



GOV. MSG. NO. 1

EXECUTIVE CHAMBERS
HONOLULU

2019 12 20 11

DAVID Y. IGE
GOVERNOR

December 18, 2017

The Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
State Capitol
Honolulu, Hawaii 96813

Dear Senate President Kouchi:

Transmitted herewith are 30 copies of "The Budget in Brief - FY 19 Executive Supplemental Budget."

To promote government efficiency and reduce waste, the following documents will be provided to the Legislature electronically via the Department of Budget and Finance's website (<http://budget.hawaii.gov/budget/>):

1. The Executive Supplemental Budget for the Budget Period 2017-19.
2. The Variance Report for FYs 2017 and 2018.

Sincerely,

DAVID Y. IGE
Governor, State of Hawaii

Enclosures



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

December 18, 2017

GOV. MSG. NO. 1

The Honorable Scott K. Saiki
Speaker of the House of Representatives
Twenty-Ninth State Legislature
State Capitol
Honolulu, Hawaii 96813

Dear Speaker Saiki:

Transmitted herewith are 60 copies of "The Budget in Brief - FY 19 Executive Supplemental Budget."

To promote government efficiency and reduce waste, the following documents will be provided to the Legislature electronically via the Department of Budget and Finance's website (<http://budget.hawaii.gov/budget/>):

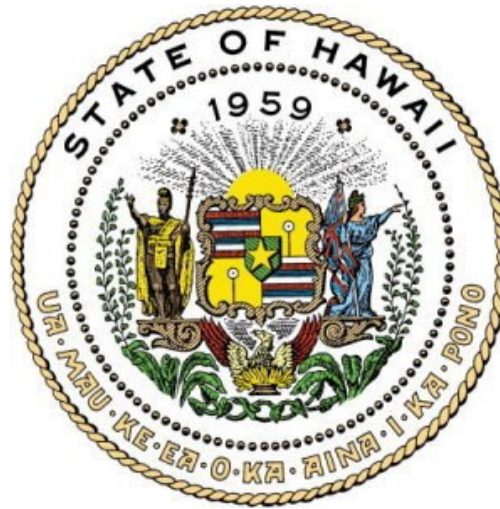
1. The Executive Supplemental Budget for the Budget Period 2017-19.
2. The Variance Report for FYs 2017 and 2018.

Sincerely,

DAVID Y. IGE
Governor, State of Hawaii

Enclosures

State of Hawaii



The FY 2019 Executive Supplemental Budget

Budget in Brief

Prepared by the Department of Budget and Finance
December 18, 2017

EXECUTIVE CHAMBERS
State Capitol
Honolulu, Hawai'i 96813

**GOVERNOR'S MESSAGE TO THE 29TH STATE
LEGISLATURE OF HAWAI'I MEETING IN THE REGULAR
SESSION OF 2018**

In compliance with Article VII, Section 9, of the Hawai'i State Constitution, I hereby submit to the State Legislature the Executive Supplemental Budget for Fiscal Biennium (FB) 2017-19 and the updated Program and Financial Plan for the Period 2017-23.

OVERVIEW

When we took office over three years ago, our Administration was driven by seven core values. With this focus, we have been working diligently to make life in Hawai'i better and more sustainable. We are committed to being responsible in all respects, ever cognizant of the impact that our choices will have on future generations.

These core values, centered on collaboration and integrity, are even more important today.

- *Aloha.* Treating everyone with dignity, respect and kindness, reflecting our belief that people are our greatest source of strength.
- *Kuleana.* Upholding a standard of transparency, accountability and reliability, performing our work as a government that is worthy of the public's trust.
- *Laulima.* Working collaboratively with business, labor and the community to fulfill our public purpose.

- *Kūlia.* Doing our very best to reflect our commitment to excellence.
- *Pono.* Striving to do the right thing, the right way, for the right reasons to deliver results that are in the best interest of the public.
- *Lōkahi.* Honoring the diversity of our employees and our constituents through inclusiveness and respect for the different perspectives that each brings to the table.
- *Ho'okumu.* Seeking new and innovative ways to accomplish our work and committing to find creative solutions to the critical issues facing this State.

Accordingly, improving the quality of education at our public schools has always been one of our highest priorities. We fulfilled our promise to cool more than 1,000 classrooms in our schools statewide, which will provide better learning environments for our children.

In December 2015, a new national education law was enacted, the "Every Student Succeeds Act" (ESSA). ESSA returns authority over education from the federal government to the local level and will support our efforts to build a future-focused educational system.

We saw this as a major opportunity to make the State of Hawai'i's public school education system the best in the nation. In July 2017, the Governor's ESSA Team finalized "Hawai'i's Blueprint for Public Education," which will help us maximize opportunities and possibilities to transform education in Hawai'i.

A national study stated that a post-secondary education would be needed for 70 percent of jobs by 2020. We need to clear the obstacles to higher education to reach our goal of having 55 percent of Hawai'i's working-age adults earn a 2- or 4-year college degree by the year 2025.

The Department of Education (DOE) and University of Hawai'i (UH) are working to expand the Early College program, which allows high school students to earn college credits. It is our goal to expand this program to every public high school in the State. The UH Community Colleges offer a "last dollar" scholarship program, "Hawai'i's Promise," that will fill in the gap for qualifying families to allow all students with financial need to attend community colleges at no cost.

We have worked collectively with our communities and the counties to address homelessness. The success of our efforts is evidenced by a 9 percent decline in the number of homeless statewide, the first decrease in 8 years. We have taken steps to maintain access to our public spaces and must continue to support programs and services that will get people into permanent housing because that is what works.

We know that the lack of affordable housing is inherently related. Housing production is up and about 5,300 housing units have been produced, of which 40 percent are affordable, since we took office in 2014. While there is more on the way, there will still be much unmet need for housing, especially for affordable units to buy or rent.

Consequently, we are looking for ways to quicken the pace and reduce barriers to development. We must leverage State resources with private funds to continue to develop affordable housing for Hawai'i's families and continue to support the necessary infrastructure development.

Our natural resources are vital to Hawai'i's culture, way of life and economy and it is our responsibility to maintain them for the generations to come. We are working to protect our

watersheds and supporting efforts to double our food production, following through on our Sustainable Hawai'i Initiative commitments.

Hawai'i was once at the forefront of pineapple and sugarcane production. Now, we look towards diversified agriculture to advance our path toward food security by doubling local food production by 2020. The agricultural industry makes significant contributions to our economy and lifestyle which we cannot afford to take for granted.

The beauty and aloha of our islands provide a unique sense of place that is a natural draw for visitors. The tourism industry continues to achieve record levels of growth and is a significant contributor to the State's economy.

Part of this growth is due to the reestablishment of the federal inspection station at the Ellison Onizuka Kona International Airport at Keahole in December 2016. Through October 2017, the Island of Hawai'i experienced double digit growth in visitor spending, arrivals and days compared to the same 10-month period last year due to international arrivals.

While the tourism industry will always play a significant role in Hawai'i's economy, we must broaden our economic base by nurturing innovators and entrepreneurs. Whether developing new clean energy and agricultural technologies, applications for computers and phones, or locally created digital media or making advances at the cutting edge of healthcare, building an innovation economy can help us develop high-quality, high-wage jobs. We can provide opportunities for the future by investing in our people and ensuring that the appropriate educational programs and training are available.

We have looked at State operations to find ways to make them better. We have made significant strides to convert paper-based processes to electronic processes, many of them web-based, which improve the efficiency of our State programs and our ability to service the public. To date, the

State has processed over 275,000 eSign (electronic signature) transactions, saving not only time and money but natural resources.

Other important conversion efforts include the ongoing Enterprise Payroll and Time and Attendance Modernization (Hawai'iPay) and Tax System Modernization (TSM) projects which will provide greater functionality and efficiencies. Both projects present statewide opportunities to accelerate the adoption of more efficient, less paper-dependent ways of doing business throughout and with State government.

We are committed to being fiscally responsible and providing a government that is honest, transparent and responsive. We will continually look for new and innovative ways to improve efficiency and our service to the public. Our budget approach and the Executive Supplemental Budget, which is aligned with our Administration's strategic priorities, reflect that commitment.

Our Mission

The Administration aims to change the trajectory of Hawai'i by restoring faith in government and establishing the Hawaiian Islands as a place future generations choose to call home.

- **Education:** Empower our public schools and university, focus on 21st century skills and learning, and ensure that schools provide a healthy and safe learning environment.
- **Effective, Efficient, and Open Government:** Restore the public's trust in government by committing to reforms that increase efficiency, reduce waste, and improve transparency and accountability.
- **Housing:** Build homes that people can afford, including rentals, to address the needs of those entering the work force and improve the State's public housing facilities. On O'ahu, identify State lands near transit stations for the

development of housing, employment centers, daycare, senior centers, and community facilities.

- **Health:** Create a 21st century health system that improves access, treatment, and affordability for all Hawai'i residents, beginning with our children and our elders, and including rural communities on all islands.
- **Economy:** Promote economic diversification and policies that support growth and attract more air carriers to Hawai'i, expand the U.S. Customs Pre-clearance Program, and upgrade and expand broadband infrastructure. Recognize and support renewable energy initiatives and the military as crucial pillars of Hawai'i's economy.
- **Energy:** Ensure a 100 percent renewable energy future in which we work together as a State, focusing on making solar and other technologies available for all.
- **Agriculture:** Double local food production by 2020; develop water and energy resources to support this effort. Provide loans for farmers and more land for agriculture.
- **Environment:** Foster environmental stewardship from mountain to sea. Protect and more efficiently use our fresh water supply. Provide State lands for public use and enjoyment.
- **Native Hawaiians:** Honor, respect, and promote Native Hawaiian culture and sustainability. Support the Native Hawaiian community's ongoing efforts for a Hawaiian-based governance structure.
- **Traffic:** Support the development and completion of public transit systems, including bus and rail. Deploy traffic mitigation initiatives to reduce congestion on our roadways.

- Taxes: Modernize our tax system, increase efficiency for taxpayers and hold accountable those who do not pay their taxes.

Budget and Fiscal Considerations

The State's fiscal stability is critical to ensure the continuation of essential State services. In the development of the Executive Supplemental Budget, the Administration took a hard look at the State's current fiscal health and potential upcoming fiscal challenges to ensure that the State's fiscal health is maintained through FY 2017-19 and beyond.

The State's fiscal situation has fluctuated significantly over the past few years and general fund revenue growth trends have not always been consistent with economic activity. This fiscal year, general fund revenue collections have been consistently positive, an improvement from the fluctuations between negative and low positive growth in the beginning of FY 17. The cumulative November 2017 general fund tax revenue growth rate is 4.7 percent, down from 11.8 percent in July 2017, but it is premature to predict a trend in revenues for the remainder of the fiscal year.

The State's fiscal situation may appear optimistic in view of general fund revenue growth thus far and the carryover general fund balance of \$893.8 million from FY 17. However, as we have seen in the past several years, changes in revenue growth can be unpredictable over a 12-month period.

While the carryover balance will help to support our increasing operating costs, we are seriously concerned that the State's expenditures are still projected to exceed revenues for the next few years until FY 22. Our commitments to fund collective bargaining increases and the State's unfunded pension and other post-employment benefits (OPEB) liabilities have added significant amounts to the operating budget. In addition, the FY 19 Executive expenditure ceiling has already been exceeded.

The State must also be prepared to bear the costs of federal programs for services which the State deems critical should the federal government reduce or discontinue funding. The impact of significant federal fund reductions may be twofold, as the State will bear the economic impact of the reduced funding while providing additional funds for federal programs.

The instability in Congress is also a concern due to the economic and fiscal impact of the absence of a federal budget for the federal fiscal year. A federal government shutdown, which could result if no federal budget is passed, could significantly impact our State. In addition, there is uncertainty about pending federal tax reform.

Inevitably, there are other pressing demands for State resources that must be considered. Providing good schools, housing, and health and social services will always be at the forefront of our priorities but we also need to support programs which are still rebuilding after suffering the impact of the Great Recession. It has been a gradual process to restore these programs, many of which provide essential services and have been unable to fulfill the full scope of their statutory responsibilities.

When these significant factors are looked at together, they reinforce the need to be prudent and conservative with our expenditures to ensure the State's fiscal stability through FY 2017-19 and beyond. We must responsibly control our expenditures to prepare, to the extent possible, for uncertain revenue collections and reductions in federal funds, while supporting the increased cost of our daily operations.

As such, very limited general fund appropriations are proposed for the Executive Supplemental Budget. We will continue to work to align our current resources to solve our most critical problems and better serve the people of Hawai'i.

Financial Stability

Our budget approach for the past three years has put us in a much better fiscal position now than when we took office. We have adopted formal budget reserve and debt management policies. With the Legislature's support, we have made significant progress in strengthening our reserves and addressing our unfunded liabilities.

We have built up our Emergency and Budget Reserve Fund to \$310.7 million in preparation for future economic downturns. Moody's Analytics recently "stress tested" all 50 states and assessed that Hawai'i was one of 16 states that was prepared for a recession in consideration of our available reserve funds and budget policies.

By continuing to aggressively address pension and OPEB unfunded liabilities, we will reduce the amounts needed in the future. The State's OPEB prefunding contributions, totaling \$800 million through FY 17, are expected to save over \$1.6 billion over the next 20 years.

Additionally, Act 49, SLH 2017, the General Appropriations Act, appropriates funds to step up the OPEB annual required contribution from 90 percent in FY 18 to 100 percent in FY 19. We have also adopted a schedule of increased pension contributions pursuant to Act 17, SLH 2017, which will result in full funding within a 30-year horizon and approximately \$15 billion in expected savings over the funding period.

We have worked diligently over the past three years to improve our credit ratings for general obligation (G.O.) bonds. As a result of our Administration's strong budget and financial policies and the actions taken by the Legislature, Hawai'i received multiple rating upgrades in 2016 when both Moody's Investors Service and Standard and Poors upgraded the State's bond ratings from Aa2 to Aa1 and from AA to AA+, respectively. This has allowed the State to issue G.O. bonds at lower interest rates, allowing general funds that would have

been used for debt service to address the State's other critical needs like education, housing, homelessness and sustainability.

Budget Transparency

To increase budget transparency, departments were instructed to review their FY 19 operating budget details for items which did not align with anticipated expenditures. Requests are included to correct the following:

- Negative adjustments
- Underfunded, unfunded or unbudgeted positions
- Specific budget line items which do not align with anticipated expenditures

Section 37-74(f), HRS, and Section 96 of Act 49, SLH 2017, prohibit funds to be 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 with specified exceptions. "Position ceiling" is defined as the maximum number of permanent and temporary positions that an expending agency is authorized for a particular program.

As such, all departments were instructed to specifically review their unbudgeted positions to determine which were critical and should continue as budgeted positions. Because the unbudgeted positions are currently funded, only cost neutral requests (i.e., trade-off/transfer requests with related increases in permanent or temporary position counts) were allowed.

Hence, the Executive Supplemental Budget includes requests to convert such unbudgeted positions to budgeted positions. Many other unbudgeted positions are still under review by their respective departments and may take longer to convert depending upon the types of positions.

The Administration will also submit a measure to initially authorize permanent civil service positions and funds for services currently performed under contracts with various State agencies, pursuant to an agreement between the United Public Workers and the State of Hawai'i.

THE ECONOMY

Hawai'i's economy continues to show positive growth that is expected to slow as we move into 2018 and 2019. Tourism and construction continue to be major factors as our State economy expands.

The tourism industry is still experiencing record growth, having had only one quarter of negative growth between the third quarter of 2009 to the third quarter of 2017. Based on preliminary data year-to-date through October 2017, visitor spending increased by 6.8 percent compared to last year, while visitor arrivals also increased by 4.7 percent. Even daily spending has increased by 2.2 percent, though primarily due to higher hotel room rates.

The growth is bolstered by visitors from the U.S. West and East, Japan and Canada. The resumption of international flights into Ellison Onizuka Kona International Airport at Keahole has had a positive impact on the Island of Hawai'i and the State as a whole by bringing more visitors from Japan.

In the third quarter of 2017, most economic indicators for the construction industry were negative, with only State capital improvement program (CIP) expenditures increasing. The completion or near completion of many large construction projects in the Kaka'ako area contributed to the loss of 500 construction jobs over the first three quarters of 2017 compared to the same period last year. Growth projections for construction are expected to flatten through 2018, though there are many new projects planned.

