



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

SABRINA NASIR
ACTING DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

December 1, 2025

The Honorable Ronald D. Kouchi
President and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Nadine K. Nakamura
Speaker and Members of the House of
Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Nakamura and Members of the Legislature:

For your information and consideration, I am transmitting copies of the State of Hawaii Department of Budget and Finance's Annual Report on Administratively Established Accounts and Funds for the Period July 1, 2024, through June 30, 2025, in accordance with Section 37-52.5 of the Hawaii Revised Statutes. In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that these reports will be available for viewing electronically at:

<https://budget.hawaii.gov/budget/reports-to-the-legislature/department-of-budget-finance/>

Sincerely,

/S/

SABRINA NASIR
Acting Director of Finance

Enclosure

- c: Legislative Reference Bureau
HSPLS Publications Distribution Center (2)
Hamilton Library, University of Hawaii
- ec: Governor's Office: Gov.ReportsDistribution@hawaii.gov
Lieutenant Governor's Office: LtGov.ReportsDistribution@hawaii.gov
Legislative Auditor: auditors2@auditor.state.hi.us
Department of Budget and Finance: DBFLeg.DIR@hawaii.gov

Report on Administratively Created Accounts and Funds

for Submittal to the 2026 Legislature

Department:	Budget and Finance
Prog ID(s):	BUF 101
Name of Fund:	Temporary Deposits - Donation (T-924)
Legal Authority	Administratively Established

Intended Purpose:

To hold temporary deposits related to a donation from the American Somoan Government for Maui Wildfire Relief

Source of Revenues:

Temporary deposit of a donation from the American Samoan Government.

Current Program Activities/Allowable Expenses:

No current activity. Funds to be disbursed based on directions from the Governor.

Expected activity in FY 2026.

Financial Data				
			FY 2024	FY 2025
			(actual)	(actual)
Beginning Cash Balance			0	500,000
Revenues			500,000	0
Expenditures			0	0
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
Net Total Transfers			0	0
Ending Cash Balance			500,000	500,000
Encumbrances				
Unencumbered Cash Balance			500,000	500,000

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 Legislature

Department: Budget and Finance
 Prog ID(s): BUF 101
 Name of Fund: CMIA Interest Liability Clearing Account (T-961)
 Legal Authority Administratively Established

Intended Purpose:

To pay the U.S. Department of the Treasury for the State's Cash Management Improvement Act
 (CMIA) Annual Report Interest Liability

Source of Revenues:

NA

Current Program Activities/Allowable Expenses:

Financial Data				
			FY 2024	FY 2025
			(actual)	(actual)
Beginning Cash Balance				0
Revenues				0
Expenditures				556,500
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
1/6/2025 JM 3265				1,500,000
3/27/2025 JT1308				11,902
3/28/25 JM4947				544,598
4/17/25 JM5478 to GF				(1,500,000)
Net Total Transfers			0	556,500
Ending Cash Balance			0	0
Encumbrances				
Unencumbered Cash Balance			0	0

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 Legislature

Department: Budget and Finance
 Prog ID(s): BUF 101
 Name of Fund: Overpayment Collections to OHA-Ceded Lands (T-955)
 Legal Authority: Executive Order No. 06-06

Intended Purpose: Account is used to collect overpayments made to the Office of Hawaiian Affairs for ceded lands, and to make up shortage amounts due to OHA pursuant to Executive Order No. 06-06.

Source of Revenues: Account revenues are quarterly amounts paid to OHA in excess of the \$3,775,000, pursuant to Act 178, SLH 2006.

Current Program Activities/Allowable Expenses: Funds can be expended to make up shortfalls in payments to OHA per Executive Order No. 06-06.

Purpose of Proposed Ceiling Adjustment (if applicable):

Variances:

Financial Data				
			FY 2024	FY 2025
			(actual)	(actual)
Beginning Cash Balance			41,439,261	43,660,029
Revenues			29,095,768	28,239,049
Expenditures			26,875,000	16,125,000
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
Net Total Transfers			0	0
Ending Cash Balance			43,660,029	55,774,078
Encumbrances				
Unencumbered Cash Balance			43,660,029	55,774,078

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 Legislature

Department: BUF
 Prog ID(s): BUF115
 Name of Fund: Interest Earned - Investment Pool (T-907)
 Legal Authority: Adminstratively established

Intended Purpose:

Account was established as holding account to deposit interest earned from the State Treasury centralized pool investments before distribution to participating accounts.

Source of Revenues:

Interest earned on centralized investment pool investments.

Current Program Activities/Allowable Expenses:

JV's are generated each month to allocate interest earnings to the various appropriation accounts of departments participating in the investment pool.

Interest is allocated monthly by the investment pool system, to approx. 2,500 accounts.

