuts to the Federal Reserve's benchmark rate, make for a more favorable economic outlook for the State in the coming years.

The COR downward revisions reflect the impact of Act 46, SLH 2024 (Act 46), Relating to Income Tax, and Act 47, SLH 2024 (Act 47), Relating to the GET. While the impact on the State's projected revenues due to Act 46 and Act 47 will be significant, this shift in State resources is one of the most direct ways to provide relief from Hawai'i's high cost of living. This landmark tax relief legislation will lessen the tax burden on Hawai'i's families.

For the first five months of FY 25, actual preliminary general fund tax revenues have increased by 13.5%. While 13.5% is markedly above the COR's projection of 3.5% for FY 25, it includes a one-time \$350 million inheritance tax payment which, if factored out, would result in a growth rate of 4.1%. GET collections and TAT collections – which are the most reflective of the State's economic activity – have respectively increased by 0.8% and decreased by 2.9% compared to the same period of FY 24. Pursuant to Act 46, lower individual

income tax (IIT) withholding rates will take effect in January 2025 and will decrease IIT withholding collections starting in January 2025.

BUDGET AND FISCAL CONSIDERATIONS

Our Administration is committed to being fiscally responsible as we tackle the State's toughest challenges. To ensure the State's fiscal health, the development of the Executive Budget requires that we understand the State's current fiscal position and the potential fiscal challenges, to the extent possible, through the upcoming biennium and beyond.

Administrative Directive No. 22-01, State Reserve Policy, requires that for each year of the six-year planning period, the State shall endeavor to attain a minimum fund balance as a percentage of the preceding year's general fund revenues as follows:

1. 5% unassigned general fund carryover balance;
2. 10% Emergency and Budget Reserve Fund (EBRF); and
3. 25% combined State reserves or 20% combined State reserves, if the EBRF fund balance objective has been met.

The State's EBRF is currently at its highest level, which is necessary to meet the objectives of the State Reserve Policy and ensure that the State is in a good fiscal position during an economic downturn.

Other funding concerns include the State's unfunded liabilities in the Employees' Retirement System (ERS) and Employer-Union Health Benefits Trust Fund, which continue to pose significant demands on the State's resources, and potential delays or decreases in federal awards.

There are significant risk factors that could have appreciable negative revenue impact, including the national economy and the possibility of a recession, the unrest in Eastern Europe and the Middle East, tensions with China, risks in the banking sector, continued labor shortages, supply chain disruptions, sustained travel hesitancy from Asian markets, and the reduction in federal stimulus spending. These challenges could result in significant general fund impact and reinforce the need to be fiscally responsible with our expenditures to ensure the State’s fiscal stability in the next biennium and beyond.

The results of the presidential and congressional election this past November may result in changes that could create instability in the federal budget process and the timely distribution of federal funds to states for critical programs. Funding for significant federal programs could also be dramatically reduced or eliminated, which may require that the State provide funding for the continuation of federal programs that are considered vital.

Constitutional and Statutory Requirements

The FB 2025-27 Executive Biennium Budget includes the operating and CIP requirements of the Executive Branch as required by the Hawai’i State Constitution. In preparing the Biennium Budget, the Executive Branch is bound by constitutional and statutory requirements, which include, but are not limited to, the following:

- Article VII, Section 8, of the Hawai’i State Constitution provides that “[w]ithin such time prior to the opening of each regular session in an odd-numbered year as may be provided by law, the governor shall submit to the legislature a budget in a form provided by law setting forth a complete plan of proposed expenditures of the executive branch. . .”

- Section 37-69, HRS, requires that “[t]he governor prepare a [S]tate six-year program and financial plan encompassing all state programs, . . .” The program and financial plan shall contain financial summaries displaying the State’s financial condition including “[t]he changes proposed to the existing tax and nontax rates, sources or structure, and the estimated increases or reductions in revenues, the estimated cumulative increases or reductions, and the estimated fund balance or deficit in each of the next six fiscal years as a result of such proposed changes. Proposals for changes in the existing tax and nontax rates, sources or structure shall be made in every case where the proposed, total state expenditures exceed the total resources anticipated from existing tax and nontax sources at existing rates.”
- Section 37-71(b)(4), HRS, prescribes that the information provided in the budget be formatted such that “[p]rogram costs shall include all costs, including research and development, operating and capital, regardless of the means of financing. . .”
- Section 37-71(c)(3), HRS, requires a summary listing of all capital improvement projects by program, at the lowest level of the program structure, which shows for each project, by investment cost elements, the amount of new appropriations and authorizations proposed. Under Section 37-62, Definitions, HRS, “cost elements” means the major subdivisions of a cost category. The category “capital investment” includes plan, land acquisition, design, construction, and equipment and furnishing.

Elimination of Long-term Vacancies

The Administration recognizes that maintaining unfilled vacant positions can be a significant drain on public resources. As priorities, mandates, and strategic objectives of departments change over the years, some vacant positions may no longer

serve the departments as intended. By removing the position counts for long-term (i.e., over four years) vacancies, departments could redirect the funds to more pressing needs.

As part of the budget preparation process, departments were instructed to delete position counts for long-term vacancies while the funding could be reprogrammed. The reallocation of resources will help to ensure that taxpayer money is being used effectively in order to better serve the public and that the budget more transparently reflects current program needs.

Budget Transparency

To increase budget transparency, departments were instructed to review their FY 25 operating budget details for items that did not align with anticipated expenditures and could be addressed immediately. In addition, they were to review their positions to ensure compliance with Section 37-74(f), HRS, which prohibits funds from being expended to fill a permanent or temporary position for the lowest level of a program if the filling of that position causes the position ceiling for that level of the program to be exceeded.

As such, the FB 2025-27 Executive Budget includes requests for:

1. “Conversion of unbudgeted positions” to authorize unbudgeted positions through trade-off and transfer of funding and position counts (if necessary, permanent or temporary position counts have been requested).
2. Trade-off and transfer adjustments to fully fund underfunded or unfunded positions if the positions were deemed critical.
3. Trade-off and transfer adjustments to correct negative amounts or realign the budget to expenditures.

4. Base budget adjustments to delete underfunded or unfunded positions.

BUDGET PROVISION AND FINANCIAL PLAN CONSIDERATIONS

Through separate legislation, the Administration will be requesting cost-neutral emergency appropriations for the third and fourth quarters of FY 25 that are necessary due to the lack of the special provision in Act 164, SLH 2023, as amended by Act 230, SLH 2024, that would have allowed the Governor to authorize the transfer of operating funds between appropriations of the same fund, within an expending agency, for operating purposes.

It is not possible to consistently predict the service level requirements for certain programs. Therefore, this special provision would provide the flexibility necessary to continue to provide services within the current operating budget, without additional funding. As such, we will be requesting that the provision be restored in the FB 2025-27 Executive Budget bill.

We will also be requesting the restoration of other provisions that would allow the Administration to meet unforeseen operating and CIP requirements and to respond quickly to emergency situations within existing budget appropriations.

The General Fund Financial Plan includes the revenue impact of other potential emergency appropriations, specific appropriations, and revenue adjustments that will be proposed by the Administration but not those to be proposed by the Legislature.

THE EXECUTIVE BUDGET REQUEST FOR FB 2025-27

The Operating Budget

The development of the Executive Budget for FB 2025-27 began with an operating base budget amount based on each department's FY 25 appropriations from Act 164, SLH 2023, as amended by Act 230, SLH 2024, minus non-recurring costs and plus collective bargaining (CB) (except for federal funds, other federal funds, private funds, county funds, and American Rescue Plan funds).

These base budget amounts have been adjusted to reflect the Administration's key priorities which include affordable housing development, expanded services for mental health and homelessness solutions and the 2023 Wildfire recovery efforts.

Additional adjustments include requests for:

- Trade-offs and transfers and conversion of unbudgeted positions to align the budget with current operational requirements.
 - Select fixed costs and entitlements.
 - Federal or other federal fund ceiling adjustments based on anticipated grant awards.
 - Elimination of long-term vacant position counts with redirection of funding to current needs.
 - Second-year funding for recurring costs.
 - Full-year funding for new partially funded positions.
 - Public health and safety or immediate requirements of court orders or federal mandates.
- Sustainable and reasonable or fringe benefit adjustment requests for special, revolving, and trust funded programs.

For FB 2025-27, the budget includes \$20.547 billion in FY 26 and \$20.460 billion in FY 27 from all means of financing (MOF) for operating costs. This represents net increases of \$2.663 billion (15%) and \$2.550 billion (14%), respectively, compared to the appropriate operating budget bases (FY 25 appropriations from Act 164, SLH 2023, as amended by Act 230, SLH 2024, as adjusted for FY 26 and FY 27). Of these amounts, the request for general funds is \$10.472 billion in FY 26 and \$10.542 billion in FY 27, resulting in increases of \$619.9 million (6%) and \$664.1 million (7%), respectively.

Additional information on funding distribution by MOF and department may be found in the sections that follow.

Major general fund adjustments for fixed costs and entitlements include:

- Increases debt service payments by \$23,488,005 in FY 26 and \$63,738,821 in FY 27 for DOE, UH, and other State CIP projects.
- Increases retirement benefits payments by \$41,816,343 in FY 26 and \$76,464,835 in FY 27 for DOE, UH, and other State programs.
- Increases health premium payments by \$57,817,650 in FY 26 and \$74,495,300 in FY 27 for DOE, UH, and other State programs.
- Increases Medicaid health care payments by \$15,770,660 in general funds and \$35,272,121 in federal funds in FY 26 and FY 27 for increased Death Benefits Program payments and in-home Home and Community-Based Services payments; and restore funding for increased

private professional services payments, increased applied behavioral analysis services payments, and Child Wellness Incentive Pilot Program payments.

The Executive Budget for FB 2025-27 includes the following significant requests by program area (requests are for general funds unless otherwise noted):

Economic Development

- Adds 44.00 permanent positions and \$12,735,015 in FY 26 and FY 27 for biosecurity programs and positions for the Department of Agriculture.
- Transfers out a total of 4.00 permanent positions and \$12,130,256 in both FY 26 and FY 27 from Sports and Signature Events, Regenerative Tourism Development, and Workforce Development into Destination Stewardship and Community to consolidate programs within the Hawai'i Tourism Authority. Also reduces \$332,715 in FY 26 and FY 27 for Administration and Governance and adds \$2,773,676 in FY 26 and FY 27 for Branding and Marketing.
- Adds \$11,000,000 in special funds in FY 26 for the Hawai'i Convention Center to reimburse the Department of Budget and Finance.
- Adds a total of \$2,000,000 in both FY 26 and FY 27 for grant programs under the Hawai'i Technology Development Corporation.

Employment

- Adds \$2,974,112 for FY 26 and \$2,984,583 for FY 27 to fund information technology (IT) consultant services, software licenses, and Amazon web services environment

and storage for the Disability Compensation Division Modernization Project.

Transportation

- Adds \$23,812,501 in special funds in FY 26 and FY 27 for additional security equipment for Daniel K. Inouye International Airport at Honolulu, Kahului Airport, Hilo International Airport, Ellison Onizuka Kona International Airport at Keahole, and Lihue Airport.
- Adds \$70,950,000 in special funds in FY 26 and \$65,375,000 in FY 27 for consultant services to support special maintenance projects for the Airports Division.
- Adds \$30,000,000 in special funds in FY 26 and \$35,000,000 in FY 27 for consultant services and special maintenance projects for State harbors.
- Adds \$19,017,069 in special funds in FY 26 to buyout the energy savings lease for State harbors.
- Adds \$50,000,000 in special funds in FY 26 and \$45,000,000 in FY 27 for special maintenance projects for State highways.

Environmental Protection

- Adds \$15,000,000 in FY 26 for State highways fire mitigation.
- Adds \$5,000,000 in FY 26 and FY 27 for forest and resource management improvements.
- Adds \$5,000,000 in special funds in FY 26 and FY 27 to establish an expenditure ceiling for the Dam and Appurtenance Improvement or Removal Grant Program Special Fund.

- Adds \$4,750,000 in FY 26 and FY 27 for the Hawai'i Invasive Species Council and Hawai'i Ant Lab.
- Adds \$4,000,000 in FY 26 for fire pre-suppression, readiness, response, and post-fire restoration and rehabilitation activities.
- Adds \$3,000,000 in FY 26 for West Maui fire prevention: Ukumehame wetland and stream, Maui.

Health

- Adds \$67,315,400 for both fiscal years to restore general fund support for operating subsidies for HHSC Regions.
- Adds \$48,500,000 in FY 26 and \$48,400,000 in FY 27 in special funds to restore the special fund ceiling for HHSC O'ahu Region.
- Adds \$10,100,000 for FY 26 and \$21,400,000 for FY 27 to increase Medicaid 1915(c) Home and Community-Based Services Waiver for Individuals with Intellectual and Developmental Disabilities.
- Adds \$15,000,000 for FY 26 and FY 27 to continue the funding for HELP.
- Adds \$13,000,000 for FY 26 and FY 27 for locum tenens contracts to provide required medical and psychiatry services to patients at HSH.
- Adds \$9,476,352 in FY 26 and \$9,441,861 in FY 27 to support the UH Cancer Center.
- Adds \$8,000,000 in FY 26 and \$14,000,000 in FY 27 to restore general fund support for an operating subsidy for HHSC O'ahu Region.
- Adds \$10,000,000 in FY 26 and FY 27 for contracted skilled nursing services provided to over 500 students at 200 public schools statewide.
- Adds \$12,000,000 in FY 26 and \$6,000,000 in FY 27 for an operating subsidy for the Maui Health System, a Kaiser Foundation Hospitals LLC.
- Adds \$8,650,000 for FY 26 to cover overtime and other payroll costs shortfall at HSH.
- Adds \$3,716,836 for FY 26 and \$3,947,578 for FY 27 to meet collective bargaining requirements for service providers contracted for 911 emergency ground ambulance and aeromedical ambulance service for the County of Maui.
- Adds 2.00 permanent FTE positions for FY 26 and FY 27, \$5,093,932 for FY 26 and \$187,864 for FY 27 to support and facilitate cesspool conversions in the Wastewater Branch and maintain the efforts initiated under Act 153, SLH 2022.
- Adds \$4,571,100 for FY 26 for moving and lease funds for the relocation of various Department of Health staff from Kinau Hale Building and Office of Health Status Monitoring.
- Adds 7.00 FTE Advanced Practice Registered Nurse (RN) and 8.00 FTE RN positions and \$1,453,492 for FY 26 and \$2,619,374 for FY 27 for the provision of Certified Community Behavioral Health Clinic services at Maui, Hawai'i, Kaua'i, and O'ahu Community Mental Health Centers.
- Adds 11.00 permanent positions and \$1,243,212 in FY 26 and \$1,468,488 in FY 27 to expand UH's nursing programs.

- Transfers 6.00 FTE permanent positions and \$470,000 for FY 26 and FY 27 from the Office of the Governor to the Department of Human Resources Development for the Office of Wellness and Resilience.

Social Services

- Adds \$260,000,000 in special funds in FY 26 and FY 27 to establish a permanent special fund ceiling for the Hospital Sustainability Special Fund and the Nursing Facility Sustainability Special Fund.
- Increases Medicaid health care payments by \$15,770,660 in general funds and \$35,272,121 in federal funds in FY 26 and FY 27 for increased Death Benefits Program payments and in-home Home and Community-Based Services payments; and restores funding for increased private professional services payments, increased applied behavioral analysis services payments, and Child Wellness Incentive Pilot Program payments.

Homelessness

- Adds \$50,000,000 in FY 26 and FY 27 to restore and increase general fund support for the development, maintenance, and operation of Kauhale.
- Adds \$10,800,000 in FY 26 and FY 27 to restore general fund support for family assessment centers, the Housing First Program, the Rapid Re-housing Program, and homeless outreach and civil legal services.
- Adds \$5,000,000 in FY 26 for stored property and debris removal services for the Highways Division.

Education

Public School System

- Adds \$20,990,000 in FY 26 and FY 27 to sustain the summer learning programs.
- Adds \$15,000,000 in FY 26 and FY 27 for increased electricity costs.
- Adds 58.00 permanent positions and \$5,027,927 in FY 26 and 108.00 permanent positions and \$8,236,302 in FY 27 for public Pre-K expansion.
- Adds \$5,000,000 in FY 26 and FY 27 to enhance school security provided by the Department of Law Enforcement (DLE) through their SaferWatch Program.
- Adds \$3,925,000 in FY 26 and \$3,625,000 in FY 27 for workforce readiness learning opportunities for students.

Charter Schools

- Adds \$9,935,491 in FY 26 and \$9,872,364 in FY 27 for Charter Schools to equalize the per-pupil funding based on the DOE's FB 2025-27 operating budget and projected enrollment.

Public Library System

- Adds \$1,200,000 in FY 26 and FY 27 for additional security services for various libraries.

University System

- Adds 4.00 permanent positions and \$4,020,000 in FY 26 and FY 27 to fund UH Athletics programs.

Youth Challenge

- Adds \$1,997,384 in FY 26 and FY 27 to fund federal payroll fringe benefits for Youth Challenge Academy (YCA) employees.

Public Safety

- Reduces \$5,185,607 for FY 26 and FY 27 from the Department of Accounting and General Services to transfer funding for security guard services, security camera monitoring, and Sheriff positions at the State Capitol back to DLE; and adds \$6,905,607 for FY 26 and FY 27 to DLE for the transfer and to add additional funds for a new contract.
- Adds \$5,000,000 in inter-departmental transfer funds for FY 26 and FY 27 for the safety program for public schools.
- Adds \$4,138,726 in inter-departmental transfer funds for FY 26 and FY 27 for fringe benefit costs for the Sheriffs providing law enforcement presence at the courts, statewide.
- Adds \$4,000,000 for FY 26 and FY 27 to increase reentry services to connect offenders with community-based services.
- Adds 2.00 FTE permanent positions and \$2,212,000 in FY 26 and FY 27 for Fire Marshal.
- Adds 15.75 FTE temporary positions and \$1,406,296 in general funds and 4.25 FTE temporary positions and \$487,770 in other federal funds for both fiscal years to adequately staff and restructure HI-EMA to meet current and relevant emergency management functions.

Government-Wide Support

- Adds \$200,000,000 in revolving funds in FY 26 and FY 27 for State Risk Management and Insurance Administration for the expenditure of insurance proceeds for Maui wildfires recovery.
- Adds \$10,000,000 in FY 26 and FY 27 for additional litigation expenses for the Department of the Attorney General.
- Adds \$12,000,000 in special funds for FY 26 for payments to the King Kalakaua Building's management association for repairs and renovations by the Department of Commerce and Consumer Affairs.
- Adds \$5,491,297 for FY 26 and \$6,515,078 for FY 27 for workers' compensation claims.
- Adds \$6,844,527 in other funds in FY 26 and \$2,823,706 in other funds in FY 27 to migrate the ERS pension administration system to a new version.
- Adds \$5,000,000 in FY 26 and FY 27 for accounting systems development and maintenance for Hawai'i Information Portal enterprise expenditures.
- Adds \$3,020,000 in various MOFs in FY 26 and FY 27 for Deputy Attorney General salary adjustments.
- Adds 6.00 permanent positions and \$2,920,548 in FY 26 and \$2,923,596 in FY 27 for accounting systems development and maintenance for supplemental resources to support the Enterprise Financial System Project.
- Adds \$2,330,000 in FY 26 and \$3,200,000 in FY 27 for Enterprise Technology Services for Microsoft Enterprise Agreement subscription.

- Adds \$3,978,275 in FY 26 and \$125,000 in FY 27 for the Office of Elections for a voting system contract, digital voter information guide, and Electronic Registration Information Center.
- Adds \$338,150 for FY 26 and \$1,343,400 for FY 27 for consultant services to maintain Tax System Modernization projects.
- Adds \$1,653,691 in both FY 26 and FY 27 for salary increases for all Deputy Public Defender positions.

CIP Budget

The FB 2025-27 Executive Budget includes requests for the following types of projects:

- Administration priorities.
- 2023 wildfires recovery.
- Major repair and maintenance for a public or educational facility.
- Completion of later phases of an ongoing CIP project.
- Public health and safety.
- Improvements in energy efficiency or conservation.
- Public infrastructure improvements.

For the CIP budget, a total of \$3.433 billion in FY 26 and \$2.471 billion in FY 27 has been requested. Of these amounts, the requests for G.O. and G.O. reimbursable bond funds total \$1.327 billion and \$601.2 million, respectively.

Additional information on funding distribution by MOF and department may be found in the sections that follow. The FB 2025-27 CIP requests support the following program areas (G.O. bond funds unless otherwise noted):

Economic Development

- Adds \$26,000,000 in FY 26 for Royal Kunia Agricultural Park, O‘ahu.
- Adds \$6,470,000 in FY 26 for Kekaha Irrigation System Improvements, Kekaha, Kaua‘i.
- Adds \$6,070,000 in Reimbursable G.O. bond funds in FY 26 for Tropical Agricultural Tech Center Warehouse, Hawai‘i.
- Adds \$6,000,000 in FY 26 for tar deposit removal at the Halawa Animal Quarantine Station, O‘ahu.
- Adds \$5,000,000 in both FY 26 and FY 27 for Hawai‘i Convention Center Improvements, O‘ahu.
- Adds \$5,000,000 in G.O. bond funds and \$1,000 in federal funds in FY 26 for State Irrigation System Reservoir Safety Improvements, Statewide.
- Adds \$2,700,000 in FY 26 and \$5,000,000 in FY 27 for Moloka‘i Irrigation System Improvements, Moloka‘i.
- Adds \$2,000,000 in FY 26 for State Transit-Oriented Development Planning, Statewide.
- Adds \$1,250,000 in FY 26 and \$1,750,000 in FY 27 for Kahuku Agricultural Park Miscellaneous Improvements, O‘ahu.

Transportation

- Adds \$156,677,000 (\$154,877,000 in revenue bond funds and \$1,800,000 in federal funds) in FY 26 and \$716,162,000 (\$656,162,000 in revenue bond funds and \$60,000,000 in federal funds) in FY 27 for Airfield Improvements, Statewide.
- Adds \$147,045,000 (\$137,045,000 in revenue bond funds and \$10,000,000 in federal funds) in FY 26 for Ellison Onizuka Kona International Airport, Airport Improvements, Hawai'i.
- Adds \$89,501,000 (\$89,500,000 in revenue bond funds and \$1,000 in federal funds) in FY 26 and \$56,501,000 (\$56,500,000 in revenue bond funds and \$1,000 in federal funds) in FY 27 for Airports Facility Improvements, Statewide.
- Adds \$301,000,000 in other funds in FY 26 for Rental Car Facility Improvements, Statewide.
- Adds \$25,000,000 (\$24,992,000 in special funds, \$4,000 in federal funds, and \$4,000 in private contributions) in FY 26 and \$40,000,000 (\$39,992,000 in special funds, \$4,000 in federal funds, and \$4,000 in private contributions) in FY 27 for Honolulu Harbor Improvements, O'ahu.
- Adds \$12,000 (\$4,000 in special funds, \$4,000 in federal funds, and \$4,000 in private contributions) in FY 26 and \$35,000,000 (\$34,992,000 in special funds, \$4,000 in federal funds, and \$4,000 in private contributions) in FY 27 for Kalaeloa Barbers Point Harbor Improvements, O'ahu.
- Adds \$12,000 (\$4,000 in special funds, \$4,000 in federal funds, and \$4,000 in private contributions) in FY 26 and \$50,000,000 (\$44,992,000 in special funds, \$4,000 in

federal funds, and \$4,000 in private contributions) in FY 27 for Hilo Harbor Improvements, Hawai'i.

- Adds \$477,149,000 (\$14,063,000 in special funds, \$66,686,000 in revenue bond funds, and \$396,400,000 in federal funds) in FY 26 and \$422,617,000 (\$11,920,000 in special funds; \$72,603,000 in revenue bond funds, and \$338,094,000 in federal funds) in FY 27 for Highway Structural Facilities Program, Statewide.
- Adds \$132,005,000 (\$2,540,000 in special funds, \$23,361,000 in revenue bond funds, and \$106,104,000 in federal funds) in FY 26 and \$4,514,000 (\$4,513,000 in special funds and \$1,000 in federal funds) in FY 27 for Highway System Preservation Improvements, Statewide.
- Adds \$60,933,000 (\$1,775,000 in special funds, \$26,064,000 in revenue bond funds, \$32,394,000 in federal funds, and \$700,000 in county funds) in FY 26 and \$50,500,000 (\$10,100,000 in revenue bond funds and \$40,400,000 in federal funds) in FY 27 for Highway Traffic Operational Improvements, Statewide.
- Adds \$13,000,000 in FY 26 for maintenance dredging and reconstruction of the outer marginal wharf at Lahaina Small Boat Harbor on Maui.

Environmental Protection

- Adds \$5,000,000 in FY 26 and FY 27 for Watershed Protection and Initiatives, Statewide.
- Adds \$2,000,000 in FY 26 and FY 27 for Rockfall and Flood Mitigation, Statewide.
- Adds \$1,750,000 in FY 26 for Pohakea Fire Prevention and Suppression Infrastructure, Maui.

Health

- Adds \$5,913,000 in G.O. bond funds and \$29,558,000 in federal funds for FY 26 and FY 27 for the Safe Drinking Water Revolving Fund, Statewide.
- Adds \$5,082,000 in G.O. bond funds and \$25,406,000 in federal funds for FY 26 and FY 27 for the Wastewater Treatment Revolving Fund for Pollution Control, Statewide.
- Adds \$3,150,000 for FY 26 and \$5,750,000 for FY 27 for HSH, Health and Safety, O'ahu.
- Adds \$5,500,000 for FY 26 for Kalaupapa Settlement, Close Landfills, and Install Synthetic Cover Layer at Municipal Solid Waste, Moloka'i.
- Adds \$3,500,000 for FY 26 for HSH, Water System Improvements, and Other Work, O'ahu.
- Adds \$3,100,000 for FY 26 for HSH, Guensberg Building, Renovations and Site Improvements, O'ahu.
- Adds \$25,500,000 in FY 26 and \$16,800,000 in FY 27 for various HHSC Regions projects, Statewide.
- Adds \$12,500,000 in FY 26 and FY 27 for Kau Hospital, Keaau Outpatient Center, Hawai'i.
- Adds \$1,339,000 in FY 26 and \$11,909,000 in FY 27 for West Hawai'i Region Kona Community Hospital - Emergency Department, Hawai'i.
- Adds \$6,000,000 in FY 26 and FY 27 for various projects for the Maui Health System, a Kaiser Foundation Hospitals LLC, Maui.

- Adds \$5,800,000 in FY 26 and \$5,000,000 in FY 27 for various projects for the Kahuku Medical Center, O'ahu.
- Adds \$5,600,000 in FY 26 and \$5,110,000 in FY 27 for various projects for the HHSC O'ahu Region, O'ahu.

Social Services

- Adds \$35,000,000 in G.O. bonds and \$58,000,000 in other federal funds in FY 26 for third Hawai'i State Veteran's Home, Maui.
- Adds \$10,000,000 in FY 26 for IT Modernization for the Benefits Eligibility Solution System, Statewide.

Housing

- Adds \$50,000,000 in both FY 26 and FY 27 for cash infusions to the RHRF.
- Adds \$75,000,000 in both FY 26 and FY 27 for cash infusions to the RHRF for Tier II affordable housing projects.
- Adds \$12,000,000 in FY 26 and \$50,000,000 in FY 27 for Iwilei-Kapalama Community Development District, O'ahu.
- Adds \$5,000,000 in FY 26 and \$45,000,000 in FY 27 for UH West Oahu Infrastructure, Phase 2, O'ahu.
- Adds \$20,000,000 in both FY 26 and FY 27 for cash infusions to the Dwelling Unit Revolving Fund.
- Adds \$12,102,000 in FY 26 and \$17,898,000 in FY 27 for 99-Year Leasehold Program, Phase 2, O'ahu.

Native Hawaiians

- Adds \$20,000,000 in both FY 26 and FY 27 for repairs and maintenance to infrastructure within DHHL subdivisions, Statewide.

Formal Education

Public School System

- Adds \$300,000,000 (\$60,000,000 in G.O. bonds and \$240,000,000 in federal funds) in FY 26 and \$150,000,000 (\$30,000,000 in G.O. bonds and \$120,000,000 in federal funds) in FY 27 for Lump Sum CIP - Federal Grants, Statewide.
- Adds \$131,000,000 in FY 26 for Lahaina Elementary School, Maui.
- Adds \$100,000,000 in FY 26 for Lump Sum CIP - Central Maui School Capacity, Maui.
- Adds \$23,000,000 in FY 26 for Lump Sum CIP - Health and Safety, Statewide.
- Adds \$20,000,000 in FY 26 for Lump Sum CIP - Deferred Maintenance Projects, Statewide.
- Adds \$20,000,000 in FY 26 for Lump Sum CIP - Compliance, Statewide.
- Adds \$20,000,000 in FY 26 for Lump Sum CIP - Project Completion, Statewide.

Public Library System

- Adds \$25,000,000 in FY 26 and FY 27 for Hawai'i State Public Library System, Health and Safety, Statewide.

- Adds \$2,000,000 in FY 26 and FY 27 for Kapaa Library, Kaua'i.

University System

- Adds \$50,000,000 in FY 26 and FY 27 for System, Renew, Improve, and Modernize, Statewide.
- Adds \$25,000,000 in FY 26 and FY 27 for UH Mānoa, Student Housing Services Improvements, O'ahu.
- Adds \$20,000,000 in FY 26 and FY 27 for CCS, Capital Renewal and Deferred Maintenance, and Minor CIP, Statewide.
- Adds \$15,000,000 in FY 26 and FY 27 for Hilo, Renew, Improve, and Modernize, Hawai'i.
- Adds \$15,000,000 in FY 26 for Honolulu Community College, 8805 Repurpose and Renovate Building Technology Renovations, Phase 2, O'ahu.

Youth Challenge

- Adds \$15,000,000 in FY 26 for YCA Buildings 1786 and 1787 Upgrades and Improvements, O'ahu.

Culture and Recreation

- Adds \$2,650,000 in G.O. bond funds and \$500,000 in federal funds in FY 26 for State Parks Infrastructure and Park Improvements, Lump Sum, Statewide.

Public Safety

- Adds \$30,000,000 for FY 26 for the New O'ahu Community Correctional Center Facility, O'ahu.

- Adds \$28,500,000 for FY 26 for Halawa Correctional Facility, Consolidated Healthcare Unit, O'ahu.
- Adds \$23,000,000 for FY 26 for various lump sum CIP projects to provide facility repairs, upgrades, and improvements in compliance with the Americans with Disabilities Act and building code standards.
- Adds \$20,000,000 for FY 26 for Department of Corrections and Rehabilitation (DCR) Facility-Wide Security Perimeter Fencing Repairs, Upgrades, and Related Improvements, Lump Sum CIP, Statewide.
- Adds \$10,000,000 for FY 26 for DCR 10-Year Departmental Master Plan, New Facility and Sustainable Master Plans, and Other Planning Assessments, Statewide.
- Adds \$5,000,000 for FY 26 and FY 27 for DCR Facility-Wide Repairs, Deferred Maintenance, Related Support, and Improvements, Statewide.
- Adds \$5,000,000 in FY 26 and FY 27 for Siren Maintenance and Modernization, Statewide.
- Adds \$2,500,000 in FY 26 and \$6,000,000 in FY 27 for Birkhimer Emergency Operations Center Upgrades and Improvements, O'ahu.
- Adds \$1,173,000 in G.O. bond funds and \$3,223,000 in other federal funds in FY 26 and \$7,033,000 in G.O. bond funds and \$16,277,000 in other federal funds in FY 27 for Upgrades and Improvements to Hawai'i Army National Guard Facilities, Statewide.

Government-Wide Support

- Adds \$35,000,000 in FY 26 for Enterprise Financial System, Statewide.
- Adds \$20,000,000 in FY 26 and FY 27 for Lump Sum Maintenance of Existing Facilities, Public Works Division, Statewide.
- Adds \$4,000,000 in FY 26 and \$2,000,000 in FY 27 for Lump Sum Health and Safety, Hawai'i Wireless Interoperability Network, Statewide.

WORKING TOGETHER


Our Administration is focused on making Hawai'i a place where every person – from keiki to kupuna – can pursue their goals and dreams. We are grateful for the opportunity to continue to serve Hawai'i's people as there is so much more to be done to improve Hawai'i's high cost of living and accelerate the availability of affordable housing, with thousands of units in the pipeline.

Our support of the people of Maui is unwavering. The State's efforts to help Maui rebuild and recover will continue. We will invest in preserving our quality of life and protecting our natural and cultural heritage for the sake of our children on Maui and around the State.

We are proud of our Administration's accomplishments but know that we could not have done it alone. We look forward to working with the Legislature, other sectors of government, and our community partners to face our State's biggest challenges.

We are one 'ohana. Together, we can make Hawai'i a place where our friends and families can live and thrive.

Mahalo,

A handwritten signature in black ink that reads "Josh Green M.D." in a cursive style.

Josh Green, M.D.
Governor of Hawai'i

APPENDIX TO THE GOVERNOR'S MESSAGE

A. THE EXECUTIVE BUDGET RECOMMENDATIONS

The Operating Budget

All Means of Financing

For FB 2025-27, total operating budget requests from all sources of funding amount to \$20.547 billion in FY 26 and \$20.460 billion in FY 27, resulting in increases of 7.4% and 6.9%, respectively.

<u>Means of Financing</u>	<u>FY 25* Appropriation (\$million)</u>	<u>FY 26 Request (\$million)</u>	<u>FY 27 Request (\$million)</u>
General Funds	10,321.7	10,471.6	10,541.7
Special Funds	3,805.5	4,817.7	4,700.4
Federal Funds	3,446.7	3,574.0	3,555.1
Other Federal Funds	437.5	301.6	284.6
Private Contributions	0.9	0.9	0.9
County Funds	0.0	0.0	0.0
Trust Funds	428.1	429.2	429.4
Interdept. Transfers	113.6	116.1	116.6
Revolving Funds	560.1	805.8	805.5
Other Funds	<u>21.2</u>	<u>29.8</u>	<u>25.1</u>
Total	19,135.3	20,546.6**	20,459.5**
Increase over FY 25		1,411.3	1,324.2
Percentage Increase		7.4%	6.9%

* - FY 25 appropriations from Act 164, SLH 2023, as amended by Act 230, SLH 2024.

** - Total differs due to rounding.

General Fund

Total requests for general funds amount to \$10.472 billion in FY 26 and \$10.542 billion in FY 27, which represents a increase of \$149.9 million (1.5%) in the first year and an increase of \$220.0 million (2.1%) in the second year over the FY 25 appropriation level.

It should be noted that the preceding table compares the FB 2025-27 Executive Budget Request to FY 25 operating budget appropriations from Act 164, SLH 2023, as amended by Act 230, SLH 2024. However, the operating budget bases used in preparation of the budget reflect FY 25 appropriations from Act 164, SLH 2023, as amended by Act 230, SLH 2024, minus non-recurring costs and plus collective bargaining (except federal funds, other federal funds, private funds, county funds and American Rescue Plan funds). Generally, the significant amounts of reductions (non-recurring costs in operating) account for the large differences between the FY 25 operating budget appropriations and the FB 2025-27 operating budget bases, which may differ for FY 26 and FY 27.

For the FB 2025-27 Executive Budget, the increases are primarily due to general fund requests for escalating non-discretionary costs (general funds for debt service, retirement benefit payments, health premium payments, and federal and general funds for Medicaid) and costs for health care; education; and programs to address homelessness.

The Capital Improvement Program Budget

For FB 2025-27, total requests for capital improvements amount to \$3.433 billion in FY 26 and \$2.471 billion in FY 27, to be funded from the following sources:

<u>Means of Financing</u>	<u>FY 26 Request</u> (\$million)	<u>FY 27 Request</u> (\$million)
General Funds	-	-
Special Funds	85.5	177.9
G.O. Bonds	1,321.3	601.2
G.O. Reimbursable	6.1	-
Revenue Bonds	711.2	963.3
Federal Funds	704.3	590.2
Other Federal Funds	302.7	137.8
Private Contributions*	-	-
County Funds	0.7	-
Trust Funds	-	-
Interdept. Transfers	-	-
Revolving Funds	-	-
Other Funds	<u>301.2</u>	<u>0.2</u>
Total	3,433.0	2,470.6

* - less than \$100,000 (rounded).

B. THE GENERAL FUND EXPENDITURE CEILING

By law, general fund appropriations must comply with the expenditure ceiling requirements that are set forth in Section 9 of Article VII of the Hawai'i State Constitution and Section 37-92 of the Hawai'i Revised Statutes (HRS).

At the aggregate level that includes all branches of government, the total proposed appropriations from the general fund exceeded the FY 25 expenditure but are within the expenditure ceilings for FYs 26 and 27.

For the Executive Branch, the total proposed appropriations from the general fund (which include emergency appropriations for FY 25, the Executive Biennium Budget for FB 2025-27 and other specific appropriation measures to be submitted) are within the expenditure ceilings for FY 25, FY 26 and FY 27.

Due to a combination of timing issues with enactment of various laws and accounting system limitations, certain transactions authorized for a fiscal year were recorded in the following fiscal year by the Department of Accounting and General Services (DAGS). However, the financial plan records appropriations and revenues in the fiscal year for which they were authorized.

C. LEGISLATIVE AUTHORIZATION OF TAX REFUND OR CREDIT, DEPOSIT TO THE EMERGENCY AND BUDGET RESERVE FUND, OR PRE-PAYMENT OF CERTAIN COSTS

Article VII, Section 6, of the Hawai'i State Constitution requires that whenever the State general fund balance at the close of each of two successive fiscal years exceed 5% of general fund revenues for each of the two fiscal years, the Legislature must: 1) provide for a tax refund or tax credit to the taxpayers of the State; or 2) make a deposit into one or more emergency funds, as provided by law; or

3) appropriate general funds for the pre-payment of either or both: a) debt service for obligation bonds issued or b) pension or other post-employment benefit (OPEB) liabilities.