Hawai'i's seasonally adjusted unemployment rate has dropped from 2.5 percent in September 2017 to 2.2 percent in October 2017. This is a significant decrease, making Hawai'i's unemployment rate the lowest in the nation and nearly 2.0 percent less than the National unemployment rate of 4.1 percent. As the health of the U.S. economy significantly impacts Hawai'i, it is encouraging that the seasonally adjusted national unemployment rate of 4.1 percent for October 2017 is the lowest rate since December 2000.

We are optimistic about Hawai'i's economy, but recognize that there are many potential challenges. While we cannot predict when things will happen, we can do our best to be prepared. Thus, while the State is in a better financial situation today, we will continue to work with the Legislature to further support the State's economic growth and improve the State's fiscal position.

REVENUE PROJECTIONS

At its September 7, 2017 meeting, the Council on Revenues (COR) raised its general fund tax revenue growth projections for FY 18 and FY 19 from 4.0 percent to 4.3 percent and lowered its forecast for FY 20 to FY 24 from 4.5 percent to 4.0 percent. However, because FY 17 general fund tax revenue collections came in lower than expected at only 2.0 percent more than FY 16, there were serious concerns about the impact of the lower general fund base going into FY 18, which would offset the higher growth rates.

The COR noted that while Hawai'i's economy continues to be strong, there is uncertainty about the future. The Council raised concerns about the economy reaching the end of its expansionary cycle during the seven-year budget period and the construction cycle having possibly reached its peak.

THE FY 19 EXECUTIVE SUPPLEMENTAL BUDGET

Given the significant demands on State resources, very limited funds were available for supplemental budget requests. The Executive Biennium Budget already provides for the most critical and core program needs; thus, the Executive Supplemental Budget is intended for other critical requests to supplement the funds which have already been appropriated and cannot wait until the upcoming biennium.

The Executive Supplemental Budget includes requests for FY 19 that propose changes and adjustments to Act 49, SLH 2017, the General Appropriations Act of 2017, which authorized funding for the two-year fiscal period that began on July 1, 2017 and ends on June 30, 2019.

	<u>FY 18 Appropriations</u> (\$million)	<u>FY 18 Adjustments</u> (\$million)	<u>FY 18 Requests</u> (\$million)
Operating Budget			
All Means of Financing (MOF)	14,110.6	0.0	14,110.6
General Funds	7,248.5	0.0	7,248.5
Capital Improvements			
All MOF	2,289.7	0.0	2,289.7
General Funds	10.5	0.0	10.5
G.O. Bond Funds	1,028.0	0.0	1,028.0
	<u>FY 19 Appropriations</u> (\$million)	<u>FY 19 Adjustments</u> (\$million)	<u>FY 19 Requests</u> (\$million)
Operating Budget			
All MOF	14,308.9	85.5	14,394.3*
General Funds	7,421.6	21.3	7,442.9
Capital Improvements			
All MOF	695.2	1,497.4	2,192.5
General Funds	10.8	0.5	11.2*
G.O. Bond Funds	49.4	620.0	669.5*

*/ Total differs due to rounding.

The Operating Budget

The Executive Supplemental Budget includes amendments for FY 19 that total \$85.5 million from all MOF for operating costs. This represents an increase of 0.6 percent over FY 19 appropriations in the FB 2017-19 Executive Budget.

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

Significant FY 19 requests for priority areas include (general funds unless otherwise noted; most positions funded for six-months):

Education

Public School System

- Add \$2 million for DOE's Weighted Student Formula, which supports goals and objectives of schools based on enrollment and weighting factors.
- Add \$4.1 million for DOE's workers' compensation expenses.
- Add \$3.1 million for equipment for newly constructed public school buildings and classrooms.
- Add \$2.8 million for the Hawai'i Keiki program that provides school-based health services.
- Add \$1 million for the Early College High School Initiative to give students the opportunity to earn a high school diploma and college credits.
- Add \$749,893 for the newly authorized charter school DreamHouse.

- Add \$762,050 for hard to staff and national board-certified teacher incentives for Charter Schools.
- Add \$1.3 million for the per pupil funding adjustment for Charter Schools based on the DOE's FY 19 Supplemental Budget and projected enrollment.

University System

- Add \$700,000 for the Hawai'i Promise Scholarship Program for the Community Colleges.
- Add 15.00 full-time equivalent (FTE) permanent positions and \$1.2 million to support underserved regions and populations at UH Manoa and the Community Colleges.
- Add 7.00 FTE permanent positions and \$1.5 million for facilities maintenance, upkeep and security access at UH Manoa.
- Add 11.00 FTE permanent positions and \$600,000 to support Academic and Student Affairs programs at the UH West O'ahu to address enrollment growth and campus development additions.

Public Library System

- Add 3.50 FTE permanent positions and \$1.1 million for staffing for the Nanakuli Public Library, and Hawai'i State Public Library System repair and maintenance and books and materials.

Effective, Efficient, and Open Government

- Decrease debt service payments by \$12.5 million, retirement benefits payments by \$32.9 million, and health premium payments by \$72.7 million.

- Add 2.00 FTE permanent positions and \$544,242 for the Department of Accounting and General Services (DAGS) for full year funding for new positions, cemetery grounds crew, and repricing for Purchasing Specialist series.
- Add \$265,000 in special funds for equipment for the Digital Archives Project.
- Add 3.00 FTE temporary positions and \$280,000 for implementation of Act 1, First Special Session of 2017, Relating to Government, for certification of disbursements related to rapid transit.
- Add \$1.5 million in other funds for the Employees' Retirement System to upgrade its computer system to implement the requirements of Act 263, SLH 2016.

Homelessness

- Add \$15 million for Housing First, Rapid Re-Housing, housing subsidies, homeless outreach services, and other homeless initiatives.
- Add \$800,000 for homeless outreach and counseling services for chronically homeless persons experiencing severe substance use disorders.
- Add 8.00 FTE permanent positions and \$419,302 for deputy sheriff positions to support homeless and illegal camping operations.
- Add \$330,000 for special fund ceiling increase for overtime, other payroll costs and equipment to support homelessness policy enforcement statewide for the Department of Land and Natural Resources (DLNR).

Health

- Add \$4.7 million in general funds and \$7.1 million in federal funds to restore adult dental benefits for Medicaid recipients.
- Add \$1.7 million for the Department of Health's Aging Disability Resource Center.
- Add \$4.5 million for the Kupuna Care and Kupuna Caregiver programs.
- Add \$3.6 million for statewide emergency ambulance services.
- Add \$2 million for increased costs for early intervention services.
- Add \$5.3 million for the maintenance and operation costs of the Kauhale On-Line Eligibility Assistance system.
- Add \$11.2 million for collective bargaining raises for the Hawai'i Health Systems Corporation (HHSC).
- Add \$28.8 million for an operating subsidy for Maui Health Systems.

Economy

- Add \$2.3 million to support business development through the Aquaculture Accelerator/Incubator Initiative for the Natural Energy Laboratory of Hawai'i Authority, the Hawai'i Small Business Innovation Research Program, the Accelerator Program and Manufacturing Assistance Program grants.
- Add 10.00 FTE temporary positions and trade-off and transfer of \$543,852 for the Small Business Development Center.

Agriculture

- Add \$410,000 in special funds for the Hawai'i Water Infrastructure Special Fund.
- Add 2.25 FTE temporary positions and \$258,737 in revolving funds for the Agribusiness Development Corporation for irrigation workers and a maintenance worker.

Environment

- Add \$536,819 for Maui and Kaua'i County lifeguard protection at beaches under the jurisdiction of DLNR's Division of State Parks.
- Add 2.0 FTE permanent positions and \$500,928 for establishment of DLNR Division of Conservation and Resources Enforcement training academy to train newly hired resource conservation officers and 3.0 FTE permanent positions and \$84,816 to fund a resource enforcement dispatch center.
- Add \$315,812 for the State Historical Preservation Division for 10 new positions statewide.
- Add \$1.8 million special fund ceiling increase for the Legacy Land Conservation Fund for priority natural, cultural and agricultural protection statewide.
- Add \$800,000 (\$450,000 in general funds and \$350,000 in special funds) for digital records management systems for State Historical Preservation Division and Bureau of Conveyances, respectively.

Native Hawaiians

- Add 9.00 FTE permanent positions and \$1.2 million to support Native Hawaiian students at UH Manoa, UH Hilo and the Community Colleges.

Transportation

- Add special funds for Consolidated Rental Car Facilities (CONRAC): \$39 million for Daniel K. Inouye International Airport and Kahului Airport, \$27 million for shuttle buses and \$7 million for pilot program at Daniel K. Inouye International Airport and \$5 million for operation of the tram at Kahului Airport.
- Add \$13.7 million in special funds for consultant services for Department of Transportation (DOT) special maintenance projects, architectural and engineering mechanical systems, and environmental consultant services, statewide.
- Add \$11 million in special funds for 10 additional Wiki-Wiki buses at Daniel K. Inouye International Airport.
- Add 25.00 FTE permanent positions and \$1.1 million in special funds for staffing at various airports for the Visitor Information Program, Airports Operations Controllers, Aircraft Rescue and Fire Fighting, and Grounds Maintenance Program.
- Trade-off and transfer \$15 million in special funds for special maintenance projects from various Harbors Division programs to Administration.
- Add \$4.2 million in special funds for back rent for Kapalama Military Reservation from the Harbors Division to the Airports Division.

- Add \$2.5 million for Harbors Division central service assessment expenses.

Taxes

- Convert 13.00 positions from temporary to permanent for Tax Services and Processing.

Public Safety

- Add \$912,000 for special maintenance projects at Department of Defense (DOD) facilities, statewide.
- Transfer 59.00 FTE permanent positions for the airport security detail from the Department of Public Safety (PSD) to DOT, Airports Division. The transfer will delete \$6.6 million in interdepartmental transfer funds for PSD as DOT will fund the positions directly.
- Add \$1.7 million for the continued housing of 248 Halawa Correctional Facility (HCF) inmates in Arizona for an additional 3 months in FY 19, due to delays in the HCF security systems project.
- Add \$2.7 million for medical health care and pharmacy expenses for correctional facilities.

The Capital Improvements Program Budget

The State's improved G.O. bond ratings and lower interest rates make it a favorable time to invest in the State's infrastructure. We need to make the most of this opportunity to invest in our public schools and the UH system to provide facilities which will provide improved learning environments for our children.

We must also continue to provide housing which is affordable for Hawai'i's families to rent or buy. Infrastructure development is also a necessary part of the process to provide homes.

We have also requested funding for improvements at our correctional facilities. These improvements are necessary to alleviate current overcrowded conditions and to plan for future, more efficient, facilities.

The investment in the State's infrastructure is twofold as implementation of the State's CIP also has broader economic impact. The Administration's supplemental CIP request, totaling \$1,497.4 million from all MOF, could support an estimated 13,977 jobs, of which 5,520 would be in the construction industry.

The request is an increase of 215 percent over FY 19 in the FB 2017-19 Executive Budget, which was front loaded with the bulk of appropriations in FY 18. There are no G.O. bond fund requests for FY 18; thus, the net request for G.O. bond funds totals \$620 million in FY 19, resulting in an increase of 1,254 percent.

The proposed FY 19 requests support the following priority areas (G.O. bond funds unless otherwise noted):

Education

Public School System

- Add \$90 million to improve the condition of public schools, statewide. The project will include school building improvements, electrical and infrastructure improvements, removal of hazardous materials, converged network infrastructure improvements, structural improvements, playground equipment replacement or upgrade, and whole school classroom renovations.
- Add \$60 million for a new Pohukaina Elementary School, O'ahu.

University System

- Add \$76 million for projects to renew, improve and modernize UH facilities, statewide.
- Add \$20 million for the renovation of Sinclair Library at UH Manoa, O'ahu.
- Add \$12 million for capital renewal and deferred maintenance for the UH Community Colleges, statewide.
- Add \$10 million for minor CIP projects for UH Community Colleges, statewide.
- Add \$2 million for the campus development design of Hawai'i Community College in Hilo, Hawai'i.

Public Library System

- Add \$3.5 million for health and safety projects at public libraries, statewide.

Effective, Efficient, and Open Government

- Add \$10 million for maintenance of existing facilities managed by DAGS, statewide.
- Add \$5.9 million for health and safety improvements for critical communication systems, statewide, maintained by the Information and Communication Services Division.
- Add \$10 million for the Hawai'i Resilience and Sustainability Strategy update, statewide. This request is for reappropriation of a portion of the funds previously appropriated in Act 143, SLH 2015.

Housing

- Add \$25 million for a cash infusion for the Dwelling Unit Revolving Fund, statewide.
- Add \$50 million for a cash infusion for the Rental Housing Revolving Fund, statewide.
- Add \$5.5 million for improvements to the Waiāhole water system to meet county standards, O'ahu.
- Add \$29 million for public housing improvements and renovations, statewide.
- Add \$4.5 million for Mayor Wright Homes on-site infrastructure improvements, O'ahu.

Health

- Add \$2.1 million in G.O. bond funds and \$10.3 million in federal funds for the Wastewater Treatment Revolving Fund, statewide.
- Add \$1.6 million in G.O. bond funds and \$8.2 million in federal funds for the Safe Drinking Water Revolving Fund, statewide.
- Add \$7.6 million for health and safety improvements for DOH facilities, statewide.
- Add \$5.5 million for Hawai'i State Laboratories improvements, O'ahu.
- Add \$950,000 for Hawai'i State Hospital improvements, O'ahu.
- Add \$15 million for improvements and renovations to HHSC facilities, statewide.

- Add \$6 million for Maui Health System facilities repair, renovations and upgrades, Maui.

Economy

- Add \$15 million for health and safety improvements at Aloha Stadium, O'ahu.

Agriculture

- Add \$1.4 million for health, safety, code and other requirements at Department of Agriculture facilities, statewide.
- Add \$2.3 million for Kahuku Agricultural Park improvements, O'ahu.
- Add \$2.8 million for agricultural infrastructure improvements, statewide.
- Add \$3.6 million for Kekaha ditch irrigation system improvements, Kaua'i.
- Add \$4 million for Waiāhole water system improvements in Kunia, O'ahu.
- Add \$5 million for cash infusion for the Agricultural Loan Revolving Fund, statewide.

Environment

- Add \$8.3 million (\$1.6 million in G.O. bond funds and \$6.5 million in special funds) for watershed protection, initiatives and protective fencing, statewide.
- Add \$4.5 million for flood damage reconstruction at Iao Valley State Monument, Maui.

- Add \$4.4 million for natural hazard mitigation for public safety, statewide.
- Add \$7 million in special funds for land acquisition for forest reserve expansions on O‘ahu and Maui.
- Add \$8.6 million in G.O. bond funds and \$200,000 in federal funds for State Parks infrastructure and facility improvements, statewide.

Native Hawaiians

- Add \$10 million for repairs and maintenance of existing infrastructure for Hawaiian Home Lands, statewide.
- Add \$15 million for Hawaiian Home Lands lot development, statewide.

Transportation

- Add \$76 million in revenue bond funds for Daniel K. Inouye International Airport, EB-5 Loan Repayment, O‘ahu.
- Add \$69 million in revenue bond funds for the federal inspection station at Ellison Onizuka Kona International Airport at Keahole, Hawai‘i.
- Add \$67 million in revenue bond funds for Rental Car Facility improvements, statewide.
- Add \$53 million in other funds (passenger facility charges) for airport improvements, statewide.
- Add \$22.3 million (\$22.3 million in revenue bond funds and \$1,000 in federal funds) for reconstruction of Runway 3-21 at Lana‘i Airport, Lana‘i.

- Add \$20.2 million (\$20.2 million in revenue bond funds and \$2,000 in special funds) for Pier 1 and 2 Improvements at Honolulu Harbor, O‘ahu.
- Add \$19.3 million (\$19.3 million in revenue bond funds and \$2,000 in special funds) for improvement of the Ke‘ehi Industrial Lots at Honolulu Harbor, O‘ahu.
- Add \$17.6 million (\$17.6 million in revenue bond funds and \$2,000 in special funds) for Kahului Harbor improvements, Maui.
- Add \$17 million (\$17 million in revenue bond funds and \$2,000 in special funds) for Kahului Harbor land acquisition and improvements, Maui.
- Add \$176.5 million (\$35.3 million in revenue bond funds and \$141.2 million in federal funds) for major pavement improvements, statewide.
- Add \$73.2 million (\$16.2 million in revenue bond funds and \$57 million in federal funds) for various bridges, statewide.
- Add \$13 million (\$2.6 million in revenue bond funds and \$10.4 million in federal funds) for highway lighting at various locations, O‘ahu.

