

DAVID Y. IGE GOVERNOR

March 14, 2016

GOV. MSG. NO. 15

The Honorable Ronald D. Kouchi, President and Members of the Senate Twenty-Eighth State Legislature State Capitol, Room 409 Honolulu, Hawaii 96813 √The Honorable Joseph M. Souki, Speaker and Members of the House of Representatives Twenty-Eighth State Legislature State Capitol, Room 431 Honolulu, Hawaii 96813

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

Transmitted herewith are proposed changes to the FY 17 Executive Supplemental Budget for the Department of Business, Economic Development and Tourism (DBEDT) and the Department of Land and Natural Resources (DLNR).

Your favorable consideration is requested for the budget requests and related proviso to amend the Supplemental Budget as follows:

Operating Budget

DLNR - Native Resources and Fire Protection (LNR 402/DA)

Reduces \$800,000 in general funds and adds \$800,000 in special funds in FY 17 to change the means of financing for the Wildfire Contingency Fund request, an Aloha + Challenge Initiative, from general funds to Natural Area Reserve funds.

<u>DLNR – Native Resources and Fire Protection (LNR 402/DA)</u>

Reduces \$150,000 in general funds and adds \$150,000 in special funds in FY 17 to change the means of financing for the Kure Atoll Management request, an Aloha + Challenge Initiative, from general funds to Natural Area Reserve funds.

DLNR - Native Resources and Fire Protection (LNR 402/DA)

Reduces \$450,000 in general funds and adds \$450,000 in special funds in FY 17 to change the means of financing for the Endangered Species Management request, an Aloha + Challenge Initiative, from general funds to Natural Area Reserve funds.

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DLNR - Native Resources and Fire Protection (LNR 402/DA)

Reduces \$150,000 in general funds and adds \$150,000 in special funds in FY 17 to change the means of financing for the Kawainui Restoration Project request, an Aloha + Challenge Initiative, from general funds to Natural Area Reserve funds.

DLNR - Water Resources (LNR 404/GC)

Reduces \$1,500,000 in general funds and adds \$1,500,000 in special funds in FY 17 to change the means of financing for the Supplemental Funding for Stream Study request from general funds to Natural Area Reserve funds.

DLNR - Forest and Outdoor Recreation (LNR 804/DA)

Reduces \$450,000 in general funds and adds \$450,000 in special funds in FY 17 to change the means of financing for the Outdoor Public Access Improvement Project (Na Ala Hele) request, an Aloha + Challenge Initiative, from general funds to Natural Area Reserve funds.

DLNR - Forest and Outdoor Recreation (LNR 804/DA)

Reduces \$735,000 in general funds and adds \$735,000 in special funds in FY 17 to change the means of financing for Equipment for Forest and Outdoor Recreation request from general funds to Natural Area Reserve funds.

DLNR - Natural Area Reserves and Watershed Management (LNR 407/NA)

Reduces \$4,000,000 in special funds and adds \$4,000,000 in general funds in FY 17 to change the means of financing for the International Union for Conservation of Nature request from Special Land and Development funds to general funds.

CIP Proviso

DBEDT – Hawaii Housing Finance and Development Corporation (BED 160)

Amends Section 6(2) to delete the proposed lapse of \$4,000,000 in general obligation bond funds for a CIP grant appropriation for Hale Mahaolu Ewalu, Inc., Maui, from Act 134, SLH 2013, as amended by Act 122, SLH 2014, Item No. A-32.03. The appropriation is for construction for a senior affordable rental housing campus that consists of approximately 60 affordable rental units. The Hawaii Housing Finance and Development Corporation has determined that the project is financially feasible if Section 8 vouchers are awarded to the project; award of Section 8 vouchers is scheduled to be determined by June 2016.

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Your staff may contact the appropriate agency for additional information. Your understanding and assistance is appreciated.

Sincerely,

DAVID Y-JGE

Governor, State of Hawaii

Attachment

c: Honorable Jill N. Tokuda Honorable Sylvia Luke