FYs 23 and 24 general fund balances were greater than 5% of FYs 22 and 23 (the prior fiscal years) general fund revenues. Since two successive fiscal years' balances exceed 5% of revenues, the 2025 Legislature must provide for a tax refund or tax credit or make a deposit into one or more funds that serve as temporary supplemental sources of funding in times of emergency, economic downturn, or unforeseen reduction in revenues, or appropriate general funds for the prepayment of either or both of 1) debt service or 2) pension or OPEB liabilities.

Due to a combination of timing issues with enactment of various laws and accounting system limitations, certain transactions authorized for a fiscal year were recorded in the following fiscal year by DAGS. However, the financial plan records appropriations and revenues in the fiscal year for which they were authorized.

D. ACTIVATION OF REQUIRED DEPOSIT TO THE EMERGENCY AND BUDGET RESERVE FUND

Section 328L-3, HRS, provides that whenever general fund revenues for each of two successive fiscal years exceed revenues for each of the preceding fiscal years by 5%, the Director of Finance shall deposit 5% of the general fund balance into the EBRF. However, no such transfer shall be made whenever the balance of the EBRF is equal to or more than 10% of general fund revenues for the preceding fiscal year.

For FYs 23 and 24, general fund revenues decreased by -0.2% from FY 22 to FY 23 and increased by 4.4% from FY 23 to FY 24, not exceeding the 5% threshold. Additionally, the EBRF balance as of June 30, 2024,

represented 14.9% of FY 23 revenues, which is more than the 10% threshold. The two criteria have not been met and, thus, did not trigger activation of a required deposit to the EBRF.

Due to a combination of timing issues with enactment of various laws and accounting system limitations, certain transactions authorized for a fiscal year were recorded in the following fiscal year by DAGS. However, the financial plan records appropriations and revenues in the fiscal year for which they were authorized.

E. THE DEBT LIMIT

Section 13 of Article VII of the Hawai'i State Constitution places a debt limit on general obligation bonds that may be issued by the State. It has been determined that the total amount of principal and interest calculated on: a) all bonds issued and outstanding; b) all bonds authorized and unissued; and c) all bonds proposed in the Executive Budget (including State guaranties) will not cause the debt limit to be exceeded at the time of each bond issuance.

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BUDGET IN BRIEF
The FB 2025-27 Executive Budget

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The Operating and Capital Budget - Statewide Summaries

GF Financial Plan - Fiscal Biennium 2025 - 2027 with 2025 Legislative Proposals
GENERAL FUND
FISCAL YEARS 24 - 31
(in millions of dollars)

	<u>Adj. Act</u> <u>FY 24</u>	<u>Estimated</u> <u>FY 25</u>	<u>Estimated</u> <u>FY 26</u>	<u>Estimated</u> <u>FY 27</u>	<u>Estimated</u> <u>FY 28</u>	<u>Estimated</u> <u>FY 29</u>	<u>Estimated</u> <u>FY 30</u>	<u>Estimated</u> <u>FY 31</u>
REVENUES:								
Executive Branch:	4.0%	3.50%	2.2%	3.5%	3.1%	3.1%	1.9%	3.1%
Tax revenues	9,568.3	9,902.1	10,124.5	10,480.1	10,807.9	11,148.1	11,365.5	11,723.5
Nontax revenues	1,041.8	863.8	880.9	889.1	912.5	928.7	928.8	928.8
Judicial Branch revenues	25.6	26.7	26.7	27.0	27.0	27.0	27.0	27.0
Other revenues	0.0	0.0	28.1	28.1	(1.0)	(1.0)	(1.0)	(1.0)
TOTAL REVENUES	10,635.7	10,792.6	11,060.1	11,424.3	11,746.5	12,102.9	12,320.4	12,678.3
EXPENDITURES								
Executive Branch:								
Operating	10,733.7	10,321.7	10,471.6	10,541.7	10,695.9	10,873.3	11,011.7	11,085.5
CIP	330.1	113.3	0.0	0.0	0.0	0.0	0.0	0.0
Specific appropriation/CB	780.9	558.5	0.0	0.0	0.0	0.0	0.0	0.0
Other expenditures/adjustments	0.0	139.8	485.7	506.8	42.7	42.7	42.7	42.7
Sub-total - Exec Branch	11,844.7	11,133.3	10,957.2	11,048.6	10,738.6	10,916.0	11,054.4	11,128.2
Legislative Branch	47.5	55.7	47.5	47.5	47.5	47.5	47.5	47.5
Judicial Branch	189.5	230.6	203.3	203.4	203.4	203.4	203.4	203.4
OHA	3.3	3.0	4.9	5.0	5.1	5.3	5.5	5.6
Counties	-	-	-	-	-	-	-	-
Lapses	(863.3)	(120.0)	(120.0)	(120.0)	(120.0)	(120.0)	(120.0)	(120.0)
TOTAL EXPENDITURES	11,221.7	11,302.6	11,092.9	11,184.4	10,874.6	11,052.2	11,190.7	11,264.6
REV. OVER (UNDER) EXPEND.	(586.0)	(510.0)	(32.8)	239.9	871.9	1,050.7	1,129.7	1,413.7
CARRY-OVER BALANCE (DEFICIT)								
Beginning	2,178.9	1,592.9	1,082.9	1,050.2	1,290.0	2,161.9	3,212.6	4,342.3
Ending	1,592.9	1,082.9	1,050.2	1,290.0	2,161.9	3,212.6	4,342.3	5,756.0
Ending fund bal as % of prior yr revenues	15.6%	10.2%	9.1%	9.6%	15.4%	22.5%	29.8%	39.4%
<i>Emergency and Budget Reserve Fund (EBRF)</i>	1,516.2	1,566.8	1,618.9	1,679.3	1,741.6	1,806.2	1,870.5	1,937.1
<i>Hawaii Hurricane Relief Fund (HHRF)</i>	171.4	171.0	171.0	171.0	171.0	171.0	171.0	171.0
<i>Total EBRF and HHRF</i>	1,687.7	1,737.8	1,789.9	1,850.3	1,912.6	1,977.2	2,041.5	2,108.1
<i>EBRF & HHRF fund balance as % of prior yr revenues</i>	16.6%	16.3%	16.6%	16.7%	16.7%	16.8%	16.9%	17.1%

* unaudited

Sources: Department of Accounting and General Services; Department of Budget and Finance, June 2024

Note: Due to rounding, details may not add to totals.

The budgetary General Fund resources, expenditures and balances above are presented on a modified cash-basis. The State's normal practice is to utilize this modified cash-basis methodology for budgetary and financial planning purposes. Due to a combination of timing issues with enactment of various laws and accounting system limitations, certain transactions authorized for a fiscal year were recorded in the following fiscal year by the Department of Accounting and General Services. However, the financial plan records appropriations in the fiscal year for which the appropriation was authorized. In contrast, the State's audited financial statements are prepared on a modified accrual basis. Consequently, the modified cash information presented in this table is not directly comparable to the modified accrual basis information presented in the State's audited financial statements, and the differences in reporting may vary substantially.

**FB 25-27 Operating Budget
Statewide Totals by Means of Financing**

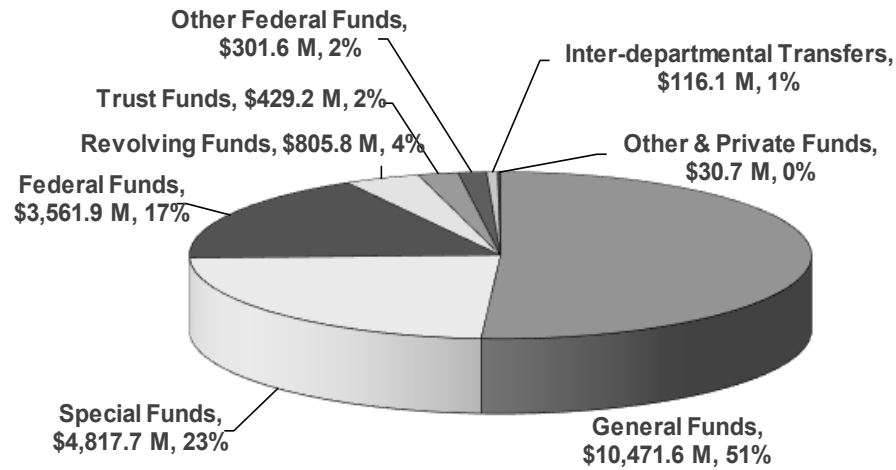
		Budget Base*	% of	Budget Base*	% of	FY 2026	% of	FY 2027	% of
		FY 2026	Total	FY 2027	Total		Total		Total
	perm	36,883.05		36,883.05		37,263.58		37,339.58	
	temp	2,641.97		2,641.97		2,491.22		2,487.22	
General Funds	\$	9,851,706,684	55.1%	9,877,645,660	55.2%	10,471,559,898	51.0%	10,541,723,984	51.5%
	perm	7,208.29		7,208.29		7,177.04		7,177.04	
	temp	110.50		110.50		110.50		110.50	
Special Funds	\$	3,223,753,279	18.0%	3,223,753,279	18.0%	4,817,720,262	23.4%	4,700,413,506	23.0%
	perm	2,338.79		2,338.79		2,244.92		2,244.92	
	temp	338.08		338.08		314.08		308.08	
Federal Funds	\$	3,422,248,424	19.1%	3,422,248,424	19.1%	3,573,956,967	17.4%	3,555,106,180	17.4%
	perm	436.75		436.75		428.90		428.90	
	temp	263.35		263.35		258.85		258.85	
Other Federal Funds	\$	276,778,170	1.5%	276,778,170	1.5%	301,598,232	1.5%	284,644,726	1.4%
	perm	-		-		-		-	
	temp	-		-		-		-	
Private Contributions	\$	903,067	0.0%	903,067	0.0%	903,067	0.0%	903,067	0.0%
	perm	-		-		-		-	
	temp	-		-		-		-	
County Funds	\$	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	perm	91.00		91.00		92.00		92.00	
	temp	11.00		11.00		10.00		10.00	
Trust Funds	\$	427,413,316	2.4%	427,413,316	2.4%	429,236,938	2.1%	429,380,657	2.1%
	perm	412.10		412.10		430.10		430.10	
	temp	33.10		33.10		32.10		32.10	
Interdepartmental Transfers	\$	102,999,423	0.6%	102,999,423	0.6%	116,070,692	0.6%	116,618,477	0.6%
	perm	377.85		377.85		442.85		442.85	
	temp	120.00		120.00		149.00		149.00	
Revolving Funds	\$	556,172,731	3.1%	556,172,346	3.1%	805,804,551	3.9%	805,532,720	3.9%
	perm	116.00		116.00		116.00		116.00	
	temp	-		-		-		-	
Other Funds	\$	21,272,571	0.1%	21,272,571	0.1%	29,789,857	0.1%	25,135,360	0.1%
	perm	47,863.83		47,863.83		48,195.39		48,271.39	
	temp	3,518.00		3,518.00		3,365.75		3,355.75	
TOTAL REQUIREMENTS	\$	17,883,247,665	100.0%	17,909,186,256	100.0%	20,546,640,464	100.0%	20,459,458,677	100.0%

*The FYs 26 and 27 Budget Bases reflect FY 25 appropriations from Act 164, SLH 2023, as amended by Act 230, SLH 2024; and includes collective bargaining (except federal and other federal funds), less non-recurring expense adjustments.

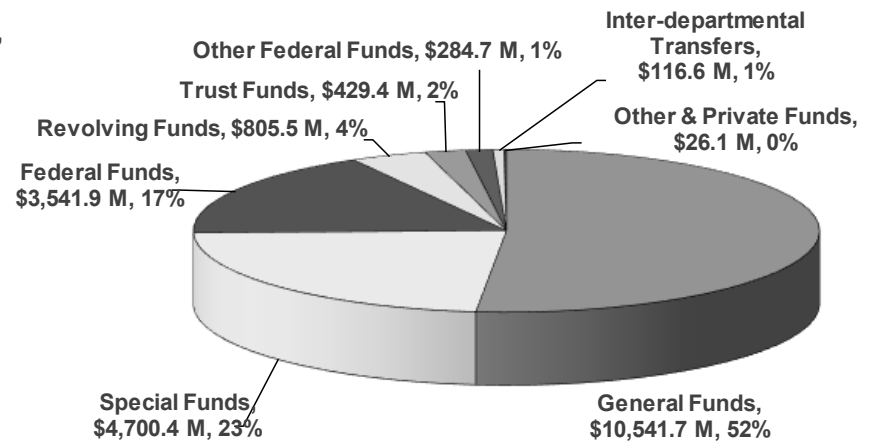
FB 25-27 Operating Budget Statewide Totals by Means of Financing

FY 2026

FY 2027



Total \$20.53 B



Total \$20.45 B

**FB 25-27 Operating Budget
Statewide Totals By Department - All Funds**

		Budget Base*	% of	Budget Base*	% of	FY 2026	% of	FY 2027	% of
		FY 2026	Total	FY 2027	Total		Total		Total
	perm	829.50		829.50		834.50		835.50	
	temp	12.00		12.00		13.00		13.00	
Accounting & General Svcs	\$	233,468,847	1.3%	233,468,847	1.3%	464,117,020	2.3%	458,278,613	2.2%
	perm	334.50		334.50		373.50		373.50	
	temp	9.00		9.00		5.00		5.00	
Agriculture	\$	59,523,610	0.3%	59,523,610	0.3%	73,354,302	0.4%	71,488,696	0.3%
	perm	738.28		738.28		747.28		747.28	
	temp	46.50		46.50		45.50		45.50	
Attorney General	\$	122,224,277	0.7%	122,224,277	0.7%	142,490,836	0.7%	142,662,045	0.7%
	perm	241.00		241.00		244.50		244.50	
	temp	144.00		144.00		146.00		145.00	
Business, Econ. Dev. & Tourism	\$	258,089,494	1.4%	258,089,494	1.4%	332,188,355	1.6%	268,697,686	1.3%
	perm	388.50		388.50		392.50		392.50	
	temp	-		-		-		-	
Budget and Finance	\$	4,212,685,807	23.6%	4,212,685,807	23.5%	4,920,068,664	23.9%	5,007,131,844	24.5%
	perm	534.00		534.00		536.00		536.00	
	temp	18.00		18.00		18.00		18.00	
Commerce & Consumer Affairs	\$	103,945,370	0.6%	103,945,370	0.6%	121,832,546	0.6%	106,090,779	0.5%
	perm	2,615.60		2,615.60		2,615.60		2,615.60	
	temp	43.00		43.00		43.00		43.00	
Corrections and Rehabilitation **	\$	315,281,386	1.8%	315,281,386	1.8%	320,555,674	1.6%	319,828,880	1.6%
	perm	292.00		292.00		295.00		295.00	
	temp	212.50		212.50		235.25		235.25	
Defense	\$	107,053,451	0.6%	107,053,451	0.6%	115,425,236	0.6%	116,485,145	0.6%
	perm	20,496.75		20,496.75		20,570.25		20,642.25	
	temp	2,149.00		2,149.00		2,116.00		2,116.00	
Education	\$	2,615,446,607	14.6%	2,639,755,531	14.7%	2,780,947,156	13.5%	2,808,422,488	13.7%
	perm	88.00		88.00		88.00		88.00	
	temp	-		-		-		-	
Charter Schools	\$	170,697,104	1.0%	172,326,771	1.0%	182,147,595	0.9%	183,714,135	0.9%
	perm	566.50		566.50		566.50		567.50	
	temp	-		-		-		-	
Public Libraries	\$	50,581,826	0.3%	50,581,826	0.3%	53,850,582	0.3%	53,632,130	0.3%
	perm	30.00		30.00		30.00		30.00	
	temp	23.00		23.00		23.00		23.00	
Governor	\$	5,021,872	0.0%	5,021,872	0.0%	5,276,872	0.0%	5,276,872	0.0%
	perm	204.00		204.00		204.00		204.00	
	temp	8.00		8.00		11.00		11.00	
Hawaiian Home Lands	\$	66,524,046	0.4%	66,524,046	0.4%	66,917,646	0.3%	66,966,846	0.3%
	perm	3,004.22		3,004.22		3,115.28		3,116.28	
	temp	382.75		382.75		306.75		306.75	
Health	\$	1,233,823,936	6.9%	1,233,823,936	6.9%	1,339,408,546	6.5%	1,317,501,465	6.4%

**FB 25-27 Operating Budget
Statewide Totals By Department - All Funds**

		Budget Base*	% of	Budget Base*	% of	FY 2026	% of	FY 2027	% of
		FY 2026	Total	FY 2027	Total		Total		Total
	perm	2,835.25		2,835.25		2,835.25		2,835.25	
	temp	-		-		-		-	
HHSC	\$	689,375,868	3.9%	689,375,868	3.8%	825,316,268	4.0%	825,091,268	4.0%
	perm	102.00		102.00		123.00		123.00	
	temp	-		-		-		-	
Human Resources Development	\$	28,165,149	0.2%	28,165,149	0.2%	38,467,036	0.2%	38,986,018	0.2%
	perm	2,323.50		2,323.50		2,331.50		2,331.50	
	temp	86.00		86.00		96.00		87.00	
Human Services	\$	4,386,130,002	24.5%	4,386,130,002	24.5%	4,820,240,917	23.5%	4,809,465,680	23.5%
	perm	539.50		539.50		547.50		547.50	
	temp	65.50		65.50		66.50		66.50	
Labor and Industrial Relations	\$	452,909,137	2.5%	452,909,137	2.5%	461,486,776	2.2%	461,609,939	2.3%
	perm	1,100.00		1,100.00		1,122.00		1,122.00	
	temp	49.00		49.00		47.00		47.00	
Land and Natural Resources	\$	319,110,435	1.8%	319,110,435	1.8%	320,586,079	1.6%	293,757,357	1.4%
	perm	580.00		580.00		605.00		605.00	
	temp	18.50		18.50		18.50		18.50	
Law Enforcement	\$	84,577,402	0.5%	84,577,402	0.5%	105,916,271	0.5%	104,375,556	0.5%
	perm	17.00		17.00		17.00		17.00	
	temp	-		-		-		-	
Lieutenant Governor	\$	2,563,665	0.0%	2,563,665	0.0%	2,563,665	0.0%	2,563,665	0.0%
	perm	415.00		415.00		412.00		413.00	
	temp	99.00		99.00		24.00		24.00	
Taxation	\$	42,593,145	0.2%	42,593,145	0.2%	43,252,317	0.2%	44,734,913	0.2%
	perm	2,751.00		2,751.00		2,721.50		2,721.50	
	temp	34.00		34.00		33.00		33.00	
Transportation	\$	966,841,213	5.4%	966,841,213	5.4%	1,629,629,260	7.9%	1,571,175,605	7.7%
	perm	6,837.73		6,837.73		6,867.73		6,867.73	
	temp	118.25		118.25		118.25		118.25	
University of Hawaii	\$	1,356,614,016	7.6%	1,356,614,016	7.6%	1,380,600,845	6.7%	1,381,521,052	6.8%
	perm	47,863.83		47,863.83		48,195.39		48,271.39	
	temp	3,518.00		3,518.00		3,365.75		3,355.75	
TOTAL REQUIREMENTS	\$	17,883,247,665	100.0%	17,909,186,256	100.0%	20,546,640,464	100.0%	20,459,458,677	100.0%

*The FYs 26 and 27 Budget Bases reflect FY 25 appropriations from Act 164, SLH 2023, as amended by Act 230, SLH 2024; and includes collective bargaining (except federal and other federal funds), less non-recurring expense adjustments.

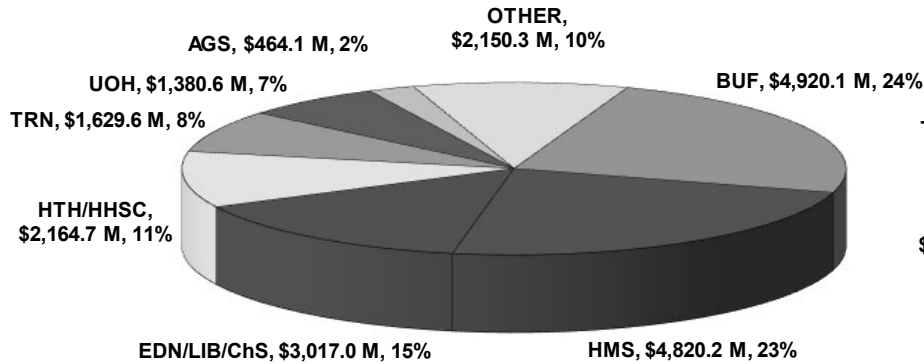
** Formerly known as Public Safety (PSD).

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FB 25-27 Operating Budget

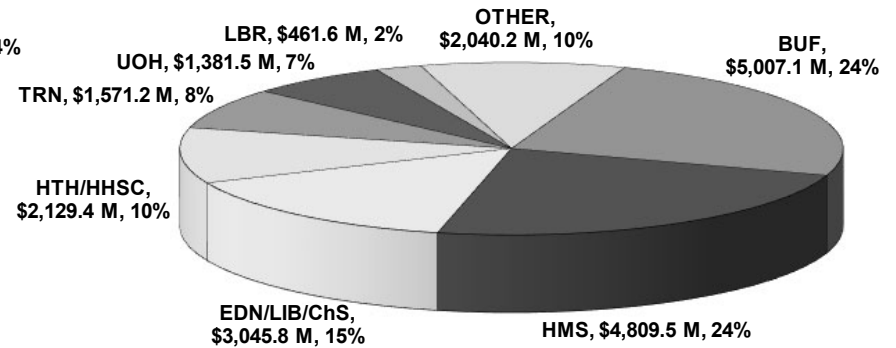
Statewide Totals by Department - All Funds

FY2026



Total \$20.5 B

FY 2027



Total \$20.4 B

**FB 25-27 Operating Budget
Statewide Totals By Department - General Funds**

	Budget Base*	% of	Budget Base*	% of		% of		% of	
	FY 2026	Total	FY 2027	Total	FY 2026	Total	FY 2027	Total	
	perm	697.50	697.50		703.50		704.50		
	temp	9.00	9.00		11.00		11.00		
Accounting & General Svcs	\$	158,428,711	1.6%	158,428,711	1.6%	181,170,505	1.7%	175,332,098	1.7%
	perm	276.18	276.18		317.18		317.18		
	temp	2.00	2.00		2.00		2.00		
Agriculture	\$	26,928,937	0.3%	26,928,937	0.3%	41,741,233	0.4%	40,168,627	0.4%
	perm	406.94	406.94		414.94		414.94		
	temp	19.01	19.01		19.01		19.01		
Attorney General	\$	49,270,383	0.5%	49,270,383	0.5%	62,350,505	0.6%	62,348,304	0.6%
	perm	155.96	155.96		165.96		165.96		
	temp	46.00	46.00		49.00		48.00		
Business, Econ. Dev. & Tourism	\$	87,071,692	0.9%	87,071,692	0.9%	99,000,381	0.9%	98,271,397	0.9%
	perm	201.50	201.50		204.50		204.50		
	temp	-	-		-		-		
Budget and Finance	\$	3,734,079,731	37.9%	3,734,079,731	37.8%	3,859,127,880	36.9%	3,950,701,838	37.5%
	perm	-	-		-		-		
	temp	-	-		-		-		
Commerce & Consumer Affairs	\$	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	perm	2,609.60	2,609.60		2,609.60		2,609.60		
	temp	-	-		-		-		
Corrections & Rehabilitation**	\$	299,898,308	3.0%	299,898,308	3.0%	305,172,596	2.9%	304,445,802	2.9%
	perm	172.25	172.25		177.00		177.00		
	temp	93.75	93.75		115.00		115.00		
Defense	\$	32,585,281	0.3%	32,585,281	0.3%	39,760,507	0.4%	40,662,055	0.4%
	perm	19,726.25	19,726.25		19,810.75		19,882.75		
	temp	2,007.50	2,007.50		1,974.50		1,974.50		
Education	\$	2,223,191,774	22.6%	2,247,501,083	22.8%	2,317,494,427	22.1%	2,343,470,144	22.2%
	perm	81.12	81.12		81.12		81.12		
	temp	-	-		-		-		
Charter Schools	\$	163,855,104	1.7%	165,484,771	1.7%	175,305,595	1.7%	176,872,135	1.7%
	perm	566.50	566.50		566.50		567.50		
	temp	-	-		-		-		
Public Libraries	\$	45,216,582	0.5%	45,216,582	0.5%	47,850,582	0.5%	47,632,130	0.5%
	perm	30.00	30.00		30.00		30.00		
	temp	23.00	23.00		23.00		23.00		
Governor	\$	5,021,872	0.1%	5,021,872	0.1%	5,276,872	0.1%	5,276,872	0.1%
	perm	200.00	200.00		200.00		200.00		
	temp	-	-		-		-		
Hawaiian Home Lands	\$	26,832,072	0.3%	26,832,072	0.3%	26,832,072	0.3%	26,832,072	0.3%
	perm	2,497.62	2,497.62		2,630.93		2,631.93		
	temp	179.00	179.00		108.00		108.00		
Health	\$	607,837,784	6.2%	607,837,784	6.2%	687,238,619	6.6%	679,432,692	6.4%

**FB 25-27 Operating Budget
Statewide Totals By Department - General Funds**

		Budget Base*	% of	Budget Base*	% of	FY 2026	% of	FY 2027	% of
		FY 2026	Total	FY 2027	Total		Total		Total
	perm	-		-		-		-	
	temp	-		-		-		-	
	\$	86,080,403	0.9%	86,080,403	0.9%	173,520,803	1.7%	173,395,803	1.6%
HHSC	perm	100.00		100.00		121.00		121.00	
	temp	-		-		-		-	
Human Resources Development	\$	22,286,988	0.2%	22,286,988	0.2%	32,588,875	0.3%	33,107,857	0.3%
	perm	1,248.73		1,248.73		1,252.20		1,252.20	
	temp	14.50		14.50		17.50		14.50	
Human Services	\$	1,430,903,286	14.5%	1,430,903,286	14.5%	1,490,998,396	14.2%	1,484,186,124	14.1%
	perm	198.73		198.73		208.73		208.73	
	temp	14.96		14.96		15.96		15.96	
Labor and Industrial Relations	\$	26,980,227	0.3%	26,980,227	0.3%	30,791,223	0.3%	30,914,386	0.3%
	perm	754.25		754.25		773.75		773.75	
	temp	26.50		26.50		26.50		26.50	
Land and Natural Resources	\$	101,907,335	1.0%	101,907,335	1.0%	123,668,617	1.2%	116,689,135	1.1%
	perm	323.00		323.00		330.00		330.00	
	temp	8.50		8.50		8.50		8.50	
Law Enforcement	\$	35,979,180	0.4%	35,979,180	0.4%	46,628,175	0.4%	44,539,675	0.4%
	perm	17.00		17.00		17.00		17.00	
	temp	-		-		-		-	
Lieutenant Governor	\$	2,251,665	0.0%	2,251,665	0.0%	2,251,665	0.0%	2,251,665	0.0%
	perm	415.00		415.00		412.00		413.00	
	temp	86.00		86.00		9.00		9.00	
Taxation	\$	38,963,519	0.4%	38,963,519	0.4%	39,622,691	0.4%	41,105,287	0.4%
	perm	-		-		-		-	
	temp	-		-		-		-	
Transportation	\$	-	0.0%	-	0.0%	20,000,000	0.2%	-	0.0%
	perm	6,204.92		6,204.92		6,236.92		6,236.92	
	temp	112.25		112.25		112.25		112.25	
University of Hawaii	\$	646,135,850	6.6%	646,135,850	6.5%	663,167,679	6.3%	664,087,886	6.3%
	perm	36,883.05		36,883.05		37,263.58		37,339.58	
	temp	2,641.97		2,641.97		2,491.22		2,487.22	
TOTAL REQUIREMENTS	\$	9,851,706,684	100.0%	9,877,645,660	100.0%	10,471,559,898	100.0%	10,541,723,984	100.0%

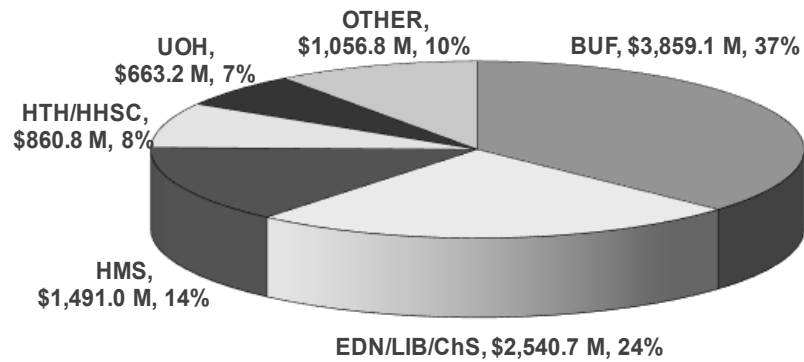
*The FYs 26 and 27 Budget Bases reflect FY 25 appropriations from Act 164, SLH 2023, as amended by Act 230, SLH 2024; and includes collective bargaining (except federal and other federal funds), less non-recurring expense adjustments.

** Formerly known as Public Safety (PSD).

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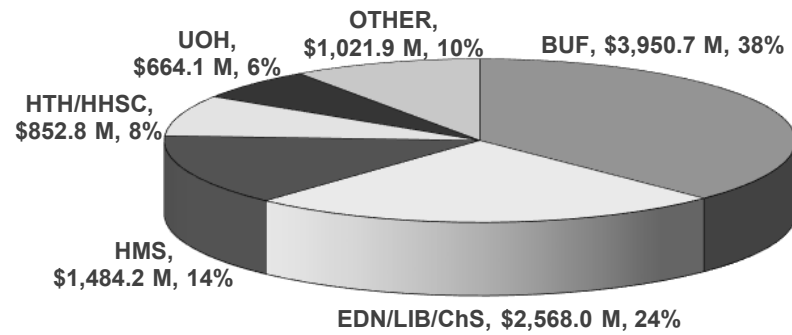
FB 25-27 Operating Budget Statewide Totals by Department - General Fund

FY 2026



Total \$10.47 B

FY 2027



Total \$10.54 B

FY 26 Operating Budget
Statewide Position Ceiling Totals By Department By Means of Financing

		General Fund	Special Funds	Federal Funds	Other Fed Funds	Private Contrib Funds	County Funds	Trust Funds	Inter-Dept Trsfs Funds	Revolving Funds	Other Funds	Total by Dept
Accounting & General Services	Perm	703.50	33.25	4.75	-	-	-	-	43.00	50.00	-	834.50
	Temp	11.00	1.00	1.00	-	-	-	-	-	-	-	13.00
	Total	714.50	34.25	5.75	-	-	-	-	43.00	50.00	-	847.50
Agriculture	Perm	317.18	45.82	0.25	2.75	-	-	-	-	7.50	-	373.50
	Temp	2.00	-	-	2.00	-	-	1.00	-	-	-	5.00
	Total	319.18	45.82	0.25	4.75	-	-	1.00	-	7.50	-	378.50
Attorney General	Perm	414.94	32.90	-	156.74	-	-	1.00	111.60	30.10	-	747.28
	Temp	19.01	1.00	5.23	1.16	-	-	-	17.10	2.00	-	45.50
	Total	433.95	33.90	5.23	157.90	-	-	1.00	128.70	32.10	-	792.78
Business, Econ. Dev. & Tourism	Perm	165.96	45.00	-	8.04	-	-	-	0.50	25.00	-	244.50
	Temp	49.00	26.25	5.00	11.75	-	-	-	-	54.00	-	146.00
	Total	214.96	71.25	5.00	19.79	-	-	-	0.50	79.00	-	390.50
Budget and Finance	Perm	204.50	-	-	-	-	-	72.00	-	-	116.00	392.50
	Temp	-	-	-	-	-	-	-	-	-	-	-
	Total	204.50	-	-	-	-	-	72.00	-	-	116.00	392.50
Commerce & Consumer Affairs	Perm	-	528.00	-	-	-	-	8.00	-	-	-	536.00
	Temp	-	14.00	-	-	-	-	4.00	-	-	-	18.00
	Total	-	542.00	-	-	-	-	12.00	-	-	-	554.00
Corrections & Rehabilitation *	Perm	2,609.60	4.00	-	-	-	-	-	-	2.00	-	2,615.60
	Temp	-	-	-	1.00	-	-	-	-	42.00	-	43.00
	Total	2,609.60	4.00	-	1.00	-	-	-	-	44.00	-	2,658.60
Defense	Perm	177.00	-	-	118.00	-	-	-	-	-	-	295.00
	Temp	115.00	-	-	118.25	-	-	-	-	2.00	-	235.25
	Total	292.00	-	-	236.25	-	-	-	-	2.00	-	530.25
Education	Perm	19,810.75	11.00	720.50	1.00	-	-	-	-	27.00	-	20,570.25
	Temp	1,974.50	-	136.50	3.00	-	-	-	-	2.00	-	2,116.00
	Total	21,785.25	11.00	857.00	4.00	-	-	-	-	29.00	-	22,686.25
Charter Schools	Perm	-81.12	-	6.88	-	-	-	-	-	-	-	88.00
	Temp	-	-	-	-	-	-	-	-	-	-	-
	Total	-81.12	-	6.88	-	-	-	-	-	-	-	88.00
Public Libraries	Perm	566.50	-	-	-	-	-	-	-	-	-	566.50
	Temp	-	-	-	-	-	-	-	-	-	-	-
	Total	566.50	-	-	-	-	-	-	-	-	-	566.50
Governor	Perm	30.00	-	-	-	-	-	-	-	-	-	30.00
	Temp	23.00	-	-	-	-	-	-	-	-	-	23.00
	Total	53.00	-	-	-	-	-	-	-	-	-	53.00
Hawaiian Home Lands	Perm	200.00	-	4.00	-	-	-	-	-	-	-	204.00
	Temp	-	-	8.00	3.00	-	-	-	-	-	-	11.00
	Total	200.00	-	12.00	3.00	-	-	-	-	-	-	215.00
Human Services	Perm	1,252.20	1.87	938.43	-	-	-	-	-	139.00	-	2,331.50
	Temp	17.50	-	31.50	-	-	-	-	-	47.00	-	96.00
	Total	1,269.70	1.87	969.93	-	-	-	-	-	186.00	-	2,427.50

FY 26 Operating Budget
Statewide Position Ceiling Totals By Department By Means of Financing

		General Fund	Special Funds	Federal Funds	Other Fed Funds	Private Contrib Funds	County Funds	Trust Funds	Inter-Dept Trsfs Funds	Revolving Funds	Other Funds	Total by Dept
	Perm	121.00	-	-	-	-	-	-	2.00	-	-	123.00
	Temp	-	-	-	-	-	-	-	-	-	-	-
Human Resources Development	Total	121.00	-	-	-	-	-	-	2.00	-	-	123.00
	Perm	2,630.93	162.00	175.60	82.50	-	-	-	11.00	53.25	-	3,115.28
	Temp	108.00	15.00	77.10	103.65	-	-	-	3.00	-	-	306.75
Health	Total	2,738.93	177.00	252.70	186.15	-	-	-	14.00	53.25	-	3,422.03
	Perm	-	2,835.25	-	-	-	-	-	-	-	-	2,835.25
	Temp	-	-	-	-	-	-	-	-	-	-	-
Health - HHSC	Total	-	2,835.25	-	-	-	-	-	-	-	-	2,835.25
	Perm	208.73	-	255.70	53.07	-	-	11.00	-	19.00	-	547.50
	Temp	15.96	-	39.00	6.54	-	-	5.00	-	-	-	66.50
Labor and Industrial Relations	Total	224.69	-	294.70	59.61	-	-	16.00	-	19.00	-	614.00
	Perm	773.75	291.00	48.25	6.00	-	-	-	-	3.00	-	1,122.00
	Temp	26.50	3.25	2.75	7.50	-	-	-	7.00	-	-	47.00
Land and Natural Resources	Total	800.25	294.25	51.00	13.50	-	-	-	7.00	3.00	-	1,169.00
	Perm	330.00	1.00	4.00	-	-	-	-	262.00	8.00	-	605.00
	Temp	8.50	-	4.00	1.00	-	-	-	5.00	-	-	18.50
Law Enforcement	Total	338.50	1.00	8.00	1.00	-	-	-	267.00	8.00	-	623.50
	Perm	17.00	-	-	-	-	-	-	-	-	-	17.00
	Temp	-	-	-	-	-	-	-	-	-	-	-
Lieutenant Governor	Total	17.00	-	-	-	-	-	-	-	-	-	17.00
	Perm	412.00	-	-	-	-	-	-	-	-	-	412.00
	Temp	9.00	15.00	-	-	-	-	-	-	-	-	24.00
Taxation	Total	421.00	15.00	-	-	-	-	-	-	-	-	436.00
	Perm	-	2,713.70	7.00	0.80	-	-	-	-	-	-	2,721.50
	Temp	-	33.00	-	-	-	-	-	-	-	-	33.00
Transportation	Total	-	2,746.70	7.00	0.80	-	-	-	-	-	-	2,754.50
	Perm	6,236.92	472.25	79.56	-	-	-	-	-	79.00	-	6,867.73
	Temp	112.25	2.00	4.00	-	-	-	-	-	-	-	118.25
University of Hawaii	Total	6,349.17	474.25	83.56	-	-	-	-	-	79.00	-	6,985.98
	Perm	37,263.58	7,177.04	2,244.92	428.90	-	-	92.00	430.10	442.85	116.00	48,195.39
	Temp	2,491.22	110.50	314.08	258.85	-	-	10.00	32.10	149.00	-	3,365.75
TOTAL POSITION CEILING	Total	39,754.80	7,287.54	2,559.00	687.75	-	-	102.00	462.20	591.85	116.00	51,561.14

* Formerly known as Public Safety (PSD)