Taxes

- Add \$16.5 million for the TSM project, statewide.

Public Safety

- Add \$1.6 million for the Hawai‘i State Fusion Center, O‘ahu.
- Add \$1.3 million for the DOD’s Birkhimer Emergency Operating Center Modernization, O‘ahu

- Add \$10 million for PSD's Statewide Facility, ADA and Sustainability Master Plans project.
- Add \$25.8 million for medium security housing at Kaua'i, Hawai'i and Maui Community Correctional Centers.
- Add \$4.7 million for improvements at correctional facilities, statewide.
- Add \$2.5 million for Women's Community Correctional Center to renovate Hookipa Makai Cottage for new women's housing, O'ahu.
- Add \$5 million for site assessment studies for new community correctional centers on Kaua'i and Hawai'i.

WORKING TOGETHER

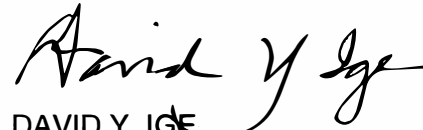
We can do anything if we work together. As individuals, we each have great untapped potential. As a community, that potential grows exponentially.

As we remember the hard work of our parents and grandparents and the sacrifices that they made for us to give us the lives we have today, we can harness that strength and carry it forward. Together with the Legislature and our communities, we have worked diligently to improve State programs and Hawai'i's quality of life and will continue to do so.

We will work collaboratively to find sustainable solutions. We look forward to the future, when our children have the opportunities they deserve and can call Hawai'i home. Our core values – doing the right thing, the right way, for the right reasons – will always guide us.

Let us live each day with purpose. We can all make a difference and impact someone else's life for the better.

Sincerely,



DAVID Y. IGE
Governor of Hawai'i

APPENDIX TO THE GOVERNOR'S MESSAGE

A. THE FY 19 EXECUTIVE SUPPLEMENTAL BUDGET RECOMMENDATIONS

THE OPERATING BUDGET

General Funds

For **FY 18**, there are no proposed general fund adjustments to the operating budget. The current general fund appropriation level is \$7,248.5 million.

For **FY 19**, total proposed general fund adjustments to the operating budget amount to a net increase of \$21.3 million, or 0.3% more than the current appropriation level of \$7,421.6 million. The recommended general fund amount for FY 19 is \$7,442.9 million.

All Means of Financing

For **FY 18**, there are no proposed adjustments to the operating budget. The current appropriation level for all means of financing (MOF) is \$14,110.6 million.

For **FY 19**, total proposed adjustments to the operating budget for all MOF amount to a net increase of \$85.5 million, or 0.6% more than the current appropriation level of \$14,308.9 million for all MOF. The recommended amount for all MOF for FY 19 is \$14,394.3 million.

Breakdowns by MOF are as follows:

Means of Financing	FY 18 Act 49/2017 Appropriation (\$)	FY 18 Proposed Adjustment (\$)	FY 18 Recommended Appropriation (\$)
General Funds	7,248,455,293	.....	7,248,455,293
Special Funds	2,858,578,242	.....	2,858,578,242
Federal Funds	2,763,388,945	.....	2,763,388,945
Other Federal Funds	241,389,838	.....	241,389,838
Private Contributions	738,352	.....	738,352
County Funds	2,209,721	.....	2,209,721
Trust Funds	431,780,888	.....	431,780,888
Interdept. Transfers	102,080,623	.....	102,080,623
Revolving Funds	444,667,505	.....	444,667,505
Other Funds	17,279,607	.....	17,279,607
Total	14,110,569,014	.....	14,110,569,014
Means of Financing	FY 19 Act 49/2017 Appropriation (\$)	FY 19 Proposed Adjustment (\$)	FY 19 Recommended Appropriation (\$)
General Funds	7,421,597,622	21,256,787	7,442,854,409
Special Funds	2,842,844,254	81,854,945	2,924,699,199
Federal Funds	2,818,249,291	12,540,370	2,830,789,661
Other Federal Funds	226,255,940	(24,207,847)	202,048,093
Private Contributions	747,510	.....	747,510
County Funds	2,209,721	.....	2,209,721
Trust Funds	432,113,524	.....	432,113,524
Interdept. Transfers	102,100,099	(6,687,179)	95,412,920
Revolving Funds	446,796,181	(1,260,390)	445,535,791
Other Funds	15,945,718	1,965,760	17,911,478
Total	14,308,859,860	85,462,446	14,394,322,306

The distribution by department and the significant changes in the Operating Supplemental Budget by department are presented in the sections that follow.

THE CAPITAL IMPROVEMENT PROGRAM BUDGET

General Funds

For **FY 18**, there are no proposed capital improvement program (CIP) adjustments for general funds. The current general fund appropriation level is \$10.5 million.

For **FY 19**, total proposed CIP adjustments for general funds amount to an increase of \$0.5 million, or 4% more than the current general fund appropriation level of \$10.8 million. The recommended general fund amount for FY 19 is \$11.2 million.

General Obligation Bond Funds

For **FY 18**, there are no proposed CIP adjustments for general obligation (G.O.) bond funds. The current G.O. bond fund appropriation level is \$1,028 million.

For **FY 19**, total proposed CIP adjustments for G.O. bond funds amount to a net increase of \$620 million, or 1,254% more than the current G.O. bond appropriation level of \$49.4 million. The recommended G.O. bond amount for FY 19 is \$669.5 million.

All Means of Financing

For **FY 18**, there are no proposed CIP adjustments for all MOF. The current appropriation level for all MOF is \$2,289.7 million.

For **FY 19**, total proposed CIP adjustments amount to a net increase of \$1,497.4 million, or 215% of the current level for all MOF of \$695.2 million. The recommended amount for all MOF for FY 19 is \$2,192.5 million.

Breakdowns by MOF are as follows:

Means of Financing	FY 18 Act 49/2017 Appropriation (\$)	FY 18 Proposed Adjustment (\$)	FY 18 Recommended Appropriation (\$)
General Funds	10,477,000	.....	10,477,000
Special Funds	50,700,000	.....	50,700,000
G.O. Bonds	1,027,951,000	.....	1,027,951,000
G.O. Reimbursable	.....	.....	.....
Revenue Bonds	794,537,000	.....	794,537,000
Federal Funds	369,663,000	.....	369,663,000
Other Federal Funds	11,092,000	.....	11,092,000
Private Contributions	5,000,000	.....	5,000,000
County Funds	1,000,000	.....	1,000,000
Trust Funds	.....	.....	.....
Interdept. Transfers	.....	.....	.....
Revolving Funds	.....	.....	.....
Other Funds	<u>19,325,000</u>	<u>.....</u>	<u>19,325,000</u>
Total	2,289,745,000	.....	2,289,745,000

Means of Financing	FY 19 Act 49/2017 Appropriation (\$)	FY 19 Proposed Adjustment (\$)	FY 19 Recommended Appropriation (\$)
General Funds	10,783,000	452,000	11,235,000
Special Funds	93,513,000	(26,980,000)	66,533,000
G.O. Bonds	49,445,000	620,048,000	669,493,000
G.O. Reimbursable	.....	.....	.....
Revenue Bonds	270,777,000	570,237,000	841,014,000
Federal Funds	219,744,000	275,615,000	495,359,000
Other Federal Funds	11,972,000	.....	11,972,000
Private Contributions	9,651,000	5,003,000	14,654,000
County Funds	.....	.....	.....
Trust Funds	1,150,000	.....	1,150,000
Interdept. Transfers	.....	.....	.....
Revolving Funds	.....	.....	.....
Other Funds	<u>28,125,000</u>	<u>53,000,000</u>	<u>81,125,000</u>
Total	695,160,000	1,497,375,000	2,192,535,000

The distribution by department and the highlights of the CIP program by department are presented in the sections that follow.

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 State Constitution and Section 37-92 of the Hawai'i Revised Statutes.

At the aggregate level that includes all branches of government, the total proposed appropriations from the general fund are within the expenditure ceilings for both FY 18 and FY 19.

For the Executive Branch, total appropriations from the general fund (which include appropriations from the 2017 Legislature and the first special session) are within the appropriation ceiling for the Executive Branch for FY 18, but has already exceeded the appropriation ceiling for FY 19 by \$15.2 million (or 0.2%). Total proposed appropriation measures from the general fund to be submitted to the Legislature during the regular session of 2018 (which include FY 18 emergency appropriations, the Supplemental Budget for FY 19 and other specific appropriation measures for FY 19) are within the appropriation ceiling for FY 18 but will exceed the appropriation ceiling by \$36.7 million (or 0.5%) in FY 19. The reasons for this excess are the substantial costs of social assistance entitlements, support for public education, fringe benefits and other critical requirements.

C. TAX REFUND OR CREDIT AND DEPOSIT TO THE EMERGENCY AND BUDGET RESERVE FUND

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 exceeds 5% of general fund revenues for each of the two fiscal years, the Legislature must provide for a tax refund or tax credit to the taxpayers of the State or make a deposit into one or more emergency funds, as provided by law.

Section 328L-3, HRS, provides that whenever general fund revenues for each of two successive fiscal years exceeds revenues for each of the preceding fiscal years by 5%, 5% of the general fund balance shall be deposited into the Emergency and Budget Reserve Fund (EBRF).

For FYs 16 and 17, general fund balances were greater than 5% of general fund revenues. FY 16 general fund revenues exceeded the previous year's revenues by 5% or more and FY 17 general fund revenues did not exceed the previous year's revenues by 5%. Accordingly, the 2018 Legislature must provide for a tax refund or tax credit but need not make a deposit into the EBRF.

D. THE DEBT LIMIT

Section 13 of Article VII of the Hawai'i State Constitution places a debt limit on G.O. 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 Supplemental Budget (including State guaranties) will not cause the debt limit to be exceeded at the time of each bond issuance.

BUDGET IN BRIEF
The FY 2019 Executive Supplemental Budget

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The Operating and Capital Budget - Statewide Summaries

MULTI-YEAR FINANCIAL SUMMARY
GENERAL FUND
FISCAL YEARS 17 - 23
(in millions of dollars)

	<u>Actual*</u> <u>FY 17</u>	<u>Estimated</u> <u>FY 18</u>	<u>Estimated</u> <u>FY 19</u>	<u>Estimated</u> <u>FY 20</u>	<u>Estimated</u> <u>FY 21</u>	<u>Estimated</u> <u>FY 22</u>	<u>Estimated</u> <u>FY 23</u>
REVENUES:							
Executive Branch:							
Tax revenues	6,315.2	6,586.8	6,870.0	7,144.8	7,430.6	7,727.8	8,036.9
Nontax revenues	1,003.4	739.5	762.1	805.9	841.6	856.9	873.9
Judicial Branch revenues	33.0	36.5	37.2	37.8	38.3	38.9	39.5
Other revenues	0.0	(33.9)	(6.8)	26.4	28.0	27.0	25.9
TOTAL REVENUES	7,351.6	7,328.9	7,662.5	8,014.8	8,338.5	8,650.7	8,976.3
EXPENDITURES							
Executive Branch:							
Operating	7,036.6	7,248.4	7,442.9	7,789.8	8,028.6	8,214.0	8,402.8
CIP	14.3	10.5	11.2	11.2	11.2	11.2	11.2
Specific appropriation/CB	503.6	112.8	239.5	294.7	352.1	367.6	367.6
Other expenditures/adjustments	0.0	(107.8)	8.1	2.1	2.1	2.1	2.1
Sub-total - Exec Branch	7,554.5	7,263.9	7,701.6	8,097.8	8,394.0	8,594.8	8,783.6
Legislative Branch	41.1	41.1	41.1	41.1	41.1	41.1	41.1
Judicial Branch	162.3	165.7	171.0	171.8	172.0	172.0	172.0
OHA	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Counties	-	-	-	-	-	-	-
Lapses	(275.2)	(80.0)	(80.0)	(80.0)	(80.0)	(80.0)	(80.0)
TOTAL EXPENDITURES	7,485.6	7,393.6	7,836.7	8,233.7	8,530.1	8,730.9	8,919.7
REV. OVER (UNDER) EXPEND.	(134.0)	(64.7)	(174.2)	(218.8)	(191.6)	(80.3)	56.6
CARRY-OVER BALANCE (DEFICIT)							
Beginning	1,027.8	893.8	829.1	654.9	436.0	244.4	164.2
Ending	893.8	829.1	654.9	436.0	244.4	164.2	220.8
GF reserves (5% of prior yr revenues)	354.1	367.6	366.4	383.1	400.7	416.9	432.5
END BAL LESS GF RESERVES	539.7	461.5	288.4	52.9	(156.3)	(252.8)	(211.8)
<i>EBRF (add'l \$1M FY16, \$201.4M FY17)</i>	311.3	319.7	328.3	336.8	345.3	353.8	362.3
<i>EBRF fund balance as % of prior yr revenues</i>	4.40%	4.35%	4.48%	4.40%	4.31%	4.24%	4.19%

* unaudited

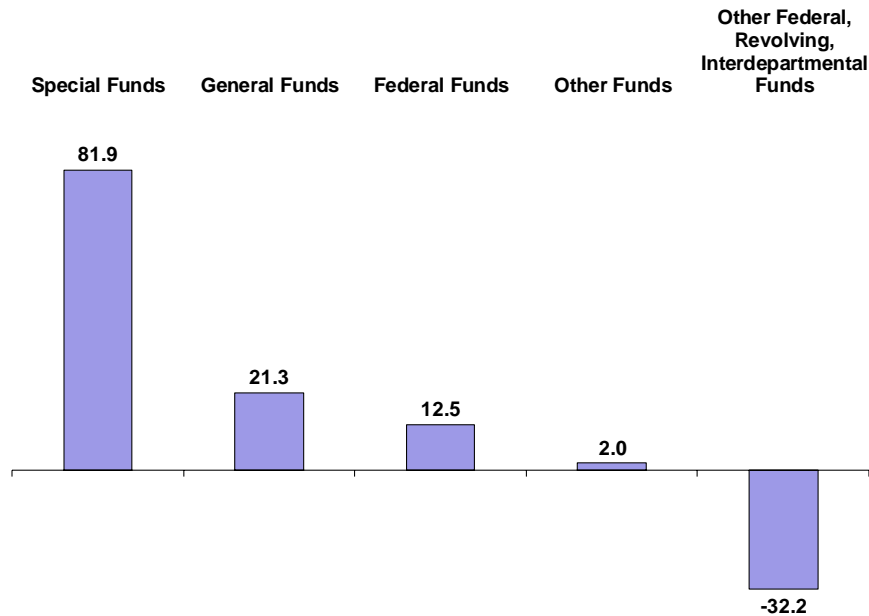
Note: Due to rounding, details may not add to totals.