Variances:

Variances are generally due to market interest rates, amounts of invested cash and timing of JV submittals between fiscal years.

Financial Data				
			FY 2024	FY 2025
			(actual)	(actual)
Beginning Cash Balance			26,258,439	33,080,417
Revenues			347,627,115	402,818,275
Expenditures			0	0
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
			(340,805,137)	(332,138,885)
Net Total Transfers			(340,805,137)	(332,138,885)
Ending Cash Balance			33,080,417	103,759,807
Encumbrances				
Unencumbered Cash Balance			33,080,417	103,759,807

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 Legislature

Department: BUF
 Prog ID(s): BUF115
 Name of Fund: Interest Earned - Bond Investment Pool (T-908)
 Legal Authority: Adminstratively established

Intended Purpose:

Account was established as holding account to deposit interest earned from the State Treasury centralized Bond Investment Pool before distribution to participating accounts.

Source of Revenues:

Interest earned on centralized Bond Investment Pool investments.

Current Program Activities/Allowable Expenses:

JV's are generated each month to allocate interest earnings to the various appropriation accounts of departments participating in the Bond pool.

Interest is allocated monthly by the Bond Investment pool system.

Variances:

Variances are generally due to market interest rates, amounts of invested cash and timing of JV submittals between fiscal years.

Financial Data				
			FY 2024	FY 2025
			(actual)	(actual)
Beginning Cash Balance			10,887,632	1,931,644
Revenues			17,358,488	23,796,501
Expenditures			0	0
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
			(26,314,476)	(17,743,416)
Net Total Transfers			(26,314,476)	(17,743,416)
Ending Cash Balance			1,931,644	7,984,729
Encumbrances				
Unencumbered Cash Balance			1,931,644	7,984,729

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 Legislature

Department: BUF
 Prog ID(s): BUF115
 Name of Fund: Temporary Deposits - Special Purpose Revenue Bond - Security Deposit (T-914)
 Legal Authority: Adminstratively established

Intended Purpose:

To record non-refundable security deposits from project parties for the purpose of reimbursing the State for all the costs and expenses incurred relating to the issuance of special purpose revenue bonds.

Source of Revenues:

Security deposits from the project parties.

Current Program Activities/Allowable Expenses:

Any balance remaining in the Trust Fund is to be transferred to General Fund.

Variances:

The revenues and expenditures are based on the actual number of Special Purpose Revenue Bond applications (new money and refunding) received which are affected by project readiness and Legislative approval.

Financial Data				
			FY 2024	FY 2025
			(actual)	(actual)
Beginning Cash Balance			1,000	3,000
Revenues			2,000	1,000
Expenditures			0	0
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
			0	
Net Total Transfers			0	0
Ending Cash Balance			3,000	4,000
Encumbrances				
Unencumbered Cash Balance			3,000	4,000

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 Legislature

Department: BUF
 Prog ID(s): BUF115
 Name of Fund: Taxes Payable to Other State Agencies (T-916)
 Legal Authority: Adminstratively established

Intended Purpose:

Account was established to enable B&F to generate SWV's on-line for transmittal of tobacco tax collected by DoTax and distributed per statute to UH per Act 316/SLH2006. It serves as a clearing account for fuel tax revenues pending distribution.

Source of Revenues:

Tobacco Tax collections by state Dept. of Taxation (DoTax)

Current Program Activities/Allowable Expenses:

B&F processes JVs to transfer taxes into this account in order to pay UH for their statutory distribution of tobacco tax.

Variances:

Variances are generally due to variances in taxes collected and timing of JV submittals between fiscal years.

Financial Data				
			FY 2024	FY 2025
			(actual)	(actual)
Beginning Cash Balance			700,129	670,224
Revenues			9,971,417	9,142,072
Expenditures			10,001,322	9,100,135
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
Net Total Transfers			0	0
Ending Cash Balance			670,224	712,161
Encumbrances				
Unencumbered Cash Balance			670,224	712,161

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 Legislature

Department: BUF
 Prog ID(s): BUF115
 Name of Fund: Taxes Payable to Counties/HTA - TAT (T-917)
 Legal Authority: Adminstratively established

Intended Purpose:

Account was established to enable B&F to generate SWV's on-line for transmittal of TAT distributed monthly to HTA and semi-annually to the counties. It serves as a clearing account for TAT revenues pending distribution per statute.

Source of Revenues:

Transient Accommodations Tax (TAT) collected by the DoTax.

Current Program Activities/Allowable Expenses:

B&F processes SWV's from this account for payment to HTA and the counties of their statutory distribution of TAT.