**FY 27 Operating Budget
Statewide Position Ceiling Totals By Department By Means of Financing**

		General Fund	Special Funds	Federal Funds	Other Fed Funds	Private Contrib Funds	County Funds	Trust Funds	Inter-Dept Trsfs Funds	Revolving Funds	Other Funds	Total by Dept
Accounting & General Services	Perm	704.50	33.25	4.75	-	-	-	-	43.00	50.00	-	835.50
	Temp	11.00	1.00	1.00	-	-	-	-	-	-	-	13.00
	Total	715.50	34.25	5.75	-	-	-	-	43.00	50.00	-	848.50
Agriculture	Perm	317.18	45.82	0.25	2.75	-	-	-	-	7.50	-	373.50
	Temp	2.00	-	-	2.00	-	-	1.00	-	-	-	5.00
	Total	319.18	45.82	0.25	4.75	-	-	1.00	-	7.50	-	378.50
Attorney General	Perm	414.94	32.90	-	156.74	-	-	1.00	111.60	30.10	-	747.28
	Temp	19.01	1.00	5.23	1.16	-	-	-	17.10	2.00	-	45.50
	Total	433.95	33.90	5.23	157.90	-	-	1.00	128.70	32.10	-	792.78
Business, Econ. Dev. & Tourism	Perm	165.96	45.00	-	8.04	-	-	-	0.50	25.00	-	244.50
	Temp	48.00	26.25	5.00	11.75	-	-	-	-	54.00	-	145.00
	Total	213.96	71.25	5.00	19.79	-	-	-	0.50	79.00	-	389.50
Budget and Finance	Perm	204.50	-	-	-	-	-	72.00	-	-	116.00	392.50
	Temp	-	-	-	-	-	-	-	-	-	-	-
	Total	204.50	-	-	-	-	-	72.00	-	-	116.00	392.50
Commerce & Consumer Affairs	Perm	-	528.00	-	-	-	-	8.00	-	-	-	536.00
	Temp	-	14.00	-	-	-	-	4.00	-	-	-	18.00
	Total	-	542.00	-	-	-	-	12.00	-	-	-	554.00
Corrections & Rehabilitation *	Perm	2,609.60	4.00	-	-	-	-	-	-	2.00	-	2,615.60
	Temp	-	-	-	1.00	-	-	-	-	42.00	-	43.00
	Total	2,609.60	4.00	-	1.00	-	-	-	-	44.00	-	2,658.60
Defense	Perm	177.00	-	-	118.00	-	-	-	-	-	-	295.00
	Temp	115.00	-	-	118.25	-	-	-	-	2.00	-	235.25
	Total	292.00	-	-	236.25	-	-	-	-	2.00	-	530.25
Education	Perm	19,882.75	11.00	720.50	1.00	-	-	-	-	27.00	-	20,642.25
	Temp	1,974.50	-	136.50	3.00	-	-	-	-	2.00	-	2,116.00
	Total	21,857.25	11.00	857.00	4.00	-	-	-	-	29.00	-	22,758.25
Charter Schools	Perm	-81.12	-	6.88	-	-	-	-	-	-	-	88.00
	Temp	-	-	-	-	-	-	-	-	-	-	-
	Total	-81.12	-	6.88	-	-	-	-	-	-	-	88.00
Public Libraries	Perm	567.50	-	-	-	-	-	-	-	-	-	567.50
	Temp	-	-	-	-	-	-	-	-	-	-	-
	Total	567.50	-	-	-	-	-	-	-	-	-	567.50
Governor	Perm	30.00	-	-	-	-	-	-	-	-	-	30.00
	Temp	23.00	-	-	-	-	-	-	-	-	-	23.00
	Total	53.00	-	-	-	-	-	-	-	-	-	53.00
Hawaiian Home Lands	Perm	200.00	-	4.00	-	-	-	-	-	-	-	204.00
	Temp	-	-	8.00	3.00	-	-	-	-	-	-	11.00
	Total	200.00	-	12.00	3.00	-	-	-	-	-	-	215.00
Human Services	Perm	1,252.20	1.87	938.43	-	-	-	-	-	139.00	-	2,331.50
	Temp	14.50	-	25.50	-	-	-	-	-	47.00	-	87.00
	Total	1,266.70	1.87	963.93	-	-	-	-	-	186.00	-	2,418.50

FY 27 Operating Budget
Statewide Position Ceiling Totals By Department By Means of Financing

		General Fund	Special Funds	Federal Funds	Other Fed Funds	Private Contrib Funds	County Funds	Trust Funds	Inter-Dept Trsfs Funds	Revolving Funds	Other Funds	Total by Dept
	Perm	121.00	-	-	-	-	-	-	2.00	-	-	123.00
	Temp	-	-	-	-	-	-	-	-	-	-	-
Human Resources Development	Total	121.00	-	-	-	-	-	-	2.00	-	-	123.00
	Perm	2,631.93	162.00	175.60	82.50	-	-	-	11.00	53.25	-	3,116.28
	Temp	108.00	15.00	77.10	103.65	-	-	-	3.00	-	-	306.75
Health	Total	2,739.93	177.00	252.70	186.15	-	-	-	14.00	53.25	-	3,423.03
	Perm	-	2,835.25	-	-	-	-	-	-	-	-	2,835.25
	Temp	-	-	-	-	-	-	-	-	-	-	-
Health - HHSC	Total	-	2,835.25	-	-	-	-	-	-	-	-	2,835.25
	Perm	208.73	-	255.70	53.07	-	-	11.00	-	19.00	-	547.50
	Temp	15.96	-	39.00	6.54	-	-	5.00	-	-	-	66.50
Labor and Industrial Relations	Total	224.69	-	294.70	59.61	-	-	16.00	-	19.00	-	614.00
	Perm	773.75	291.00	48.25	6.00	-	-	-	-	3.00	-	1,122.00
	Temp	26.50	3.25	2.75	7.50	-	-	-	7.00	-	-	47.00
Land and Natural Resources	Total	800.25	294.25	51.00	13.50	-	-	-	7.00	3.00	-	1,169.00
	Perm	330.00	1.00	4.00	-	-	-	-	262.00	8.00	-	605.00
	Temp	8.50	-	4.00	1.00	-	-	-	5.00	-	-	18.50
Law Enforcement	Total	338.50	1.00	8.00	1.00	-	-	-	267.00	8.00	-	623.50
	Perm	17.00	-	-	-	-	-	-	-	-	-	17.00
	Temp	-	-	-	-	-	-	-	-	-	-	-
Lieutenant Governor	Total	17.00	-	-	-	-	-	-	-	-	-	17.00
	Perm	413.00	-	-	-	-	-	-	-	-	-	413.00
	Temp	9.00	15.00	-	-	-	-	-	-	-	-	24.00
Taxation	Total	422.00	15.00	-	-	-	-	-	-	-	-	437.00
	Perm	-	2,713.70	7.00	0.80	-	-	-	-	-	-	2,721.50
	Temp	-	33.00	-	-	-	-	-	-	-	-	33.00
Transportation	Total	-	2,746.70	7.00	0.80	-	-	-	-	-	-	2,754.50
	Perm	6,236.92	472.25	79.56	-	-	-	-	-	79.00	-	6,867.73
	Temp	112.25	2.00	4.00	-	-	-	-	-	-	-	118.25
University of Hawaii	Total	6,349.17	474.25	83.56	-	-	-	-	-	79.00	-	6,985.98
	Perm	37,339.58	7,177.04	2,244.92	428.90	-	-	92.00	430.10	442.85	116.00	48,271.39
	Temp	2,487.22	110.50	308.08	258.85	-	-	10.00	32.10	149.00	-	3,355.75
TOTAL POSITION CEILING	Total	39,826.80	7,287.54	2,553.00	687.75	-	-	102.00	462.20	591.85	116.00	51,627.14

* Formerly known as Public Safety (PSD)

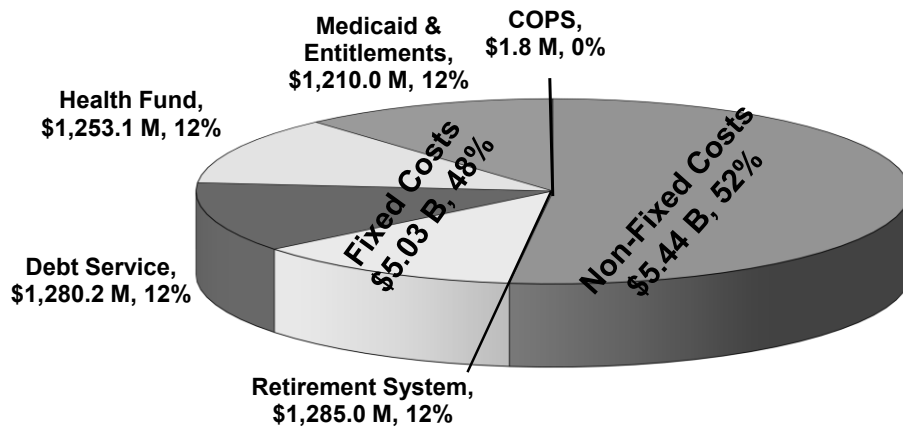
**FB 25-27 Operating Budget
Statewide Totals by Fixed vs. Non-Fixed
General Funds**

Fixed:	FY 2026	as % of Ttl	FY 2027	as % of Ttl
Retirement System	1,285,044,848	12.3%	1,319,693,340	12.5%
Debt Service	1,280,199,461	12.2%	1,320,450,277	12.5%
Health Fund	1,253,138,546	12.0%	1,269,816,196	12.0%
Medicaid and HMS Entitlements	1,209,989,759	11.6%	1,209,989,759	11.5%
Certificate of Participation	1,750,000	0.0%	1,750,000	0.0%
Fixed Sub-total:	5,030,122,614	48.0%	5,121,699,572	48.6%
Non-Fixed:	FY 2026	as % of Ttl	FY 2027	as % of Ttl
Accounting & General Svcs	181,170,505	1.7%	175,332,098	1.7%
Agriculture	41,741,233	0.4%	40,168,627	0.4%
Attorney General	62,350,505	0.6%	62,348,304	0.6%
Business, Econ. Dev. & Tourism	99,000,381	0.9%	98,271,397	0.9%
Budget and Finance	40,745,025	0.4%	40,742,025	0.4%
Commerce & Consumer Affairs	-	0.0%	-	0.0%
Corrections & Rehabilitation *	305,172,596	2.9%	304,445,802	2.9%
Defense	39,760,507	0.4%	40,662,055	0.4%
Education	2,317,494,427	22.1%	2,343,470,144	22.2%
Charter Schools	175,305,595	1.7%	176,872,135	1.7%
Public Libraries	47,850,582	0.5%	47,632,130	0.5%
Governor	5,276,872	0.1%	5,276,872	0.1%
Hawaiian Home Lands	25,082,072	0.2%	25,082,072	0.2%
Health	687,238,619	6.6%	679,432,692	6.4%
HHSC	173,520,803	1.7%	173,395,803	1.6%
Human Resources Development	32,588,875	0.3%	33,107,857	0.3%
Human Services	281,008,637	2.7%	274,196,365	2.6%
Labor and Industrial Relations	30,791,223	0.3%	30,914,386	0.3%
Land and Natural Resources	123,668,617	1.2%	116,689,135	1.1%
Law Enforcement	46,628,175	0.4%	44,539,675	0.4%
Lieutenant Governor	2,251,665	0.0%	2,251,665	0.0%
Subsidies	-	0.0%	-	0.0%
Taxation	39,622,691	0.4%	41,105,287	0.4%
Transportation	20,000,000	0.2%	-	0.0%
University of Hawaii	663,167,679	6.3%	664,087,886	6.3%
Non-Fixed Sub-total:	5,441,437,284	52.0%	5,420,024,412	51.4%
Total Request	10,471,559,898	100.0%	10,541,723,984	100.0%

FB 25-27 Operating Budget

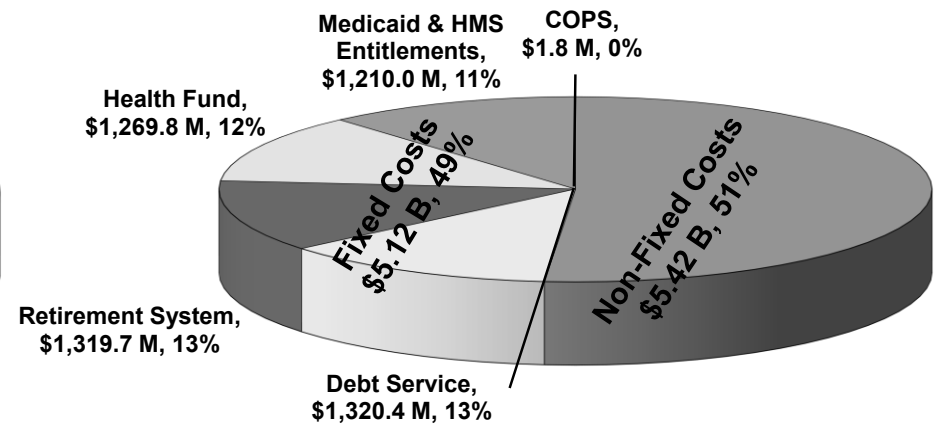
Statewide Totals by Fixed vs. Non-Fixed - General Funds

FY 2026



Total \$10,471.6 M

FY 2027



Total \$10,541.7 M

*Due to rounding, numbers may not add to total.

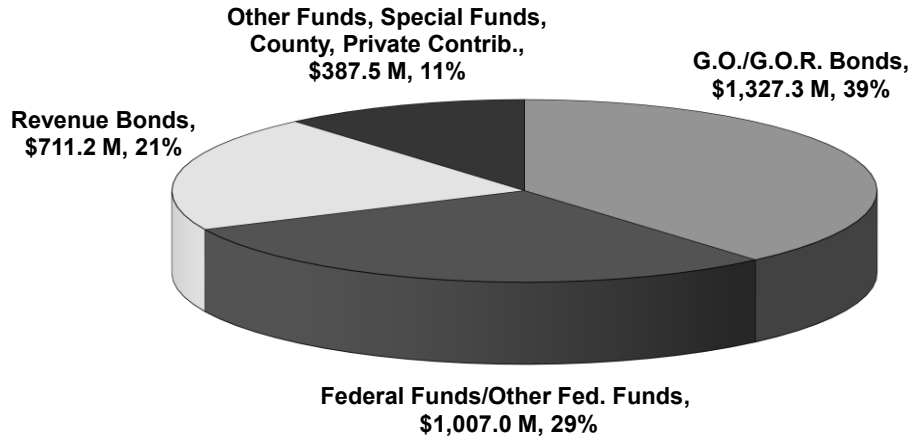
**FB 25-27 CIP Budget
Statewide Totals by Means of Financing**

	FY 2026	% of Total	FY 2027	% of Total
General Funds	-	0.0%	-	0.0%
Special Funds	85,544,000	2.5%	177,918,000	7.2%
General Obligation (G.O.) Bonds General Obligation	1,321,274,000	38.5%	601,195,000	24.3%
Reimbursable (G O R) Bonds	6,070,000	0.2%	-	0.0%
Revenue Bonds	711,200,000	20.7%	963,286,000	39.0%
Federal Funds	704,261,000	20.5%	590,173,000	23.9%
Other Federal Funds	302,723,000	8.8%	137,777,000	5.6%
Private Contributions	32,000	0.0%	32,000	0.0%
County Funds	700,000	0.0%	-	0.0%
Trust Funds	-	0.0%	-	0.0%
Interdepartmental Transfers	-	0.0%	-	0.0%
Revolving Funds	-	0.0%	-	0.0%
Other Funds	301,200,000	8.8%	200,000	0.0%
TOTAL REQUIREMENTS	3,433,004,000	100.0%	2,470,581,000	100.0%

FB 25-27 CIP Budget

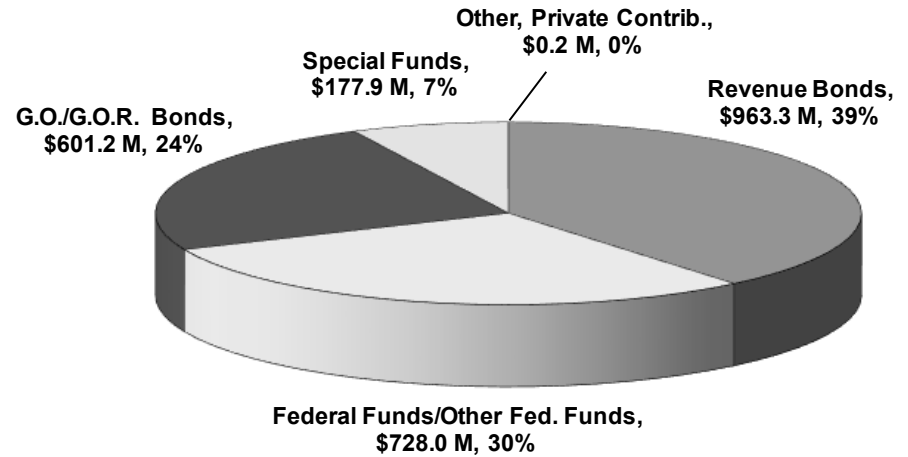
Statewide Totals by Means of Financing

FY 2026



Total \$3.43 B

FY 2027



Total \$2.47 B

**FB 25-27 CIP Budget
Statewide Totals By Department - All Funds**

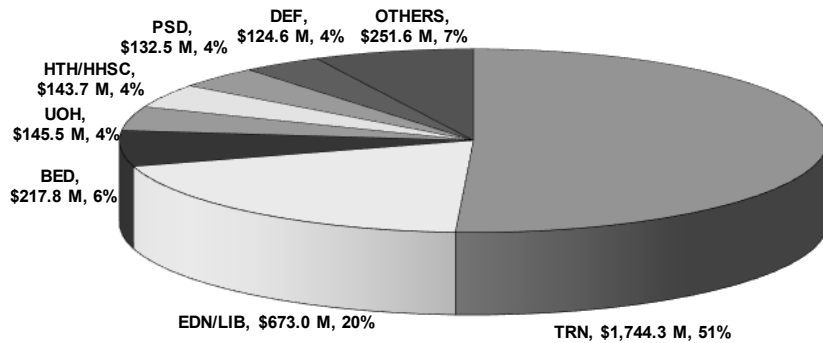
	FY 2026	% of Total	FY 2027	% of Total
Accounting and General Services	66,100,000	1.9%	22,000,000	0.9%
Agriculture	45,251,000	1.3%	8,950,000	0.4%
Attorney General	-	0.0%	-	0.0%
Business, Econ. Dev. & Tourism	217,792,000	6.3%	263,148,000	10.7%
Budget and Finance	-	0.0%	-	0.0%
Commerce and Consumer Affairs	-	0.0%	-	0.0%
Corrections & Rehabilitation *	132,500,000	3.9%	5,000,000	0.2%
Defense	124,621,000	3.6%	37,310,000	1.5%
Education	646,000,000	18.8%	158,000,000	6.4%
Public Libraries	27,000,000	0.8%	27,000,000	1.1%
Charter Schools	-	0.0%	-	0.0%
Hawaiian Home Lands	20,000,000	0.6%	20,000,000	0.8%
Health	87,009,000	2.5%	71,709,000	2.9%
HHSC	56,739,000	1.7%	57,319,000	2.3%
Human Resources Development	-	0.0%	-	0.0%
Human Services	85,220,000	2.5%	-	0.0%
Labor and Industrial Relations	-	0.0%	-	0.0%
Land and Natural Resources	35,000,000	1.0%	9,000,000	0.4%
Law Enforcement	-	0.0%	-	0.0%
Lieutenant Governor	-	0.0%	-	0.0%
Subsidies	-	0.0%	-	0.0%
Taxation	-	0.0%	-	0.0%
Transportation	1,744,272,000	50.8%	1,676,645,000	67.9%
University of Hawaii	145,500,000	4.2%	114,500,000	4.6%
TOTAL REQUIREMENTS	3,433,004,000	100.0%	2,470,581,000	100.0%

*Formerly known as Public Safety (PSD)

FB 25-27 CIP Budget

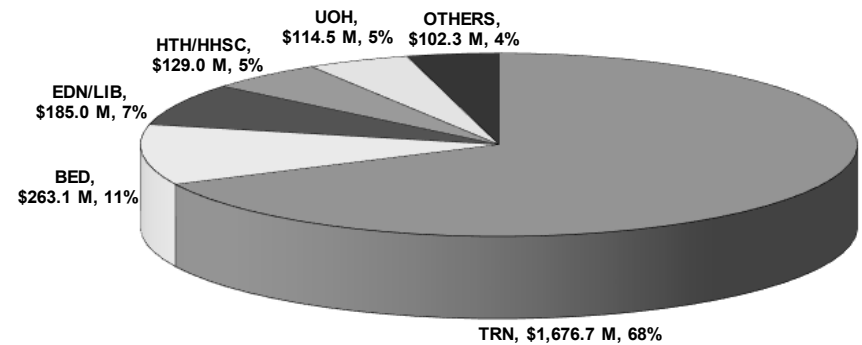
Statewide Totals by Departments - All Funds

FY 2026



Total \$3.43 B

FY 2027



Total \$2.47 B

FB 25-27 CIP Budget

Statewide Totals By Dept - General Fund, General Obligation (GO) & GO Reimbursable Bonds

	FY 2026	% of Total	FY 2027	% of Total
Accounting and General Services	66,100,000	5.0%	22,000,000	3.7%
Agriculture	45,250,000	3.4%	8,950,000	1.5%
Budget and Finance	-	0.0%	-	0.0%
Business, Econ. Dev. & Tourism	217,792,000	16.4%	263,148,000	43.8%
Commerce and Consumer Affairs	-	0.0%	-	0.0%
Corrections & Rehabilitation*	132,500,000	10.0%	5,000,000	0.8%
Defense	61,898,000	4.7%	19,533,000	3.2%
Education	406,000,000	30.6%	38,000,000	6.3%
Public Libraries	27,000,000	2.0%	27,000,000	4.5%
-	-	0.0%	-	0.0%
Charter Schools	-	0.0%	-	0.0%
Hawaiian Home Lands	20,000,000	1.5%	20,000,000	3.3%
Health	32,045,000	2.4%	16,745,000	2.8%
HHSC	56,739,000	4.3%	57,319,000	9.5%
Human Services	85,220,000	6.4%	-	0.0%
Labor and Industrial Relations	-	0.0%	-	0.0%
Land and Natural Resources	31,300,000	2.4%	9,000,000	1.5%
Law Enforcement	-	0.0%	-	0.0%
Subsidies	-	0.0%	-	0.0%
Taxation	-	0.0%	-	0.0%
Transportation	-	0.0%	-	0.0%
University of Hawaii	145,500,000	11.0%	114,500,000	19.0%
TOTAL REQUIREMENTS	1,327,344,000	100.0%	601,195,000	100.0%
General Fund	-	0.0%	-	0.0%
General Obligation Bonds	1,321,274,000	99.5%	601,195,000	100.0%
G.O. Reimbursable Bonds	6,070,000	0.5%	-	0.0%
TOTAL REQUIREMENTS	1,327,344,000	100.0%	601,195,000	100.0%

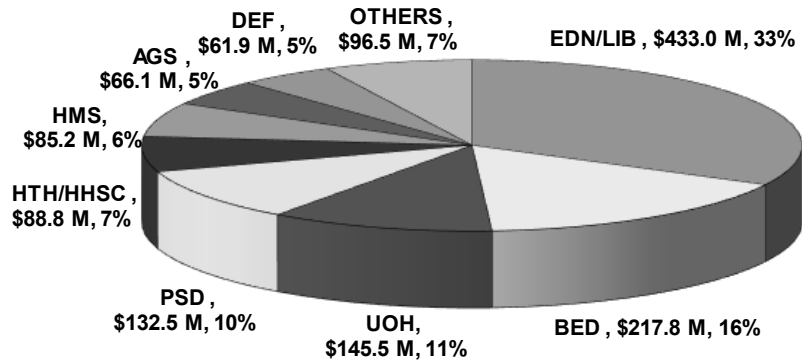
*Formerly known as Public Safety (PSD)

FB 25-27 CIP Budget

Statewide Totals by Departments

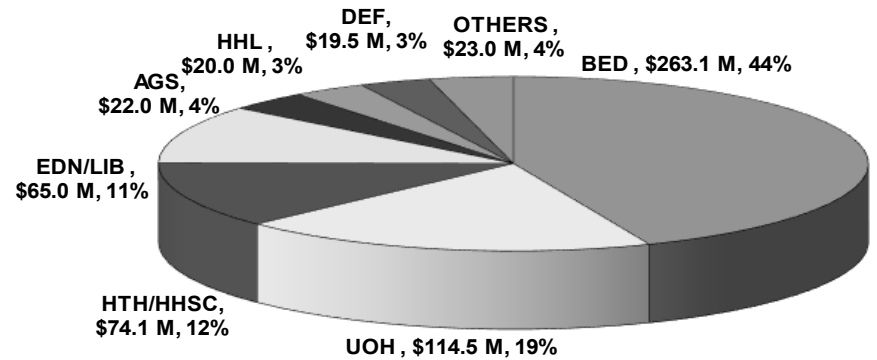
General Fund/G.O./G.O.R. Bonds

FY 2026



Total \$1327.3 M

FY 2027



Total \$601.2 M

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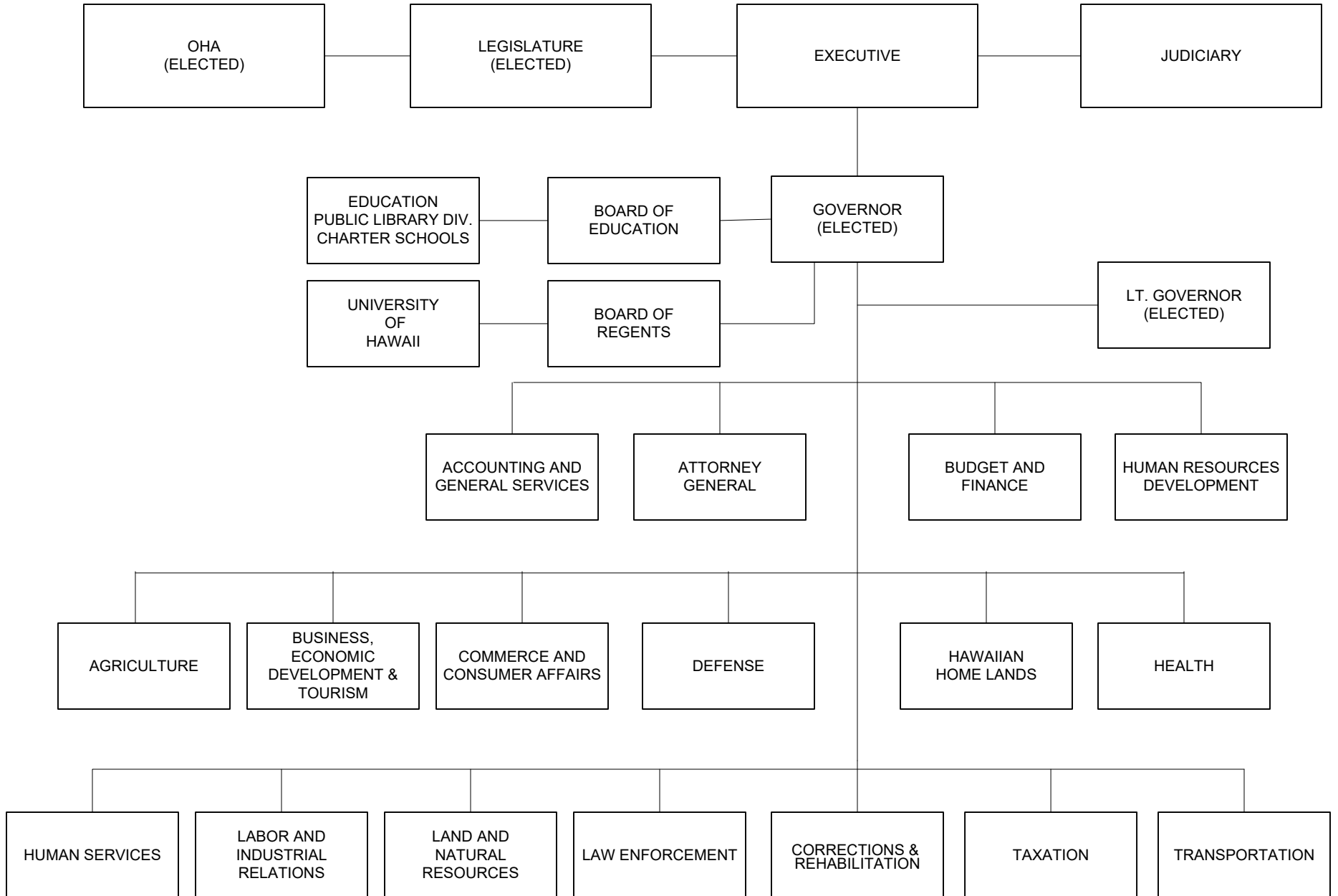


**The Operating and Capital Budget -
Department Summaries and Highlights**

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STATE GOVERNMENT OF HAWAII

PLAN OF ORGANIZATION



DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

Department Summary

Mission Statement

To attain maximum value for the state taxpayers in providing physical, financial, and technical infrastructure support for state departments and agencies so they may accomplish their missions.

Department Goals

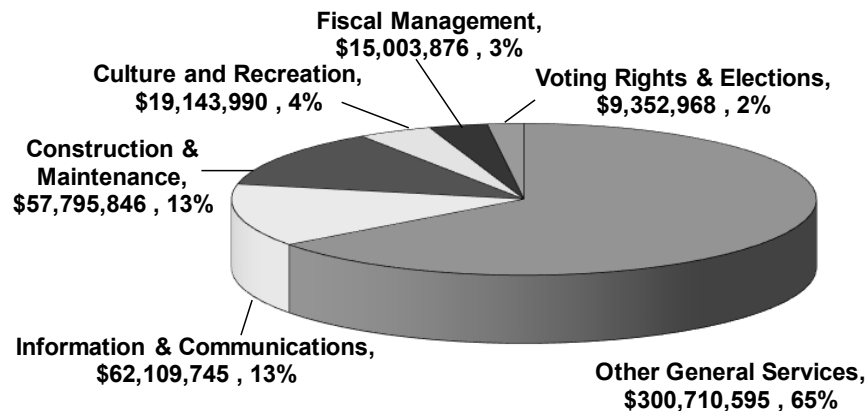
To strive for quality and consistency in the delivery of essential support services to other state departments and agencies. The department's activities reflect a continuing commitment towards cost efficiency, productivity, relevancy and timeliness of services.

Significant Measures of Effectiveness

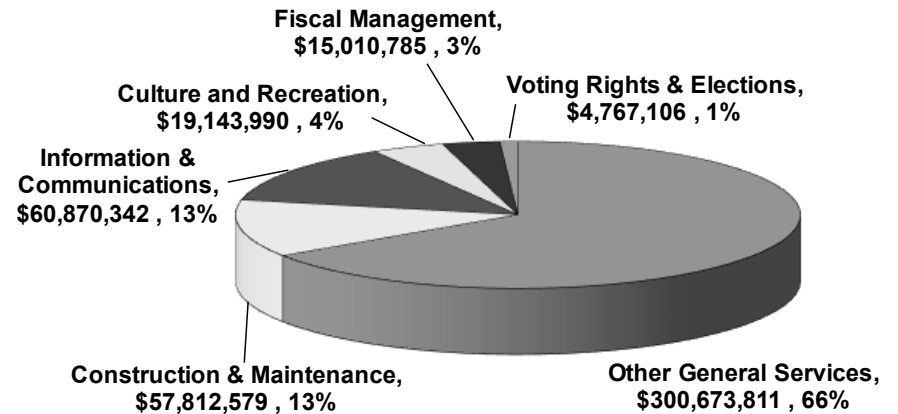
	<u>FY 2026</u>	<u>FY 2027</u>
1. Average in-house time to process payments to vendors (days)	5	5
2. Percentage of mainframe production jobs run on schedule	99	99
3. Average cost of change orders as a percentage of average actual construction cost	3	3

FB 2025-2027 Operating Budget by Major Program Area

FY 2026



FY 2027



DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES MAJOR FUNCTIONS

- Maintains the State’s accounting systems; records the State’s financial transactions; verifies expenditures before payments; audits fiscal records of State agencies; and preparation of the State’s Annual Comprehensive Financial Report.
- Coordinates and directs engineering, architectural, office leasing, and centralized services that include public building and school repair and maintenance (neighbor islands), custodial services, and grounds maintenance.
- Develops, implements, and manages statewide information technology governance, State information technology strategic plans, and technology standards.
- Administers the statewide information processing and telecommunication services and programs.
- Performs land survey work for government agencies.
- Preserves government records and historical material.
- Administers the State’s risk management activities.
- Manages the State’s motor pool and parking activities.
- Coordinates procurement activities under Chapter 103D and 103F, HRS.
- Guides and promotes culture, the arts, history and humanities.
- Directs the statewide elections systems; ensures full disclosure of campaign contributions and expenditures.
- Provides legal guidance and assistance on the open records law (HRS Chapter 92F (UIPA)), and the open meetings law (Part 1 of HRS Chapter 92 (Sunshine Law)) and encourages government agencies to post open data online.

MAJOR PROGRAM AREAS

The Department of Accounting and General Services has programs in the following major program areas:

Formal Education

AGS 807 School Repair & Maintenance,
Neighbor Island Districts

Culture and Recreation

AGS 881 State Foundation on Culture
& the Arts

Individual Rights

AGS 105 Enforcement of Information
Practices

Government-Wide Support

AGS 101 Accounting Sys Dev & Maintenance
AGS 102 Expenditure Examination
AGS 103 Recording and Reporting
AGS 104 Internal Post Audit
AGS 111 Archives – Records
Management
AGS 131 Enterprise Technology Services

AGS 203 State Risk Management and
Insurance Administration

AGS 211 Land Survey
AGS 221 Public Works – Planning,
Design, & Construction

AGS 223 Office Leasing

AGS 231 Central Services – Custodial
Services

AGS 232 Central Services – Grounds
Maintenance

AGS 233 Central Services - Building
Repairs and Alterations

AGS 234 Central Services – Cemetery
Management Office

AGS 240 State Procurement

AGS 244 Surplus Property Management

AGS 251 Automotive Management – Motor
Pool

AGS 252 Automotive Management –
Parking Control

AGS 871 Campaign Spending Commission

AGS 879 Office of Elections

AGS 891 Enhanced 911 Board

AGS 901 General Administrative Services

**Department of Accounting and General Services
(Operating Budget)**

		Budget Base	Budget Base		
		FY 2026	FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	697.50	697.50	703.50	704.50
	Temp Positions	9.00	9.00	11.00	11.00
General Funds	\$	158,428,711	158,428,711	181,170,505	175,332,098
	Perm Positions	34.00	34.00	33.25	33.25
	Temp Positions	1.00	1.00	1.00	1.00
Special Funds	\$	17,865,656	17,865,656	24,865,656	24,865,656
	Perm Positions	5.00	5.00	4.75	4.75
	Temp Positions	1.00	1.00	1.00	1.00
Federal Funds	\$	1,007,194	1,007,194	1,007,194	1,007,194
	Perm Positions	-	-	-	-
	Temp Positions	1.00	1.00	-	-
Trust Funds	\$	413,907	413,907	1,113,907	1,113,907
	Perm Positions	43.00	43.00	43.00	43.00
	Temp Positions	-	-	-	-
Interdepartmental Transfers	\$	16,006,019	16,006,019	16,146,019	16,146,019
	Perm Positions	50.00	50.00	50.00	50.00
	Temp Positions	-	-	-	-
Revolving Funds	\$	39,747,360	39,747,360	239,813,739	239,813,739
		829.50	829.50	834.50	835.50
		12.00	12.00	13.00	13.00
Total Requirements		233,468,847	233,468,847	464,117,020	458,278,613

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

1. Adds \$200,000,000 in revolving funds in FY 26 and FY 27 for State Risk Management & Insurance Administration for the expenditure/distribution of insurance proceeds for the Maui wildfires recovery.
Reduces \$5,185,607 in FY 26 and FY 27 from General Administrative Services to transfer funding for Sheriff positions back to Department of Law Enforcement.
2. of Law Enforcement.
3. Adds \$5,000,000 in FY 26 and FY 27 for Accounting Systems Development and Maintenance for Hawai'i Information Portal (HIP) CherryRoad Enterprise expenditures.
4. Adds \$3,978,275 in FY 26 and \$125,000 in FY 27 for Office of Elections for Voting System contract, Digital Voter Information guide, and Electronic Registration Information Center (ERIC).
5. Adds 6.00 permanent positions and \$2,920,548 in FY 26 and \$2,923,596 in FY 27 for Accounting Systems Development and Maintenance for supplemental resources to support the Enterprise Financial System (EFS) Project.
6. Adds \$2,330,000 in FY 26 and \$3,200,000 in FY 27 for Enterprise Technology Services (ETS) for Microsoft Enterprise Agreement subscription.
7. Adds \$1,613,000 in FY 26 and FY 27 for ETS for Data/Artificial Intelligence (AI) and AI risk management tools and geospatial license renewal.
8. Adds \$1,600,000 in FY 26 and FY 27 for ETS for Cybersecurity Risk Mitigation.
9. Adds \$1,600,000 in FY 26 and FY 27 for Datacenter Decommission and Migration Services.
10. Adds 2.00 permanent positions and \$1,167,000 in FY 26 and FY 27 to create a new Cemetery Management Office.

**Department of Accounting and General Services
(Capital Improvements Budget)**

	<u>FY 2026</u>	<u>FY 2027</u>
Funding Sources:		
General Obligation Bonds	66,100,000	22,000,000
Total Requirements	66,100,000	22,000,000

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)

1. Adds \$35,000,000 in FY 26 for Enterprise Financial System, Statewide.
2. Adds \$20,000,000 in FY 26 and FY 27 for Lump Sum Maintenance of Existing Facilities, Public Works Division, Statewide.
3. Adds \$4,000,000 in FY 26 and \$2,000,000 in FY 27 for Lump Sum Health and Safety, Hawai'i Wireless Interoperability Network, Statewide.
4. Adds \$2,100,000 in FY 26 for Kalanimoku Building, Office Space Optimization, O'ahu.
5. Adds \$2,000,000 in FY 26 for Planning for State Capitol Building Rehabilitation and Related Improvements, O'ahu.
6. Adds \$2,000,000 in FY 26 for Lump Sum State Office Building Remodeling, Statewide.
7. Adds \$1,000,000 in FY 26 for No. 1 Capitol District Building, Site & Accessibility Improvements, O'ahu.