**FY 19 Supplemental Operating Budget
Statewide Totals by Means of Financing**

		Act 49/2017 FY 2018	% of Total	Act 49/2017 FY 2019	% of Total	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	% of Total	Total FY 2019	% of Total
	perm	35,469.26		35,461.26		-	305.25	35,469.26		35,766.51	
	temp	2,862.86		2,865.86		-	(70.21)	2,862.86		2,795.65	
General Funds	\$	7,248,455,293	51.4%	7,421,597,622	51.9%	-	21,256,787	7,248,455,293	51.4%	7,442,854,409	51.7%
	perm	7,000.68		7,001.68		-	65.00	7,000.68		7,066.68	
	temp	217.25		217.25		-	(1.00)	217.25		216.25	
Special Funds	\$	2,858,578,242	20.3%	2,842,844,254	19.9%	-	81,854,945	2,858,578,242	20.3%	2,924,699,199	20.3%
	perm	2,516.91		2,516.91		-	(51.45)	2,516.91		2,465.46	
	temp	380.87		380.87		-	13.05	380.87		393.92	
Federal Funds	\$	2,763,388,945	19.6%	2,818,249,291	19.7%	-	12,540,370	2,763,388,945	19.6%	2,830,789,661	19.7%
	perm	415.48		415.48		-	(1.25)	415.48		414.23	
	temp	324.94		318.94		-	2.45	324.94		321.39	
Other Federal Funds	\$	241,389,838	1.7%	226,255,940	1.6%	-	(24,207,847)	241,389,838	1.7%	202,048,093	1.4%
	perm	-		-		-	-	-		-	
	temp	-		-		-	-	-		-	
Private Contributions	\$	738,352	0.0%	747,510	0.0%	-	-	738,352	0.0%	747,510	0.0%
	perm	20.00		20.00		-	-	20.00		20.00	
	temp	3.00		3.00		-	-	3.00		3.00	
County Funds	\$	2,209,721	0.0%	2,209,721	0.0%	-	-	2,209,721	0.0%	2,209,721	0.0%
	perm	87.00		88.00		-	-	87.00		88.00	
	temp	12.00		12.00		-	-	12.00		12.00	
Trust Funds	\$	431,780,888	3.1%	432,113,524	3.0%	-	-	431,780,888	3.1%	432,113,524	3.0%
	perm	234.61		234.61		-	(60.05)	234.61		174.56	
	temp	58.50		58.50		-	2.00	58.50		60.50	
Interdepartmental Transfers	\$	102,080,623	0.7%	102,100,099	0.7%	-	(6,687,179)	102,080,623	0.7%	95,412,920	0.7%
	perm	317.65		336.65		-	(16.00)	317.65		320.65	
	temp	136.50		136.50		-	0.25	136.50		136.75	
Revolving Funds	\$	444,667,505	3.2%	446,796,181	3.1%	-	(1,260,390)	444,667,505	3.2%	445,535,791	3.1%
	perm	107.00		107.00		-	1.00	107.00		108.00	
	temp	-		-		-	-	-		-	
Other Funds	\$	17,279,607	0.1%	15,945,718	0.1%	-	1,965,760	17,279,607	0.1%	17,911,478	0.1%
	perm	46,168.59		46,181.59		-	242.50	46,168.59		46,424.09	
	temp	3,995.92		3,992.92		-	(53.46)	3,995.92		3,939.46	
TOTAL REQUIREMENTS	\$	14,110,569,014	100.0%	14,308,859,860	100.0%	-	85,462,446	14,110,569,014	100.0%	14,394,322,306	100.0%

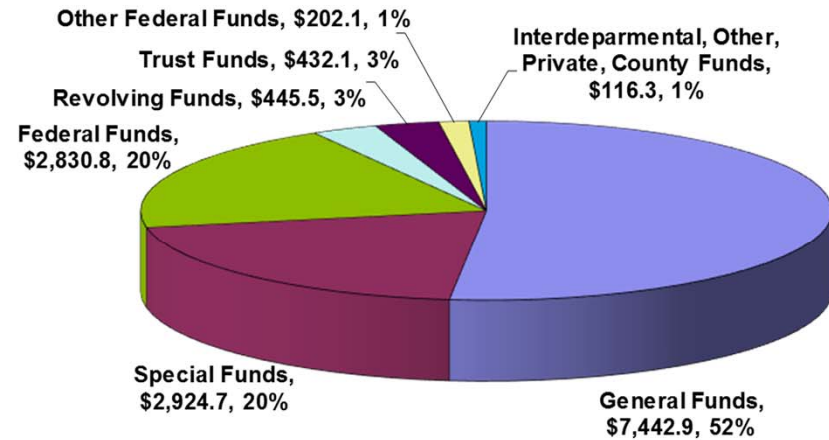
FY 19 Supplemental Operating Budget Statewide Totals by Means of Financing

FY 2019 Supplemental Budget Adjustments



Total \$85.5 M

FY 2019 Supplemental Budget



Total \$14.4 B

**FY 19 Supplemental Operating Budget
Statewide Totals By Department - All Funds**

		Act 49/2017 FY 2018	% of Total	Act 49/2017 FY 2019	% of Total	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	% of Total	Total FY 2019	% of Total
	perm	735.00		735.00		-	2.00	735.00		737.00	
	temp	34.44		37.44		-	3.00	34.44		40.44	
Accounting and General Services	\$	211,291,434	1.5%	203,656,331	1.4%	-	1,279,242	211,291,434	1.5%	204,935,573	1.4%
	perm	338.00		339.00		-	-	338.00		339.00	
	temp	33.25		33.25		-	2.25	33.25		35.50	
Agriculture	\$	53,986,832	0.4%	51,907,866	0.4%	-	882,592	53,986,832	0.4%	52,790,458	0.4%
	perm	669.78		669.78		-	10.00	669.78		679.78	
	temp	72.47		72.47		-	(3.75)	72.47		68.72	
Attorney General	\$	103,647,780	0.7%	98,032,256	0.7%	-	4,122,871	103,647,780	0.7%	102,155,127	0.7%
	perm	168.00		168.00		-	(2.00)	168.00		166.00	
	temp	157.96		157.96		-	2.04	157.96		160.00	
Business, Econ. Dev. & Tourism	\$	275,314,827	2.0%	270,315,915	1.9%	-	3,719,280	275,314,827	2.0%	274,035,195	1.9%
	perm	373.50		374.50		-	2.00	373.50		376.50	
	temp	2.00		2.00		-	(2.00)	2.00		-	
Budget and Finance	\$	2,636,310,187	18.7%	2,858,486,587	20.0%	-	(116,254,405)	2,636,310,187	18.7%	2,742,232,182	19.1%
	perm	500.00		500.00		-	2.00	500.00		502.00	
	temp	38.00		38.00		-	2.00	38.00		40.00	
Commerce and Consumer Affairs	\$	82,281,351	0.6%	81,731,874	0.6%	-	1,360,396	82,281,351	0.6%	83,092,270	0.6%
	perm	262.00		262.00		-	5.00	262.00		267.00	
	temp	205.00		205.00		-	4.00	205.00		209.00	
Defense	\$	134,062,823	1.0%	131,175,724	0.9%	-	(25,794,930)	134,062,823	1.0%	105,380,794	0.7%
	perm	20,154.25		20,164.25		-	40.00	20,154.25		20,204.25	
	temp	2,167.00		2,167.00		-	-	2,167.00		2,167.00	
Education	\$	1,983,252,948	14.1%	1,975,103,175	13.8%	-	24,245,016	1,983,252,948	14.1%	1,999,348,191	13.9%
	perm	18.00		18.00		-	1.00	18.00		19.00	
	temp	-		-		-	-	-		-	
Charter Schools	\$	89,055,156	0.6%	89,926,493	0.6%	-	2,598,199	89,055,156	0.6%	92,524,692	0.6%
	perm	558.00		558.00		-	3.50	558.00		561.50	
	temp	1.00		1.00		-	-	1.00		1.00	
Public Libraries	\$	40,690,912	0.3%	40,241,504	0.3%	-	1,103,656	40,690,912	0.3%	41,345,160	0.3%
	perm	23.00		23.00		-	-	23.00		23.00	
	temp	22.00		22.00		-	-	22.00		22.00	
Governor	\$	3,462,635	0.0%	3,462,635	0.0%	-	892,285	3,462,635	0.0%	4,354,920	0.0%
	perm	204.00		204.00		-	-	204.00		204.00	
	temp	2.00		2.00		-	-	2.00		2.00	
Hawaiian Home Lands	\$	57,004,500	0.4%	57,004,500	0.4%	-	-	57,004,500	0.4%	57,004,500	0.4%
	perm	2,689.12		2,689.12		-	(9.00)	2,689.12		2,680.12	
	temp	579.55		573.55		-	(27.00)	579.55		546.55	
Health	\$	1,096,848,366	7.8%	1,046,616,472	7.3%	-	9,888,996	1,096,848,366	7.8%	1,056,505,468	7.3%
	perm	2,835.25		2,835.25		-	-	2,835.25		2,835.25	
	temp	-		-		-	-	-		-	
Health - HHSC	\$	732,159,844	5.2%	693,539,844	4.8%	-	40,010,969	732,159,844	5.2%	733,550,813	5.1%

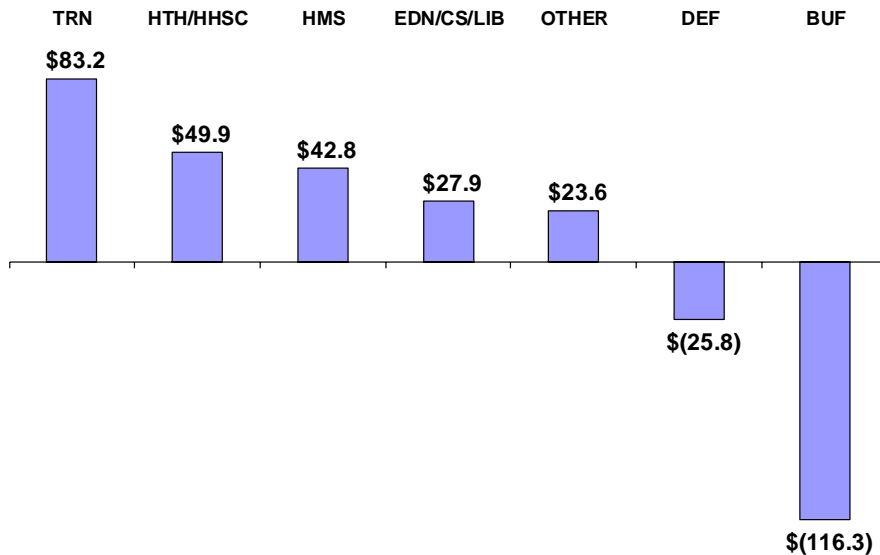
**FY 19 Supplemental Operating Budget
Statewide Totals By Department - All Funds**

		Act 49/2017 FY 2018	% of Total	Act 49/2017 FY 2019	% of Total	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	% of Total	Total FY 2019	% of Total
	perm	98.00		98.00		-	-	98.00		98.00	
	temp	-		-		-	-	-		-	
Human Resources Development	\$	25,289,778	0.2%	25,438,698	0.2%	-	101,080	25,289,778	0.2%	25,539,778	0.2%
	perm	2,295.75		2,295.75		-	3.00	2,295.75		2,298.75	
	temp	122.00		122.00		-	-	122.00		122.00	
Human Services	\$	3,459,410,944	24.5%	3,586,947,888	25.1%	-	42,816,806	3,459,410,944	24.5%	3,629,764,694	25.2%
	perm	630.55		630.55		-	-	630.55		630.55	
	temp	86.50		86.50		-	-	86.50		86.50	
Labor and Industrial Relations	\$	472,713,927	3.4%	473,439,354	3.3%	-	(3,389,642)	472,713,927	3.4%	470,049,712	3.3%
	perm	857.00		857.00		-	70.50	857.00		927.50	
	temp	122.00		122.00		-	(28.00)	122.00		94.00	
Land and Natural Resources	\$	163,761,887	1.2%	150,522,970	1.1%	-	7,624,643	163,761,887	1.2%	158,147,613	1.1%
	perm	3.00		3.00		-	-	3.00		3.00	
	temp	11.00		11.00		-	-	11.00		11.00	
Lieutenant Governor	\$	1,061,626	0.0%	1,061,626	0.0%	-	-	1,061,626	0.0%	1,061,626	0.0%
	perm	2,718.60		2,718.60		-	(47.00)	2,718.60		2,671.60	
	temp	46.00		46.00		-	-	46.00		46.00	
Public Safety	\$	280,617,035	2.0%	275,543,425	1.9%	-	171,215	280,617,035	2.0%	275,714,640	1.9%
	perm	-		-		-	-	-		-	
	temp	-		-		-	-	-		-	
Subsidies	\$	942,000	0.0%	942,000	0.0%	-	-	942,000	0.0%	942,000	0.0%
	perm	386.00		386.00		-	17.00	386.00		403.00	
	temp	144.00		144.00		-	(12.00)	144.00		132.00	
Taxation	\$	28,365,869	0.2%	28,240,869	0.2%	-	153,911	28,365,869	0.2%	28,394,780	0.2%
	perm	2,311.50		2,312.50		-	96.50	2,311.50		2,409.00	
	temp	17.00		17.00		-	(4.00)	17.00		13.00	
Transportation	\$	1,008,260,491	7.1%	994,790,992	7.0%	-	83,230,266	1,008,260,491	7.1%	1,078,021,258	7.5%
	perm	7,340.29		7,340.29		-	48.00	7,340.29		7,388.29	
	temp	132.75		132.75		-	10.00	132.75		142.75	
University of Hawaii	\$	1,170,775,862	8.3%	1,170,730,862	8.2%	-	6,700,000	1,170,775,862	8.3%	1,177,430,862	8.2%
	perm	46,168.59		46,181.59		-	242.50	46,168.59		46,424.09	
	temp	3,995.92		3,992.92		-	(53.46)	3,995.92		3,939.46	
TOTAL REQUIREMENTS	\$	14,110,569,014	100.0%	14,308,859,860	100.0%	-	85,462,446	14,110,569,014	100.0%	14,394,322,306	100.0%

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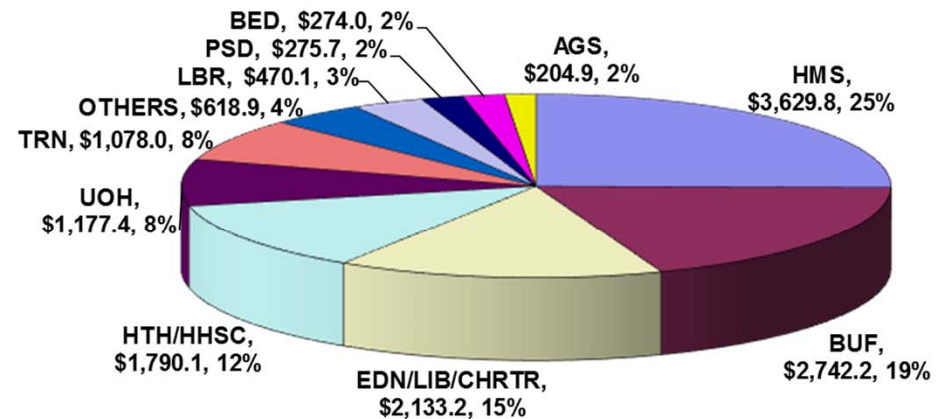
FY 19 Supplemental Operating Budget Statewide Totals by Department - All Funds

**FY 2019
Supplemental Budget
Adjustments**



Total \$85.5 M

**FY 2019
Supplemental Budget**



Total \$14.4 B

**FY 19 Supplemental Operating Budget
Statewide Totals By Department - General Funds**

		Act 49/2017 FY 2018	% of Total	Act 49/2017 FY 2019	% of Total	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	% of Total	Total FY 2019	% of Total
	perm	573.50		573.50		-	2.00	573.50		575.50	
	temp	26.44		29.44		-	3.00	26.44		32.44	
Accounting and General Services	\$	100,969,449	1.4%	101,134,346	1.4%	-	1,014,242	100,969,449	1.4%	102,148,588	1.4%
	perm	187.68		188.68		-	1.00	187.68		189.68	
	temp	1.00		1.00		-	(1.00)	1.00		-	
Agriculture	\$	17,137,941	0.2%	15,140,329	0.2%	-	-	17,137,941	0.2%	15,140,329	0.2%
	perm	341.11		341.11		-	8.05	341.11		349.16	
	temp	23.86		23.86		-	-	23.86		23.86	
Attorney General	\$	36,270,581	0.5%	30,830,581	0.4%	-	4,086,371	36,270,581	0.5%	34,916,952	0.5%
	perm	101.50		82.50		-	19.00	101.50		101.50	
	temp	8.71		8.71		-	(0.96)	8.71		7.75	
Business, Econ. Dev. & Tourism	\$	15,801,673	0.2%	10,258,761	0.1%	-	4,566,362	15,801,673	0.2%	14,825,123	0.2%
	perm	198.50		198.50		-	2.00	198.50		200.50	
	temp	2.00		2.00		-	(2.00)	2.00		-	
Budget and Finance	\$	2,588,691,812	35.7%	2,812,009,656	37.9%	-	(118,016,047)	2,588,691,812	35.7%	2,693,993,609	36.2%
	perm	-		-		-	-	-		-	
	temp	-		-		-	-	-		-	
Commerce and Consumer Affairs	\$	-	0.0%	-	0.0%	-	-	-	0.0%	-	0.0%
	perm	160.35		160.35		-	1.65	160.35		162.00	
	temp	68.25		68.25		-	1.25	68.25		69.50	
Defense	\$	20,390,140	0.3%	19,262,141	0.3%	-	1,890,583	20,390,140	0.3%	21,152,724	0.3%
	perm	19,403.75		19,413.75		-	40.00	19,403.75		19,453.75	
	temp	2,007.50		2,007.50		-	-	2,007.50		2,007.50	
Education	\$	1,610,321,050	22.2%	1,604,971,277	21.6%	-	24,245,016	1,610,321,050	22.2%	1,629,216,293	21.9%
	perm	16.12		16.12		-	1.00	16.12		17.12	
	temp	-		-		-	-	-		-	
Charter Schools	\$	86,747,456	1.2%	87,618,793	1.2%	-	2,598,199	86,747,456	1.2%	90,216,992	1.2%
	perm	558.00		558.00		-	3.50	558.00		561.50	
	temp	1.00		1.00		-	-	1.00		1.00	
Public Libraries	\$	35,325,668	0.5%	34,876,260	0.5%	-	1,103,656	35,325,668	0.5%	35,979,916	0.5%
	perm	23.00		23.00		-	-	23.00		23.00	
	temp	22.00		22.00		-	-	22.00		22.00	
Governor	\$	3,462,635	0.0%	3,462,635	0.0%	-	892,285	3,462,635	0.0%	4,354,920	0.1%
	perm	200.00		200.00		-	-	200.00		200.00	
	temp	-		-		-	-	-		-	
Hawaiian Home Lands	\$	25,120,730	0.3%	25,120,730	0.3%	-	-	25,120,730	0.3%	25,120,730	0.3%
	perm	97.00		97.00		-	-	97.00		97.00	
	temp	-		-		-	-	-		-	
Human Resources Development	\$	19,528,497	0.3%	19,677,417	0.3%	-	101,080	19,528,497	0.3%	19,778,497	0.3%