Financial Data				
			FY 2024	FY 2025
			(actual)	(actual)
Beginning Cash Balance			0	0
Revenues			15,500,000	15,500,000
Expenditures			15,500,000	15,500,000
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
Net Total Transfers			0	0
Ending Cash Balance			0	0
Encumbrances				
Unencumbered Cash Balance			0	0

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 Legislature

Department:	<u>BUF</u>
Prog ID(s):	<u>BUF115</u>
Name of Fund:	<u>Taxes Payable to Counties - Fuel Tax (T-918)</u>
Legal Authority	<u>Adminstratively established</u>

Intended Purpose:

Account was established to enable B7F to generate SWV's on-line for transmittal of liquid fuel tax distributed monthly to the counties. It serves as a clearing account for fuel tax revenues pending distribution per statute.

Source of Revenues:

Liquid Fuel Tax collected by the DoTax.

Current Program Activities/Allowable Expenses:

B&F processes SWV's from this account for payment to the counties of their statutory distribution of fuel tax.

Financial Data				
			FY 2024	FY 2025
			(actual)	(actual)
Beginning Cash Balance			7,772,654	7,601,487
Revenues			87,816,934	87,761,235
Expenditures			87,988,101	87,610,799
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
Net Total Transfers			0	0
Ending Cash Balance			7,601,487	7,751,923
Encumbrances				
Unencumbered Cash Balance			7,601,487	7,751,923

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 Legislature

Department: BUF
 Prog ID(s): BUF115
 Name of Fund: Taxes Payable to Counties - GETax surcharge (T-919)
 Legal Authority: Adminstratively established

Intended Purpose:

Account was established to enable B&F to generate SWV's on-line for transmittal of county GET surcharge collected by DoTax and distributed per statute HRS 248-2.6 to the City & County of Honolulu. It serves as a clearing account for the surcharge pending distribution.

Source of Revenues:

General Excise Tax collections by state Dept. of Taxation (DoTax)

Current Program Activities/Allowable Expenses:

B&F processes JVs to transfer taxes into this account in order to pay City & County of Honolulu for their statutory distribution of GETax

Variances:

Variances are generally due to variances in taxes collected and timing of JV submittals between fiscal years.

Financial Data				
			FY 2024	FY 2025
			(actual)	(actual)
Beginning Cash Balance			26,006,592	48,026,227
Revenues			569,355,282	644,014,134
Expenditures			547,335,647	640,189,318
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
Net Total Transfers			0	0
Ending Cash Balance			48,026,227	51,851,043
Encumbrances				
Unencumbered Cash Balance			48,026,227	51,851,043

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 Legislature

Department:	BUF
Prog ID(s):	BUF115
Name of Fund:	Hawaii Children's Trust Fund (T-922)
Legal Authority	Adminstratively established

Intended Purpose:

Account was established to enable B&F to generate SWV's on-line for transmittal of taxes collected by DoTax and distributed per statute Act 228/SLH2004 to the Hawaii Children's Trust Fund at the Hawaii Community Foundation.

Source of Revenues:

Income tax refund designation by taxpayer.

Current Program Activities/Allowable Expenses:

B&F processes JVs to transfer funds into this account in order to pay HI Community Foundation per income tax refund designation.

Variances:

Variances are generally due to variances in taxes collected and timing of JV submittals between fiscal years.

Financial Data				
			FY 2024	FY 2025
			(actual)	(actual)
Beginning Cash Balance			36,770	119,500
Revenues			135,800	124,750
Expenditures			53,070	133,725
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
Net Total Transfers			0	0
Ending Cash Balance			119,500	110,525
Encumbrances				
Unencumbered Cash Balance			119,500	110,525

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 Legislature

Department: BUF
 Prog ID(s): BUF115
 Name of Fund: Unclaimed Property Trust Fund (T-932)
 Legal Authority: Adminstratively established

Intended Purpose:

Account was established to deposit and disburse moneys in Unclaimed Property Program. All funds in excess of \$1.3 million remaining on balance at the end of the fiscal year will be transferred to the general fund.

Source of Revenues:

Property that is held, issued, or owing in the ordinary course of a holder's business and has remained unclaimed by the owner after it became payable or distributable is presumed abandoned.

Current Program Activities/Allowable Expenses:

Amounts received from abandoned property as Revenue and Claims verified and paid out as Expenditures.

Variances:

The variance is due to the increase in current, pending and anticipated claims filed by owners.

The UP program has no direct control over the number of claims submitted on an annual basis.

Financial Data				
			FY 2024	FY 2025
			(actual)	(actual)
Beginning Cash Balance			32,856,724	34,281,910
Revenues			48,682,205	56,690,723
Expenditures			17,435,232	10,722,259
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
8/7/23 JM 443 TF to GF			(29,821,787)	
7/31/25 JH 373 TF to GF				(38,605,602)
Net Total Transfers			(29,821,787)	(38,605,602)
Ending Cash Balance			34,281,910	41,644,772
Encumbrances			48,895	38,512
Unencumbered Cash Balance			34,233,015	41,606,260