DEPARTMENT OF AGRICULTURE

Department Summary

Mission Statement

To further expand the role of Hawaii’s agricultural industry to benefit the well-being of our island society by diversifying the economy, protecting resources important for agricultural production, and gaining greater self-sufficiency in food production.

Department Goals

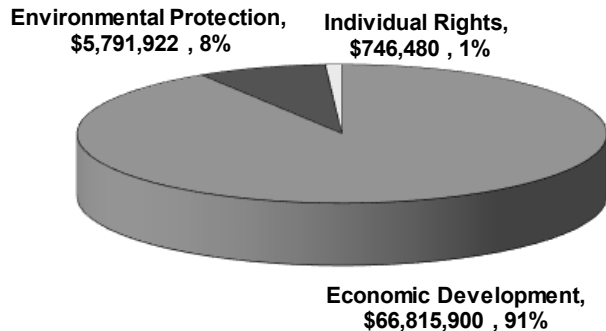
To conserve and develop essential agricultural resources and infrastructure; to gain access to and develop local, domestic, and international markets for Hawaii's agricultural products; to conserve and protect suitable agricultural lands and water; to promote Hawaii's food self-sufficiency; to raise public awareness of the importance of agriculture to the State's economy, environment, and as a profession; to implement programs to safeguard Hawaii's farmers, consumers, and natural resources; and to prevent the introduction and establishment of plants, animals and diseases that are detrimental to Hawaii's agriculture and environment.

Significant Measures of Effectiveness

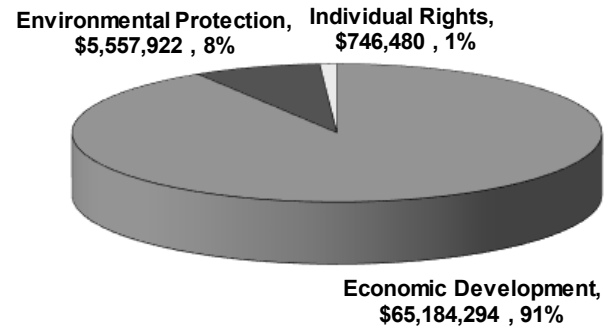
	<u>FY 2026</u>	<u>FY 2027</u>
1. Number of intercepted pest species not established in Hawaii.	450	450
2. Agricultural lands leased (acres).	73,163	73,163

FB 2025-2027 Operating Budget by Major Program Area

FY 2026



FY 2027



DEPARTMENT OF AGRICULTURE MAJOR FUNCTIONS

- Carries out programs to conserve, develop, and utilize the agricultural resources and infrastructure of the State and facilitates the transition of plantation agriculture to diversified farming.
- Enforces laws and formulates and enforces rules and regulations to further control the management of agricultural resources.
- Reviews and develops agricultural goals and objectives compatible with statewide expansion and diversification of Hawaii's agricultural base.
- Prevents the introduction of plant pests and diseases, provides certification services to facilitate the export of certain plant materials, and controls and eradicates insects and noxious weeds and controls the distribution and usage of pesticides.
- Administers the aquaculture development, State animal health, and agricultural and aquacultural loan programs.
- Maintains official State primary measurement standards; ensures accuracy of commercial measuring devices.
- Establishes and enforces grade standards; ensures food safety compliance for agricultural commodities producers in the State in cooperation with the industry; and achieves stability within the State milk industry by ensuring the availability of an adequate supply of wholesale milk.
- Supports the marketing of various agricultural commodities.

MAJOR PROGRAM AREAS

The Department of Agriculture has programs in the following major program areas:

Economic Development

AGR 101 Financial Assistance for Agriculture
AGR 122 Plant Pest and Disease Control
AGR 131 Rabies Quarantine
AGR 132 Animal Disease Control
AGR 141 Agricultural Resource Management
AGR 151 Quality and Price Assurance
AGR 153 Aquaculture Development
AGR 171 Agricultural Development and Marketing

AGR 192 General Administration for Agriculture

Environmental Protection

AGR 846 Pesticides

Individual Rights

AGR 812 Measurement Standards

**Department of Agriculture
(Operating Budget)**

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	276.18	276.18	317.18	317.18
	Temp Positions	2.00	2.00	2.00	2.00
General Funds	\$	26,928,937	26,928,937	41,741,233	40,168,627
	Perm Positions	46.82	46.82	45.82	45.82
	Temp Positions	-	-	-	-
Special Funds	\$	12,195,880	12,195,880	12,060,078	12,060,078
	Perm Positions	0.75	0.75	0.25	0.25
	Temp Positions	-	-	-	-
Federal Funds	\$	2,151,568	2,151,568	2,119,330	2,119,330
	Perm Positions	3.25	3.25	2.75	2.75
	Temp Positions	6.00	6.00	2.00	2.00
Other Federal Funds	\$	6,859,322	6,859,322	6,533,121	6,533,121
	Perm Positions	-	-	-	-
	Temp Positions	1.00	1.00	1.00	1.00
Trust Funds	\$	977,412	977,412	977,412	977,412
	Perm Positions	-	-	-	-
	Temp Positions	-	-	-	-
Interdepartmental Transfers	\$	212,095	212,095	212,095	212,095
	Perm Positions	7.50	7.50	7.50	7.50
	Temp Positions	-	-	-	-
Revolving Funds	\$	10,198,396	10,198,396	9,711,033	9,418,033
		334.50	334.50	373.50	373.50
		9.00	9.00	5.00	5.00
Total Requirements		59,523,610	59,523,610	73,354,302	71,488,696
		-	-	-	-

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

1. Adds 44.00 permanent positions and \$12,735,015 in FY 26 and FY 27 for Biosecurity programs and positions.
2. Adds \$1,500,000 in FY 26 for Aquaculture Development Program for aquaculture projects. -
3. Adds \$480,000 in various means of financing in FY 26 and \$76,000 in general funds in FY 27 for motor vehicles in various programs.
4. Adds 1.00 permanent position and \$538,394 in FY 26 and \$576,788 in FY 27 for the Farm to Foodbank and Farm to State programs.

**Department of Agriculture
(Capital Improvements Budget)**

	<u>FY 2026</u>	<u>FY 2027</u>
Funding Sources:		
General Obligation Bonds	45,250,000	8,950,000
Federal Funds	1,000	-
Total Requirements	45,251,000	8,950,000

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)

1. Adds \$26,000,000 in FY 26 for Royal Kunia Agricultural Park, O‘ahu.
2. Adds \$6,000,000 in FY 26 for tar deposit removal at the Halawa Animal Quarantine Station, O‘ahu.
3. Adds \$5,000,000 in general obligation bond funds and \$1,000 in federal funds in FY 26 for State Irrigation System Reservoir Safety Improvements, Statewide.
4. Adds \$2,700,000 in FY 26 and \$5,000,000 in FY 27 for Moloka‘i Irrigation System Improvements, Moloka‘i.
5. Adds \$1,900,000 in FY 26 and \$2,200,000 in FY 27 for Miscellaneous Health, Safety, Code, and Other Requirements, Statewide.
6. Adds \$1,250,000 in FY 26 and \$1,750,000 in FY 27 for Kahuku Agricultural Park Miscellaneous Improvements, O‘ahu.
7. Adds \$1,400,000 in FY 26 for Hilo Greenhouse and Insectary Improvements, Hawai‘i.

DEPARTMENT OF THE ATTORNEY GENERAL

Department Summary

Mission Statement

To provide excellent legal services to the State of Hawaii by offering advice and counsel to its client agencies, assisting in the implementation of policy decisions, aiding the core activities of its client agencies, and representing the State and its agencies and officers in litigation.

Department Goals

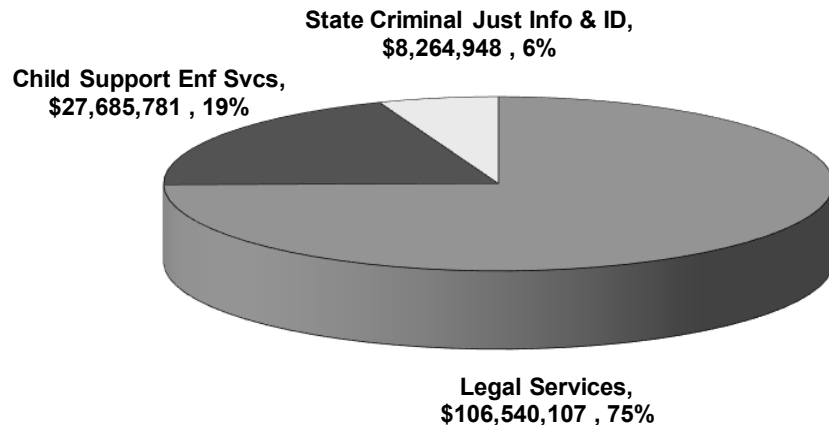
To safeguard the rights and interests of the people of the State of Hawaii by being the defender of and advocate for the people and undertaking appropriate legal and other actions on their behalf; to protect the State's interest in legal matters by providing timely legal advice and representation to the executive, legislative, and judicial branches; to preserve, protect, and defend the constitution and laws of the State of Hawaii and the United States; to enforce the State's constitution and laws, and to facilitate the enforcement of federal law; and to assist and coordinate statewide programs and activities that improve the criminal justice system and law enforcement.

Significant Measures of Effectiveness

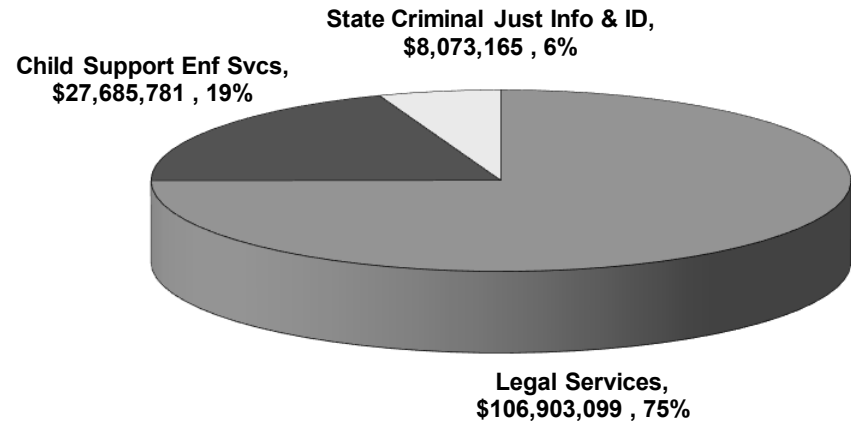
	FY 2026	FY 2027
1. Number of investigations completed	5,000	5,000
2. Percentage of complete dispositions on CJIS-Hawaii	95	95
3. Efficiency rating: Dollars collected per dollar expended	5	5

FB 2025-2027 Operating Budget by Major Program Area

FY 2026



FY 2027



DEPARTMENT OF THE ATTORNEY GENERAL MAJOR FUNCTIONS

- Provides legal services, advice, and counsel to State agencies and employees and the Legislature; represents the State in all civil litigation in which the State is a party; conducts civil and criminal investigations; recovers monies owed to the State; and drafts and approves as to form the legality of various documents.
- Prosecutes criminal offenses, such as Medicaid fraud, welfare fraud, tax fraud, unemployment fraud, organized crime, and other crime against the public order; and initiates, develops and performs or coordinates programs, projects, and activities on the subject of crime and crime prevention.
- Oversees the actions of the trustees of charitable trusts and brings any abuse or deviation by the trustees to the attention of the probate court for possible correction.
- Provides administrative support to agencies administratively attached to the Department, including the Hawai'i Correctional System Oversight Commission and the Law Enforcement Standards Board.
- Enforces the federal and State antitrust laws.
- Responsible for the enforcement of the Master Settlement Agreement pursuant to the Hawaii Revised Statutes Chapter 675 (HRS Chapter 675, State's Tobacco Liability Act); and the Cigarette Tax Stamp requirements and prohibition against the sale of Gray Market cigarettes.
- Maintains the automated statewide information system that collects, maintains, and disseminates individual criminal history record information for those arrested and fingerprinted.
- Administers the Child Support Enforcement Program, which involves initiating legal or administrative actions required to secure financial support for children.
- Provides a fair and impartial administrative forum for the expeditious resolution of child support disputes through the Office of Child Support hearings.

MAJOR PROGRAM AREAS

The Department of the Attorney General has programs in the following major program areas:

Social Services

ATG 500 Child Support Enforcement Services

Public Safety

ATG 231 State Criminal Justice Information and Identification

Government-Wide Support

ATG 100 Legal Services

**Department of the Attorney General
(Operating Budget)**

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	406.94	406.94	414.94	414.94
	Temp Positions	19.01	19.01	19.01	19.01
General Funds	\$	49,270,383	49,270,383	62,350,505	62,348,304
	Perm Positions	29.40	29.40	32.90	32.90
	Temp Positions	1.00	1.00	1.00	1.00
Special Funds	\$	5,420,758	5,420,758	6,441,596	6,500,433
	Perm Positions	-	-	-	-
	Temp Positions	5.23	5.23	5.23	5.23
Federal Funds	\$	11,641,670	11,641,670	11,641,670	11,641,670
	Perm Positions	159.24	159.24	156.74	156.74
	Temp Positions	1.16	1.16	1.16	1.16
Other Federal Funds	\$	22,637,544	22,637,544	26,084,548	26,199,121
	Perm Positions	1.00	1.00	1.00	1.00
	Temp Positions	-	-	-	-
Trust Funds	\$	6,295,201	6,295,201	6,296,401	6,296,401
	Perm Positions	111.60	111.60	111.60	111.60
	Temp Positions	18.10	18.10	17.10	17.10
Interdepartmental Transfers	\$	19,524,324	19,524,324	21,765,719	21,765,719
	Perm Positions	30.10	30.10	30.10	30.10
	Temp Positions	2.00	2.00	2.00	2.00
Revolving Funds	\$	7,434,397	7,434,397	7,910,397	7,910,397
		738.28	738.28	747.28	747.28
		46.50	46.50	45.50	45.50
Total Requirements		122,224,277	122,224,277	142,490,836	142,662,045

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

1. Adds \$10,000,000 in FY 26 and FY 27 for additional litigation expenses.
2. Adds \$3,020,000 in various means of financing (MOFs) in FY 26 and FY 27 for Deputy Attorneys General Salary Adjustments.
3. Adds \$472,783 in FY 26 and \$281,000 in FY 27 for the Hawai'i Criminal Justice Data Center to renew its Automated Biometric Information System Maintenance contract, lease two offsite data centers for its production and disaster recovery equipment, and replace a computer room air conditioning unit.
4. Adds 2.00 permanent positions and \$196,863 in FY 26 and \$271,445 in FY 27 for the Hawai'i Correctional System Oversight Commission.
5. Adds 7.00 permanent positions and \$700,413 in various MOFs in FY 26 and \$988,823 in various MOFs in FY 27 to add new Deputy Attorney General, Investigator, and legal support positions for various programs.

**Department of the Attorney General
(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.

DEPARTMENT OF BUDGET AND FINANCE

Department Summary

Mission Statement

To enhance long-term productivity and efficiency in government operations by providing quality budget and financial services that prudently allocate and effectively manage available resources.

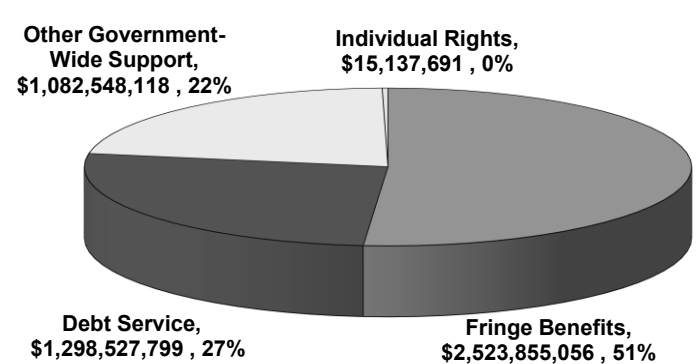
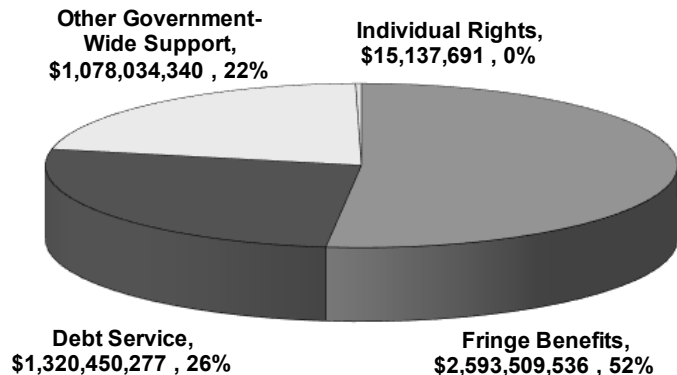
Department Goals

Improve the executive resource allocation process through the following: planning, analysis and recommendation on all phases of program scope and funding; maximizing the value, investment, and use of State funds through planning, policy development, timely scheduling of State bond financing and establishment of appropriate cash management controls and procedures; administering retirement and survivor benefits for State and County members and prudently managing the return on investments; administering health and life insurance benefits for eligible active and retired State and County public employees and their dependents by providing quality services and complying with federal and State legal requirements; and safeguarding the rights of indigent individuals in need of assistance in criminal and related cases by providing statutorily entitled and effective legal representation.

Significant Measures of Effectiveness

	<u>FY 2026</u>	<u>FY 2027</u>
1. Average annual rate of return on State treasury investments	3.00%	3.00%
2. Percentage of treasury transactions unreconciled after 30 days	10%	10%

FB 2025-2027 Operating Budget by Major Program Area



DEPARTMENT OF BUDGET AND FINANCE MAJOR FUNCTIONS

- Administers the multi-year program and financial plan and executive budget, management improvement, and financial management programs of the State under the general direction of the Governor.
- Coordinates State budget services and prepares the Governor's budget for submission to the legislature; administers the financial affairs of the State.
- Plans, directs, and coordinates the State's investments and financing programs.
- Directs and coordinates a statewide retirement benefits program for State and county government employees.
- Administers health and life insurance benefits for eligible State and county active and retired public employees and dependents.
- Provides comprehensive legal and related services to persons who are financially unable to obtain legal and related services.

MAJOR PROGRAM AREAS

The Department of Budget and Finance has programs in the following major program areas:

Government-Wide Support

BUF 101	Departmental Administration and Budget Division
BUF 102	Collective Bargaining – Statewide
BUF 103	Vacation Payout – Statewide
BUF 115	Financial Administration
BUF 141	Employees' Retirement System
BUF 143	Hawaii Employer–Union Trust Fund
BUF 721	Debt Service Payments – State
BUF 741	Retirement Benefits Payments – State
BUF 761	Health Premium Payments – State
BUF 762	Health Premium Payments – ARC

Formal Education

BUF 725	Debt Service Payments – DOE
BUF 728	Debt Service Payments – UH
BUF 745	Retirement Benefits Payments – DOE
BUF 748	Retirement Benefits Payments – UH
BUF 765	Health Premium Payments – DOE
BUF 768	Health Premium Payments – UH

Individual Rights

BUF 151	Office of the Public Defender
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**Department of Budget and Finance
(Operating Budget)**

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	201.50	201.50	204.50	204.50
	Temp Positions	-		-	
General Funds	\$	3,734,079,731	3,734,079,731	3,859,127,880	3,950,701,838
Special Funds	Perm Positions	-		-	
	Temp Positions	-		-	
Special Funds	\$	427,305,000	427,305,000	1,000,000,000	1,000,000,000
Trust Funds	Perm Positions	71.00	71.00	72.00	72.00
	Temp Positions	-		-	
Trust Funds	\$	26,028,505	26,028,505	27,150,927	27,294,646
Interdepartmental Transfers	Perm Positions	-		-	
	Temp Positions	-		-	
Interdepartmental Transfers	\$	4,000,000	4,000,000	4,000,000	4,000,000
Revolving Funds	Perm Positions	-		-	
	Temp Positions	-		-	
Revolving Funds	\$	-		-	
Other Funds	Perm Positions	116.00	116.00	116.00	116.00
	Temp Positions	-		-	
Other Funds	\$	21,272,571	21,272,571	29,789,857	25,135,360
		388.50	388.50	392.50	392.50
		-		-	
Total Requirements		4,212,685,807	4,212,685,807	4,920,068,664	5,007,131,844

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

1. Increases debt service payments by \$23,488,005 in FY 26 and \$63,738,821 in FY 27.
2. Increases retirement benefits payments by \$41,816,343 in FY 26 and \$76,464,835 in FY 27.
3. Increases health premium payments by \$57,817,650 in FY 26 and \$74,495,300 in FY 27.
4. Adds 3.00 Accountant VI positions and \$272,460 in FY 26 and \$269,460 in FY 27 for the Financial Administration.
5. Adds \$1,653,691 in both FY 26 and FY 27 for salary increases for all Deputy Public Defender positions.
6. Adds \$6,844,527 in other funds in FY 26 and \$2,823,706 in other funds in FY 27 to migrate the Employee Retirement System's (ERS) pension administration system to a new version.
7. Adds \$505,759 in other funds in FY 26 and \$524,083 in other funds in FY 27 for internal compliance testing services.
8. Adds \$567,000 in other funds in FY 26 and \$515,000 in other funds in FY 27 for additional legal fees for ERS.
9. Adds \$600,000 in other funds in FY 26 for platform imaging and indexing for ERS.
10. Adds \$572,695,000 in special funds in both FY 26 and FY 27 for the Mass Transit Special Fund.

Department of Budget and Finance
(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.

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

Department Summary

Mission Statement

Achieve a Hawai'i economy that embraces innovation and is globally competitive, dynamic and productive, providing opportunities for all Hawai'i's citizens.

Department Goals

Through its divisions and attached agencies, foster planned community development, create affordable workforce housing units in high-quality living environments, engages in conversion of agribusiness into a growth industry, and promote innovation sector job growth.

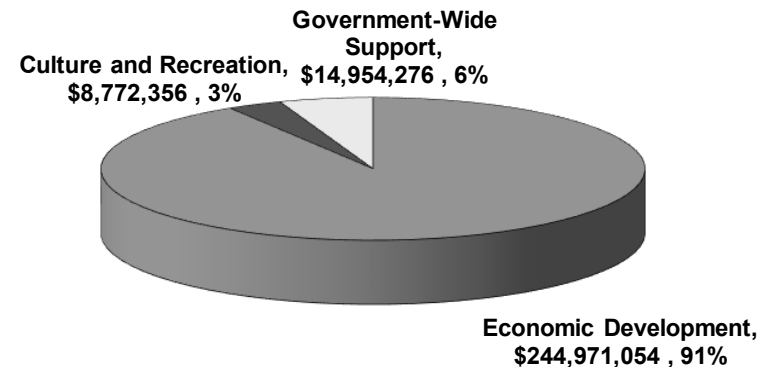
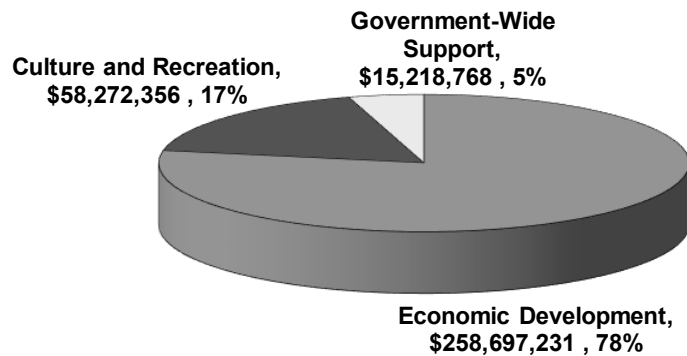
Significant Measures of Effectiveness

	<u>FY 2026</u>	<u>FY 2027</u>
1. Total Visitor Expenditures (\$ billions)	22.0	22.9
2. \$ Value of Total/Proj Sales-Trade & Export Promo (in thousands)	6,500	6,500
3. # of Companies Assisted with Hawai'i Technology Development Corporation Programs	55	60
4. # of Units for New Rental Housing	1019	1626

FB 2025-2027 Operating Budget by Major Program Area

FY 2026

FY 2027



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM MAJOR FUNCTIONS

- Facilitates the diversification and rebalancing of Hawai'i's economy by supporting the strategic growth of economic activity.
- Provides economic data and research which contributes to economic development in Hawai'i. Provides economic forecasts for long-term statewide planning, conduct research, and publishes the findings through a statewide statistical reporting system.
- Facilitates the growth and development of the commercial high technology industry of Hawai'i.
- Improves Hawai'i's business environment by supporting existing and emerging industries, attracting new investment and businesses to create more skilled, quality jobs in the state.
- Meets the demand for housing by creating low- and moderate-income homes for Hawai'i's residents.
- Plans and develops live-work-play communities to attract and retain a workforce with the skills required for an innovation-driven and globally competitive economy.
- Manages the strategic growth of Hawai'i's visitor industry that is consistent with the State's economic goals, cultural values, preservation of natural resources, and community interests.
- Supports statewide economic efficiency, productivity, development, and diversification through the Hawai'i Clean Energy Initiative.
- Supports the growth and development of diversified agriculture by establishing a foundation for the sustainability of farming in Hawai'i.
- Provides Hawai'i residents and visitors with the opportunity to enrich their lives through attendance at spectator events and shows.

MAJOR PROGRAM AREAS

The Department of Business, Economic Development and Tourism has programs in the following major program areas:

Economic Development

- BED 100 Strategic Marketing & Support
- BED 101 Office of International Affairs
- BED 105 Creative Industries Division
- BED 107 Foreign Trade Zone
- BED 113 Hawai'i Tourism Authority (HTA)-Admin & Governance
- BED 114 HTA - Branding and Marketing
- BED 115 HTA - Sports and Signature Events
- BED 116 HTA - Destination Stewardship & Community
- BED 117 HTA - Regenerative Tourism Development
- BED 118 HTA - Workforce Development
- BED 120 Hawai'i State Energy Office
- BED 138 Hawai'i Green Infrastructure Authority
- BED 141 Digital Equity Office
- BED 142 General Support for Economic Development

- BED 143 Hawai'i Technology Development Corporation
- BED 146 Natural Energy Laboratory of Hawai'i Authority
- BED 150 Hawai'i Community Development Authority
- BED 160 Hawai'i Housing Finance and Development Corporation
- BED 170 Agribusiness Development and Research

Culture and Recreation

- BED 180 Spectator Events & Shows – Aloha Stadium

Government-Wide Support

- BED 103 State Land Use Commission
- BED 130 Economic Planning and Research
- BED 144 Statewide Planning and Coordination

**Department of Business, Economic Development and Tourism
(Operating Budget)**

Funding Sources:		Budget Base	Budget Base		
		FY 2026	FY 2027	FY 2026	FY 2027
	Perm Positions	155.96	155.96	165.96	165.96
	Temp Positions	46.00	46.00	49.00	48.00
General Funds	\$	87,071,692	87,071,692	99,000,381	98,271,397
	Perm Positions	45.50	45.50	45.00	45.00
	Temp Positions	25.25	25.25	26.25	26.25
Special Funds	\$	125,873,516	125,873,516	188,642,277	126,171,592
	Perm Positions	6.00	6.00		
	Temp Positions	7.00	7.00	5.00	5.00
Federal Funds	\$	6,216,660	6,216,660	5,141,871	5,141,871
	Perm Positions	8.04	8.04	8.04	8.04
	Temp Positions	11.75	11.75	11.75	11.75
Other Federal Funds	\$	6,002,826	6,002,826	6,002,826	6,002,826
	Perm Positions	-	-	-	-
	Temp Positions	-	-	-	-
Trust Funds	\$	7,146,250	7,146,250	7,146,250	7,146,250
	Perm Positions	0.50	0.50	0.50	0.50
	Temp Positions	-	-	-	-
Interdepartmental Transfers	\$	82,126	82,126	82,126	82,126
	Perm Positions	25.00	25.00	25.00	25.00
	Temp Positions	54.00	54.00	54.00	54.00
Revolving Funds	\$	25,696,424	25,696,424	26,172,624	25,881,624
		-	-	-	-
		241.00	241.00	244.50	244.50
		144.00	144.00	146.00	145.00
Total Requirements		258,089,494	258,089,494	332,188,355	268,697,686

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

1. Transfers out 7.00 permanent positions, 1.00 temporary position, and \$786,875 in both FY 26 and FY 27 from the Office of Planning and Sustainable Development (OPSD) into BED 103 to reestablish the Land Use Commission as its own Program ID.
2. Transfers out a total of 4.00 permanent positions and \$12,130,256 in both FY 26 and FY 27 from Sports and Signature Events, Regenerative Tourism Development, and Workforce Development into Destination Stewardship & Community to consolidate programs within the Hawaii Tourism Authority. Also reduces \$332,715 in FY 26 and FY 27 for Administration and Governance and adds \$2,773,676 in FY 26 and FY 27 for Branding and Marketing.
3. Adds a total of \$2,000,000 in both FY 26 and FY 27 for grant programs under the Hawaii Technology Development Corporation.
4. Adds a total of 1.00 permanent position, 3.00 temporary positions and \$363,138 in FY 26 and \$398,646 in FY 27 for OPSD.
5. Changes the means of financing for 5.00 permanent positions in OPSD's Coastal Zone Management program from federal funds to general funds by reducing \$663,629 in federal funds and adding \$411,408 in general funds in both FY 26 and FY 27.
6. Adds \$500,000 in FY 26 for the Hawaii Community Development Authority to do a climate change assessment.
7. Adds \$11,000,000 in special funds in FY 26 for the Hawaii Convention Center to reimburse the Department of Budget and Finance.
8. Adds \$1,450,000 in both FY 26 and FY 27 to enfold funding from Act 89, SLH 2024, for healthcare workforce development.

**Department of Business, Economic Development and Tourism
(Capital Improvements Budget)**

	<u>FY 2026</u>	<u>FY 2027</u>
Funding Sources:		
General Obligation (G.O.) Bonds	211,722,000	263,148,000
Reimbursable G.O. Bonds	6,070,000	-
Total Requirements	217,792,000	263,148,000

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)

1. Adds \$12,000,000 in FY 26 and \$50,000,000 in FY 27 for Iwilei-Kapalama Community Development District, Oahu.
2. Adds \$5,000,000 in FY 26 and \$45,000,000 in FY 27 for UH West Oahu Infrastructure, Phase 2, Oahu.
3. Adds \$50,000,000 in both FY 26 and FY 27 for cash infusions to the Rental Housing Revolving Fund (RHRF).
4. Adds \$75,000,000 in both FY 26 and FY 27 for cash infusions to the RHRF for Tier II affordable housing projects.
5. Adds \$20,000,000 in both FY 26 and FY 27 for cash infusions to the Dwelling Unit Revolving Fund.
6. Adds \$4,000,000 in FY 26 for Small Animal Slaughterhouse, Oahu.
7. Adds \$6,470,000 in FY 26 for Kekaha Irrigation System Improvements, Kekaha, Kauai.
8. Adds \$9,200,000 in FY 26 for Agricultural Infrastructure Improvements, Oahu.
9. Adds \$12,102,000 in FY 26 and \$17,898,000 in FY 27 for 99-Year Leasehold Program, Phase 2, Oahu.
10. Adds \$5,000,000 in both FY 26 and FY 27 for Hawaii Convention Center Improvements, Oahu.
11. Adds \$6,070,000 in Reimbursable G.O. bonds in FY 26 for Tropical Agricultural Tech Center Warehouse, Hawaii.
12. Adds \$2,000,000 in FY 26 for State Transit Oriented Development Planning, Statewide.
13. Adds \$3,000,000 in FY 26 for Land Acquisition for Water Security, Lihue, Kauai.

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

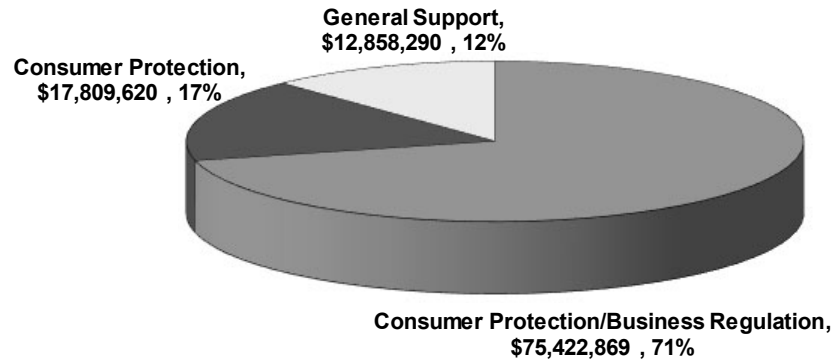
To develop rational business regulation; to achieve fairness and public confidence in the marketplace; and to foster sound consumer practices.

Significant Measures of Effectiveness

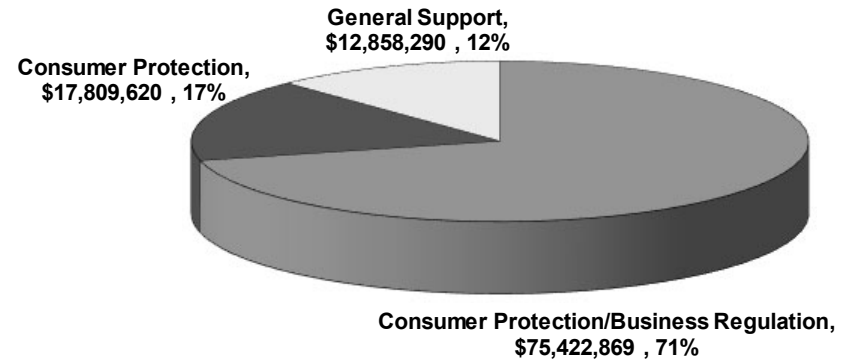
	<u>FY 2026</u>	<u>FY 2027</u>
1. Percent of homes where cable TV service is available in the state	99	99
2. Percent of alternate energy sources used by electric utilities	39	39
3. Average number of days to process corporation, partnership, LLC, tradenames with regular handling	3	3

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.

**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.

DEPARTMENT OF CORRECTIONS AND REHABILITATION

Department Summary

Mission Statement

To provide a secure correctional environment for comprehensive rehabilitative, holistic, and wraparound re-entry services, including culturally based approaches, to persons sentenced to our custody and care with professionalism, integrity, respect, and fairness.

Department Goals

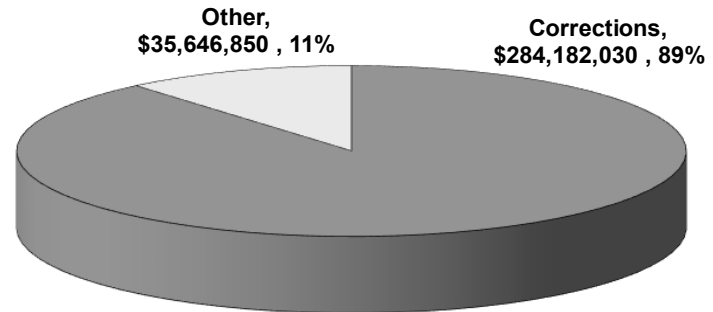
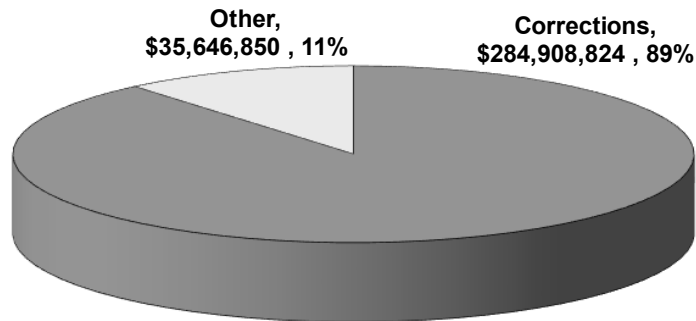
To protect members of the community and their property from victimization, caused through criminal actions, by managing secure institutions to detain individuals ordered into our custody and care, and provide a safe and humane correctional setting for our employees and offenders. To provide rehabilitative, holistic and reach-in wraparound reentry services to reduce recidivism and achieve better outcomes for offenders.

Significant Measures of Effectiveness

1. Number of escapes from confinement facilities
2. Number of parole violators returned to prison

<u>FY 2026</u>	<u>FY 2027</u>
0	0
203	203

FB 2025-2027 Operating Budget by Major Program Area
FY 2026 FY 2027



DEPARTMENT OF CORRECTIONS AND REHABILITATION MAJOR FUNCTIONS

- Administer various correctional and public safety programs that are designed to prevent and deter criminal acts, and to incarcerate and rehabilitate criminal offenders.
- Administer the operations of eight correctional institutions throughout the State for the custody and care of offenders detained or committed by the courts to the department in safe, clean, and humane conditions of confinement.
- Provide a continuum of treatment programs and services to facilitate the reintegration of inmates into the community.
- Administer a correctional industries program which employs inmates in work programs that produce goods and services for government agencies and nonprofit organizations and affords inmates job training and work experience to enhance their employment prospects when they return to the community.
- Determine minimum terms of imprisonment for convicted felons; grant release of felons from institutions under conditions of parole; and report on petitions for pardon referred by the Governor.
- Administer diversionary programs as well as alternatives to incarceration; conduct bail evaluations; and supervise offenders conditionally released by the courts.
- Mitigate the suffering and losses of victims and survivors of certain crimes by providing them with compensation for crime related losses; and compensate private citizens (Good Samaritans) who suffer personal injury or property damage in the course of preventing a crime or apprehending a criminal.