**FY 19 Supplemental Operating Budget
Statewide Totals By Department - General Funds**

		Act 49/2017 FY 2018	% of Total	Act 49/2017 FY 2019	% of Total	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	% of Total	Total FY 2019	% of Total
	perm	1,135.15		1,135.15		-	1.95	1,135.15		1,137.10	
	temp	19.43		19.43		-	-	19.43		19.43	
Human Services	\$	1,227,409,986	16.9%	1,248,648,444	16.8%	-	29,749,984	1,227,409,986	16.9%	1,278,398,428	17.2%
	perm	2,175.16		2,175.16		-	49.10	2,175.16		2,224.26	
	temp	325.30		325.30		-	(42.50)	325.30		282.80	
Health	\$	475,118,321	6.6%	468,952,646	6.3%	-	13,095,653	475,118,321	6.6%	482,048,299	6.5%
	perm	-		-		-	-	-		-	
	temp	-		-		-	-	-		-	
Health - HHSC	\$	146,121,003	2.0%	107,501,003	1.4%	-	40,010,969	146,121,003	2.0%	147,511,972	2.0%
	perm	188.11		188.11		-	-	188.11		188.11	
	temp	14.12		14.12		-	-	14.12		14.12	
Labor and Industrial Relations	\$	18,851,103	0.3%	19,510,939	0.3%	-	47,903	18,851,103	0.3%	19,558,842	0.3%
	perm	475.00		475.00		-	56.00	475.00		531.00	
	temp	76.00		76.00		-	(25.00)	76.00		51.00	
Land and Natural Resources	\$	57,393,925	0.8%	56,071,951	0.8%	-	2,299,025	57,393,925	0.8%	58,370,976	0.8%
	perm	3.00		3.00		-	-	3.00		3.00	
	temp	11.00		11.00		-	-	11.00		11.00	
Lieutenant Governor	\$	1,061,626	0.0%	1,061,626	0.0%	-	-	1,061,626	0.0%	1,061,626	0.0%
	perm	2,641.60		2,641.60		-	12.00	2,641.60		2,653.60	
	temp	-		-		-	-	-		-	
Public Safety	\$	256,739,033	3.5%	251,665,423	3.4%	-	6,760,680	256,739,033	3.5%	258,426,103	3.5%
	perm	-		-		-	-	-		-	
	temp	-		-		-	-	-		-	
Subsidies	\$	942,000	0.0%	942,000	0.0%	-	-	942,000	0.0%	942,000	0.0%
	perm	386.00		386.00		-	17.00	386.00		403.00	
	temp	137.00		137.00		-	(13.00)	137.00		124.00	
Taxation	\$	27,293,200	0.4%	27,168,200	0.4%	-	110,826	27,293,200	0.4%	27,279,026	0.4%
	perm	-		-		-	-	-		-	
	temp	-		-		-	-	-		-	
Transportation	\$	2,000,000	0.0%	-	0.0%	-	-	2,000,000	0.0%	-	0.0%
	perm	6,604.73		6,604.73		-	91.00	6,604.73		6,695.73	
	temp	119.25		119.25		-	10.00	119.25		129.25	
University of Hawaii	\$	475,757,464	6.6%	475,712,464	6.4%	-	6,700,000	475,757,464	6.6%	482,412,464	6.5%
	perm	35,469.26		35,461.26		-	305.25	35,469.26		35,766.51	
	temp	2,862.86		2,865.86		-	(70.21)	2,862.86		2,795.65	
TOTAL REQUIREMENTS	\$	7,248,455,293	100.0%	7,421,597,622	100.0%	-	21,256,787	7,248,455,293	100.0%	7,442,854,409	100.0%

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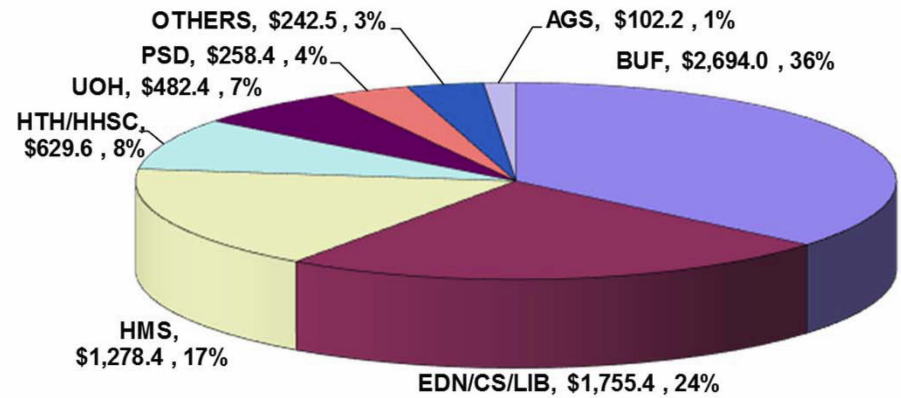
FY 19 Supplemental Operating Budget Statewide Totals by Department - General Fund

**FY 2019
Supplemental Budget
Adjustments**



Total \$21.3 M

**FY 2019
Supplemental Budget**



Total \$7.4 B

FY 18 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	573.50	65.50	5.00	-	-	-	-	42.00	49.00	-	735.00
	Temp	26.44	6.00	1.00	-	-	-	1.00	-	-	-	34.44
Accounting & General Services	Total	599.94	71.50	6.00	-	-	-	1.00	42.00	49.00	-	769.44
	Perm	187.68	129.82	-	2.00	-	-	-	-	18.50	-	338.00
	Temp	1.00	1.25	-	9.00	-	-	-	-	22.00	-	33.25
Agriculture	Total	188.68	131.07	-	11.00	-	-	-	-	40.50	-	371.25
	Perm	341.11	24.60	5.20	157.86	-	-	-	112.61	28.40	-	669.78
	Temp	23.86	-	10.95	8.16	-	-	-	28.50	1.00	-	72.47
Attorney General	Total	364.97	24.60	16.15	166.02	-	-	-	141.11	29.40	-	742.25
	Perm	101.50	28.50	5.00	-	-	-	-	-	33.00	-	168.00
	Temp	8.71	88.25	6.00	9.00	-	-	-	-	46.00	-	157.96
Business, Econ. Dev. & Tourism	Total	110.21	116.75	11.00	9.00	-	-	-	-	79.00	-	325.96
	Perm	198.50	-	-	-	-	-	67.00	1.00	-	107.00	373.50
	Temp	2.00	-	-	-	-	-	-	-	-	-	2.00
Budget and Finance	Total	200.50	-	-	-	-	-	67.00	1.00	-	107.00	375.50
	Perm	-	492.00	-	-	-	-	8.00	-	-	-	500.00
	Temp	-	29.00	-	4.00	-	-	5.00	-	-	-	38.00
Commerce & Consumer Affairs	Total	-	521.00	-	4.00	-	-	13.00	-	-	-	538.00
	Perm	160.35	-	9.50	92.15	-	-	-	-	-	-	262.00
	Temp	68.25	-	14.00	122.75	-	-	-	-	-	-	205.00
Defense	Total	228.60	-	23.50	214.90	-	-	-	-	-	-	467.00
	Perm	19,403.75	22.00	720.50	-	-	-	-	-	8.00	-	20,154.25
	Temp	2,007.50	-	156.50	1.00	-	-	-	-	2.00	-	2,167.00
Education	Total	21,411.25	22.00	877.00	1.00	-	-	-	-	10.00	-	22,321.25
	Perm	16.12	-	1.88	-	-	-	-	-	-	-	18.00
	Temp	-	-	-	-	-	-	-	-	-	-	-
Charter Schools	Total	16.12	-	1.88	-	-	-	-	-	-	-	18.00
	Perm	558.00	-	-	-	-	-	-	-	-	-	558.00
	Temp	1.00	-	-	-	-	-	-	-	-	-	1.00
Public Libraries	Total	559.00	-	-	-	-	-	-	-	-	-	559.00
	Perm	23.00	-	-	-	-	-	-	-	-	-	23.00
	Temp	22.00	-	-	-	-	-	-	-	-	-	22.00
Governor	Total	45.00	-	-	-	-	-	-	-	-	-	45.00
	Perm	200.00	-	4.00	-	-	-	-	-	-	-	204.00
	Temp	-	-	2.00	-	-	-	-	-	-	-	2.00
Hawaiian Home Lands	Total	200.00	-	6.00	-	-	-	-	-	-	-	206.00
	Perm	1,135.15	0.56	1,088.04	-	-	-	-	-	72.00	-	2,295.75
	Temp	19.43	-	82.57	-	-	-	-	-	20.00	-	122.00
Human Services	Total	1,154.58	0.56	1,170.61	-	-	-	-	-	92.00	-	2,417.75

FY 18 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	97.00	-	-	-	-	-	-	1.00	-	-	98.00
	Temp	-	-	-	-	-	-	-	-	-	-	-
Human Resources Development	Total	97.00	-	-	-	-	-	-	1.00	-	-	98.00
	Perm	2,175.16	129.50	251.86	80.60	-	-	-	7.00	45.00	-	2,689.12
	Temp	325.30	34.00	68.10	149.15	-	-	-	3.00	-	-	579.55
Health	Total	2,500.46	163.50	319.96	229.75	-	-	-	10.00	45.00	-	3,268.67
	Perm	-	2,835.25	-	-	-	-	-	-	-	-	2,835.25
	Temp	-	-	-	-	-	-	-	-	-	-	-
Health - HHSC	Total	-	2,835.25	-	-	-	-	-	-	-	-	2,835.25
	Perm	188.11	22.00	303.87	73.57	-	20.00	11.00	12.00	-	-	630.55
	Temp	14.12	22.00	17.00	7.88	-	-	5.00	20.00	0.50	-	86.50
Labor and Industrial Relations	Total	202.23	44.00	320.87	81.45	-	20.00	16.00	32.00	0.50	-	717.05
	Perm	475.00	340.00	32.50	8.50	-	-	1.00	-	-	-	857.00
	Temp	76.00	4.25	17.75	13.00	-	-	1.00	7.00	3.00	-	122.00
Land and Natural Resources	Total	551.00	344.25	50.25	21.50	-	-	2.00	7.00	3.00	-	979.00
	Perm	3.00	-	-	-	-	-	-	-	-	-	3.00
	Temp	11.00	-	-	-	-	-	-	-	-	-	11.00
Lieutenant Governor	Total	14.00	-	-	-	-	-	-	-	-	-	14.00
	Perm	2,641.60	8.00	-	-	-	-	-	59.00	10.00	-	2,718.60
	Temp	-	-	-	1.00	-	3.00	-	-	42.00	-	46.00
Public Safety	Total	2,641.60	8.00	-	1.00	-	3.00	-	59.00	52.00	-	2,764.60
	Perm	-	-	-	-	-	-	-	-	-	-	-
	Temp	-	-	-	-	-	-	-	-	-	-	-
Subsidies	Total	-	-	-	-	-	-	-	-	-	-	-
	Perm	386.00	-	-	-	-	-	-	-	-	-	386.00
	Temp	137.00	7.00	-	-	-	-	-	-	-	-	144.00
Taxation	Total	523.00	7.00	-	-	-	-	-	-	-	-	530.00
	Perm	-	2,303.70	7.00	0.80	-	-	-	-	-	-	2,311.50
	Temp	-	16.00	1.00	-	-	-	-	-	-	-	17.00
Transportation	Total	-	2,319.70	8.00	0.80	-	-	-	-	-	-	2,328.50
	Perm	6,604.73	599.25	82.56	-	-	-	-	-	53.75	-	7,340.29
	Temp	119.25	9.50	4.00	-	-	-	-	-	-	-	132.75
University of Hawaii	Total	6,723.98	608.75	86.56	-	-	-	-	-	53.75	-	7,473.04
	Perm	35,469.26	7,000.68	2,516.91	415.48	-	20.00	87.00	234.61	317.65	107.00	46,168.59
	Temp	2,862.86	217.25	380.87	324.94	-	3.00	12.00	58.50	136.50	-	3,995.92
TOTAL POSITION CEILING	Total	38,332.12	7,217.93	2,897.78	740.42	-	23.00	99.00	293.11	454.15	107.00	50,164.51

FY 19 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	575.50	65.50	5.00	-	-	-	-	42.00	49.00	-	737.00
	Temp	32.44	6.00	1.00	-	-	-	1.00	-	-	-	40.44
Accounting & General Services	Total	607.94	71.50	6.00	-	-	-	1.00	42.00	49.00	-	777.44
	Perm	189.68	128.82	-	2.00	-	-	-	-	18.50	-	339.00
	Temp	-	1.25	-	9.00	-	-	-	-	25.25	-	35.50
Agriculture	Total	189.68	130.07	-	11.00	-	-	-	-	43.75	-	374.50
	Perm	349.16	24.60	5.20	157.86	-	-	-	114.56	28.40	-	679.78
	Temp	23.86	-	7.20	8.16	-	-	-	28.50	1.00	-	68.72
Attorney General	Total	373.02	24.60	12.40	166.02	-	-	-	143.06	29.40	-	748.50
	Perm	101.50	26.50	5.00	-	-	-	-	-	33.00	-	166.00
	Temp	7.75	90.25	7.00	9.00	-	-	-	-	46.00	-	160.00
Business, Econ. Dev. & Tourism	Total	109.25	116.75	12.00	9.00	-	-	-	-	79.00	-	326.00
	Perm	200.50	-	-	-	-	-	68.00	-	-	108.00	376.50
	Temp	-	-	-	-	-	-	-	-	-	-	-
Budget and Finance	Total	200.50	-	-	-	-	-	68.00	-	-	108.00	376.50
	Perm	-	494.00	-	-	-	-	8.00	-	-	-	502.00
	Temp	-	29.00	-	6.00	-	-	5.00	-	-	-	40.00
Commerce & Consumer Affairs	Total	-	523.00	-	6.00	-	-	13.00	-	-	-	542.00
	Perm	162.00	-	9.50	95.50	-	-	-	-	-	-	267.00
	Temp	69.50	-	14.00	123.50	-	-	-	2.00	-	-	209.00
Defense	Total	231.50	-	23.50	219.00	-	-	-	2.00	-	-	476.00
	Perm	19,453.75	22.00	720.50	-	-	-	-	-	8.00	-	20,204.25
	Temp	2,007.50	-	156.50	1.00	-	-	-	-	2.00	-	2,167.00
Education	Total	21,461.25	22.00	877.00	1.00	-	-	-	-	10.00	-	22,371.25
	Perm	17.12	-	1.88	-	-	-	-	-	-	-	19.00
	Temp	-	-	-	-	-	-	-	-	-	-	-
Charter Schools	Total	17.12	-	1.88	-	-	-	-	-	-	-	19.00
	Perm	561.50	-	-	-	-	-	-	-	-	-	561.50
	Temp	1.00	-	-	-	-	-	-	-	-	-	1.00
Public Libraries	Total	562.50	-	-	-	-	-	-	-	-	-	562.50
	Perm	23.00	-	-	-	-	-	-	-	-	-	23.00
	Temp	22.00	-	-	-	-	-	-	-	-	-	22.00
Governor	Total	45.00	-	-	-	-	-	-	-	-	-	45.00
	Perm	200.00	-	4.00	-	-	-	-	-	-	-	204.00
	Temp	-	-	2.00	-	-	-	-	-	-	-	2.00
Hawaiian Home Lands	Total	200.00	-	6.00	-	-	-	-	-	-	-	206.00
	Perm	1,137.10	0.56	1,089.09	-	-	-	-	-	72.00	-	2,298.75
	Temp	19.43	-	82.57	-	-	-	-	-	20.00	-	122.00
Human Services	Total	1,156.53	0.56	1,171.66	-	-	-	-	-	92.00	-	2,420.75