MAJOR PROGRAM AREAS

The Department of Corrections and Rehabilitation has programs in the following major program areas:

Public Safety

Corrections

PSD 402 Halawa Correctional Facility
PSD 403 Kulani Correctional Facility
PSD 404 Waiawa Correctional Facility
PSD 405 Hawaii Community Correctional Center
PSD 406 Maui Community Correctional Center
PSD 407 Oahu Community Correctional Center
PSD 408 Kauai Community Correctional Center
PSD 409 Women's Community Correctional Center
PSD 410 Intake Service Centers
PSD 420 Corrections Program Services
PSD 421 Health Care
PSD 422 Hawaii Correctional Industries
PSD 808 Non-State Facilities

Other

PSD 611 Adult Parole Determinations
PSD 612 Adult Parole Supervision and Counseling
PSD 613 Crime Victim Compensation Commission
PSD 900 General Administration

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**Department of Corrections and Rehabilitation
(Operating Budget)**

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	2,609.60	2,609.60	2,609.60	2,609.60
	Temp Positions	-	-	-	-
General Funds	\$	299,898,308	299,898,308	305,172,596	304,445,802
	Perm Positions	4.00	4.00	4.00	4.00
	Temp Positions	-	-	-	-
Special Funds	\$	2,517,984	2,517,984	2,517,984	2,517,984
	Perm Positions	-	-	-	-
	Temp Positions	-	-	-	-
Federal Funds	\$	1,045,989	1,045,989	1,045,989	1,045,989
	Perm Positions	-	-	-	-
	Temp Positions	1.00	1.00	1.00	1.00
Other Federal Funds	\$	859,315	859,315	859,315	859,315
	Perm Positions	-	-	-	-
	Temp Positions	-	-	-	-
Trust Funds	\$	75,065	75,065	75,065	75,065
	Perm Positions	2.00	2.00	2.00	2.00
	Temp Positions	42.00	42.00	42.00	42.00
Revolving Funds	\$	10,884,725	10,884,725	10,884,725	10,884,725
		2,615.60	2,615.60	2,615.60	2,615.60
		43.00	43.00	43.00	43.00
Total Requirements		315,281,386	315,281,386	320,555,674	319,828,880

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

1. Adds \$4,000,000 for FY 26 and FY 27 to increase reentry services to connect offenders with community-based services.
2. Adds \$210,494 for FY 26 and FY 27 for O'ahu Community Correctional Center's (OCCC) Refuse Disposal Contract with Honolulu Disposal Inc.
3. Adds \$146,794 for FY 26 to replace in-cell toilets and toilet sink combination units at OCCC.
4. Adds \$125,000 for FY 26 and FY 27 to partially cover the funding shortage for the Fire Alarm Maintenance Contract at OCCC.
5. Adds \$112,000 for FY 26 and FY 27 for the expansion of Mental Health Technician Certification Program - Level 1 Trauma Informed Training.
6. Adds \$100,000 for FY 26 and FY 27 to expand the ability of the Reentry Coordination Office to provide offenders with replacement birth certificates, Real State ID cards, bus passes, citizenship documents, and green cards upon release.

**Department of Corrections and Rehabilitation
(Capital Improvements Budget)**

	<u>FY 2026</u>	<u>FY 2027</u>
Funding Sources:		
General Obligation Bonds	132,500,000	5,000,000
Total Requirements	132,500,000	5,000,000

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)

1. Adds \$30,000,000 for FY 26 for New O‘ahu Community Correctional Center Facility, O‘ahu.
2. Adds \$28,500,000 for FY 26 for Halawa Correctional Facility, Consolidated Healthcare Unit, O‘ahu.
3. Adds \$23,000,000 for FY 26 for various lump sum capital improvement projects (CIP) to provide facility repairs, upgrades, and improvements in compliance with Americans with Disabilities Act and building code standards.
4. Adds \$20,000,000 for FY 26 for Department of Corrections and Rehabilitation (DCR) Facility-Wide Security Perimeter Fencing Repairs, Upgrades and Related Improvements, Lump Sum CIP, Statewide.
5. Adds \$10,000,000 for FY 26 for DCR 10-Year Departmental Master Plan, New Facility, and Sustainable Master Plans, and Other Planning Assessments Statewide.
6. Adds \$5,000,000 for FY 26 and FY 27 for DCR Facility-Wide Repairs, Deferred Maintenance, Related Support and Improvements, Statewide.

DEPARTMENT OF DEFENSE

Department Summary

Mission Statement

To assist authorities in providing for the safety, welfare, and defense of the people of Hawaii.

Department Goals

To maintain readiness to respond to the needs of the people in the event of disaster, either natural or human-caused; to administer policies and programs related to veterans and their families and improve our State Veterans Cemeteries; and to provide at-risk youth with opportunity to obtain their high school diplomas and become productive citizens.

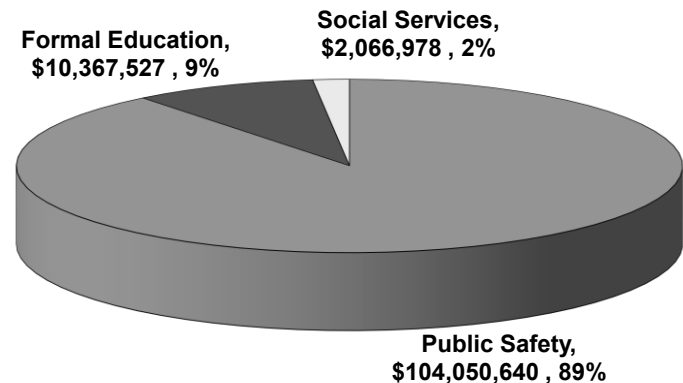
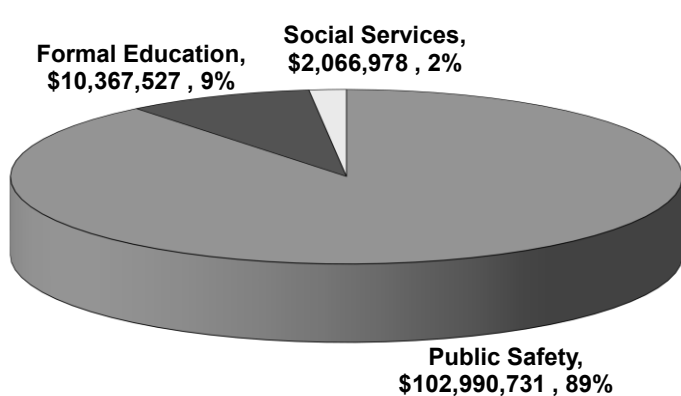
Significant Measures of Effectiveness

	<u>FY 2026</u>	<u>FY 2027</u>
1. Percent of veterans' services plan achieved	95	95
2. Percent of corps members finding employment within one year of graduation	75	75

FB 2025-2027 Operating Budget by Major Program Area

FY 2026

FY 2027



DEPARTMENT OF DEFENSE MAJOR FUNCTIONS

- Provides for the defense, safety and welfare of the people of Hawaii.
- ~~Maintains the readiness to respond to the origin of the~~ Maintains the readiness to respond to the origin of the either natural or human-caused disasters.
- To meet its federal mission as part of the military reserve component, the Hawaii National Guard, consisting of the Army and Air National Guard divisions, is manned, trained, equipped and ready for call to active duty by the President in times of national emergency. To meet its State mission, the Hawaii National Guard responds when necessary to protect life and property, preserve peace, order and public safety as directed by competent State authority.
- Coordinates the emergency management planning of all public and private organizations within the islands, minimizes the loss of life and property damage, restores essential public services and expedites the recovery of individuals in the event of natural or human-caused mass casualty situations.
- Administers the Youth Challenge Academy, which serves youth at risk by providing life-transforming experience through training under military-like conditions.
- Office of Veterans Services – Responsible for the statewide administration, conduct, and coordination of all functions and activities prescribed under Chapter 363, Veterans Rights and Benefits, HRS, for veterans and their dependents.

MAJOR PROGRAM AREAS

The Department of Defense has programs in the following major program areas:

Social Services

DEF 112 Services to Veterans

Formal Education

DEF 114 Hawaii National Guard Youth Challenge Academy

Public Safety

DEF 110 Amelioration of Physical Disasters

DEF 116 Hawaii Army and Air National Guard

DEF 118 Hawaii Emergency Management Agency

NOTE: Act 278, SLH 2022, effective January 1, 2024, transferred the Office of Homeland Security to the new Department of Law Enforcement.

**Department of Defense
(Operating Budget)**

Funding Sources:		Budget Base	Budget Base	FY 2026	FY 2027
		FY 2026	FY 2027	FY 2026	FY 2027
	Perm Positions	172.25	172.25	177.00	177.00
	Temp Positions	93.75	93.75	115.00	115.00
General Funds	\$	32,585,281	32,585,281	39,760,507	40,662,055
	Perm Positions	-	-	-	-
	Temp Positions	-	-	-	-
Special Funds	\$	500,000	500,000	500,000	500,000
	Perm Positions	-	-	-	-
	Temp Positions	-	-	-	-
Federal Funds	\$	4,176,958	4,176,958	4,156,958	4,156,958
	Perm Positions	119.75	119.75	118.00	118.00
	Temp Positions	116.75	116.75	118.25	118.25
Other Federal Funds	\$	69,291,212	69,291,212	70,507,771	70,666,132
	Perm Positions	-	-	-	-
	Temp Positions	2.00	2.00	2.00	2.00
Revolving Funds	\$	500,000	500,000	500,000	500,000
		-	-	-	-
		292.00	292.00	295.00	295.00
		212.50	212.50	235.25	235.25
Total Requirements		107,053,451	107,053,451	115,425,236	116,485,145

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

1. Adds 2.00 permanent full-time equivalent (FTE) positions and \$2,212,000 for both fiscal years for Fire Marshal.-
2. Adds \$1,997,384 for both fiscal years to fund federal payroll fringe benefits for Youth Challenge Academy employees.
3. Adds 15.75 temporary FTE positions and \$1,406,296 in general funds and 4.25 temporary FTE positions and \$487,770 in other Federal funds for both fiscal years to adequately staff and restructure Hawaii Emergency Management Agency to meet current and relevant emergency management functions.
4. Adds 5.00 permanent FTE positions in FY 26 and 5.00 permanent FTE positions and \$1,100,000 in FY 27 for the Office of Recovery and Resiliency.
5. Adds \$882,407 for both fiscal years for recurring software services, a refresh of communications and network infrastructure equipment, and telecommunication services.
6. Adds \$429,000 for both fiscal years to cover an aggregate annual refresh of computers for all programs.
7. Adds \$230,000 for FY 26 to modernize and consolidate equipment for Distributed Antenna Systems in preparation for effective disaster response.
8. Adds \$200,000 and 1.00 temporary FTE position for both fiscal years to establish a Limited English Proficiency (LEP) Access Coordinator and programming for LEP projects pursuant to Act 210, SLH 2024.
9. Adds \$39,812 in general funds and \$195,867 in other Federal funds for both fiscal years to cover salary increases of split-funded Youth Challenge Academy Cadre positions.
10. Adds 12.00 temporary FTE positions and \$757,841 in general funds and \$5,326 in other Federal funds in both fiscal years to convert unbudgeted special project positions to exempt budgeted position to operationalize core emergency management functions and to meet mandated federal funding requirements.

**Department of Defense
(Capital Improvements Budget)**

	<u>FY 2026</u>	<u>FY 2027</u>
Funding Sources:		
General Obligation Bonds	61,898,000	19,533,000
Other Federal Funds	62,723,000	17,777,000
Total Requirements	124,621,000	37,310,000

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)

1. Adds \$35,000,000 in general obligation bonds and \$58,000,000 in other Federal funds in FY 26 for 3rd Hawaii State Veteran's Home, Maui.
2. Adds \$15,000,000 in FY 26 for Youth Challenge Academy Buildings 1786 and 1787 Upgrades and Improvements, O'ahu.
3. Adds \$5,000,000 for both fiscal years for Siren Maintenance and Modernization,
4. Adds \$2,500,000 in FY 26 and \$6,000,000 in FY 27 for Birkhimer Emergency Operations Center Upgrades and Improvements, Oahu.
5. Adds \$1,500,000 in general obligation bonds and \$1,500,000 in other Federal funds for both fiscal years to Retrofit Public Buildings with Hurricane Protective Measures,
6. Adds \$1,173,000 in general obligation bonds and \$3,223,000 in other Federal funds in FY 26 and \$7,033,000 in general obligation bonds and \$16,277,000 in other Federal funds in FY 27 for Upgrades and Improvements to Hawaii Army National Guard Facilities, Statewide.
7. Adds \$1,000,000 in FY 26 for Building 90 Complex Improvements, Oahu.
8. Adds \$725,000 in FY 26 for Fort Ruger Replacement Elevator, Oahu.

DEPARTMENT OF EDUCATION

Department Summary

Mission Statement

- Public Education System – To serve our community by developing the academic achievement, character, and social-emotional well-being of our students to the fullest potential. To work with partners, families, and communities to ensure that all students reach their aspirations from early learning through college, career, and citizenship.
- Public Charter School Commission – To authorize high-quality public charter schools throughout the State.
- Hawaii State Public Library System – Inspires curiosity and creates opportunities for all to read, learn, and connect.
- Executive Office on Early Learning – Through collaboration and partnerships, we work to establish a system that ensures a solid foundation of early childhood development and learning for Hawaii’s young children (prenatal to age five), meaningful engagement and supports for their families, and a stable, competent, and supported early childhood workforce.
- School Facilities Authority – To build modern learning spaces for public schools and contemporary living environments for educator workforce housing.

Department Goals

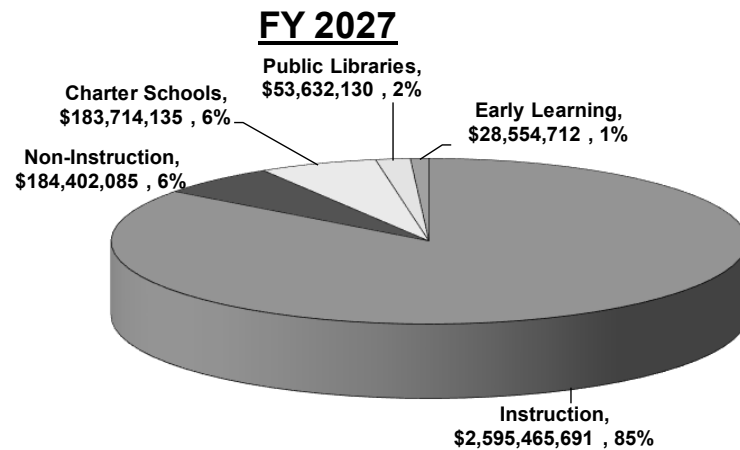
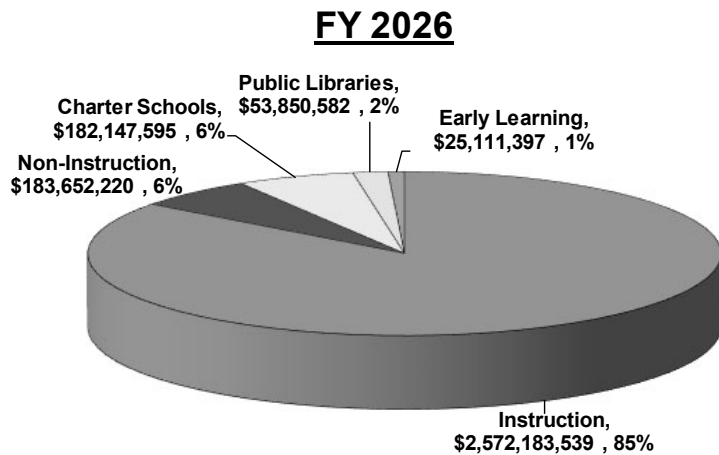
- Public Education System – High-Quality Learning for All: All students experience high-quality learning in a safe, nurturing, and culturally responsive environment that results in equitable outcomes. All students graduate high school prepared for college and career success and community and civic engagement; High-Quality Educator Workforce in All Schools: All students are taught by effective teachers who are committed to quality teaching and learning for all. All schools, complex areas and state offices are comprised of effective staff whose work is aligned to support student learning; and Effective and Efficient Operations at All Levels: All school facilities provide a positive and inviting learning environment for students and staff. All operational and management processes are aligned and implemented in an equitable, transparent, effective, and efficient manner. Families and staff are informed of and engaged in planning and decision-making processes affecting students.
- Hawaii State Public Library System – Has four areas of focus: Strengthening Literacy by offering resources and programs to support reading; Igniting our Digital Futures by ensuring access to technology and opportunities to learn digital literacy skills for the public; Creating Opportunities for Life Enrichment by providing materials and programming to meet the learning needs of our communities; Deepening Community Relationships to better connect our communities to the resources they need to be successful.

Significant Measures of Effectiveness

1. On-time high school graduation rate
2. Attendance Rate

	<u>FY 2026</u>	<u>FY 2027</u>
1. On-time high school graduation rate	86.3	87
2. Attendance Rate	86	86

FB 2025-2027 Operating Budget by Major Program Area



DEPARTMENT OF EDUCATION MAJOR FUNCTIONS

- Under the direction of the Board of Education, the Department of Education manages the statewide system of public schools.
- The scope of educational programs and services of the public schools regularly encompasses grades kindergarten through twelve, and such pre-school programs and community/adult education programs as may be established by law.
- In addition to regular programs of instruction and support services, public schools offer special programs and services for qualified students with disabilities, gifted and talented students, students with limited English language proficiency, and students who are economically and culturally disadvantaged, school-alienated, or institutionally confined.
- The Board of Education also oversees the Hawaii State Public Library System. The Hawaii State Public Library System operates and supports 51 public libraries including the Hawaii State Library, the Library for the Blind and Print Disabled, community public and school libraries, and bookmobile services.
- The State Public Charter School Commission is placed within the Department of Education for administrative purposes. The Commission has statewide chartering authority and provides oversight of the public charter schools.
- The Executive Office on Early Learning (EOEL) is established within the Department of Education for administrative purposes only. Under the direction of the Early Learning Board, the Office is statutorily responsible for coordination and development of the early learning system (prenatal to age five) and administration of the EOEL Public Prekindergarten Program.
- The School Facilities Authority (SFA) is established within the Department of Education for administrative purposes only. Under the direction of the School Facilities Authority Board, the SFA is statutorily responsible for all public school development, planning, and construction related to capital improvement projects assigned by the legislature, governor, or board of education.

MAJOR PROGRAM AREAS

The Department of Education has programs in the following major program areas:

Formal Education

EDN 100	School-Based Budgeting	EDN 407	Public Libraries
EDN 150	Special Education and Student Support Services	EDN 450	School Facilities Authority
EDN 200	Instructional Support	EDN 500	School Community Services
EDN 300	State Administration	EDN 600	Charter Schools
EDN 400	School Support	EDN 612	Charter Schools Commission and Administration
		EDN 700	Early Learning

**Department of Education
(Operating Budget)**

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	19,726.25	19,726.25	19,810.75	19,882.75
	Temp Positions	2,007.50	2,007.50	1,974.50	1,974.50
General Funds	\$	2,223,191,774	2,247,501,083	2,317,494,427	2,343,470,144
	Perm Positions	23.00	23.00	11.00	11.00
	Temp Positions	-	-	-	-
Special Funds	\$	56,847,205	56,847,205	54,336,521	54,336,521
	Perm Positions	720.50	720.50	720.50	720.50
	Temp Positions	136.50	136.50	136.50	136.50
Federal Funds	\$	262,837,143	262,837,143	305,892,434	307,392,434
	Perm Positions	-	-	1.00	1.00
	Temp Positions	3.00	3.00	3.00	3.00
Other Federal Funds	\$	13,183,793	13,183,793	33,125,891	33,125,891
Private Contributions	\$	150,000	150,000	150,000	150,000
County Funds	\$	-	-	-	-
	Perm Positions	-	-	-	-
	Temp Positions	-	-	-	-
Trust Funds	\$	13,390,000	13,390,000	13,390,000	13,390,000
	Perm Positions	-	-	-	-
	Temp Positions	-	-	-	-
Interdepartmental Transfers	\$	7,495,605	7,495,605	7,495,605	7,495,605
	Perm Positions	27.00	27.00	27.00	27.00
	Temp Positions	2.00	2.00	2.00	2.00
Revolving Funds	\$	38,351,087	38,350,702	49,062,278	49,061,893
		20,496.75	20,496.75	20,570.25	20,642.25
		2,149.00	2,149.00	2,116.00	2,116.00
Total Requirements		2,615,446,607	2,639,755,531	2,780,947,156	2,808,422,488

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

1. Adds \$20,990,000 in FY 26 and FY 27 to sustain the summer learning programs.
2. Adds \$15,000,000 in FY 26 and FY 27 for increased electricity costs.
3. Adds \$10,000,000 in FY 26 and FY 27 for contracted skilled nursing services provided to over 500 students at 200 schools statewide.
4. Adds 58.00 permanent positions and \$5,027,927 in FY 26 and 108.00 permanent positions and \$8,236,302 in FY 27 for the Executive Office on Early Learning, Public Pre-Kindergarten Expansion.
5. Adds \$5,000,000 in FY 26 and FY 27 to enhance school security provided by the Department of Law Enforcement through their SaferWatch Program.
6. Adds \$3,925,000 in FY 26 and \$3,625,000 in FY 27 for workforce readiness learning opportunities for students.
7. Tradeoff/transfer requests to realign the budget for various programs and necessary operating requirements.
8. Various budget adjustments to reflect anticipated federal and other federal fund awards.

**Department of Education
(Capital Improvements Budget)**

	<u>FY 2026</u>	<u>FY 2027</u>
Funding Sources:		
General Obligation Bonds	406,000,000	38,000,000
Other Federal Funds	240,000,000	120,000,000
Total Requirements	646,000,000	158,000,000

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)

1. Adds \$300,000,000 (\$60,000,000 in general obligation bonds and \$240,000,000 in federal funds) in FY 26 and \$150,000,000 (\$30,000,000 in general obligation bonds and \$120,000,000 in federal funds) in FY 27 for Lump Sum CIP - Federal Grants, Statewide.
2. Adds \$131,000,000 in FY 26 for Lahaina Elementary School, Maui.
3. Adds \$100,000,000 in FY 26 for Lump Sum CIP - Central Maui School Capacity, Maui.
4. Adds \$23,000,000 in FY 26 for Lump Sum CIP - Health and Safety, Statewide.
5. Adds \$20,000,000 in FY 26 for Lump Sum CIP - Deferred Maintenance Projects, Statewide.
6. Adds \$20,000,000 in FY 26 for Lump Sum CIP - Compliance, Statewide.
7. Adds \$20,000,000 in FY 26 for Lump Sum CIP - Project Completion, Statewide.

**Department of Education - Charter Schools
(Operating Budget)**

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	81.12	81.12	81.12	81.12
	Temp Positions	-	-	-	-
General Funds	\$	163,855,104	165,484,771	175,305,595	176,872,135
	Perm Positions	6.88	6.88	6.88	6.88
	Temp Positions	-	-	-	-
Federal Funds	\$	6,842,000	6,842,000	6,842,000	6,842,000
		88.00	88.00	88.00	88.00
		-	-	-	-
Total Requirements		170,697,104	172,326,771	182,147,595	183,714,135

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

1. Adds \$9,935,491 in FY 26 and \$9,872,364 in FY 27 for Charter Schools (EDN 600) to equalize the per pupil funding based on the Department of Education's FB 25-27 operating budget and projected enrollment.
2. Adds \$1,050,000 in FY 26 and FY 27 for Hawaii Keiki Program Expansion.
3. Adds \$465,000 in FY 26 and FY 27 for Teacher Differentials for the Hard-to-Staff and Hawaiian Immersion programs.

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**Department of Education - Charter Schools
(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.

**Department of Education - Public Libraries
(Operating Budget)**

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	566.50	566.50	566.50	567.50
	Temp Positions	-		-	
General Funds	\$	45,216,582	45,216,582	47,850,582	47,632,130
Special Funds	Perm Positions	-		-	
	Temp Positions	-		-	
Special Funds	\$	4,000,000	4,000,000	4,000,000	4,000,000
Federal Funds	Perm Positions	-		-	
	Temp Positions	-		-	
Federal Funds	\$	1,365,244	1,365,244	2,000,000	2,000,000
		566.50	566.50	566.50	567.50
		-		-	
Total Requirements		50,581,826	50,581,826	53,850,582	53,632,130

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

1. Adds \$1,200,000 in FY 26 and FY 27 for additional security services for various libraries. -
2. Adds \$500,000 in FY 26 and FY 27 for repairs and maintenance. -
3. Adds \$500,000 in FY 26 and \$250,000 in FY 27 for Automated Material Handling Systems.
4. Adds \$434,000 in FY 26 and FY 27 for temporary locations for Wahiawa Library, Pearl City Library, and Makawao Library.
5. Adds 1.00 permanent position and \$31,548 in FY 27 for Waikoloa Library. -

Department of Education - Public Libraries
(Capital Improvements Budget)

	<u>FY 2026</u>	<u>FY 2027</u>
Funding Sources:		
General Obligation Bonds	27,000,000	27,000,000
Total Requirements	27,000,000	27,000,000

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)

1. Adds \$25,000,000 in FY 26 and FY 27 for Hawaii State Public Library System, Health and Safety, Statewide.
2. Adds \$2,000,000 in FY 26 and FY 27 for Kapaa Library, Kauai.

OFFICE OF THE GOVERNOR

Department Summary

Mission Statement

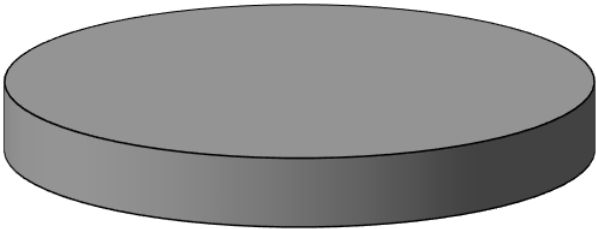
To enhance the effectiveness and efficiency of State programs by providing Executive direction, policy development, program coordination, and planning and budgeting.

Department Goals

Improving the economic and social well-being of the citizens of Hawaii as measured by standard benchmarks; lead departments in working cooperatively across departmental divisions to deliver public services at the lowest possible costs; and lead the Executive Branch to successfully shepherd bills through the Legislature that reflect priorities of the Governor's administration.

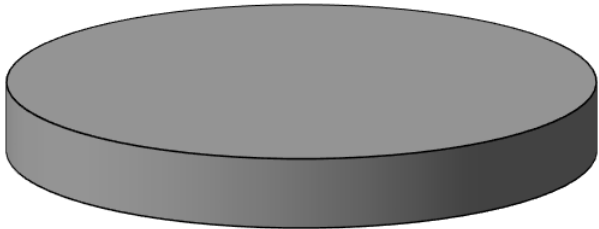
FB 2025-2027 Operating Budget by Major Program Area

FY 2026



Office of the Governor,
\$5,276,872 , 100%

FY 2027



Office of the Governor,
\$5,276,872 , 100%

OFFICE OF THE GOVERNOR MAJOR FUNCTIONS

- Strengthen the public's trust in State government by committing to reforms that increase efficiency, reduce waste, and improve transparency and accountability.
- Communicate the Governor's policies and actions through diverse media.
- Ensure State departments work cooperatively to deliver needed public services to Hawai'i's most vulnerable communities.
- Maximize efforts to expend and pursue additional federal funds to support statewide infrastructure improvements, education, health, and human services programs.
- Develop and maintain intergovernmental relationships by hosting dignitaries and representing Hawai'i at events that advance our State's global reach.
- Recruit outstanding public servants and retain a quality public workforce.
- Settle collective bargaining issues in ways that advance the interests of the people of Hawai'i.
- Ensure responsible management of the State's six-year financial plan to maintain the State's financial health.

MAJOR PROGRAM AREAS

The Office of the Governor has a program in the following major program area:

Government-Wide Support

GOV 100 Office of the Governor

**Office of the Governor
(Operating Budget)**

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	30.00	30.00	30.00	30.00
	Temp Positions	23.00	23.00	23.00	23.00
General Funds	\$	5,021,872			
		30.00	30.00	30.00	30.00
		23.00	23.00	23.00	23.00
Total Requirements		5,021,872			

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

1. Adds 6.00 permanent positions and \$725,000 in FY 26 and FY 27 for increased federal policy monitoring and enhanced advocacy efforts.
2. Reduces 6.00 permanent positions and \$470,000 in FY 26 and FY 27 to transfer Office of Wellness and Resilience to the Department of Human Resources Development.

5,021,872	5,276,872	5,276,872
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**Office of the Governor
(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.

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-
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DEPARTMENT OF HAWAIIAN HOME LANDS

Department Summary

Mission Statement

To manage the Hawaiian Home Lands Trust effectively and to develop and deliver Hawaiian home lands to native Hawaiians. We will partner with others toward developing self-sufficient and healthy communities.

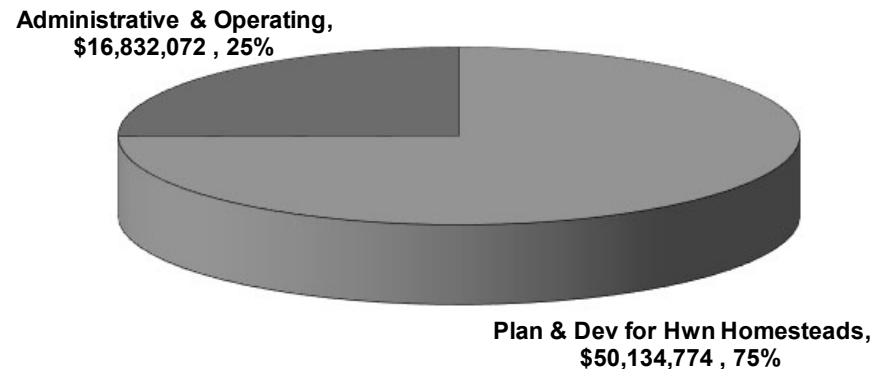
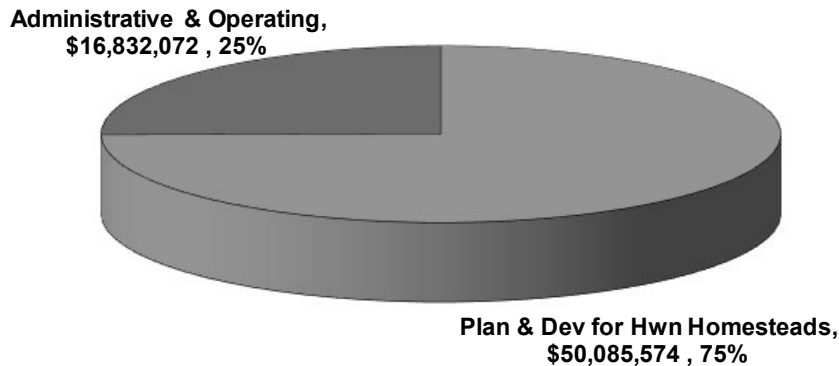
Department Goals

To effectively manage the Hawaiian Home Lands Trust (HHLT) lands, water, and related resources; to develop and deliver lands for award to beneficiaries on an on-going basis; to develop and deliver program services that meet the housing needs of native Hawaiians; to effectively manage the HHLT financial resources; to effectively manage the department's human resources and to establish better relationships with the native Hawaiian community, governmental agencies, homestead communities, and the community at large.

Significant Measures of Effectiveness

	<u>FY 2026</u>	<u>FY 2027</u>
1. Lot development as a % of lots planned	100	100

FB 2025-2027 Operating Budget by Major Program Area



DEPARTMENT OF HAWAIIAN HOME LANDS MAJOR FUNCTIONS

- Identifying and assessing the needs of beneficiaries of the Hawaiian Homes Commission Act through research and planning; compiling data needed for the development and utilization of Hawaiian Home Lands and other physical resources of the Hawaiian Home Lands Trust; identifying Hawaiian home lands by physical characteristics, land use, and planned use of the lands; and developing and updating regional master plans for designated areas.
- Developing, marketing, disposing of, and managing Hawaiian Home Lands not immediately needed or not suitable for homestead purposes by issuing general leases, revocable permits, licenses, and rights-of-entry to generate income to finance homestead lot development activities.
- Developing Hawaiian Home Lands for homesteading and income-producing purposes by designing and constructing off-site and on-site improvements.
- Reducing the wait lists of applicants for homestead leases by awarding homestead leases; providing loans for home building, repair, and replacement and for development of farms and ranches; managing homestead areas on the islands of Oahu, Hawaii, Maui, Molokai, Kauai, and Lanai; and providing for the maintenance, repair, and operation of water systems, roads, and facilities.

MAJOR PROGRAM AREAS

The Department of Hawaiian Home Lands has programs in the following major program areas:

Social Services

- HHL 602 Planning and Development for Hawaiian Homesteads
- HHL 625 Administration and Operating Support

**Department of Hawaiian Home Lands
(Operating Budget)**

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	200.00	200.00	200.00	200.00
	Temp Positions	-	-	-	-
General Funds	\$	26,832,072	26,832,072	26,832,072	26,832,072
Special Funds	Perm Positions	-	-	-	-
	Temp Positions	-	-	-	-
	\$	4,824,709	4,824,709	4,824,709	4,824,709
Federal Funds	Perm Positions	4.00	4.00	4.00	4.00
	Temp Positions	8.00	8.00	8.00	8.00
	\$	24,126,731	24,126,731	24,126,731	24,126,731
Other Federal Funds	Perm Positions	-	-	-	-
	Temp Positions	-	-	3.00	3.00
	\$	-	-	393,600	442,800
Trust Funds	Perm Positions	-	-	-	-
	Temp Positions	-	-	-	-
	\$	3,740,534	3,740,534	3,740,534	3,740,534
Revolving Funds	Perm Positions	-	-	-	-
	Temp Positions	-	-	-	-
	\$	7,000,000	7,000,000	7,000,000	7,000,000
		204.00	204.00	204.00	204.00
		8.00	8.00	11.00	11.00
Total Requirements		66,524,046	66,524,046	66,917,646	66,966,846

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

1. Adds 3.00 temporary positions and \$393,600 in FY 26 and \$442,800 in FY 27 in other federal funds to support the National Telecommunications and Information Administration Tribal Broadband Connectivity Program. -

**Department of Hawaiian Home Lands
(Capital Improvements Budget)**

	<u>FY 2026</u>	<u>FY 2027</u>
Funding Sources:		
General Obligation Bonds	20,000,000	20,000,000
Total Requirements	20,000,000	20,000,000

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)

1. Adds \$20,000,000 in both FY 26 and FY 27 for repairs and maintenance to infrastructure within Department of Hawaiian Home Lands subdivisions, Statewide.

DEPARTMENT OF HEALTH

Department Summary

Mission Statement

To administer programs designed to protect, preserve, care for, and improve the physical and mental health of the people of the State.

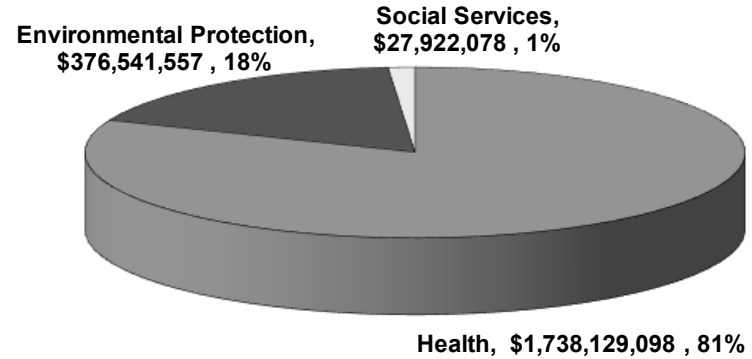
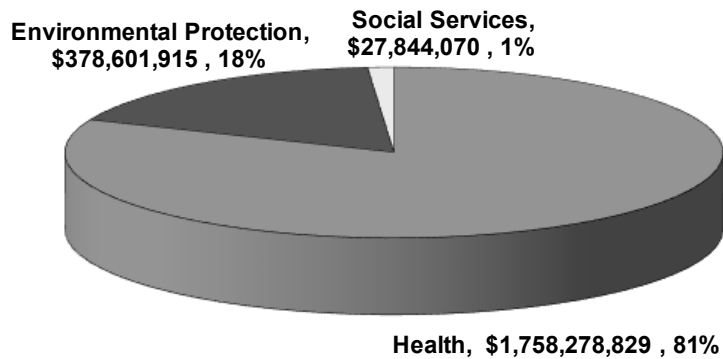
Department Goals

To monitor, protect and enhance the health of all people in Hawaii by providing leadership in assessment, policy development, and assurance to promote health and well-being; to preserve a clean, healthy and natural environment; and to assure basic health care for all.

Significant Measures of Effectiveness

	<u>FY 2026</u>	<u>FY 2027</u>
1. Mortality rate (per thousands)	600	600
2. Average life span of residents (years)	81	81
3. Percentage of children 5 years of age meeting immunization requirements	90	90

FB 2025-2027 Operating Budget by Major Program Area



DEPARTMENT OF HEALTH MAJOR FUNCTIONS

- Plans, directs and administers statewide programs to protect, preserve and improve the physical, mental and environmental health of Hawai'i through assessment, policy development, and assurance.
- Administers programs for the prevention, control and treatment of infectious and communicable diseases; coordinates public health, pandemic, and bioterrorism preparedness planning activities and integrating these activities with surveillance and response mechanisms.
- Administers community-based health education and other programs that provide and coordinate health intervention services and support for at-risk families, populations and communities who are most likely to experience unhealthy outcomes.
- Provides public health nursing services in the areas of communicable disease, disaster outbreaks care coordination, follow-up and monitoring for at-risk populations and nursing supervision, oversight and intervention in the public schools.
- Plans, coordinates and provides statewide mental health services which include treatment, consultative and preventive components for individuals; also plans, coordinates and implements statewide services relative to alcohol and drug abuse. Administers the Hawaii State Hospital.
- Provides services and support to individuals with developmental disabilities or intellectual disabilities and their families to attain quality of life.
- Plans, provides and promotes health services to mothers, children and youth and family planning services. Also provides basic dental treatment services to certain populations.
- Implements and maintains the statewide programs for air, water, noise, radiation and indoor air pollution control; noise, safe drinking water, solid waste and wastewater management, and programs which protect consumers from unsafe foods, drugs, cosmetics, and medical devices.
- Administers the statewide emergency medical services system.
- Administers a statewide laboratories program which conducts analysis in support of environmental health and communicable disease monitoring and control activities.
- Implements and administers the medical cannabis dispensary and patient registry systems.
- Administers state vital records, analyzes and reports statistics.
- Performs state licensing activities on healthcare facilities, agencies and organizations.

MAJOR PROGRAM AREAS

The Department of Health has programs in the following major program areas:

Environmental Protection

HTH 840 Environmental Management
HTH 849 Environmental Health Administration

Health

HTH 100 Communicable Disease and Public Health
Nursing
HTH 131 Disease Outbreak Control
HTH 210 Hawai'i Health Systems Corporation –
Corporate Office
HTH 211 Kahuku Hospital
HTH 212 Hawai'i Health Systems Corporation –
Regions
HTH 213 Ali'i Community Care
HTH 214 Maui Health System, a KFH, LLC
HTH 215 Hawai'i Health Systems Corporation –
O'ahu Region
HTH 420 Adult Mental Health – Outpatient
HTH 430 Adult Mental Health – Inpatient
HTH 440 Alcohol and Drug Abuse Division
HTH 460 Child and Adolescent Mental Health
HTH 495 Behavioral Health Administration
HTH 501 Developmental Disabilities
HTH 560 Family Health Services
HTH 590 Chronic Disease Prevention and Health
Promotion
HTH 595 Health Resources Administration
HTH 596 Office of Medical Cannabis Control and
Regulation
HTH 610 Environmental Health Services

HTH 710 State Laboratory Services
HTH 720 Health Care Assurance
HTH 730 Emergency Medical Services and Injury
Prevention System
HTH 760 Health Status Monitoring
HTH 905 Developmental Disabilities Council
HTH 906 State Health Planning and Development
Agency
HTH 907 General Administration
HTH 908 Office of Language Access

Social Services

HTH 520 Disability and Communications Access
Board
HTH 904 Executive Office on Aging

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**Department of Health
(Operating Budget)**

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	2,497.62	2,497.62	2,630.93	2,631.93
	Temp Positions	179.00	179.00	108.00	108.00
General Funds	\$	607,837,784	607,837,784	687,238,619	679,432,692
	Perm Positions	157.00	157.00	162.00	162.00
	Temp Positions	16.00	16.00	15.00	15.00
Special Funds	\$	216,081,031	216,081,031	218,022,327	217,872,841
	Perm Positions	197.75	197.75	175.60	175.60
	Temp Positions	77.10	77.10	77.10	77.10
Federal Funds	\$	86,181,969	86,181,969	102,524,043	85,973,775
	Perm Positions	86.60	86.60	82.50	82.50
	Temp Positions	107.65	107.65	103.65	103.65
Other Federal Funds	\$	52,545,517	52,545,517	60,501,014	63,099,614
	Perm Positions	11.00	11.00	11.00	11.00
	Temp Positions	3.00	3.00	3.00	3.00
Interdepartmental Transfers	\$	7,812,741	7,812,741	7,812,741	7,812,741
	Perm Positions	54.25	54.25	53.25	53.25
	Temp Positions	-	-	-	-
Revolving Funds	\$	263,364,894	263,364,894	263,309,802	263,309,802
		3,004.22	3,004.22	3,115.28	3,116.28
		382.75	382.75	306.75	306.75
Total Requirements		1,233,823,936	1,233,823,936	1,339,408,546	1,317,501,465

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

1. Adds \$10,100,000 for FY 26 and \$21,400,000 for FY 27 to increase Medicaid 1915(c) Home and Community Based Services Waiver for Individuals with Intellectual and Developmental Disabilities. -
2. Adds \$15,000,000 for FY 26 and FY 27 to provide funding for the Healthcare Education Loan Repayment Program.
3. Adds \$13,000,000 for FY 26 and FY 27 for various contracts - Locum Tenens to provide required medical and psychiatry services to patients at the Hawai'i State Hospital (HSH).
4. Adds \$8,650,000 for FY 26 to cover overtime and other payroll costs shortfall at HSH.
5. Adds \$5,500,000 for FY 26 to cover contracts for psychiatric beds for Adult Mental Health Inpatient.
6. Adds \$4,571,100 for FY 26 for moving and lease funds for the relocation of various Department of Health staffs from Kinau Hale Building (\$3,750,000) and Office of Health Status Monitoring (\$821,100).
7. Adds \$3,716,836 for FY 26 and \$3,947,578 for FY 27 to meet collective bargaining requirements for service provider contracted for 911 emergency ground ambulance and aeromedical ambulance service for the County of Maui.

8. Adds \$3,000,000 for FY 26 and FY 27 for contract services for reproductive health and family planning.
9. Adds \$1,696,000 for FY 26 and \$3,730,000 for FY 27 to fund contracted service costs for inpatient psychiatric services on Big Island and Kauai.
10. Adds \$1,600,000 for FY 26 and FY 27 for the second medic station and ambulance on the island of Moloka'i.
11. Converts means of financing of strategic positions under the Women, Infants and Children Branch of the Health Services Division from federal funds to general funds by adding 16.00 permanent full-time equivalent (FTE) positions and \$1,295,892 in general funds for FY 26 and FY 27, and transferring \$2,125,263 in federal funds from personal services to other current expenses for FY 26 and FY 27.
12. Adds 15.00 FTE positions (2.00 FTE Advanced Practice Registered Nurse (APRN) positions and 1.00 FTE Registered Nurse (RN) at Maui Community Mental Health Center (CMHC), 1 FTE APRN position and 2.00 FTE RN positions at Hawaii CMHC, 1.00 FTE RN position at Kauai CMHC and 4.00 FTE APRN positions and 4.00 FTE RN positions at Oahu CMHC) for FY 26 and FY 27; adds \$1,453,492 for FY 26 and \$2,619,374 for FY 27 for the above personal services costs and funding for the provision of Certified Community Behavioral Health Clinic services in various CMHC.
13. Adds 2.00 permanent FTE positions for FY 26 and FY 27, \$5,093,932 for FY 26 and \$187,864 for FY 27 to support and facilitate cesspool conversions in the Wastewater Branch and maintain the efforts initiated under Act 153, SLH 2022.

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**Department of Health
(Capital Improvements Budget)**

	<u>FY 2026</u>	<u>FY 2027</u>
Funding Sources:		
General Obligation Bonds	32,045,000	16,745,000
Federal Funds	54,964,000	54,964,000
Total Requirements	87,009,000	71,709,000

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)

1. Adds \$5,913,000 in G.O. bond funds and \$29,558,000 in federal funds for FY 26 and FY 27 for Safe Drinking Water Revolving Funds, Statewide.
2. Adds \$5,082,000 in G.O. bond funds and \$25,406,000 in federal funds for FY 26 and FY 27 for Wastewater Treatment Revolving Fund for Pollution Control, Statewide.
3. Adds \$3,150,000 for FY 26 and \$5,750,000 for FY 27 for Hawai'i State Hospital (HSH), Health and Safety, O'ahu.
4. Adds \$5,500,000 for FY 26 for Kalaupapa Settlement, Close Landfills and Install Synthetic Cover Layer at Municipal Solid Waste Moloka'i.
5. Adds \$3,500,000 for FY 26 for HSH, Water System Improvements and Other Work, O'ahu.
6. Adds \$3,100,000 for FY 26 for HSH, Guensberg Building, Renovations and Site Improvements, O'ahu.

**Department of Health - Hawai'i Health Systems Corporation
(Operating Budget)**

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	-		-	
	Temp Positions	-		-	
General Funds	\$	86,080,403	86,080,403	173,520,803	173,395,803
	Perm Positions	2,835.25	2,835.25	2,835.25	2,835.25
	Temp Positions	-		-	
Special Funds	\$	603,295,465	603,295,465	651,795,465	651,695,465
		2,835.25	2,835.25	2,835.25	2,835.25
		-		-	
Total Requirements		689,375,868	689,375,868	825,316,268	825,091,268

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

1. Adds \$67,315,400 for both fiscal years to restore general fund support for operating subsidies for HHSC Regions.
2. Adds \$48,500,000 in FY 26 and \$48,400,000 in FY 27 to restore special fund ceiling for HHSC O'ahu Region.
3. Adds \$8,000,000 in FY 26 and \$14,000,000 in FY 27 to restore general fund support for an operating subsidy for HHSC O'ahu Region.
4. Adds \$12,000,000 in FY 26 and \$6,000,000 in FY 27 for an operating subsidy for the Maui Health System, a Kaiser Foundation Hospitals LLC.
5. Adds \$125,000 for a patient transport vehicle for Kahuku Medical Center. -

**Department of Health - Hawaii Health Systems Corporation
(Capital Improvements Budget)**

	<u>FY 2026</u>	<u>FY 2027</u>
Funding Sources:		
General Obligation Bonds	56,739,000	57,319,000
Total Requirements	56,739,000	57,319,000

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)

1. Adds \$25,500,000 in FY 26 and \$16,800,000 in FY 27 for various HHSC Regions projects, Statewide.
2. Adds \$12,500,000 in both fiscal years for Ka'u Hospital, Kea'au Outpatient Center,
3. Adds \$1,339,000 in FY 26 and \$11,909,000 in FY 27 for West Hawai'i Region Kona Community Hospital - Emergency Department, Hawai'i.
4. Adds \$6,000,000 in both fiscal years for various project for the Maui Health System, a Kaiser Foundation Hospitals LLC, Maui.
5. Adds \$5,800,000 in FY 26 and \$5,000,000 in FY 27 for various projects for the Kahuku Medical Center, O'ahu.
6. Adds \$5,600,000 in FY 26 and \$5,110,000 in FY 27 for various projects for the HHSC O'ahu Region, O'ahu.

DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT

Department Summary

Mission Statement

To provide timely and responsive leadership, resources, and services to fully support the State in the recruitment, management, and retention of a high-performing workforce.

Department Goals

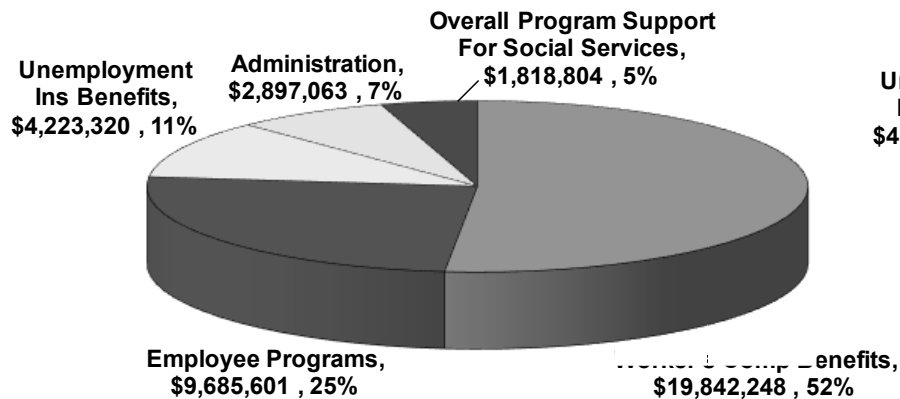
To maximize employee productivity and performance toward excellence in the department; increase the effectiveness and efficiency of the State's Human Resources system to maximize productivity and performance toward excellence; and promote proactive State Workforce Planning.

Significant Measures of Effectiveness

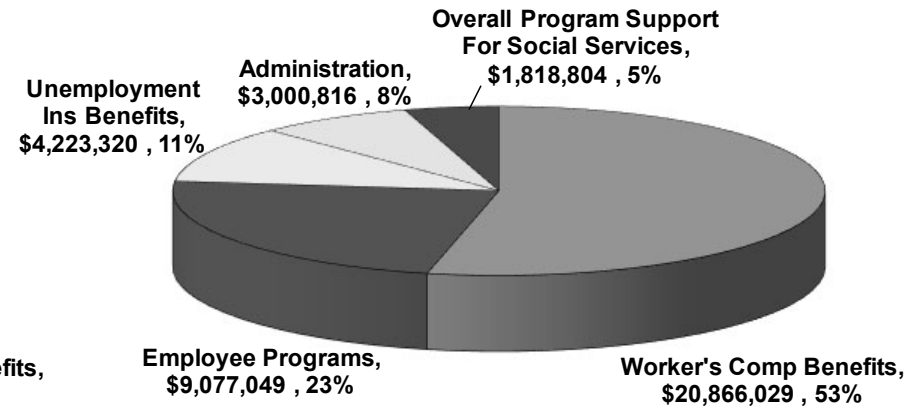
	<u>FY 2026</u>	<u>FY 2027</u>
1. % of certificates issued within 5 calendar days where list of eligibles exists	94	94
2. % of certificates issued within 95 calendar days where list of eligibles does not exist	70	70
3. % contract grievances settled without third party assistance	90	90

FB 2025-2027 Operating Budget by Major Program Area

FY 2026



FY 2027



DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT MAJOR FUNCTIONS

- Administers the State human resources program, provides administrative support services to statutorily and executively assigned commissions and boards, and represents the State on other commissions and committees.
- Plans, organizes, directs, and coordinates the various activities of the State human resources program in employee training and development, recruitment, examination, position classification, pay administration, workers' compensation payments, and labor relations within the scope of laws, rules, and established policies.
- Plans and administers statewide (except for DOE, UH and HHSC) workers' compensation program, claims management, Return to Work Priority Program, and a safety and accident prevention program.
- Works to strengthen the State's systems and services, using healing-centered principles as strategies to make Hawaii a trauma-informed state.
- Develops and administers classification and compensation system(s) for civil service positions including the establishment and maintenance of classes and their experience and training requirements; the pricing of classes; and the assignment of positions to classes, bargaining units and other administrative units.
- Establishes and maintains statewide policies, procedures, programs, and services that provide guidance and support to the line departments of the Executive Branch with regard to employee relations, employee benefits programs; reports on the workforce composition and employment trends; and statewide employee development programs.
- Conducts statewide staffing and consultative advisory services, including human resources research and development projects to forecast, plan for and effectuate effective staffing strategies before staffing issues become acute or impact public services; implements strategies to attract and retain employees by competitively filling positions, and develops and administers a statewide recruitment program.

MAJOR PROGRAM AREAS

The Department of Human Resources Development has programs in the following major program areas:

Government-Wide Support

HRD 102 Work Force Attraction, Selection, Classification, and Effectiveness
HRD 191 Supporting Services - Human Resources Development

Social Services

HRD 200 Office of Wellness and Resilience

**Department of Human Resources Development
(Operating Budget)**

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	100.00	100.00	121.00	121.00
	Temp Positions	-		-	
General Funds	\$	22,286,988	22,286,988	32,588,875	33,107,857
	Perm Positions	-		-	
	Temp Positions	-		-	
Special Funds	\$	700,000	700,000	700,000	700,000
	Perm Positions	2.00	2.00	2.00	2.00
	Temp Positions	-		-	
Interdepartmental Transfers	\$	5,178,161	5,178,161	5,178,161	5,178,161
		102.00	102.00	123.00	123.00
		-		-	
Total Requirements		28,165,149	28,165,149	38,467,036	38,986,018

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

1. Adds \$5,491,297 for FY 26 and \$6,515,078 for FY 27 for workers' compensation claims.
2. Adds \$1,000,000 for FY 26 for civil service position classification and compensation study.
3. Transfers in 6.00 permanent positions and \$470,000 for FY 26 and FY 27 from the Office of the Governor to the Department of Human Resources Development for the Office of Wellness and Resilience.
4. Adds 6.00 permanent positions and \$876,000 for FY 26 and FY 27 for the State of Well-Being Project from Act 106, SLH 2024.
5. Adds \$581,321 for FY 26 and FY 27 for payroll budget adjustments.

**Department of Human Resources Development
(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.

DEPARTMENT OF HUMAN SERVICES

Department Summary

Mission Statement

To provide timely, efficient, and effective programs, services, and benefits for the purpose of achieving the outcome of empowering Hawaii's most vulnerable people; and to expand their capacity for self-sufficiency, self-determination, independence, healthy choices, quality of life, and personal dignity.

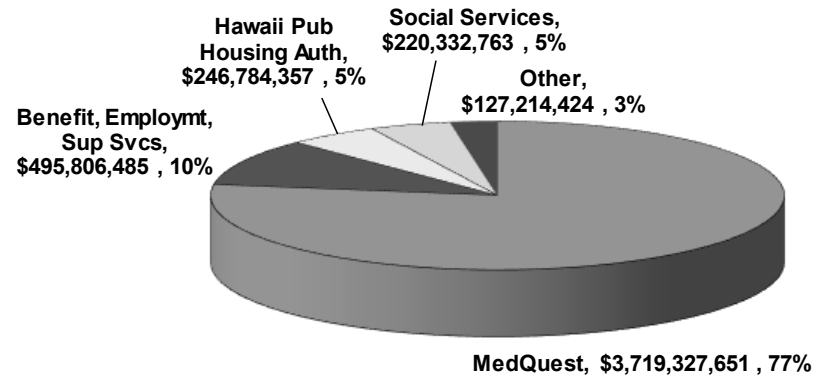
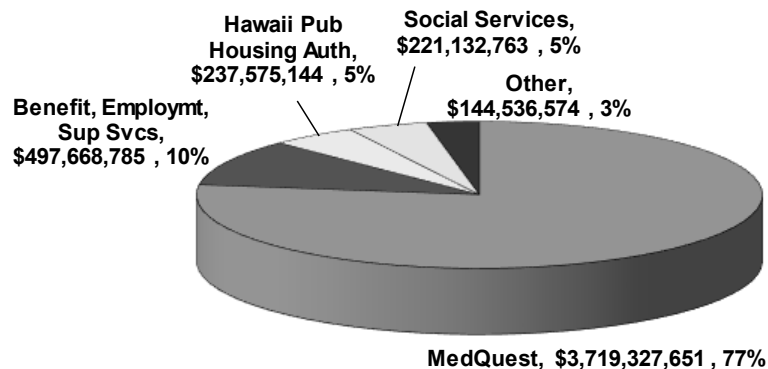
Department Goals

Through a multi-generational approach, align programs, services, and benefits to provide recipients with access to an array of needed services; modernize the service delivery model through business process transformation and sharing of critical information internally and externally to improve outcomes of individuals and communities in which they live; improve individual and departmental outcomes through data-driven decisions; leverage and invest in technology to increase operational efficiency and reduce administrative burden; and strengthen public-private partnerships to develop a modern integrated health and human services delivery system.

Significant Measures of Effectiveness

	<u>FY 2026</u>	<u>FY 2027</u>
1. Percentage of managed care payments devoted to direct health care services (Medicaid)	90%	90%
2. Percentage of work program participants who have exited with employment (TANF and TAONF)	2%	2%
3. Number of clients transitioning to permanent housing through homeless shelter programs	1180	1180

FB 2025-2027 Operating Budget by Major Program Area



DEPARTMENT OF HUMAN SERVICES MAJOR FUNCTIONS

- Provides employment-related services, childcare services, and economic assistance to eligible families and individuals.
- Provides health coverage or nursing home coverage to eligible individuals and families.
- Serves as a catalyst to address and end homelessness and promotes adequate and affordable housing, economic opportunity, and a suitable living environment, for low-income families and individuals in public housing.
- Provides child welfare and adult protective and community services to eligible families and individuals.
- Administers programs of vocational rehabilitation, independent living rehabilitation, services for the blind, and disability determination.
- Provides a continuum of prevention, rehabilitation, and treatment services and programs for at-risk youth.

MAJOR PROGRAM AREAS

The Department of Human Services has programs in the following major program areas:

Employment					
HMS 802	Vocational Rehabilitation	HMS 236	Case Management for Self-Sufficiency	HMS 605	Community-Based Residential and Medicaid Facility Support
Social Services		HMS 237	Employment and Training		
HMS 202	Aged, Blind and Disabled Payments	HMS 238	Disability Determination	HMS 777	Office on Homelessness and Housing Solutions
HMS 204	General Assistance Payments	HMS 301	Child Protective Services	HMS 901	General Support for Social Services
HMS 206	Federal Assistance Payments	HMS 302	General Support for Child Care	HMS 902	General Support for Health Care Payments
HMS 211	Cash Support for Families-Self-Sufficiency	HMS 303	Child Protective Services Payments	HMS 903	General Support for Self-Sufficiency Services
HMS 220	Rental Housing Services	HMS 305	Cash Support for Child Care	HMS 904	General Administration for DHS
HMS 222	Rental Assistance Services	HMS 401	Health Care Payments		
HMS 224	Homeless Services	HMS 501	In-Community Youth Programs		
HMS 229	Hawaii Public Housing Authority Administration	HMS 503	Kawailoa Youth and Family Wellness Center (KYFWC)	Individual Rights	
		HMS 601	Adult Protective and Community Services	HMS 888	Commission on the Status of Women

**Department of Human Services
(Operating Budget)**

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	1,248.73	1,248.73	1,252.20	1,252.20
	Temp Positions	14.50	14.50	17.50	14.50
General Funds	\$	1,430,903,286	1,430,903,286	1,490,998,396	1,484,186,124
	Perm Positions	1.87	1.87	1.87	1.87
	Temp Positions	-	-	-	-
Special Funds	\$	12,105,080	12,105,080	269,228,420	269,228,420
	Perm Positions	999.90	999.90	938.43	938.43
	Temp Positions	53.50	53.50	31.50	25.50
Federal Funds	\$	2,903,374,844	2,903,374,844	2,962,272,804	2,957,997,285
	Perm Positions	-	-	-	-
	Temp Positions	-	-	-	-
Other Federal Funds	\$	18,760,191	18,760,191	38,310,191	38,310,191
Private Contributions	\$	10,000	10,000	10,000	10,000
County Funds	\$	-	-	-	-
	Perm Positions	-	-	-	-
	Temp Positions	-	-	-	-
Interdepartmental Transfers	\$	7,169,481	7,169,481	7,169,481	7,169,481
	Perm Positions	73.00	73.00	139.00	139.00
	Temp Positions	18.00	18.00	47.00	47.00
Revolving Funds	\$	13,807,120	13,807,120	52,251,625	52,564,179
		2,323.50	2,323.50	2,331.50	2,331.50
		86.00	86.00	96.00	87.00
Total Requirements		4,386,130,002	4,386,130,002	4,820,240,917	4,809,465,680

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

1. Adds \$260,000,000 in special funds in FY 26 and FY 27 to establish permanent special fund ceiling for the Hospital Sustainability Special Fund and the Nursing Facility Sustainability Special Fund.
2. Adds \$50,000,000 in FY 26 and FY 27 to restore and increase general fund support for development, maintenance, and operation of Kauhale.
3. Increases Medicaid health care payments by \$15,770,660 in general funds and \$35,272,121 in federal funds in FY 26 and FY 27 for increased Death Benefits Program payments and in-home Home- and Community-Based Services payments; and to restore funding for increased private professional services payments, increased applied behavioral analysis services payments, and Child Wellness Incentive Pilot Program payments.
4. Adds 9.00 temporary positions and \$411,216 in general funds and \$12,500,153 in federal funds in FY 26 for the Disaster Case Management Program.
5. Adds \$10,800,000 in FY 26 and FY 27 to restore general fund support for family assessment centers, the Housing First Program, the Rapid Re-housing Program, and homeless outreach and civil legal services.
6. Adds \$4,000,000 in FY 26 for support for information technology operations and modernization.
7. Adds 1.00 permanent position; and \$1,738,556 in general funds and \$1,761,060 in federal funds in FY 26 and \$1,734,310 in general funds and \$1,757,206 in federal funds in FY 27 for the Summer Electronic Benefits Transfer Program.
8. Adds \$3,000,000 in FY 26 and FY 27 for Child Welfare Services shortage differentials for recruitment and retention.
9. Adds \$1,500,000 in FY 26 for the Supplemental Nutrition Assistance Program Smart Food Program.

**Department of Human Services
(Capital Improvements Budget)**

	<u>FY 2026</u>	<u>FY 2027</u>
Funding Sources:		
General Obligation Bonds	85,220,000	-
Total Requirements	85,220,000	-

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)

1. Adds \$56,000,000 in FY 26 for Ka Lei Momi Development, Statewide.
2. Adds \$12,000,000 in FY 26 for Ka Lei Momi Predevelopment, Statewide.
3. Adds \$10,000,000 in FY 26 for IT Modernization for the Benefits Eligibility Solution System, Statewide.
4. Adds \$3,720,000 in FY 26 for Kawaihoa Youth and Family Wellness Center (KYFWC) Secured Custody Facility Reroof, O'ahu.
5. Adds \$3,500,000 in FY 26 for KYFWC Master Plan, O'ahu.

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

Department Summary

Mission Statement

To increase the economic security, physical and economic well-being and productivity of workers and ensure the growth and development of industry.

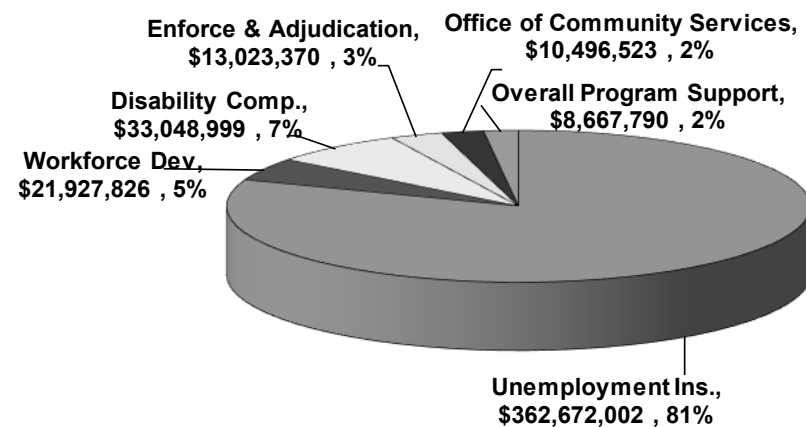
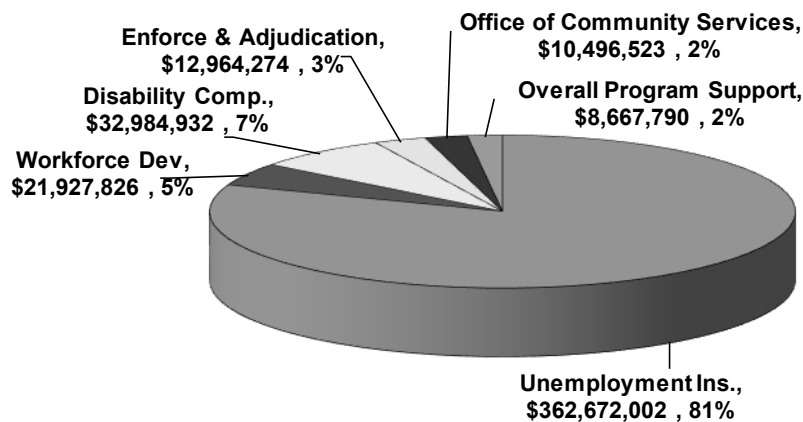
Department Goals

To promote access to employment and assess the needs and skills of the workforce; to alleviate the economic hardship of workers during periods of disability or temporary unemployment; to protect the employment rights of workers and assure a safe and healthy workplace; to develop, deliver and coordinate information to meet labor market supply and demand; and to promote the harmonious working relationship between business, labor, educators, and government agencies.

Significant Measures of Effectiveness

	<u>FY 2026</u>	<u>FY 2027</u>
1. Percentage of job applicants who found jobs	62	62
2. Number of insured employees as a percentage of the total labor force	94	94
3. Percentage of federally mandated statistical reports that meet deadlines	100	100

FB 2025-2027 Operating Budget by Major Program Area



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS MAJOR FUNCTIONS

- Administers federal and State programs designed to improve the economic security, occupational safety and health, working conditions, and productivity of workers, and maintain favorable labor-management relationships throughout the State.
- Administers comprehensive employment and training services to both job seekers and employers through a system of employment offices located statewide.
- Administers the State Unemployment Insurance program. Ensures that fair hearings before impartial appeals referees are provided to employers and claimants with respect to determinations made by the department regarding unemployment insurance benefits, disaster unemployment insurance, and other security decisions.
- Administers and enforces the State's occupational safety and health laws.
- Administers all activities pertinent to the management of the Workers' Compensation, Temporary Disability Insurance, and Prepaid Health Care laws and programs.
- Administers and enforces State labor laws dealing with wages and other compensation, hours, child labor, family leave, and related rules and regulations.

MAJOR PROGRAM AREAS

The Department of Labor and Industrial Relations has programs in the following major program areas:

Employment

LBR 111 Workforce Development
LBR 135 Workforce Development Council
LBR 143 Hawaii Occupational Safety and Health Program
LBR 152 Wage Standards Program
LBR 153 Hawaii Civil Rights Commission
LBR 161 Hawaii Labor Relations Board
LBR 171 Unemployment Insurance Program

LBR 183 Disability Compensation Program
LBR 812 Labor and Industrial Relations Appeals Board
LBR 901 Research and Statistics
LBR 902 General Administration
LBR 903 Office of Community Services

**Department of Labor and Industrial Relations
(Operating Budget)**

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	198.73	198.73	208.73	208.73
	Temp Positions	14.96	14.96	15.96	15.96
General Funds	\$	26,980,227	26,980,227	30,791,223	30,914,386
	Perm Positions	-	-	-	-
	Temp Positions	-	-	-	-
Special Funds	\$	8,043,402	8,043,402	8,243,402	8,243,402
	Perm Positions	257.70	257.70	255.70	255.70
	Temp Positions	39.00	39.00	39.00	39.00
Federal Funds	\$	40,253,738	40,253,738	42,207,322	42,207,322
	Perm Positions	53.07	53.07	53.07	53.07
	Temp Positions	6.54	6.54	6.54	6.54
Other Federal Funds	\$	6,436,941	6,436,941	9,050,000	9,050,000
	Perm Positions	11.00	11.00	11.00	11.00
	Temp Positions	5.00	5.00	5.00	5.00
Trust Funds	\$	365,557,551	365,557,551	365,557,551	365,557,551
	Perm Positions	-	-	-	-
	Temp Positions	-	-	-	-
Interdepartmental Transfers	\$	2,891,173	2,891,173	2,891,173	2,891,173
	Perm Positions	19.00	19.00	19.00	19.00
	Temp Positions	-	-	-	-
Revolving Funds	\$	2,746,105	2,746,105	2,746,105	2,746,105
		539.50	539.50	547.50	547.50
		65.50	65.50	66.50	66.50
Total Requirements		452,909,137	452,909,137	461,486,776	461,609,939

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

1. Adds \$2,974,112 for FY 26 and \$2,984,583 for FY 27 to fund IT consultant services, software licenses, and Amazon Web Services Environment and Storage for the Disability Compensation Division Modernization Project.
2. Adds 2.00 permanent FTE positions and \$440,000 for both fiscal years to fund the Immigrant Services and Access Unit within the Office of Community Services pursuant to Act 207, SLH 2024.
3. Adds \$200,000 in Special funds to pay B&F for Departmental Administrative Expenses and Central Services Assessments, pursuant to Sections 36-24 and 36-30, HRS.
4. Adds 2.00 permanent FTE positions and \$126,192 in both fiscal years to support implementation of the Holo Delegation Program under General Administration.

**Department of Labor and Industrial Relations
(Capital Improvements Budget)**

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

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)

None.

DEPARTMENT OF LAND AND NATURAL RESOURCES

Department Summary

Mission Statement

To enhance, protect, conserve, and manage Hawaii's unique and limited natural, cultural and historic resources held in public trust for current and future generations for the people of Hawaii nei, and its visitors, in partnership with others in the public and private sectors.

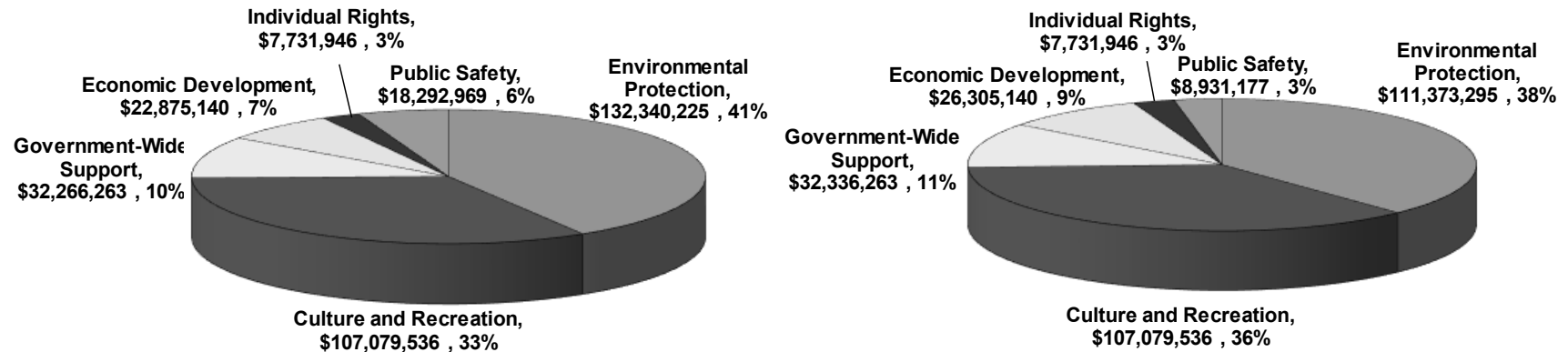
Department Goals

To seek, develop and implement cost-effective strategies for the long-term sustainable management, maintenance, protection and utilization of existing and potential ocean, land, natural and cultural resources of the State of Hawaii in an integrated manner and in partnership with others from the public and private sectors. Additionally, prevent the establishment of invasive species detrimental to native habitats, while promoting responsible use, understanding, and respect for Hawaii's resources.

Significant Measures of Effectiveness

	<u>FY 2026</u>	<u>FY 2027</u>
1. Dollar amount of revenues transferred to OHA (\$000)	2,713	2,713
2. No. of permits (camping and cabin) issued statewide	19,000	19,000
3. No. of fishing licenses issued (\$000)	3	3
4. No. of acres enrolled in watershed partnerships as % of plan	15,000	15,000

FB 2025-2027 Operating Budget by Major Program Area



DEPARTMENT OF LAND AND NATURAL RESOURCES MAJOR FUNCTIONS

- Implements programs to conserve, protect, develop, and utilize the State's natural and cultural resources.
- Preserves and enhances native and indigenous fish and other aquatic species and their habitats for residents and visitors.
- Promotes the safe and responsible use of Hawaii's natural resources through firm, fair and effective law enforcement.
- Provides accurate, timely and permanent system of registering and recording land title and related documents and maps.
- Manages the conservation, protection, planning, and utilization of the State's water resources for social, economic, and environmental requirements.
- Provides safe and enjoyable recreation opportunities.
- Develops and maintains a comprehensive program of historic preservation to promote the use and conservation of historical and cultural sites.
- Collects and disseminates data relating to natural resources. Partners with public and private agencies to maximize funding leverage.

MAJOR PROGRAM AREAS

The Department of Land and Natural Resources has programs in the following major program areas:

Economic Development

- LNR 141 Water and Land Development
- LNR 172 Forestry-Resource Management and Development

Environmental Protection

- LNR 401 Ecosystem Protection, Restoration, and Fisheries Management
- LNR 402 Native Resources and Fire Protection Program
- LNR 404 Water Resources
- LNR 405 Conservation and Resources Enforcement
- LNR 407 Natural Area Reserves and Watershed Management
- LNR 906 LNR-Natural and Physical Environment
- LNR 907 Aha Moku Advisory Committee
- LNR 908 Kaho'olawe Island Reserve Commission
- LNR 909 Mauna Kea Stewardship and Oversight Authority

Culture and Recreation

- LNR 801 Ocean-Based Recreation
- LNR 802 Historic Preservation
- LNR 804 Forest and Outdoor Recreation
- LNR 806 Parks Administration and Operation

Public Safety

- LNR 810 Prevention of Natural Disasters

Individual Rights

- LNR 111 Conveyances and Recordings

Government Wide Support

- LNR 101 Public Lands Management
- LNR 102 Legacy Land Conservation Program

**Department of Land and Natural Resources
(Operating Budget)**

Funding Sources:		Budget Base	Budget Base		
		FY 2026	FY 2027	FY 2026	FY 2027
	Perm Positions	754.25	754.25	773.75	773.75
	Temp Positions	26.50	26.50	26.50	26.50
General Funds	\$	101,907,335	101,907,335	123,668,617	116,689,135
	Perm Positions	289.00	289.00	291.00	291.00
	Temp Positions	5.25	5.25	3.25	3.25
Special Funds	\$	129,258,431	129,258,431	138,323,717	138,323,717
	Perm Positions	47.75	47.75	48.25	48.25
	Temp Positions	1.75	1.75	2.75	2.75
Federal Funds	\$	16,970,244	16,970,244	17,590,874	17,615,874
	Perm Positions	6.00	6.00	6.00	6.00
	Temp Positions	8.50	8.50	7.50	7.50
Other Federal Funds	\$	68,036,415	68,036,415	38,064,861	18,190,621
	Perm Positions	-	-	-	-
	Temp Positions	-	-	-	-
Trust Funds	\$	305,954	305,954	305,954	305,954
	Perm Positions	-	-	-	-
	Temp Positions	7.00	7.00	7.00	7.00
Interdepartmental Transfers	\$	1,686,056	1,686,056	1,686,056	1,686,056
	Perm Positions	3.00	3.00	3.00	3.00
	Temp Positions	-	-	-	-
Revolving Funds	\$	946,000	946,000	946,000	946,000
		1,100.00	1,100.00	1,122.00	1,122.00
		49.00	49.00	47.00	47.00
Total Requirements		319,110,435	319,110,435	320,586,079	293,757,357

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

1. Adds \$4,000,000 in FY 26 for fire pre-suppression, readiness, response, and post-fire restoration and rehabilitation activities.
2. Adds \$3,000,000 in FY 26 for West Maui fire prevention: Ukumehame wetland and stream, Maui. -
3. Adds \$5,000,000 in FY 26 and FY 27 for forest and resource management improvements.
4. Adds \$4,750,000 in FY 26 and FY 27 for the Hawai'i Invasive Species Council and Hawai'i Ant Lab.
5. Adds \$1,200,000 in FY 26 and \$1,100,000 in FY 27 for hydrologic data, analysis, and investigation projects for the Commission on Water Resource Management.
6. Adds \$1,448,167 in FY 26 and \$1,455,497 in FY 27 to expand the Department of Land and Natural Resources' consolidated website for permits, licenses, and applications.
7. Adds 22.00 permanent positions and \$1,425,696 in FY 26 and FY 27 for fire and emergency response activities, statewide.
8. Adds \$5,000,000 in special funds in FY 26 and FY 27 to establish an expenditure ceiling for the Dam and Appurtenance Improvement or Removal Grant Program Special Fund.
9. Adds \$2,000,000 in special funds in FY 26 and FY 27 for equipment and motor vehicles to support State Parks.