FY 19 Operating Budget
Statewide Position Ceiling Totals By Department By Means of Financing

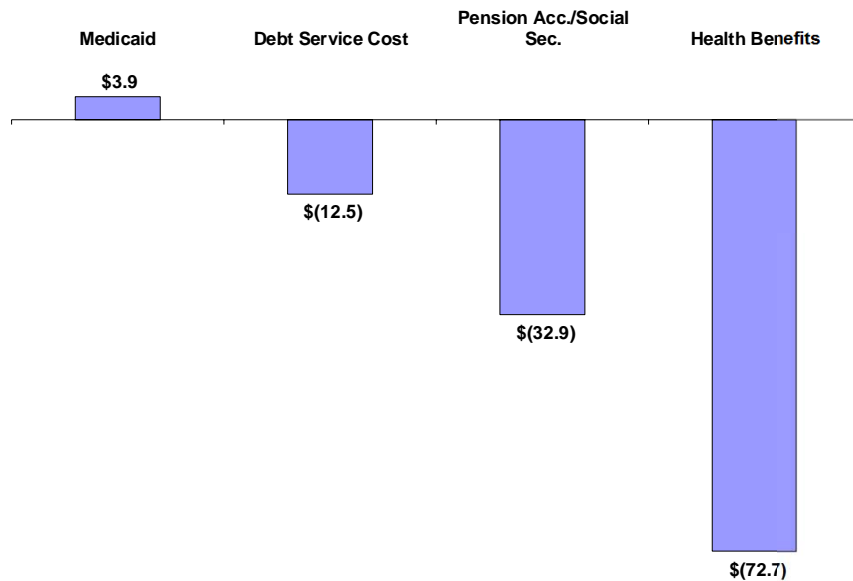
		General Fund	Special Funds	Federal Funds	Other Fed Funds	Private Contrib Funds	County Funds	Trust Funds	Inter-Dept Trsfs Funds	Revolving Funds	Other Funds	Total by Dept
	Perm	97.00	-	-	-	-	-	-	1.00	-	-	98.00
	Temp	-	-	-	-	-	-	-	-	-	-	-
Human Resources Development	Total	97.00	-	-	-	-	-	-	1.00	-	-	98.00
	Perm	2,224.26	130.50	199.36	76.00	-	-	-	5.00	45.00	-	2,680.12
	Temp	282.80	33.00	81.90	145.85	-	-	-	3.00	-	-	546.55
Health	Total	2,507.06	163.50	281.26	221.85	-	-	-	8.00	45.00	-	3,226.67
	Perm	-	2,835.25	-	-	-	-	-	-	-	-	2,835.25
	Temp	-	-	-	-	-	-	-	-	-	-	-
Health - HHSC	Total	-	2,835.25	-	-	-	-	-	-	-	-	2,835.25
	Perm	188.11	22.00	303.87	73.57	-	20.00	11.00	12.00	-	-	630.55
	Temp	14.12	22.00	17.00	7.88	-	-	5.00	20.00	0.50	-	86.50
Labor and Industrial Relations	Total	202.23	44.00	320.87	81.45	-	20.00	16.00	32.00	0.50	-	717.05
	Perm	531.00	351.50	32.50	8.50	-	-	1.00	-	3.00	-	927.50
	Temp	51.00	5.25	19.75	10.00	-	-	1.00	7.00	-	-	94.00
Land and Natural Resources	Total	582.00	356.75	52.25	18.50	-	-	2.00	7.00	3.00	-	1,021.50
	Perm	3.00	-	-	-	-	-	-	-	-	-	3.00
	Temp	11.00	-	-	-	-	-	-	-	-	-	11.00
Lieutenant Governor	Total	14.00	-	-	-	-	-	-	-	-	-	14.00
	Perm	2,653.60	8.00	-	-	-	-	-	-	10.00	-	2,671.60
	Temp	-	-	-	1.00	-	3.00	-	-	42.00	-	46.00
Public Safety	Total	2,653.60	8.00	-	1.00	-	3.00	-	-	52.00	-	2,717.60
	Perm	-	-	-	-	-	-	-	-	-	-	-
	Temp	-	-	-	-	-	-	-	-	-	-	-
Subsidies	Total	-	-	-	-	-	-	-	-	-	-	-
	Perm	403.00	-	-	-	-	-	-	-	-	-	403.00
	Temp	124.00	8.00	-	-	-	-	-	-	-	-	132.00
Taxation	Total	527.00	8.00	-	-	-	-	-	-	-	-	535.00
	Perm	-	2,401.20	7.00	0.80	-	-	-	-	-	-	2,409.00
	Temp	-	12.00	1.00	-	-	-	-	-	-	-	13.00
Transportation	Total	-	2,413.20	8.00	0.80	-	-	-	-	-	-	2,422.00
	Perm	6,695.73	556.25	82.56	-	-	-	-	-	53.75	-	7,388.29
	Temp	129.25	9.50	4.00	-	-	-	-	-	-	-	142.75
University of Hawaii	Total	6,824.98	565.75	86.56	-	-	-	-	-	53.75	-	7,531.04
	Perm	35,766.51	7,066.68	2,465.46	414.23	-	20.00	88.00	174.56	320.65	108.00	46,424.09
	Temp	2,795.65	216.25	393.92	321.39	-	3.00	12.00	60.50	136.75	-	3,939.46
TOTAL POSITION CEILING	Total	38,562.16	7,282.93	2,859.38	735.62	-	23.00	100.00	235.06	457.40	108.00	50,363.55

**FY 19 Supplemental Operating Budget
Adjustments to Fixed Costs - General Funds**

Fixed Cost:	Act 49/2017 FY 2018	% of Total	Act 49/2017 FY 2019	% of Total	FY 2018 Adjustments	FY 2019 Adjustments	% of Total	Total FY 2018	% of Total	Total FY 2019	% of Total
Debt Service	738,420,777	21%	810,146,631	22%	-	(12,470,959)	11%	738,420,777	21%	797,675,672	22%
Health Benefits	649,072,508	19%	700,643,768	19%	-	(72,744,426)	64%	649,072,508	19%	627,899,342	17%
Health Benefits - OPEB	297,129,000	9%	375,174,000	10%	-	-	0%	297,129,000	9%	375,174,000	11%
Medicaid	913,892,726	27%	944,108,598	25%	-	3,920,975	-3%	913,892,726	27%	948,029,573	26%
Pension Acc./Social Sec.	845,019,791	25%	897,632,819	24%	-	(32,906,186)	29%	845,019,791	25%	864,726,633	24%
Fixed Cost Total:	3,443,534,802	100%	3,727,705,816	100%	-	(114,200,596)	100%	3,443,534,802	100%	3,613,505,220	100%

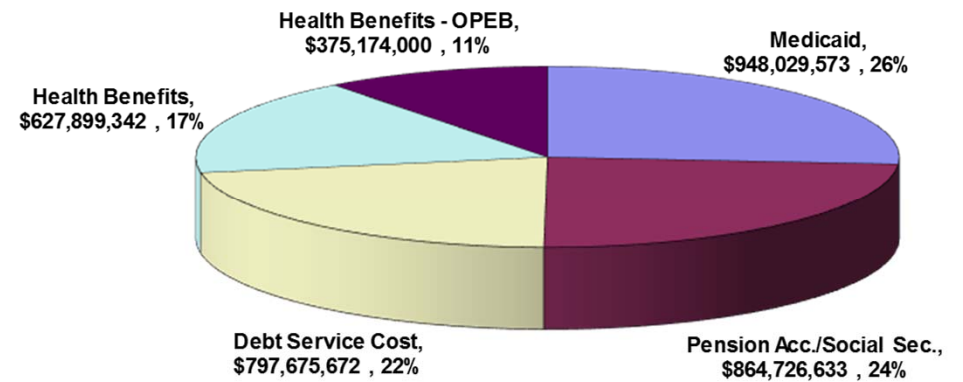
FY 19 Supplemental Operating Budget Adjustments to Statewide Fixed Costs - General Funds

**FY 2019
Supplemental Budget
Adjustments**



Total -\$114.2 M

**FY 2019
Supplemental Budget
Fixed Cost**



Total \$3.6 B

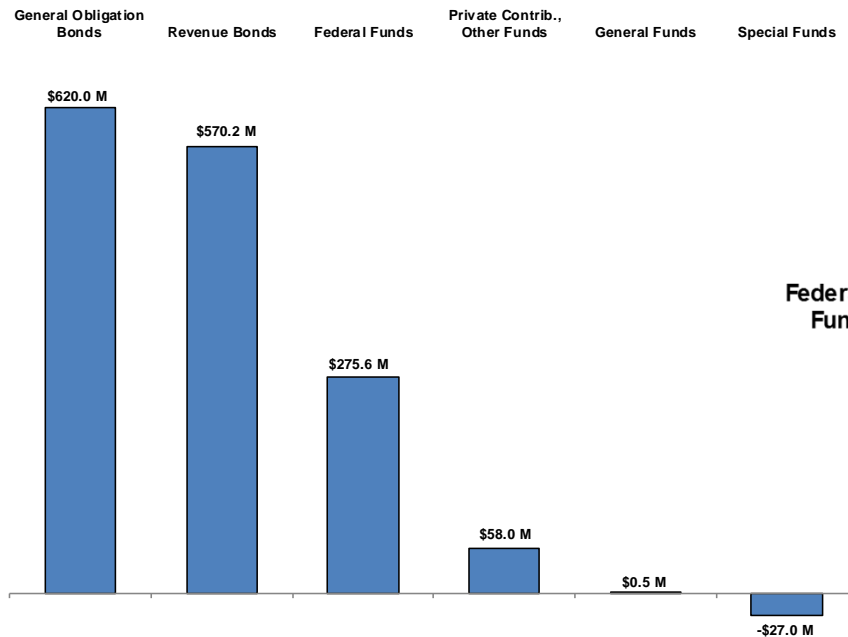
**FY 19 Supplemental CIP Budget
Statewide Totals by Means of Financing**

	Act 49/2017 FY 2018	% of Total	Act 49/2017 FY 2019	% of Total	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	% of Total	Total FY 2019	% of Total
General Funds	10,477,000	0.5%	10,783,000	1.6%	-	452,000	10,477,000	0.5%	11,235,000	0.5%
Special Funds	50,700,000	2.2%	93,513,000	13.5%	-	(26,980,000)	50,700,000	2.2%	66,533,000	3.0%
General Obligation Bonds	1,027,951,000	44.9%	49,445,000	7.1%	-	620,048,000	1,027,951,000	44.9%	669,493,000	30.5%
General Obligation										
Reimbursable Bonds	-	0.0%	-	0.0%	-	-	-	0.0%	-	0.0%
Revenue Bonds	794,537,000	34.7%	270,777,000	39.0%	-	570,237,000	794,537,000	34.7%	841,014,000	38.4%
Federal Funds	369,663,000	16.1%	219,744,000	31.6%	-	275,615,000	369,663,000	16.1%	495,359,000	22.6%
Other Federal Funds	11,092,000	0.5%	11,972,000	1.7%	-	-	11,092,000	0.5%	11,972,000	0.5%
Private Contributions	5,000,000	0.2%	9,651,000	1.4%	-	5,003,000	5,000,000	0.2%	14,654,000	0.7%
County Funds	1,000,000	0.0%	-	0.0%	-	-	1,000,000	0.0%	-	0.0%
Trust Funds	-	0.0%	1,150,000	0.2%	-	-	-	0.0%	1,150,000	0.1%
Interdepartmental Transfers	-	0.0%	-	0.0%	-	-	-	0.0%	-	0.0%
Revolving Funds	-	0.0%	-	0.0%	-	-	-	0.0%	-	0.0%
Other Funds	19,325,000	0.8%	28,125,000	4.0%	-	53,000,000	19,325,000	0.8%	81,125,000	3.7%
TOTAL REQUIREMENTS	2,289,745,000	100.0%	695,160,000	100.0%	-	1,497,375,000	2,289,745,000	100.0%	2,192,535,000	100.0%

Proposed Rev Bond Lapse	(50,000,000)
Proposed GO/GOB Lapse	(75,230,000)
Net total	<u>2,067,305,000</u>

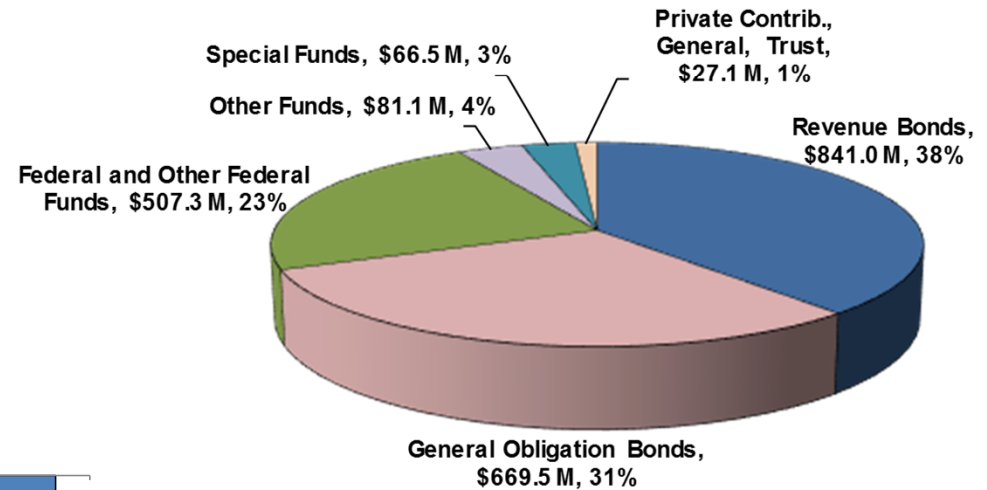
FY 19 Supplemental CIP Budget Statewide Totals by Means of Financing

**FY 2019
Supplemental Budget
Adjustments**



Total \$1.5 B

**FY 2019
Supplemental Budget**



Total \$2.2 B

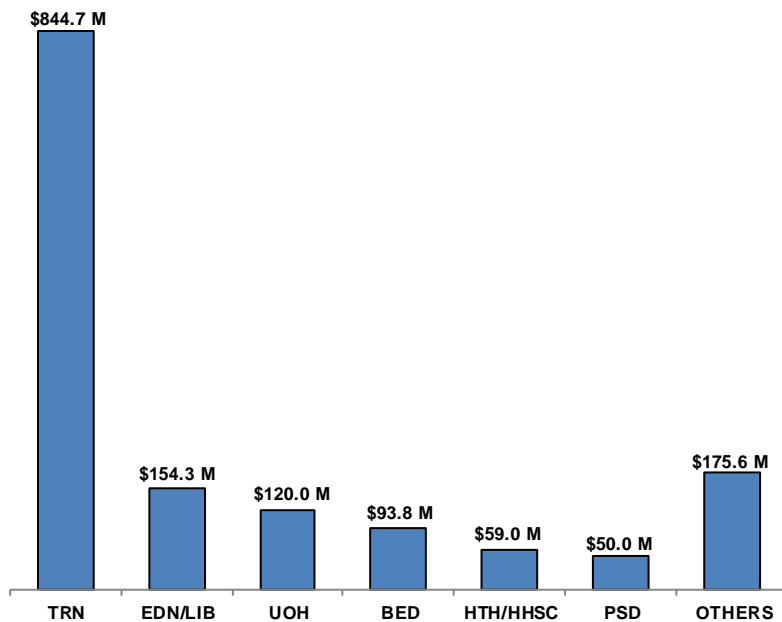
**FY 19 Supplemental CIP Budget
Statewide Totals By Department - All Funds**