**Department of Land and Natural Resources
(Capital Improvements Budget)**

	<u>FY 2026</u>	<u>FY 2027</u>
Funding Sources:		
Special Funds	3,200,000	
General Obligation Bonds	31,300,000	9,000,000
Federal Funds	500,000	
Total Requirements	35,000,000	9,000,000

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)

1. Adds \$13,000,000 in FY 26 for maintenance dredging and reconstruction of the outer marginal wharf at Lahaina Small Boat Harbor on Maui.
2. Adds \$5,000,000 in FY 26 and FY 27 for Watershed Protection and Initiatives, Statewide.
3. Adds \$2,000,000 in FY 26 and FY 27 for Rockfall and Flood Mitigation, Statewide.
4. Adds \$2,000,000 in FY 26 and FY 27 for Deep Monitor Wells, Statewide.
5. Adds \$3,000,000 in FY 26 for building renovation for the Division of Conservation and Resources Enforcement, Hawai'i Branch.
6. Adds \$2,650,000 in general obligation bond funds and \$500,000 in federal funds in FY 26 for State Parks Infrastructure and Park Improvements, Lump Sum, Statewide.
7. Adds \$1,750,000 in FY 26 for Pohakea Fire Prevention and Suppression Infrastructure, Maui.
6. Adds \$1,500,000 in FY 26 for Cesspool Closures in Accordance with EPA Consent Order, Statewide.

DEPARTMENT OF LAW ENFORCEMENT

Department Summary

Mission Statement

To stand for safety with respect for all by engaging in just, transparent, unbiased and responsive Law Enforcement, to do so with the spirit of Aloha and dignity and in collaboration with the community; and maintain and build trust and respect as the guardian of constitutional and human rights.

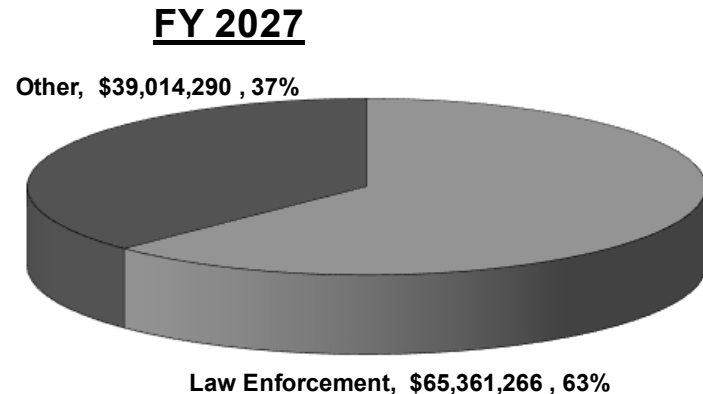
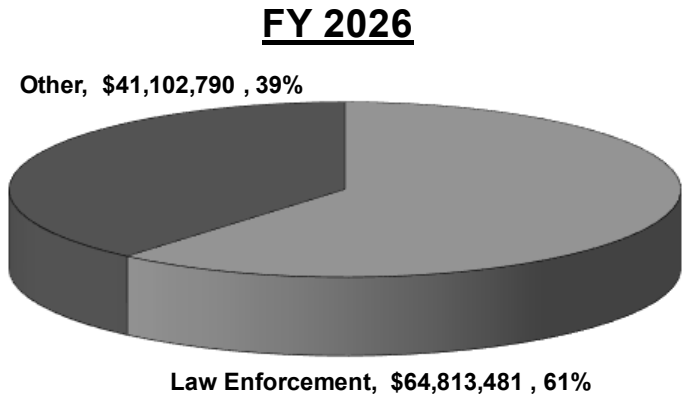
Department Goals

To protect the individual and property from injury and loss caused by criminal actions by providing and coordinating services, facilities, and legislation to preserve the peace; enforce specific laws, rules, and regulations to prevent and control crime; prevent and deter crimes; and serve the legal process.

Significant Measures of Effectiveness

	<u>FY 2026</u>	<u>FY 2027</u>
1. Number of arrests made by departmental law enforcement officers	2,500	2,600
2. Number of Warrants served	1,500	1,600
3. Number of closed investigations	2,600	5,200
4. Number of State & County grant oversight engagements	5	10
5. Number of registrant alerts, bulletins and educational material disseminated	10	20

FB 2025-2027 Operating Budget by Major Program Area



DEPARTMENT OF LAW ENFORCEMENT MAJOR FUNCTIONS

- Centralizes the State law enforcement functions to enhance public safety, improve decision making, promote accountability, streamline communication, decrease costs, reduce duplication of efforts, and provide uniform training and standards.
- Enforces Hawaii's Uniform Controlled Substance Act and the investigation and apprehension of violators of prohibited acts under provisions of Chapter 329 and Part IV of Chapter 712, HRS, and Chapter 200 through 202, Hawaii Administrative Rules Title 23.
- Preserves public peace, prevents crime, and protects the rights of persons and property as the primary law enforcement entity under the provisions of Chapter 353C-2(1), Hawaii Revised Statutes.
- Conducts criminal investigations of all violations of the Hawaii Revised Statutes committed by employees of the department and/or against property of the department.
- Develops, oversees, coordinates, directs, implements, and leads a comprehensive and integrated Homeland Security program for the State of Hawaii, in partnership with organizational federal, State, county and private sector stakeholders.
- Administers, through subordinate staff offices, administrative systems, services and operations in and for the department pertaining to general program planning, programming and evaluation, program budgeting, capital improvements, fiscal accounting and auditing, payroll, procurement and contracting, human resources, information technology, Office of the Inspector General, special programs, and other relevant functions consistent with sound administrative practices and applicable Federal, State, and departmental laws, rules and regulations.
- Administers statewide law enforcement programs that protect the public as well as safeguard State property and facilities; and enforces laws, rules, and regulations to prevent and control crime.
- Develops, oversees, coordinates, directs, implements, and leads a comprehensive and integrated Homeland Security program for the State of Hawaii, in partnership with organizational federal, State, county and private sector stakeholders.

MAJOR PROGRAM AREAS

The Department of Law Enforcement has programs in the following major program areas:

Public Safety

Law Enforcement

LAW 502 Narcotics Enforcement Division
LAW 503 Sheriff
LAW 504 Criminal Investigation Division
LAW 505 Law Enforcement Training Division

Other

LAW 900 General Administration
LAW 901 Office of Homeland Security

NOTE: Act 278, SLH 2022, established the Department of Law Enforcement, consolidated law enforcement services from various departments, and provided restructuring of the Department of Public Safety to the Department of Corrections and Rehabilitation.

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**Department of Law Enforcement
(Operating Budget)**

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	323.00	323.00	330.00	330.00
	Temp Positions	8.50	8.50	8.50	8.50
General Funds	\$	35,979,180	35,979,180	46,628,175	44,539,675
	Perm Positions	1.00	1.00	1.00	1.00
	Temp Positions	-	-	-	-
Special Funds	\$	-	-	-	-
	Perm Positions	4.00	4.00	4.00	4.00
	Temp Positions	4.00	4.00	4.00	4.00
Federal Funds	\$	5,701,012	5,701,012	5,701,012	5,701,012
	Perm Positions	-	-	-	-
	Temp Positions	1.00	1.00	1.00	1.00
Other Federal Funds	\$	10,950,715	10,950,715	10,950,715	10,950,715
	Perm Positions	244.00	244.00	262.00	262.00
	Temp Positions	5.00	5.00	5.00	5.00
Interdepartmental Transfers	\$	30,941,642	30,941,642	41,631,516	42,179,301
	Perm Positions	8.00	8.00	8.00	8.00
	Temp Positions	-	-	-	-
Revolving Funds	\$	1,004,853	1,004,853	1,004,853	1,004,853
		580.00	580.00	605.00	605.00
		18.50	18.50	18.50	18.50
Total Requirements		84,577,402	84,577,402	105,916,271	104,375,556

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

1. Adds \$1,265,000 for FY 26 to continue the Illegal Fireworks Task Force.
2. Adds \$2,585,607 for FY 26 and FY 27 for deputy sheriffs at the State Capitol.
3. Adds 18.00 permanent positions and \$1,551,148 for FY 26 and 18.00 permanent positions and \$2,098,933 for FY 27 in Inter-departmental Transfer funds for increased law enforcement presence at the Wahiawa District Courts & Wahiawa Civic Center.
5. Adds \$4,138,726 in Inter-departmental Transfer funds for FY 26 and FY 27 for fringe benefit costs for the Sheriff's providing law enforcement presence at the Courts (Judiciary) Statewide.
6. Adds \$4,320,000 for FY 26 and FY 27 for security guard services and security cameras monitoring at the State Capitol.
7. Adds \$825,000 for FY 26 to continue the Gun Buyback Project.
8. Adds \$5,000,000 in Inter-departmental Transfer funds for FY 26 and FY 27 for the Safety Program for the Department of Education public schools.

**Department of Law Enforcement
(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.

OFFICE OF THE LIEUTENANT GOVERNOR

Department Summary

Mission Statement

To enhance the efficiency and effectiveness of State programs by providing leadership and executive management and by developing policies and priorities to give program direction.

Department Goals

To provide effective leadership and executive management, and to protect the public's interest by ensuring that government processes are open.

Significant Measures of Effectiveness

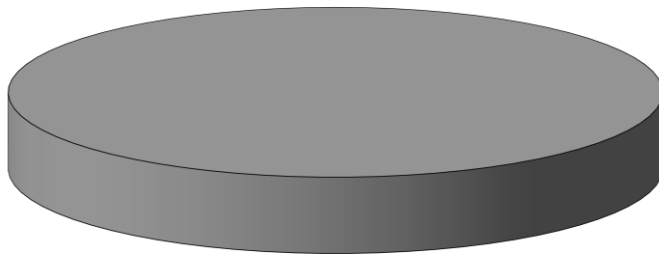
1. Avg no. of days to process apostilles/certs
2. % of name changes completed within 60 days

<u>FY 2026</u>	<u>FY 2027</u>
5	5
80	80

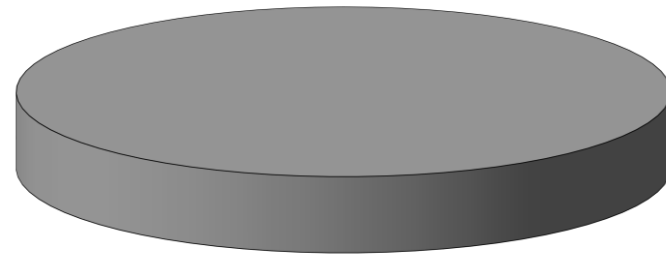
FB 2025-2027 Operating Budget by Major Program Area

FY 2026

FY 2027



Office of the
Lieutenant Governor,
\$2,563,665 , 100%



Office of the
Lieutenant Governor,
\$2,563,665 , 100%

OFFICE OF THE LIEUTENANT GOVERNOR MAJOR FUNCTIONS

- Exercises the executive powers whenever the Governor is absent from the State or is unable to discharge the powers and duties of the office.
- Serves as the Secretary of State for intergovernmental relations.
- Performs duties and undertakes projects assigned by the Governor.
- Delegation of authority by the Governor under HRS 26-1(d) to lead the state's broadband expansion efforts and the initiative for universal access to preschool.
- HRS 574-5 Name Changes.
- HRS 26-1(a) Apostilles and sale of official publications.

MAJOR PROGRAM AREAS

The Office of the Lieutenant Governor has a program in the following major program area:

Government-Wide Support

LTG 100 Office of the Lieutenant Governor

**Office of the Lieutenant Governor
(Operating Budget)**

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	17.00	17.00	17.00	17.00
	Temp Positions	-		-	
General Funds	\$	2,251,665	2,251,665	2,251,665	2,251,665
	Perm Positions	-		-	
	Temp Positions	-		-	
Special Funds	\$	312,000	312,000	312,000	312,000
		17.00	17.00	17.00	17.00
		-		-	
Total Requirements		2,563,665	2,563,665	2,563,665	2,563,665
Major Adjustments in the Executive Budget Request: (general funds unless noted)					
1. None.		-		-	
		-		-	
		-		-	

**Office of the Lieutenant Governor
(Capital Improvements Budget)**

	<u>FY 2026</u>	<u>FY 2027</u>
Funding Sources:		
General Obligation Bonds	-	
Federal Funds	-	
	<hr/>	
Total Requirements	-	
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Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)

None.

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DEPARTMENT OF TAXATION

Department Summary

Mission Statement

To administer the tax laws of the State of Hawaii in a consistent, uniform and fair manner.

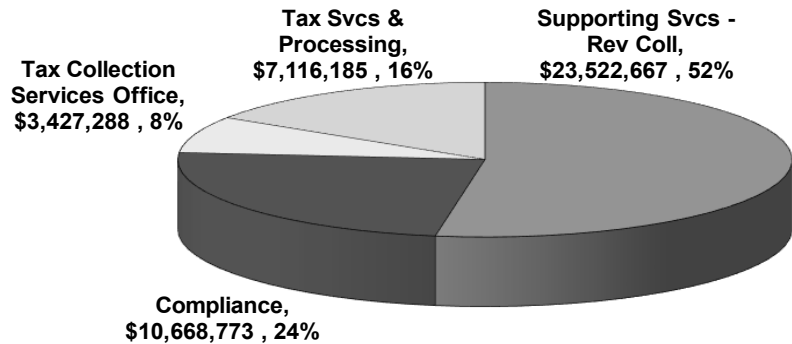
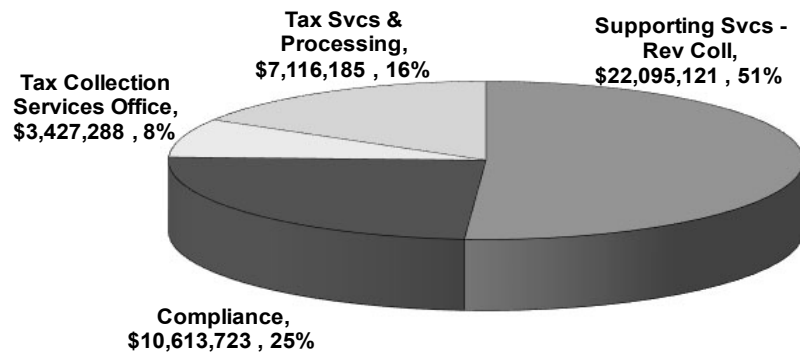
Department Goals

To provide complete customer service; to increase collection capabilities through efficient allocation of resources; to simplify taxpayer filings, provide a more user-friendly interface with the public, and expedite delinquent referrals; to automate tax filings, billings and collections; to expand capacity for research and revenue analysis; and to permit more flexibility in accommodating tax law changes and initiatives to improve tax administration.

Significant Measures of Effectiveness

	<u>FY 2026</u>	<u>FY 2027</u>
1. Average annual percentage call answer rate	90	90
2. Percent of tax returns audited resulting in adjustments	90	90
3. Average business days to deposit checks received from taxpayers	7	7

FB 2025-2027 Operating Budget by Major Program Area



DEPARTMENT OF TAXATION MAJOR FUNCTIONS

- Administers and enforces the tax laws of Hawaii and the collection of taxes and other payments.
- Coordinates a centralized system for receiving and processing of all tax returns, payments, and documents.
- Provides complete customer service, assistance and information on all taxes administered by the department to customers who walk in, call-in, correspond or e-mail.
- Administers a comprehensive and uniform compliance program based on self-assessment and voluntary compliance.
- Conducts audits and investigations of all types of tax returns.
- Conducts and enforces collection of delinquent taxes by appropriate collection procedures.
- Plans, organizes, and coordinates a tax research and tax planning program.
- Provides administrative and research support to the Council on Revenues which prepares revenue estimates for the State on a quarterly basis.

MAJOR PROGRAM AREAS

The Department of Taxation has programs in the following major program area:

Government-Wide Support

TAX 100	Compliance
TAX 103	Tax Collection Services Office
TAX 105	Tax Services and Processing
TAX 107	Supporting Services – Revenue Collection

**Department of Taxation
(Operating Budget)**

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	415.00	415.00	412.00	413.00
	Temp Positions	86.00	86.00	9.00	9.00
General Funds	\$	38,963,519	38,963,519	39,622,691	41,105,287
Special Funds	Perm Positions	-	-	-	-
	Temp Positions	13.00	13.00	15.00	15.00
	\$	3,629,626	3,629,626	3,629,626	3,629,626
		415.00	415.00	412.00	413.00
		99.00	99.00	24.00	24.00
Total Requirements		42,593,145	42,593,145	43,252,317	44,734,913

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

1. Adds \$338,150 for FY 26 and \$1,343,400 for FY 27 for consultant services to maintain Tax System Modernization (TSM) projects.
2. Adds 6.00 permanent positions and \$294,796 for FY 26 and 7.00 permanent positions and \$664,592 for FY 27 to establish a TSM Office and integrate the Internal Revenue Services' Direct File Project with TSM.
3. Adds 1.00 permanent position and \$52,500 for FY 26 and \$105,000 for FY 27 for a Data Privacy Officer.
4. Adds 2.00 permanent positions and \$55,050 for FY 26 and \$110,100 for FY 27 for the Tax Compliance Division's Kaua'i District Office.
5. Adds 2.00 temporary positions and transfers \$108,240 in special funds from other current expenses to personal services for FY 26 and \$216,480 in special funds from other current expenses to personal services for FY 27 for the Special Enforcement Section.

**Department of Taxation
(Capital Improvements Budget)**

	<u>FY 2026</u>	<u>FY 2027</u>
Funding Sources:		
General Obligation Bonds	-	
Federal Funds	-	
	<hr/>	
Total Requirements	-	
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Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)
None.

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DEPARTMENT OF TRANSPORTATION

Department Summary

Mission Statement

To provide a safe, efficient, accessible, and sustainable inter-modal transportation system that ensures the mobility of people and goods, and enhances and/or preserves economic prosperity and the quality of life.

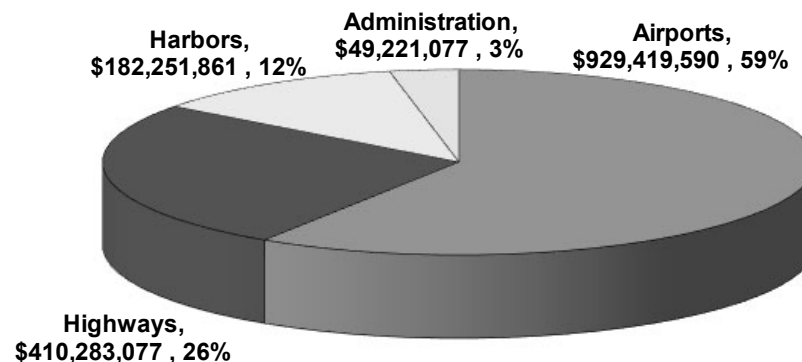
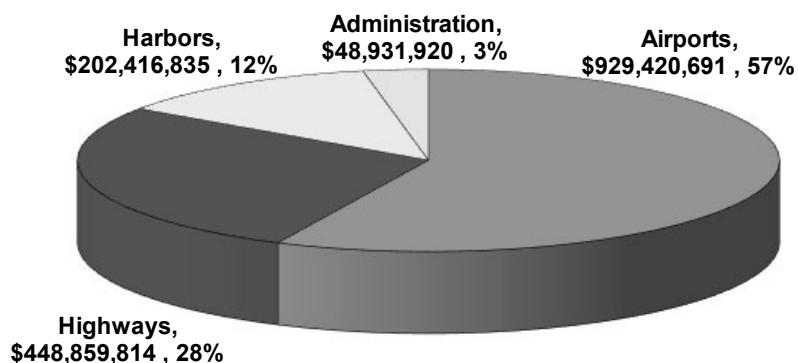
Department Goals

Achieve an integrated multi-modal transportation system through upgrades and expansions to assure mobility and accessibility to support and sustain cargo and passenger operations; ensure the safety and security of the air, land and water transportation systems; advance sustainable transportation system solutions that result in energy efficiency and savings; protect and enhance Hawaii's unique environment and improve the quality of life; support Hawaii's economic vitality; implement a statewide planning process that is comprehensive, cooperative and continuing; and improve the overall financial program through greater efficiency, development, management and oversight of revenue sources.

Significant Measures of Effectiveness

	<u>FY 2026</u>	<u>FY 2027</u>
1. Through-put cost per passenger (Airports Division)	\$17.03	\$15.61
2. Number of containers processed per year expressed in twenty foot equivalent units (Harbors Division)	1,232,499	1,232,499
3. Maintenance cost per 10 lane-miles (Highways Division)	\$499,329	\$504,996

FB 2025-2027 Operating Budget by Major Program Area
FY 2026 FY 2027



DEPARTMENT OF TRANSPORTATION MAJOR FUNCTIONS

- Carries out programs to improve, maintain, and operate transportation facilities of the State.
- Administers the operations of all State Airports to meet all federal and state regulations through equipping, planning, designing, and constructing both new and existing airports and facilities.
- Plans, designs, and supervises the construction and maintenance of the State Highway System. Alters, modifies, or revises such highway system as may be required.
- Administers and maintains the operations of the commercial harbors program of the State government by equipping, regulating, and protecting the State system of ports and related facilities. Plans, develops, acquires, and constructs new and expanding harbors and facilities as well as maintaining and reconstructing existing harbors and facilities.
- Provides for the determination of statewide transportation needs, the continuous survey and inventory of planned assets, and the creation of statewide, inter and multi modal transportation systems network plans.
- Encourages, fosters and assists in the development of aeronautical, water, and land transportation in the State; and provides for the protection and promotion of safety in aeronautics and water transportation.
- Plans, reviews, and implements a comprehensive uniform state highway safety program to comply with applicable federal and state laws.
- Administers driver's license and civil identification programs.
- Serves on the State Highway Safety Council which advises the governor on highway safety; serves on the Aloha Tower Development Corporation board to undertake the redevelopment of the Aloha Tower complex; and cooperates with the Medical Advisory Board which advises the examiner of drivers on medical criteria and vision standards for motor vehicle drivers.

MAJOR PROGRAM AREAS

The Department of Transportation has programs in the following major program areas:

Transportation Facilities and Services

Airports

TRN 102	Daniel K. Inouye International Airport
TRN 104	General Aviation
TRN 111	Hilo International Airport
TRN 114	Ellison Onizuka Kona Int'l Airport at Keahole
TRN 116	Waimea-Kohala Airport
TRN 118	Upolu Airport
TRN 131	Kahului Airport
TRN 133	Hana Airport
TRN 135	Kapalua Airport
TRN 141	Molokai Airport
TRN 143	Kalaupapa Airport
TRN 151	Lanai Airport
TRN 161	Lihue Airport
TRN 163	Port Allen Airport
TRN 195	Airports Administration

Harbors

TRN 301	Honolulu Harbor
TRN 303	Kalaeloa Barbers Point Harbor
TRN 311	Hilo Harbor
TRN 313	Kawaihae Harbor
TRN 331	Kahului Harbor
TRN 333	Hana Harbor
TRN 341	Kaunakakai Harbor
TRN 351	Kaumalapau Harbor
TRN 361	Nawiliwili Harbor
TRN 363	Port Allen Harbor
TRN 395	Harbors Administration

Highways

TRN 501	Oahu Highways
TRN 511	Hawaii Highways
TRN 531	Maui Highways
TRN 561	Kauai Highways
TRN 595	Highways Administration
TRN 597	Highways Safety

Administration

TRN 695	Aloha Tower Development Corporation
TRN 995	General Administration

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**Department of Transportation
(Operating Budget)**

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	-		-	
	Temp Positions	-		-	
General Funds	\$	-		20,000,000	
	Perm Positions	2,743.20	2,743.20	2,713.70	2,713.70
	Temp Positions	33.00	33.00	33.00	33.00
Special Funds	\$	930,171,042	930,171,042	1,547,627,814	1,508,724,159
	Perm Positions	7.00	7.00	7.00	7.00
	Temp Positions	1.00	1.00		
Federal Funds	\$	34,712,725	34,712,725	60,044,000	60,494,000
	Perm Positions	0.80	0.80	0.80	0.80
	Temp Positions	-		-	
Other Federal Funds	\$	1,214,379	1,214,379	1,214,379	1,214,379
Private Contributions	\$	743,067	743,067	743,067	743,067
		2,751.00	2,751.00	2,721.50	2,721.50
		34.00	34.00	33.00	33.00
Total Requirements		966,841,213	966,841,213	1,629,629,260	1,571,175,605

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

1. Airports Division - Adds \$23,812,501 in FY 26 and FY 27 for-additional security equipment for Daniel K. Inouye International Airport at Honolulu, Kahului Airport, Hilo International Airport, Ellison Onizuka Kona International Airport at Keahole, and Lihue Airport.
2. Airports Division - Adds \$70,950,000 in FY 26 and \$65,375,000 in FY 27 for consultant services to support special maintenance projects.
3. Harbors Division - Adds \$30,000,000 in FY 26 and \$35,000,000 in FY 27 for consultant services and special maintenance projects.
4. Harbors Division - Adds \$19,017,069 in FY 26 to buyout the energy savings lease for the state harbors.
5. Highways Division- Adds \$50,000,000 in FY 26 and \$45,000,000 in FY 27 for special maintenance projects.
6. Highways Division - Adds \$5,000,000 in general funds in FY 26 for stored property and debris removal services.
7. Highways Division - Adds \$15,000,000 in general funds in FY 26 for statewide fire mitigation.
8. Tradeoff/transfer requests to realign the budget for various programs and necessary operating requirements.
9. Various budget adjustments to reflect anticipated federal and other federal fund awards.

**Department of Transportation
(Capital Improvements Budget)**

	<u>FY 2026</u>	<u>FY 2027</u>
Funding Sources:		
Special Funds	82,344,000	177,918,000
Revenue Bonds	711,200,000	963,286,000
Federal Funds	648,796,000	535,209,000
Private Contributions	32,000	32,000
County Funds	700,000	-
Other Funds	301,200,000	200,000
Total Requirements	1,744,272,000	1,676,645,000

Highlights of the Executive CIP Budget Request: (revenue bond funds unless noted)

1. Airports Division - Adds \$156,677,000 (\$154,877,000 revenue bond funds and \$1,800,000 in federal funds) in FY 26 and \$716,162,000 (\$656,162,000 in revenue bond funds and \$60,000,000 in federal funds) in FY 27 for Airfield Improvements, Statewide.
2. Airports Division - Adds \$147,045,000 (\$137,045,000 in revenue bond funds and \$10,000,000 in federal funds) in FY 26 for Ellison Onizuka Kona International Airport, Airport Improvements, Hawai'i.
3. Airports Division - Adds \$89,501,000 (\$89,500,000 in revenue bond funds and \$1,000 in federal funds) in FY 26 and \$56,501,000 (\$56,500,000 in revenue bond funds and \$1,000 in federal funds) in FY 27 for Facility Improvements, Statewide.
4. Airports Division - Adds \$301,000,000 in Other funds in FY 26 for Rental Car Facility Improvements, Statewide.
5. Harbors Division - Adds \$25,000,000 (\$24,992,000 in special funds, \$4,000 in federal funds, and \$4,000 in private contributions) in FY 26 and \$40,000,000 (\$39,992,000 in special funds, \$4,000 in federal funds, and \$4,000 in private contributions) in FY 27 for Honolulu Harbor Improvements, Oahu.

6. Harbors Division - Adds \$12,000 (\$4,000 in special funds, \$4,000 in federal funds, and \$4,000 in private contributions) in FY 26 and \$35,000,000 (\$34,992,000 in special funds, \$4,000 in federal funds, and \$4,000 in private contributions) in FY 27 for Kalaeloa Barbers Point Harbor Improvements, Oahu.
7. Harbors Division - Adds \$12,000,000 (\$4,000 in special funds, \$4,000 in federal funds, and \$4,000 in private contributions) in FY 26 and \$50,000,000 (\$44,992,000 in special funds, \$4,000 in federal funds, and \$4,000 in private contributions) in FY 27 for Hilo Harbor Improvements, Maui.
8. Highways Division - Adds \$477,149,000 (\$14,063,000 in special funds, \$66,686,000 in revenue bond funds and \$396,400,000 federal funds) in FY 26 and \$422,617,000 (\$11,920,000 in special funds, \$72,603,000 in revenue bond funds and \$338,094,000 federal funds) in FY 27 for Highway Structural Facilities Program, Statewide.
9. Highways Division - Adds \$132,005,000 (\$2,540,000 in special funds, \$23,361,000 in revenue bond funds and \$106,104,000 federal funds) in FY 26 and \$4,514,000 (\$4,513,000 in special funds and \$1,000 federal funds) in FY 27 for Highway System Preservation Improvements, Statewide.
10. Highways Division - Adds \$60,933,000 (\$1,775,000 in special funds, \$26,064,000 in revenue bond funds, \$32,394,000 federal funds and \$700,000 in County Funds) in FY 26 and \$50,500,000 (\$10,100,000 in revenue bond funds and \$40,400,000 federal funds) in FY 27 for Highway Traffic Operational Improvements, Statewide.

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UNIVERSITY OF HAWAII

Department Summary

Mission Statement

With a focus on creating a healthy and thriving future for all, the University of Hawai'i provides broad educational opportunity as the higher education destination of choice in the Pacific that nurtures the personal success, leadership capacity and positive engagement of every resident of Hawai'i. It achieves global impact by enriching the fundamental knowledge of humankind through engagement in world-class research, scholarship and service that promotes the welfare and sustainability of Hawai'i's people and environment. Woven through all it does is an appreciation of and commitment to indigenous Hawaiian people, culture, values and wisdom.

Department Goals

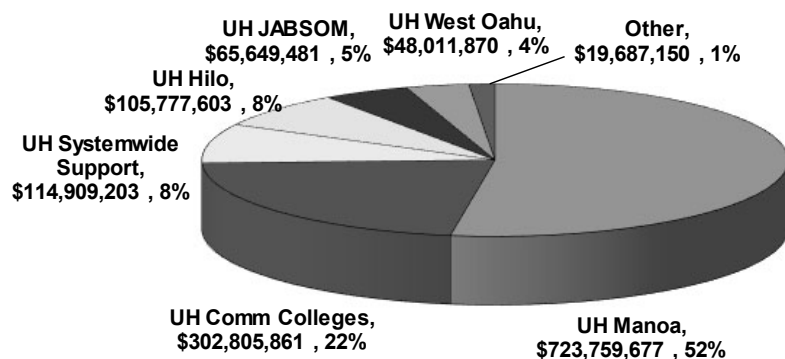
The four Strategic Imperatives of the University are to: 1) Model what it means to be an indigenous-serving and indigenous-centered institution: Native Hawaiians thrive, traditional Hawaiian values and knowledge are embraced, and UH scholarship and service advance all Native Hawaiians and Hawai'i; 2) Educate more students, empowering them to achieve their goals and contribute to a civil society; 3) Eliminate workforce shortages in Hawai'i while preparing students for a future different than the present; and 4) Build and sustain a thriving UH research and innovation enterprise that addresses local and global challenges by linking fundamental scientific discovery with applied research necessary for technological innovation to create jobs and advance a knowledge-based economy.

Significant Measures of Effectiveness

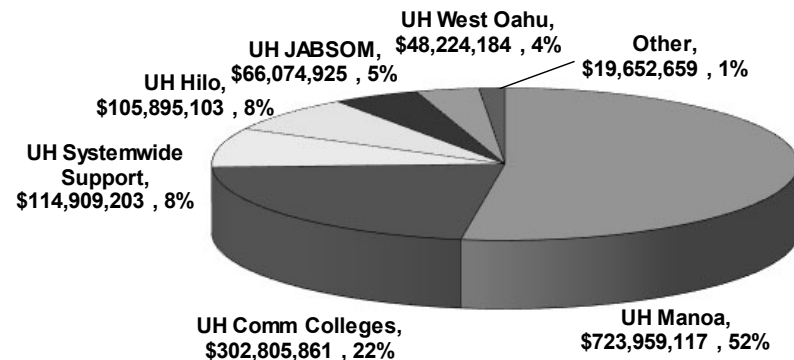
	<u>FY 2026</u>	<u>FY 2027</u>
1. Number of degrees and certificates of achievement earned	10,669	11,157
2. Extramural fund support (\$ millions)	678.8	712.7
3. Number of degrees in STEM fields	1,868	1,950

FB 2025-2027 Operating Budget by Major Program Area

FY 2026



FY 2027



UNIVERSITY OF HAWAII MAJOR FUNCTIONS

- Provides instruction, research, and public service in the fields of the liberal arts and sciences, agriculture, professional education, medicine, law, health sciences, business administration, engineering sciences and such other branches of higher learning as the Board of Regents prescribes.
- Administers and operates a system of community colleges; coordinates academic programs which include college transfer, general education, vocational, technical, semi-professional, and continuing education programs; coordinates community service programs with the various campuses, community agencies and groups; and coordinates student-related programs & services.
- Provides key personnel in the government policy-making process with timely research, analyses and data concerning governmental and related problems to enable them to make informed decisions among alternative courses of action.
- Operates a summer session which gives variety and flexibility to the instructional programs of the University; provides college-level instruction to students who wish to obtain it during the summer; accommodates teaching institutes, workshops, and special courses with schedules of varying lengths; sponsors lecture series and other cultural events during the summer and supervises overseas study tours offered for credit.
- Participates in intercollegiate athletics programs for men and women; contributes toward the availability of non-academic cultural, social, recreational, and intellectual programs made available to the students, faculty, and community at large; and provides a limited intercollegiate program for a variety of minor sports.

MAJOR PROGRAM AREAS

The University of Hawaii has programs in the following major program areas:

Formal Education

UOH 100 University of Hawai'i, Manoa
 UOH 110 University of Hawai'i, John A. Burns School of Medicine
 UOH 115 University of Hawai'i, Cancer Center
 UOH 210 University of Hawai'i, Hilo
 UOH 220 Small Business Development
 UOH 700 University of Hawai'i, West O'ahu

UOH 800 University of Hawai'i, Community Colleges
 UOH 900 University of Hawai'i, Systemwide Support

Culture and Recreation

UOH 881 Aquaria

University of Hawai'i
(Operating Budget)

		Budget Base FY 2026	Budget Base FY 2027	FY 2026	FY 2027
Funding Sources:	Perm Positions	6,204.92	6,204.92	6,236.92	6,236.92
	Temp Positions	112.25	112.25	112.25	112.25
General Funds	\$	646,135,850	646,135,850	663,167,679	664,087,886
Special Funds	Perm Positions	472.25	472.25	472.25	472.25
	Temp Positions	2.00	2.00	2.00	2.00
Special Funds	\$	562,344,061	562,344,061	563,299,061	563,299,061
Federal Funds	Perm Positions	81.56	81.56	79.56	79.56
	Temp Positions	4.00	4.00	4.00	4.00
Federal Funds	\$	13,642,735	13,642,735	19,642,735	19,642,735
Interdepartmental Transfers	\$	-	-	-	-
Revolving Funds	Perm Positions	79.00	79.00	79.00	79.00
	Temp Positions	-	-	-	-
Revolving Funds	\$	134,491,370	134,491,370	134,491,370	134,491,370
		6,837.73	6,837.73	6,867.73	6,867.73
		118.25	118.25	118.25	118.25
Total Requirements		1,356,614,016	1,356,614,016	1,380,600,845	1,381,521,052

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

1. Adds \$9,476,352 in FY 26 and \$9,441,861 in FY 27 to support the UH Cancer Center. -
2. Adds 4.00 permanent positions and \$4,020,000 in FY 26 and FY 27 to fund UH Athletics programs. -
3. Adds \$1,108,019 in FY 26 and \$1,533,463 in FY 27 to support the John A. Burns School of Medicine's annual debt service payments.
4. Adds 11.00 permanent positions and \$1,243,212 in FY 26 and \$1,468,488 in FY 27 to expand nursing programs.
5. Adds 7.00 permanent positions and \$237,090 in FY 26 and \$474,180 in FY 27 for enrollment and financial aid support.

University of Hawaii
(Capital Improvements Budget)

	<u>FY 2026</u>	<u>FY 2027</u>
Funding Sources:		
General Obligation Bonds	145,500,000	114,500,000
Total Requirements	145,500,000	114,500,000

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)

1. Adds \$50,000,000 in FY 26 and FY 27 for System, Renew, Improve, and Modernize, Statewide.
2. Adds \$25,000,000 in FY 26 and FY 27 for UH Mānoa, Student Housing Services Improvements, O‘ahu.
3. Adds \$20,000,000 in FY 26 and FY 27 for CCS, Capital Renewal and Deferred Maintenance, and Minor CIP, Statewide.
4. Adds \$15,000,000 in FY 26 and FY 27 for Hilo, Renew, Improve, and Modernize,
5. Adds \$15,000,000 in FY 26 for Honolulu Community College, 8805 Repurpose and Renovate Building Technology Renovations, Phase 2, O‘ahu.
6. Adds \$6,500,000 in FY 26 and \$4,500,000 in FY 27 for UHWO, Renew, Improve, and Modernize, O‘ahu.
7. Adds \$5,000,000 in FY 26 for UHM, Mini Master Plan Phase 3 - Kuykendall Hall, O‘ahu.

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Historical Information

General Fund Revenues, Expenditures and Fund Balance
(in \$ millions)

<u>Fiscal Year</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Revenues Over Exp.</u>	<u>Fund Balance</u>
2016	7,081.9	6,882.2	199.7	1,027.8 ^{(1), (2)}
2017	7,351.6	7,485.6	(134.0)	893.8 ⁽¹⁾
2018	7,660.4	7,803.9	(143.5)	750.3 ⁽¹⁾
2019	7,916.6	7,914.8	1.8	752.1 ⁽¹⁾
2020	8,285.1	8,034.5	250.6	1,002.7 ^{(1), (3)}
2021	9,003.0	8,755.8	247.2	1,249.9 ^{(1), (2), (3)}
2022	10,211.5	8,842.4	1,369.1	2,619.0 ^{(1), (2), (3)}
2023	10,192.2	10,632.3	(440.1)	2,178.9 ^{(1), (3)}
2024	10,635.7	11,221.7	(586.0)	1,592.9 ^{(1), (3)}

Notes:

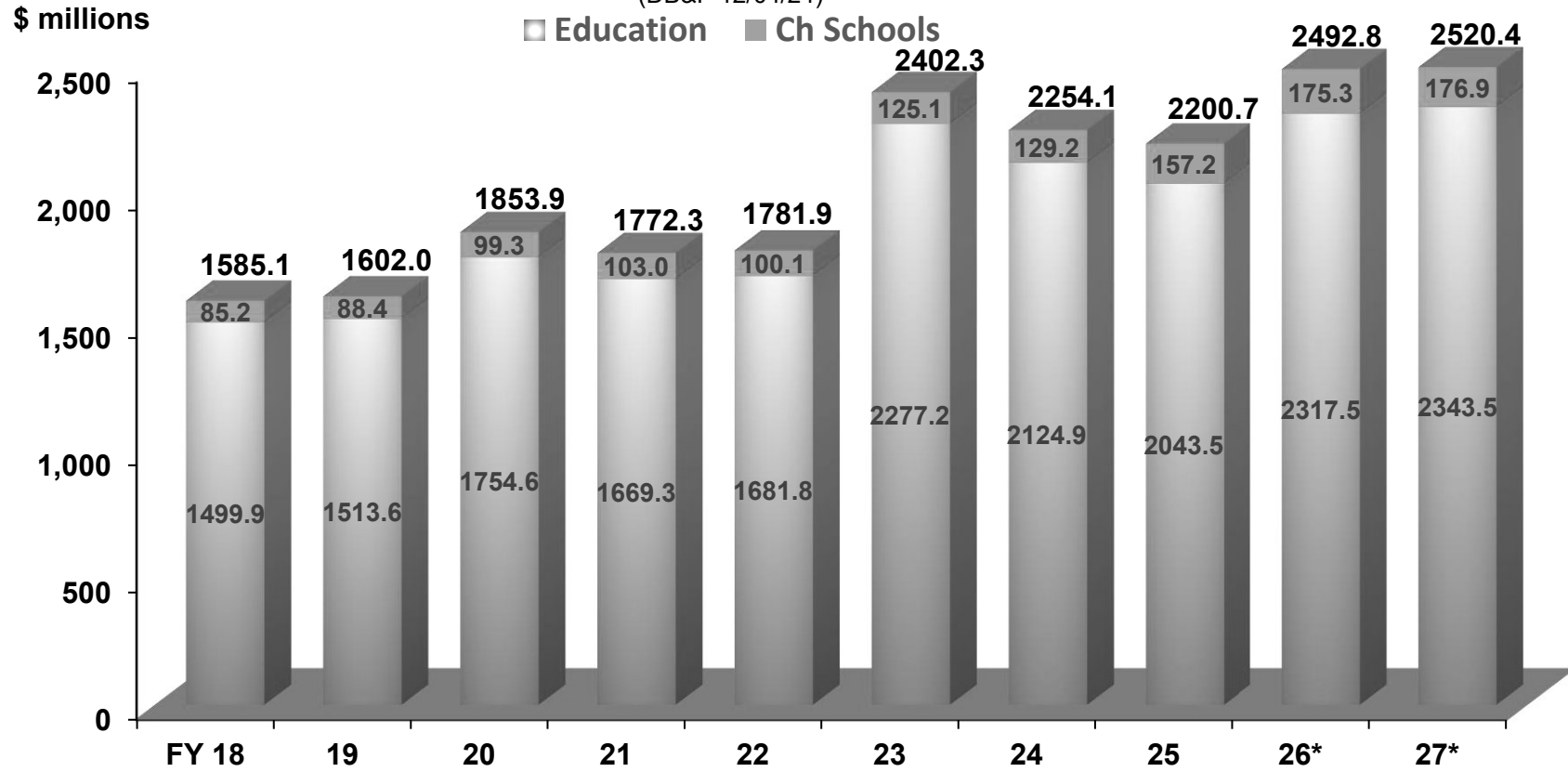
(1) Fiscal year in which the fund balance exceeded 5% of revenues

(2) Fiscal year in which revenues exceeded the preceding fiscal year's revenues by 5%

(3) Due to timing issues and accounting system limitations, certain transactions authorized for a fiscal year were recorded in the following fiscal year by the Department of Accounting and General Services. However, for the purposes of calculating the general fund balances appropriations are reflected in the fiscal year for which the appropriation was authorized.

Department of Education Instruction General Fund Operating Appropriations

(DB&F 12/04/24)



Enrollment (Thousands)**

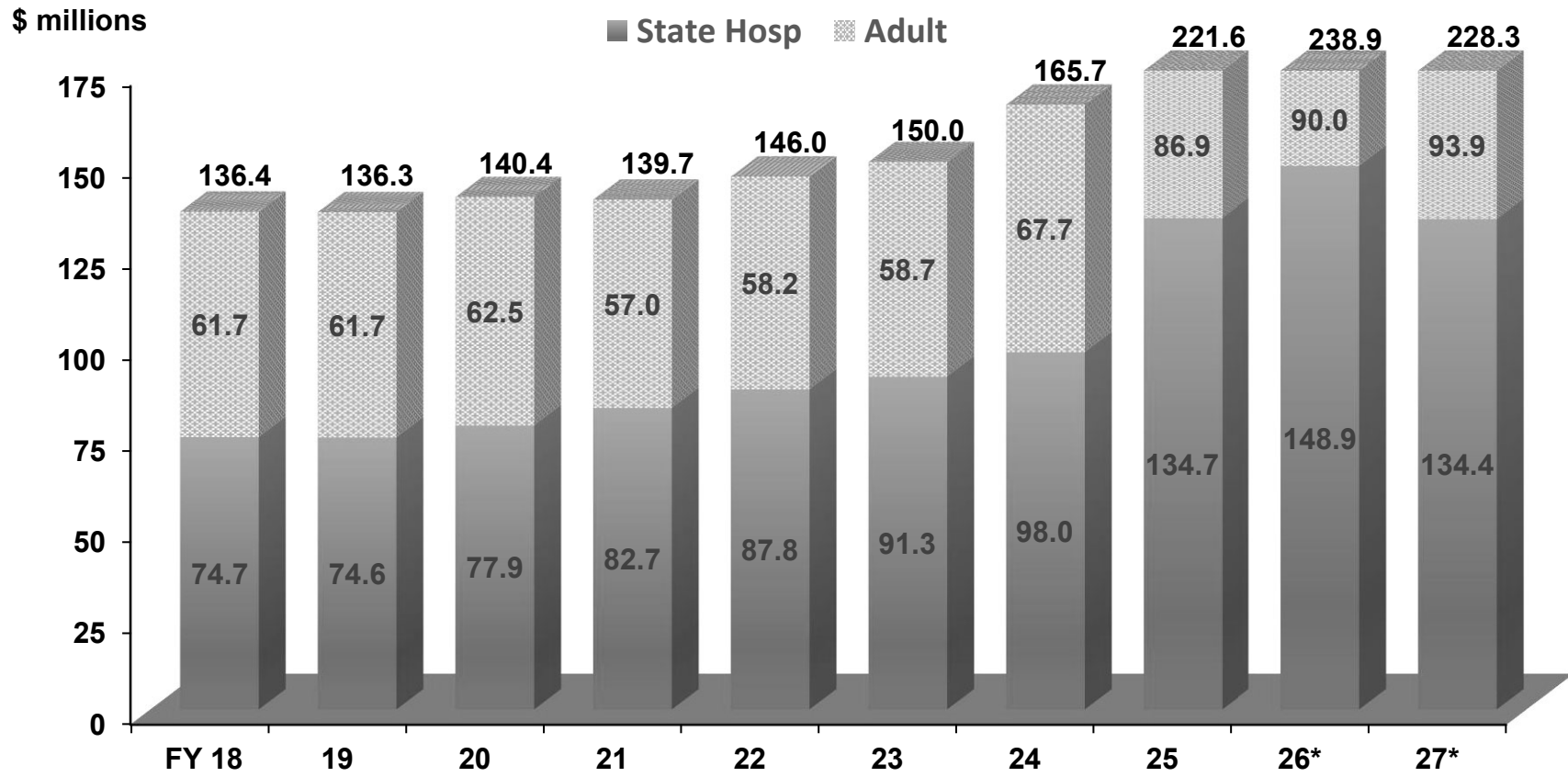
Regular	151.6	151.3	150.3	144.4	141.2	139.7	137.5	134.9	134.9	134.9
Special	16.4	16.6	16.9	16.9	16.6	16.9	17.0	17.2	17.2	17.2
Charter	11.3	11.7	12.1	12.1	12.2	12.2	12.7	13.1	13.1	13.1

*FYs 26 & 27 reflect the FB 25-27 Executive Budget.

**FYs 26 & 27 reflect projected enrollment.

Adult Mental Health General Fund Appropriations

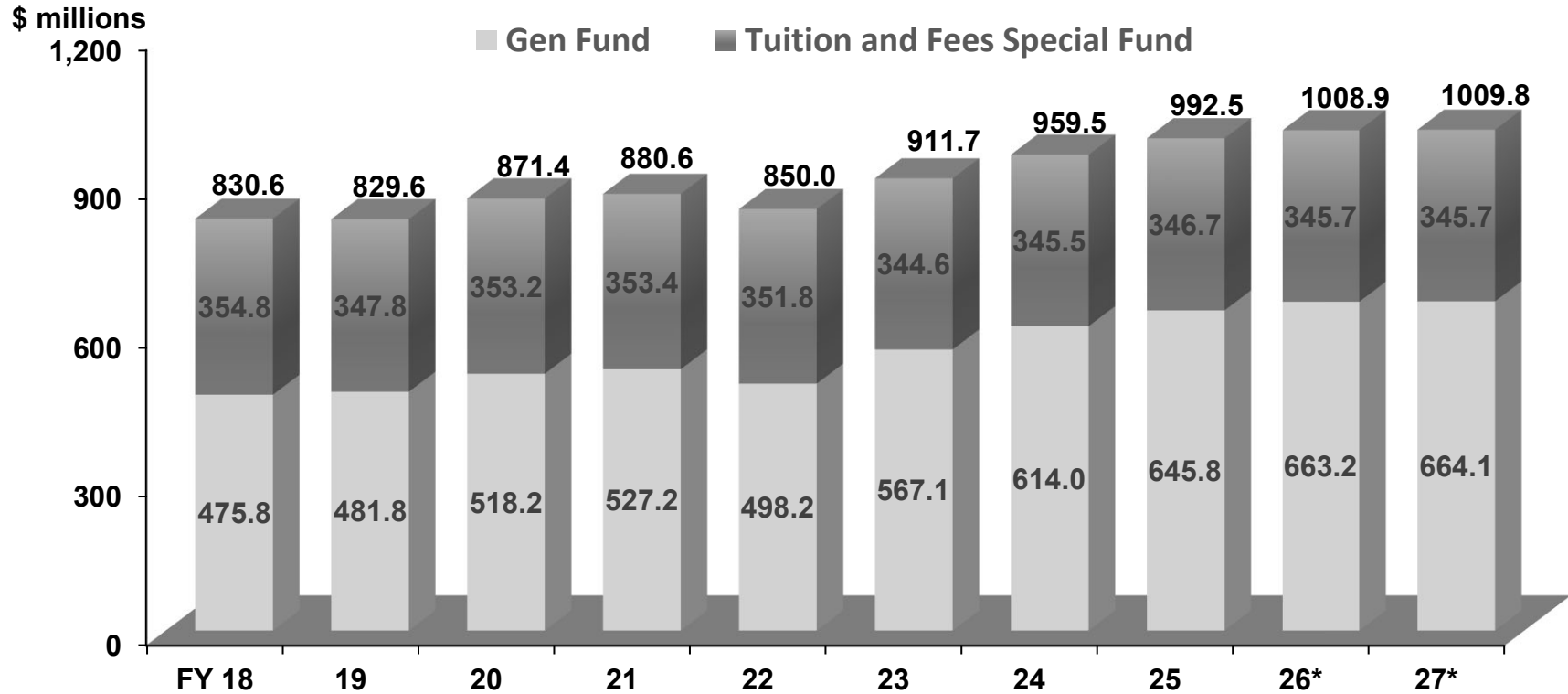
(DB&F 12/04/24)



*FYs 26 & 27 reflect the FB 25-27 Executive Budget.

University of Hawaii Operating Appropriations Net of Fringe & Debt Svc

(DB&F 12/04/24)



Enrollment - Full Time Equivalent (Thousands)**

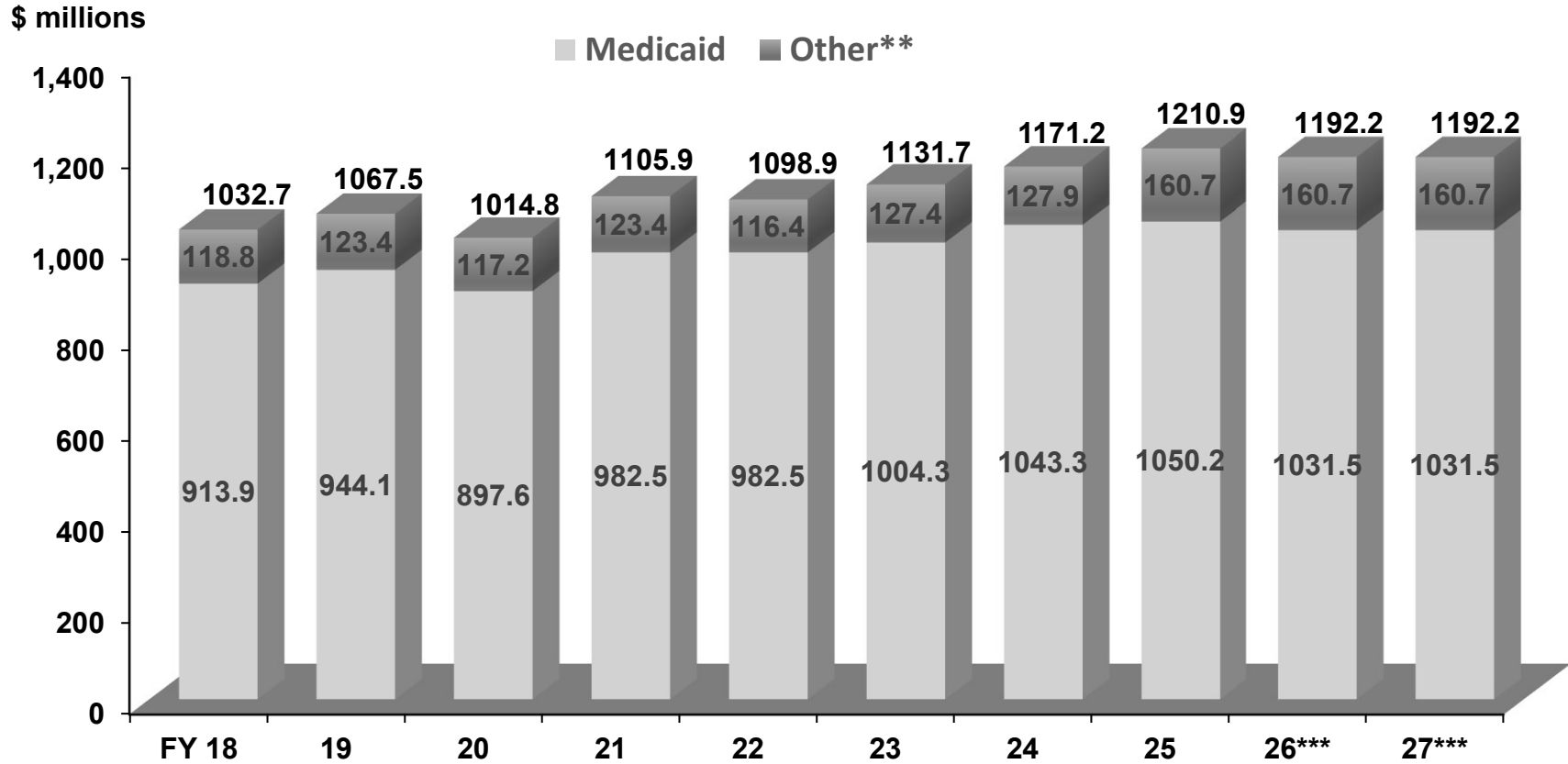
Manoa	14.9	14.8	14.7	15.2	15.7	15.8	16.2	16.3	16.4	16.2
Hilo	3.1	3.0	3.0	2.8	2.7	2.4	2.3	2.4	2.4	2.3
West Oahu	2.1	2.1	2.1	2.2	2.1	1.9	1.9	1.9	1.9	1.9
Comm Coll	15.5	14.8	14.2	13.4	12.1	11.5	11.6	10.6	10.6	10.3
Total	35.6	34.7	34.0	33.6	32.6	31.6	32.0	31.2	31.3	30.7

* FYs 26 & 27 reflect the FB 25-27 Executive Budget.

**FYs 26 & 27 reflect projected enrollment.

Medicaid and Welfare Payments General Fund Operating Appropriations*

(DB&F 12/04/24)



*Excludes Housing.

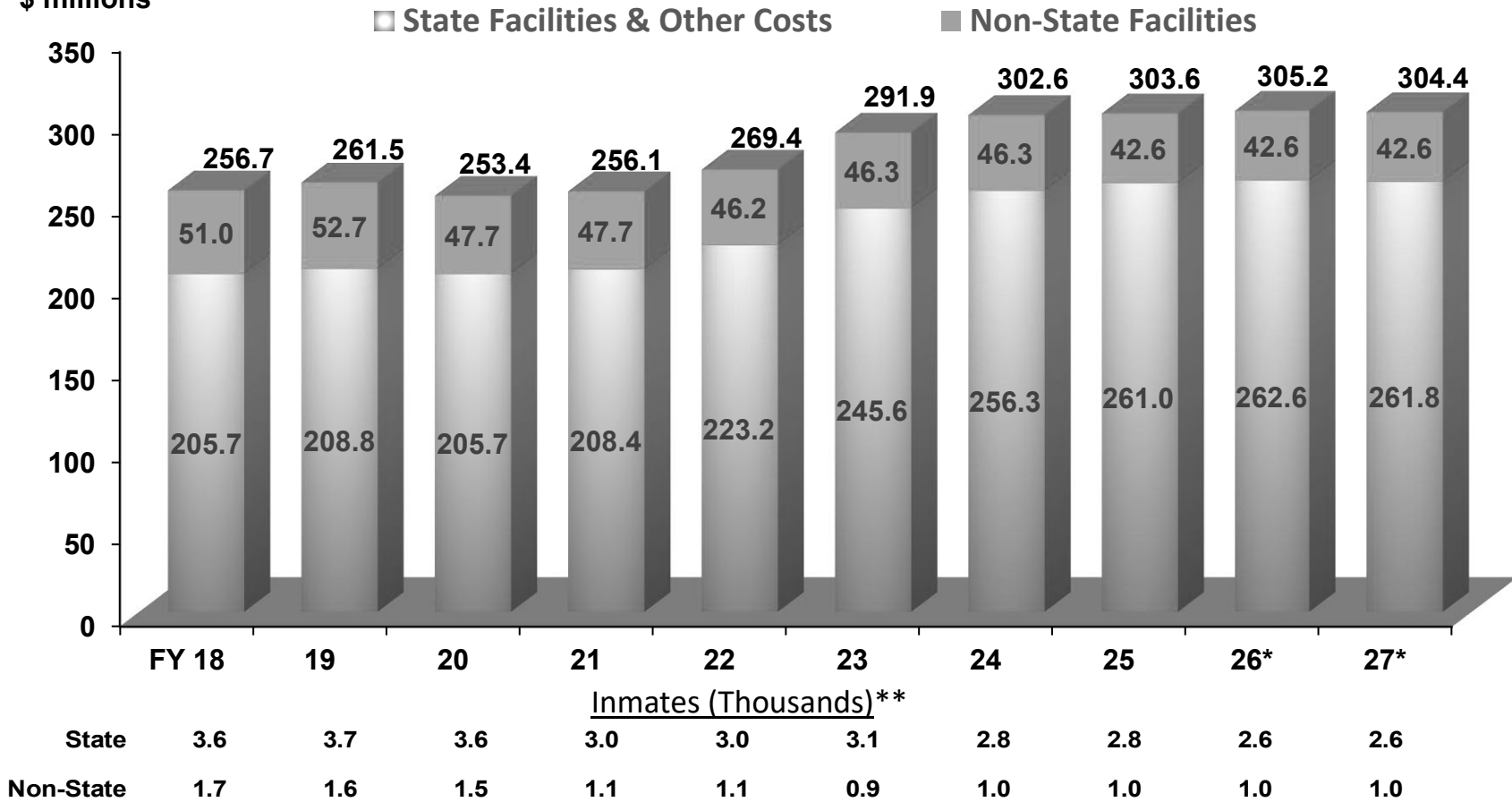
**Includes TANF; TAONF; Child Care; General Assistance; Aged, Blind, and Disabled; and Foster Care.

***FYs 26 & 27 reflect the FB 25-27 Executive Budget.

Department of Public Safety/Corrections and Rehabilitation General Fund Operating Appropriations

(DB&F 12/04/24)

\$ millions



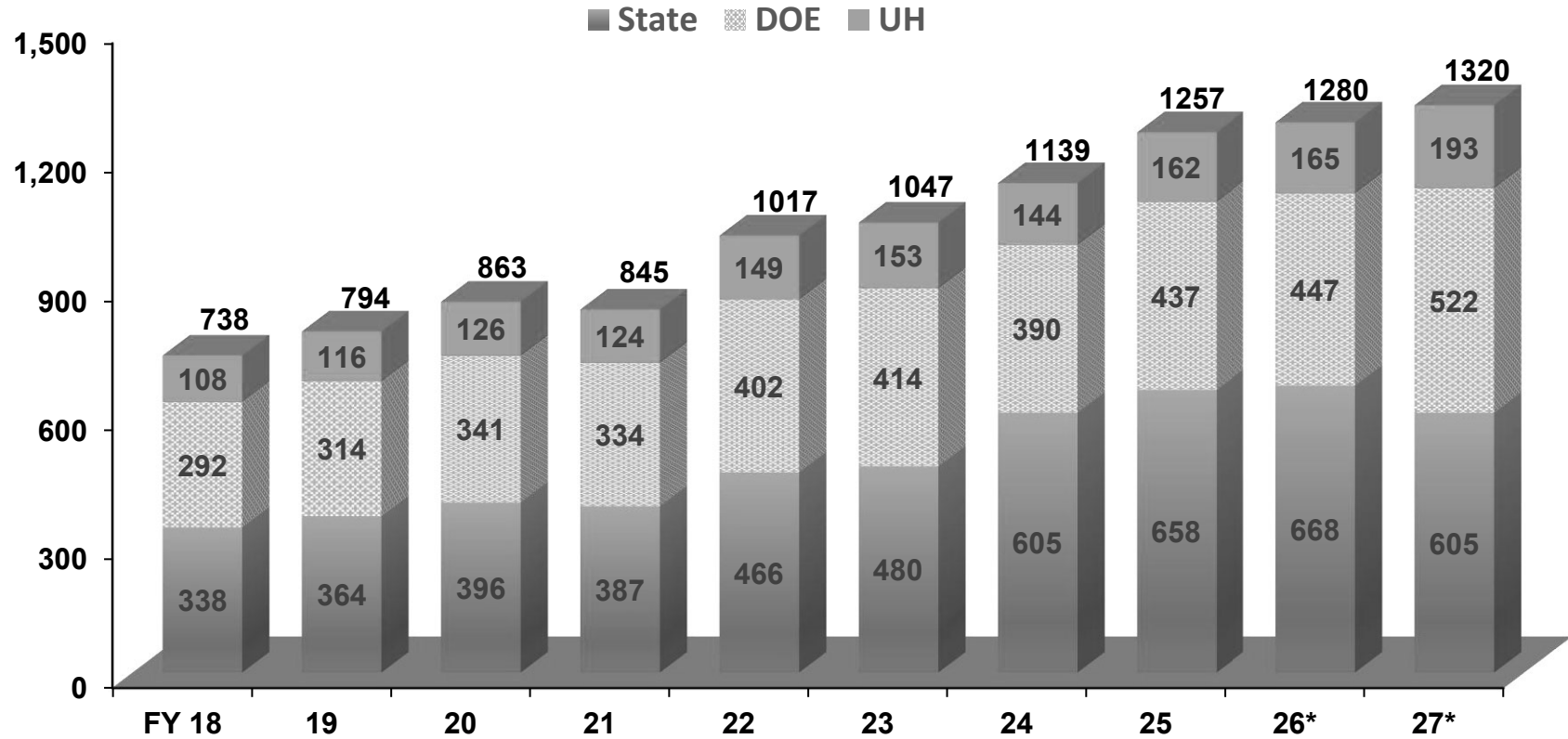
*FYs 26 & 27 reflect the FB 25-27 Executive Budget.

**FY 24 reflects head counts as of June 30, 2024; FY 25 reflects head counts as of October 31, 2024; and FYs 26 & 27 reflect projected assigned head counts.

Debt Service and Certificates of Participation General Fund Operating Appropriations

(DB&F 12/04/24)

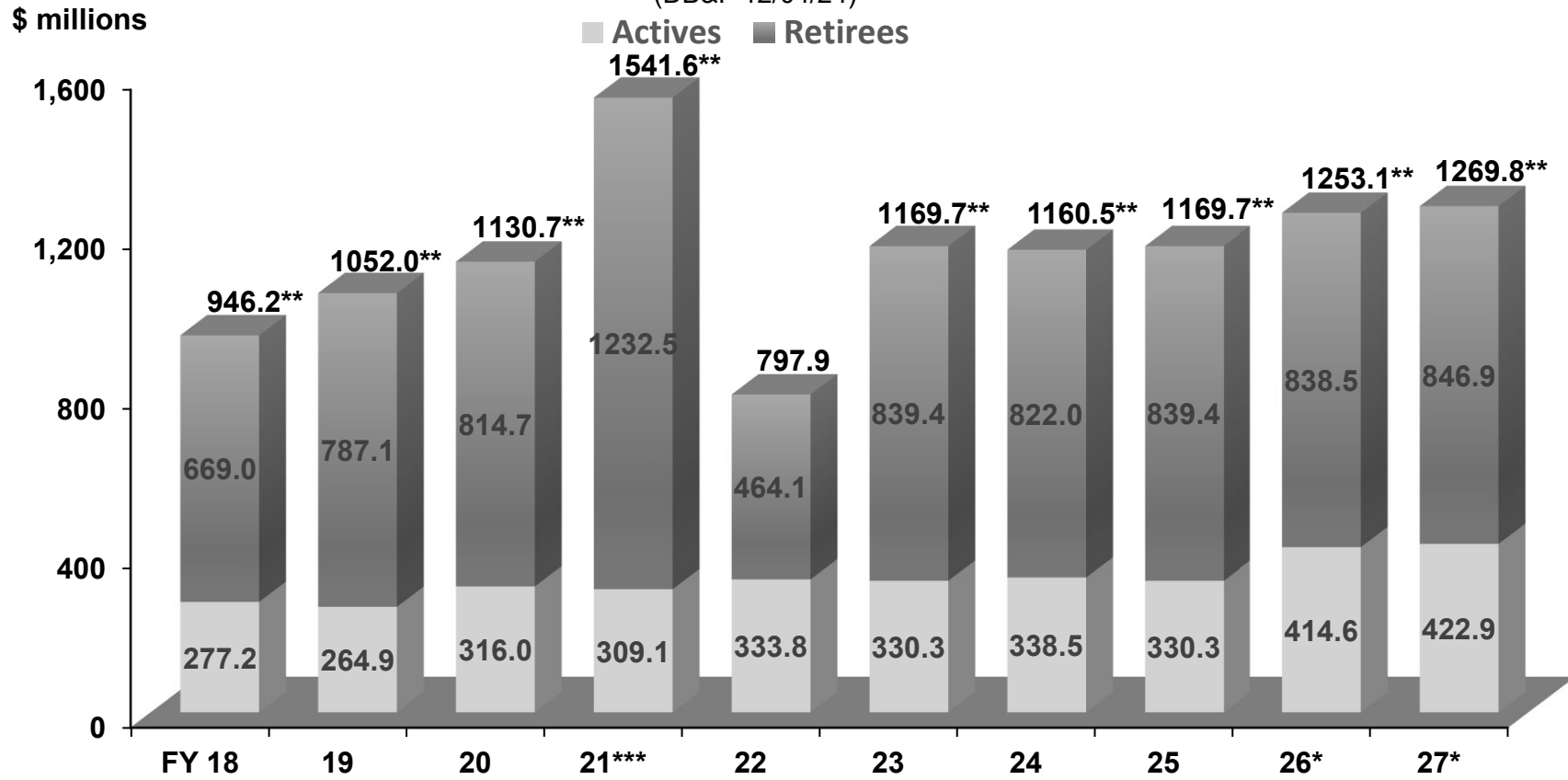
\$ millions



*FYs 26 & 27 reflect the FB 25-27 Executive Budget.

State Employee and Retiree Health Benefits General Fund Appropriations

(DB&F 12/04/24)



Enrollees (Thousands)

Retirees	48.3	49.4	50.6	51.3	52.4	53.9	53.7	54.0	54.5	55.0
Actives	68.3	66.3	67.0	65.8	63.4	63.0	63.4	64.0	65.0	65.0

*FYs 26 & 27 reflect the FB 25-27 Executive Budget.

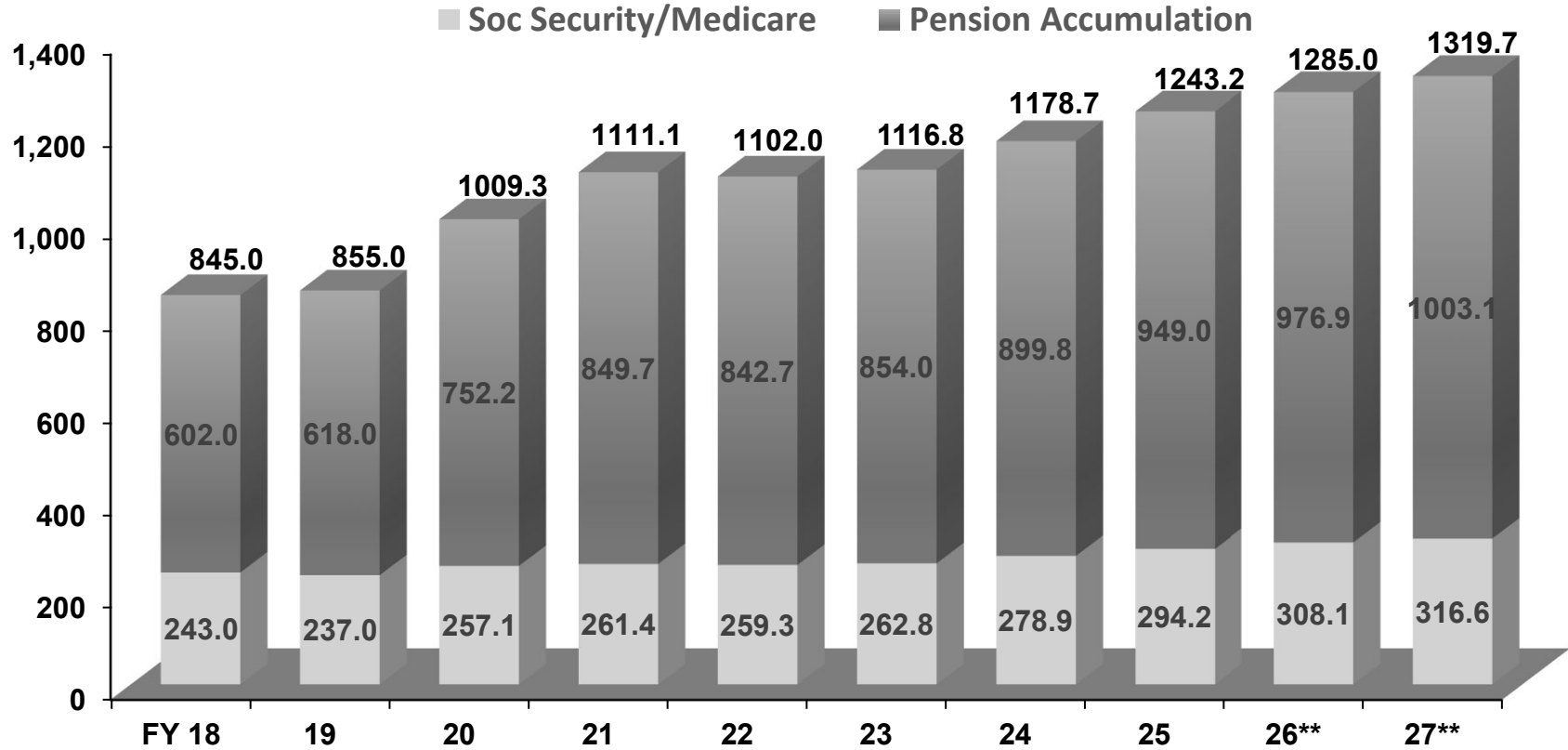
**Includes Other Post-Employment Benefits Pre-funding.

***Act 6, SPSLH 2021, appropriated \$390,000,000 in FY 21 for Other Post-Employment Benefits Pre-funding.

Public Employees' Retirement System General Fund Appropriations*

(DB&F 12/04/24)

\$ millions



Enrollees (Thousands)

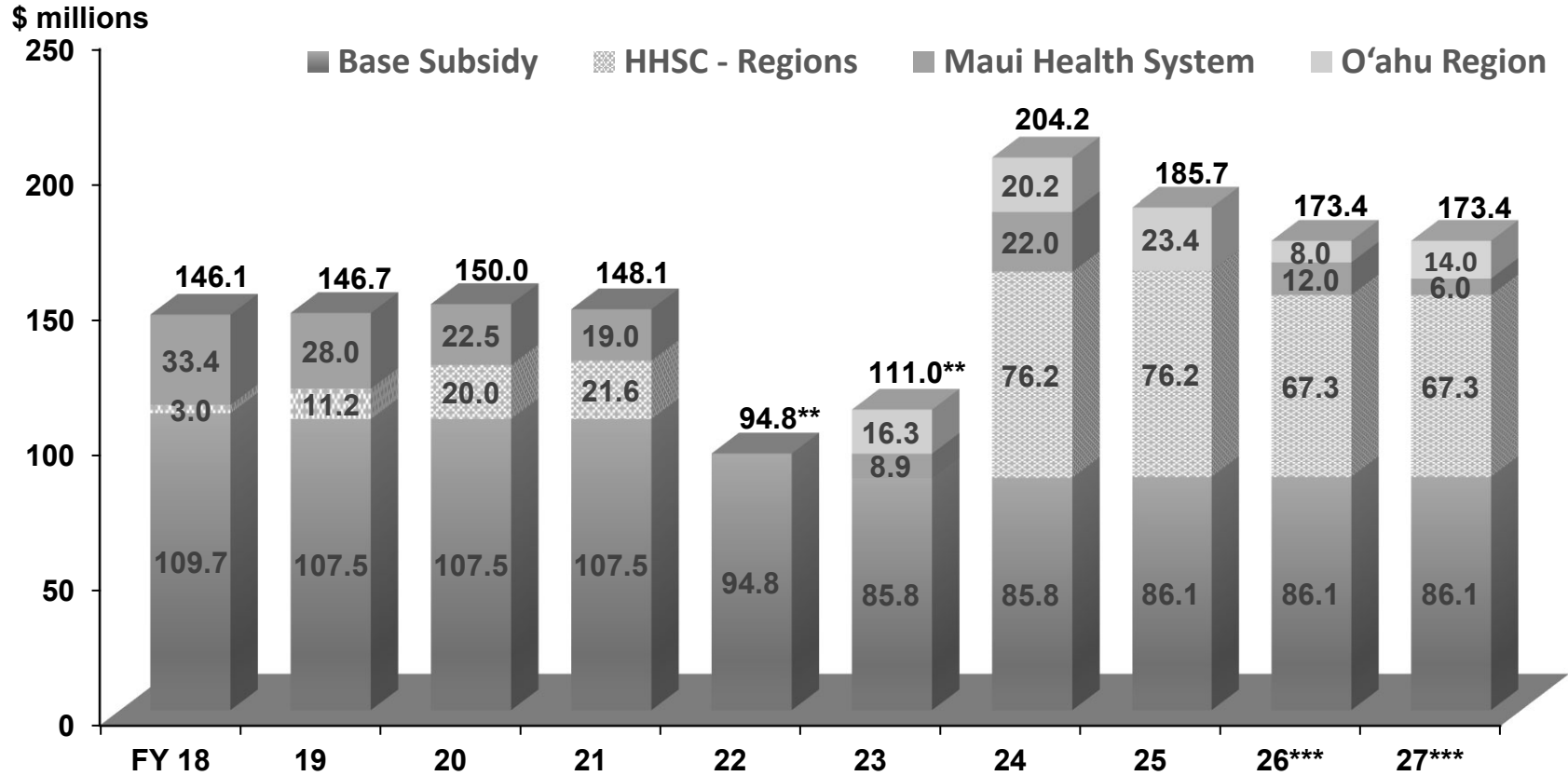
Retirees	48.7	49.9	51.2	52.6	54.0	55.0	55.8	57.0	58.2	58.6
Actives	66.3	66.4	66.7	65.6	64.2	64.2	65.3	66.0	66.0	66.0

*Excludes Maui Health System from FY 18.

**FYs 26 & 27 reflect the FB 25-27 Executive Budget.

Hawaii Health Systems Corporation and Maui Health System General Fund Operating Appropriations*

(DB&F 12/04/24)



*Includes emergency and specific appropriations, and Maui Health System from FY 18.

**FYs 22 & 23 reflect reduced general fund operating appropriations due to use of ARPA funds.

***FYs 26 & 27 reflect the FB 25-27 Executive Budget.