	Act 49/2017 FY 2018	% of Total	Act 49/2017 FY 2019	% of Total	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	% of Total	Total FY 2019	% of Total
Accounting and General Services	55,997,000	2.4%	8,134,000	1.2%	-	31,350,000	55,997,000	2.45%	39,484,000	1.8%
Agriculture	37,218,000	1.6%	1,000	0.0%	-	23,430,000	37,218,000	1.63%	23,431,000	1.1%
Budget and Finance*	-	0.0%	-	0.0%	-	-	-	0.00%	-	0.0%
Business, Econ. Dev. & Tourism	58,700,000	2.6%	-	0.0%	-	93,750,000	58,700,000	2.56%	93,750,000	4.3%
Defense	23,362,000	1.0%	21,534,000	3.1%	-	4,220,000	23,362,000	1.02%	25,754,000	1.2%
Education	455,764,000	19.9%	24,630,000	3.5%	-	150,452,000	455,764,000	19.90%	175,082,000	8.0%
Charter Schools	550,000	0.0%	-	0.0%	-	-	550,000	0.02%	-	0.0%
Public Libraries	7,165,000	0.3%	-	0.0%	-	3,800,000	7,165,000	0.31%	3,800,000	0.2%
Governor	-	0.0%	-	0.0%	-	-	-	0.00%	-	0.0%
Hawaiian Home Lands	61,100,000	2.7%	17,900,000	2.6%	-	25,000,000	61,100,000	2.67%	42,900,000	2.0%
Human Services	20,996,000	0.9%	-	0.0%	-	33,800,000	20,996,000	0.92%	33,800,000	1.5%
Health	41,009,000	1.8%	-	0.0%	-	37,991,000	41,009,000	1.79%	37,991,000	1.7%
HHSC	29,002,000	1.3%	-	0.0%	-	21,000,000	29,002,000	1.27%	21,000,000	1.0%
Labor and Industrial Relations	3,658,000	0.2%	-	0.0%	-	-	3,658,000	0.16%	-	0.0%
Land and Natural Resources	51,577,000	2.3%	10,900,000	1.6%	-	41,376,000	51,577,000	2.25%	52,276,000	2.4%
Public Safety	78,710,000	3.4%	-	0.0%	-	50,000,000	78,710,000	3.44%	50,000,000	2.3%
Subsidies	24,000,000	1.0%	-	0.0%	-	-	24,000,000	1.05%	-	0.0%
Taxation	500,000	0.0%	-	0.0%	-	16,546,000	500,000	0.02%	16,546,000	0.8%
Transportation	1,185,667,000	51.8%	597,061,000	85.9%	-	844,660,000	1,185,667,000	51.78%	1,441,721,000	65.8%
University of Hawaii	154,770,000	6.8%	15,000,000	2.2%	-	120,000,000	154,770,000	6.76%	135,000,000	6.2%
TOTAL REQUIREMENTS	2,289,745,000	100.0%	695,160,000	100.0%	-	1,497,375,000	2,289,745,000	100.0%	2,192,535,000	100.0%

Proposed Accounting and General Services Lapse	(15,000,000)
Proposed Business, Econ. Dev. & Tourism Lapse	(30,230,000)
Proposed Budget and Finance Lapse	(30,000,000)
Proposed Transportation Lapse	(50,000,000)
Net Total	2,067,305,000

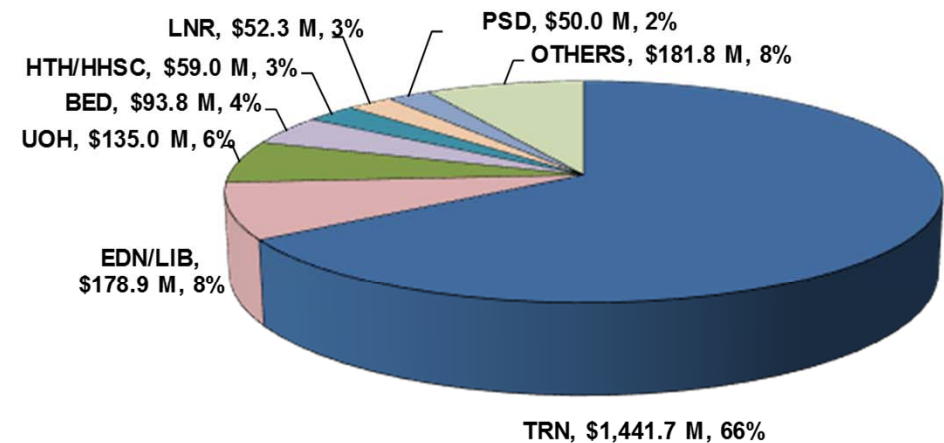
FY 19 Supplemental CIP Budget Statewide Totals by Department - All Funds

**FY 2019
Supplemental Budget
Adjustments**



Total \$1.5 B

**FY 2019
Supplemental Budget**



Total \$2.2 B

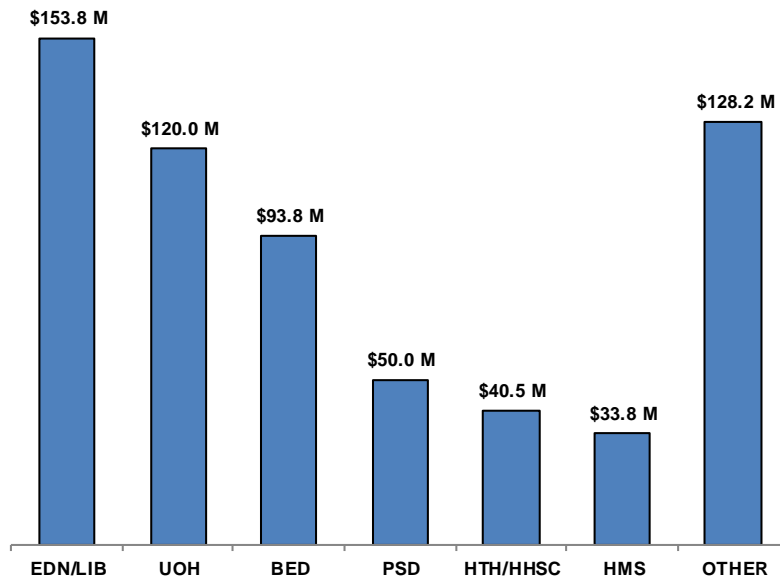
FY 19 Supplemental CIP Budget
Statewide Totals By Department - General Obligation (GO) and GO Reimbursable Bonds

	Act 49/2017 FY 2018	% of Total	Act 49/2017 FY 2019	% of Total	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	% of Total	Total FY 2019	% of Total
Accounting and General Services	49,869,000	4.9%	1,700,000	3.4%	-	31,350,000	49,869,000	4.9%	33,050,000	4.9%
Agriculture	36,918,000	3.6%	1,000	0.0%	-	23,430,000	36,918,000	3.6%	23,431,000	3.5%
Budget and Finance*	-	0.0%	-	0.0%	-	-	-	0.0%	-	0.0%
Business, Econ. Dev. & Tourism	58,700,000	5.7%	-	0.0%	-	93,750,000	58,700,000	5.7%	93,750,000	14.0%
Defense	12,272,000	1.2%	9,564,000	19.3%	-	4,220,000	12,272,000	1.2%	13,784,000	2.1%
Education	451,415,000	43.9%	20,280,000	41.0%	-	150,000,000	451,415,000	43.9%	170,280,000	25.4%
Charter Schools	550,000	0.1%	-	0.0%	-	-	550,000	0.1%	-	0.0%
Public Libraries	7,165,000	0.7%	-	0.0%	-	3,800,000	7,165,000	0.7%	3,800,000	0.6%
Governor	-	0.0%	-	0.0%	-	-	-	0.0%	-	0.0%
Hawaiian Home Lands	46,100,000	4.5%	2,900,000	5.9%	-	25,000,000	46,100,000	4.5%	27,900,000	4.2%
Human Services	20,996,000	2.0%	-	0.0%	-	33,800,000	20,996,000	2.0%	33,800,000	5.0%
Health	22,349,000	2.2%	-	0.0%	-	19,482,000	22,349,000	2.2%	19,482,000	2.9%
HHSC	29,002,000	2.8%	-	0.0%	-	21,000,000	29,002,000	2.8%	21,000,000	3.1%
Labor and Industrial Relations	3,658,000	0.4%	-	0.0%	-	-	3,658,000	0.4%	-	0.0%
Land and Natural Resources	35,977,000	3.5%	5,000,000	10.1%	-	27,670,000	35,977,000	3.5%	32,670,000	4.9%
Public Safety	78,710,000	7.7%	-	0.0%	-	50,000,000	78,710,000	7.7%	50,000,000	7.5%
Subsidies	23,000,000	2.2%	-	0.0%	-	-	23,000,000	2.2%	-	0.0%
Taxation	500,000	0.0%	-	0.0%	-	16,546,000	500,000	0.0%	16,546,000	2.5%
Transportation	1,000,000	0.1%	-	0.0%	-	-	1,000,000	0.1%	-	0.0%
University of Hawaii	149,770,000	14.6%	10,000,000	20.2%	-	120,000,000	149,770,000	14.6%	130,000,000	19.4%
TOTAL REQUIREMENTS	1,027,951,000	100.0%	49,445,000	100.0%	-	620,048,000	1,027,951,000	100.0%	669,493,000	100.0%
General Obligation Bonds	1,027,951,000	100.0%	49,445,000	100.0%	-	620,048,000	1,027,951,000	100.0%	669,493,000	100.0%
Reimbursable G.O. Bonds	-	0.0%	-	0.0%	-	-	-	0.0%	-	0.0%
TOTAL REQUIREMENTS	1,027,951,000	100.0%	49,445,000	100.0%	-	620,048,000	1,027,951,000	100.0%	669,493,000	100.0%

Proposed GO/GOB Lapse (75,230,000)
Net Total 594,263,000

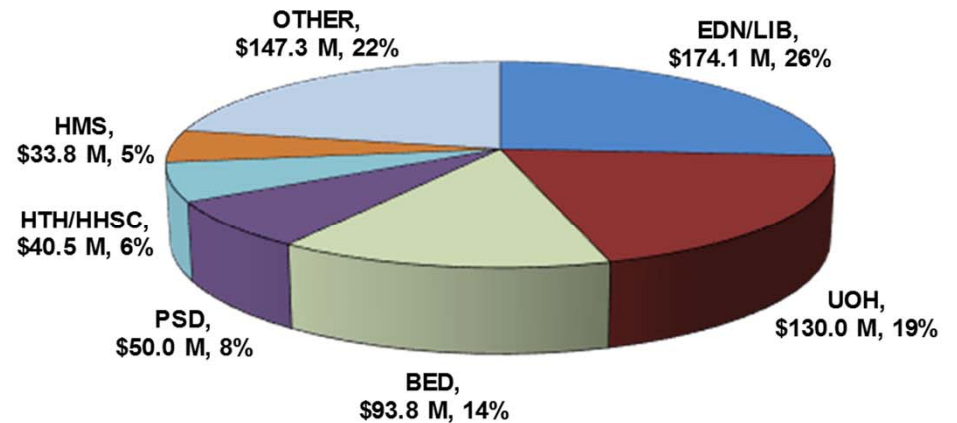
FY 19 Supplemental CIP Budget Statewide Totals by Departments - G.O./G.O.R. Bonds

**FY 2019
Supplemental Budget
Adjustments**



Total \$620.0 M

**FY 2019
Supplemental Budget**



Total \$669.5 M

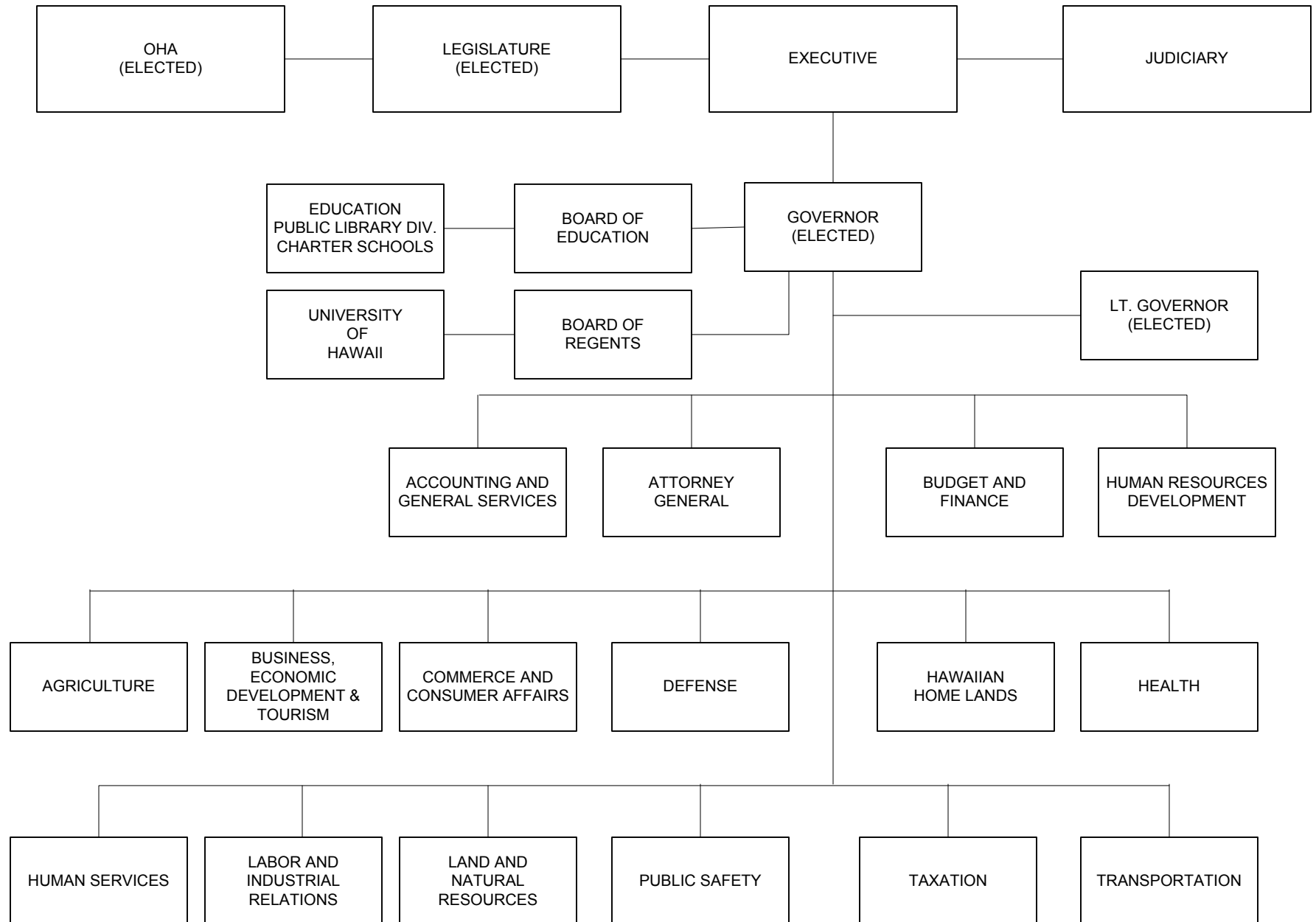
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The Operating and Capital Budget - Department Summaries and Highlights

STATE GOVERNMENT OF HAWAII

PLAN OF ORGANIZATION



DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

Department Summary

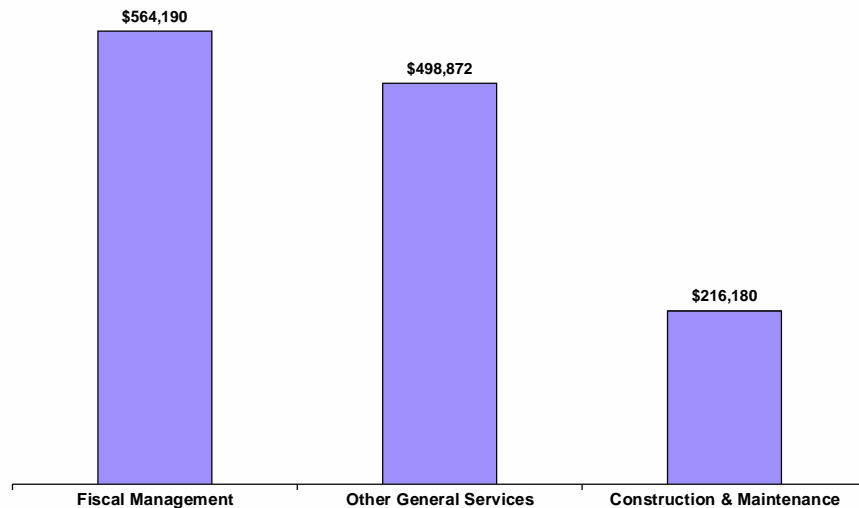
Mission Statement

To provide the physical, financial, and technical infrastructure to support State departments and agencies in accomplishing their missions.

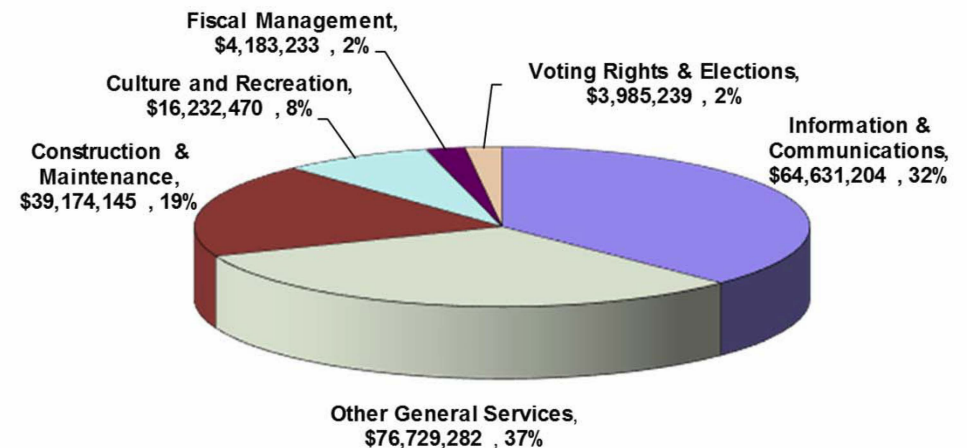
Department Goals

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.

FY 2019 Supplemental Operating Budget Adjustments by Major Program



FY 2019 Supplemental Operating Budget



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 Comprehensive Annual 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.
- Manages and operates Aloha Stadium; 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 HRS Chapter 92F (UIPA) and part 1 of HRS Chapter 92 (Sunshine law).

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 818 King Kamehameha
Celebration Commission
AGS 881 State Foundation on Culture
& the Arts
AGS 889 Spectator Events and Shows
– Aloha Stadium

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 130 Enterprise Technology Services-
Governance and Innovation

AGS 131 Enterprise Technology Services –
Operations and Infrastructure
Maintenance

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

AGS 232 Central Services – Grounds
Maintenance

AGS 233 Central Services - Building
Repairs and Alterations

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

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	573.50	573.50	-	2.00	573.50	575.50
		Temp	26.44	29.44	-	3.00	26.44	32.44
General Funds		\$	100,969,449	101,134,346	-	1,014,242	100,969,449	102,148,588
		Perm	65.50	65.50	-	-	65.50	65.50
Special Funds		Temp	6.00	6.00	-	-	6.00	6.00
		\$	32,701,843	24,901,843	-	265,000	32,701,843	25,166,843
		Perm	5.00	5.00	-	-	5.00	5.00
		Temp	1.00	1.00	-	-	1.00	1.00
Federal Funds		\$	856,496	856,496	-	-	856,496	856,496
		Perm	-	-	-	-	-	-
Other Federal Funds		Temp	-	-	-	-	-	-
		\$	606,936	606,936	-	-	606,936	606,936
		Perm	-	-	-	-	-	-
		Temp	1.00	1.00	-	-	1.00	1.00
Trust Funds		\$	375,336	375,336	-	-	375,336	375,336
		Perm	42.00	42.00	-	-	42.00	42.00
		Temp	-	-	-	-	-	-
		\$	37,866,694	37,866,694	-	-	37,866,694	37,866,694
Interdepartmental Transfers		Perm	49.00	49.00	-	-	49.00	49.00
		Temp	-	-	-	-	-	-
Revolving Funds		\$	37,914,680	37,914,680	-	-	37,914,680	37,914,680
		Perm	735.00	735.00	-	2.00	735.00	737.00
Total Requirements		Temp	34.44	37.44	-	3.00	34.44	40.44
		\$	211,291,434	203,656,331	-	1,279,242	211,291,434	204,935,573

Highlights: (general funds and FY 19 unless otherwise noted)

1. Adds 3.00 temporary positions and \$280,000 for the Internal Post Audit program to provide for Comptroller's assigned oversight responsibilities related to the rapid transportation authority per Act 1, SpSLH 2017.
2. Adds \$214, 272 in the Accounting System Development and Maintenance program and \$69,918 in the Expenditure Examination program for full year funding for new positions authorized in FY 17 in Act 119, SLH 2015, as amended by Act 124, SLH 2016.
3. Adds 2.00 permanent positions and \$141,180 for the Central Services Ground Maintenance program to create a cemetery groundskeeping crew.
4. Adds \$118,872 for the State Procurement Office to provide for the repricing of the Purchasing Specialist job series.
5. Adds \$115,000 for the Enforcement of Information Practices program to provide for salary parity adjustments.
6. Adds \$265,000 in special funds for the State Archives program to purchase equipment for the Digital Archives Project.

Department of Accounting and General Services
Capital Improvements Budget

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	6,128,000	6,434,000	-	-	6,128,000	6,434,000
General Obligation Bonds	49,869,000	1,700,000	-	31,350,000	49,869,000	33,050,000
Total Requirements	55,997,000	8,134,000	-	31,350,000	55,997,000	39,484,000

Highlights: (general obligation bonds and FY 19 unless otherwise noted)

1. Lapses unexpended \$15,000,000 in FY 18 in the Accounting System Development and Maintenance program for the Government Financial System, Statewide. Funds were authorized in Act 119, SLH 2015, as amended by Act 124, SLH 2016.
2. Adds \$10,000,000 for Lump Sum Maintenance of Existing Facilities, Statewide.
3. Adds \$5,850,000 for Lump Sum Health and Safety, for the Information and Communication Services Division, Statewide.
4. Adds \$15,000,000 for Lump Sum Health and Safety, Aloha Stadium, Oahu.
5. Adds \$500,000 for Washington Place Health and Safety and Queen's Gallery Renovation, Oahu.

DEPARTMENT OF AGRICULTURE

Department Summary

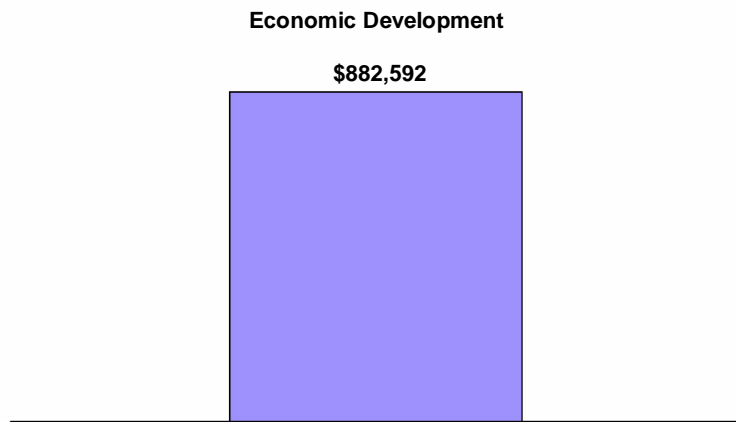
Mission Statement

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 and renewable energy production.

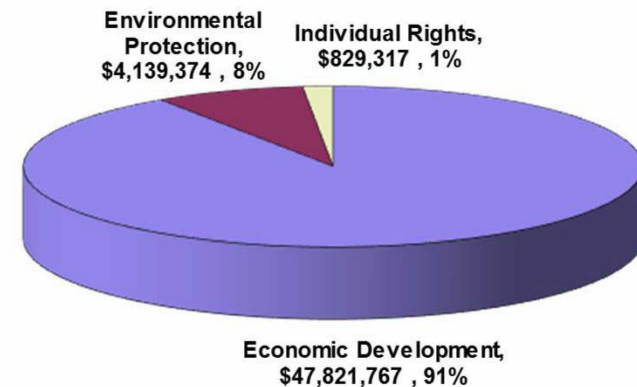
Department Goals

To conserve and develop essential agricultural resources and infrastructure; to gain access and develop local, domestic, and international markets for Hawaii's agricultural products; to conserve and protect suitable agricultural lands and water; to raise 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 disease that are detrimental to Hawaii's agriculture and environment.

FY 2019 Supplemental Operating Budget Adjustments by Major Program



FY 2019 Supplemental Operating Budget



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 these 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 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 for the consuming public.
- 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 161	Agribusiness Development and Research

AGR 171	Agricultural Development and Marketing
AGR 192	General Administration for Agriculture

Environmental Protection

AGR 846	Pesticides
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Individual Rights

AGR 812	Measurement Standards
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**Department of Agriculture
Operating Budget**

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	187.68	188.68	-	1.00	187.68	189.68
		Temp	1.00	1.00	-	(1.00)	1.00	-
General Funds		\$	17,137,941	15,140,329	-	-	17,137,941	15,140,329
		Perm	129.82	129.82	-	(1.00)	129.82	128.82
Special Funds		Temp	1.25	1.25	-	-	1.25	1.25
		\$	20,570,741	20,420,741	-	(374,100)	20,570,741	20,046,641
Federal Funds		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
		\$	259,503	259,503	-	747,500	259,503	1,007,003
Other Federal Funds		Perm	2.00	2.00	-	-	2.00	2.00
		Temp	9.00	9.00	-	-	9.00	9.00
		\$	1,688,399	1,714,780	-	222,500	1,688,399	1,937,280
Trust Funds		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
		\$	812,962	812,962	-	-	812,962	812,962
Interdepartmental Transfers		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
		\$	212,095	212,095	-	-	212,095	212,095
Revolving Funds		Perm	18.50	18.50	-	-	18.50	18.50
		Temp	22.00	22.00	-	3.25	22.00	25.25
		\$	13,305,191	13,347,456	-	286,692	13,305,191	13,634,148
Total Requirements		Perm	338.00	339.00	-	-	338.00	339.00
		Temp	33.25	33.25	-	2.25	33.25	35.50
		\$	53,986,832	51,907,866	-	882,592	53,986,832	52,790,458

Highlights: (general funds and FY 19 unless otherwise noted)

1. Adds \$410,000 in special funds for the Hawaii Water Infrastructure Special Fund.
2. Adds 2.25 temporary positions and \$258,737 in revolving funds for the Agribusiness Development Corporation to establish irrigation workers and a maintenance worker.
3. Decreases \$700,000 in special funds for the Agricultural Development and Food Security Special Fund in the Plant Pest and Disease Control Program and the Agricultural Development and Marketing Program.

**Department of Agriculture
Capital Improvements Budget**

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
Special Funds	300,000	-	-	-	300,000	-
General Obligation Bonds	36,918,000	1,000	-	23,430,000	36,918,000	23,431,000
Total Requirements	37,218,000	1,000	-	23,430,000	37,218,000	23,431,000

Highlights: (general obligation bonds and FY 19 unless otherwise noted)

1. Adds \$1,500,000 for Halawa Animal Industry Facility Improvements, Oahu.
2. Adds \$1,400,000 for Miscellaneous Health, Safety, Code, and Other Requirements, Statewide.
3. Adds \$180,000 for Biological Control Containment Facility, Oahu.
4. Adds \$1,000,000 for the Renovation of Kennels at the Animal Quarantine Station, Oahu.
5. Adds \$2,250,000 for Kahuku Agricultural Park Improvements, Oahu.
6. Adds \$2,750,000 for Agricultural Infrastructure Improvements, Statewide.
7. Adds \$3,600,000 for Kekaha Ditch Irrigation System Modification, Kauai.
8. Adds \$4,000,000 for Waiahole Water System Improvements, Kunia, Oahu.
9. Adds \$5,000,000 for a Cash Infusion for the Agricultural Loan Revolving Fund.

DEPARTMENT OF THE ATTORNEY GENERAL

Department Summary

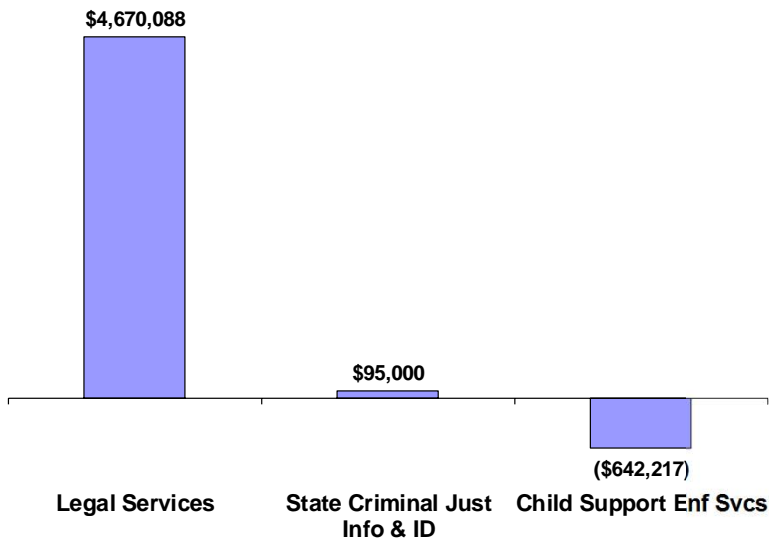
Mission Statement

To provide legal and other services to the State, including the agencies, officers, and employees of the executive, legislative, and judicial branches of the Hawaii government.

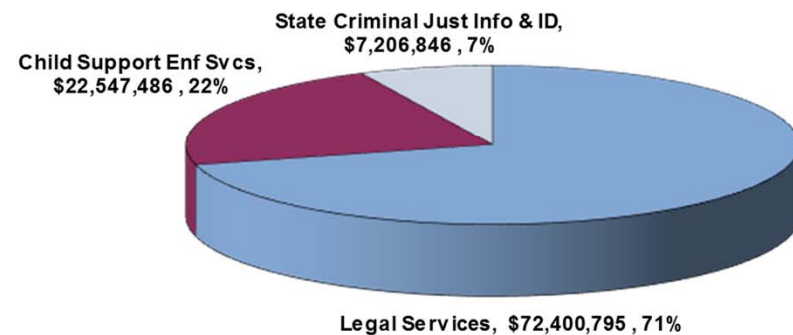
Department Goals

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.

FY 2019 Supplemental Operating Budget Adjustments by Major Program



FY 2019 Supplemental Operating Budget



DEPARTMENT OF THE ATTORNEY GENERAL MAJOR FUNCTIONS

- Provides legal services to State agencies and employees; represents the State in all civil litigation in which the State is a party; conducts civil and criminal investigations; 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.
- 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**

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	341.11	341.11	-	8.05	341.11	349.16
		Temp	23.86	23.86	-	-	23.86	23.86
General Funds		\$	36,270,581	30,830,581	-	4,086,371	36,270,581	34,916,952
		Perm	24.60	24.60	-	-	24.60	24.60
Special Funds		Temp	-	-	-	-	-	-
		\$	3,837,146	3,788,396	-	71,000	3,837,146	3,859,396
		Perm	5.20	5.20	-	-	5.20	5.20
		Temp	10.95	10.95	-	(3.75)	10.95	7.20
Federal Funds		\$	11,816,776	11,816,776	-	(188,386)	11,816,776	11,628,390
		Perm	157.86	157.86	-	-	157.86	157.86
Other Federal Funds		Temp	8.16	8.16	-	-	8.16	8.16
		\$	21,490,158	21,343,908	-	188,386	21,490,158	21,532,294
		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
Trust Funds		\$	6,174,732	6,174,732	-	-	6,174,732	6,174,732
		Perm	112.61	112.61	-	1.95	112.61	114.56
		Temp	28.50	28.50	-	-	28.50	28.50
		\$	17,350,118	17,369,594	-	(34,500)	17,350,118	17,335,094
Interdepartmental Transfers		Perm	28.40	28.40	-	-	28.40	28.40
		Temp	1.00	1.00	-	-	1.00	1.00
Revolving Funds		\$	6,708,269	6,708,269	-	-	6,708,269	6,708,269
		Perm	669.78	669.78	-	10.00	669.78	679.78
Total Requirements		Temp	72.47	72.47	-	(3.75)	72.47	68.72
		\$	103,647,780	98,032,256	-	4,122,871	103,647,780	102,155,127

Highlights: (general funds and FY 19 unless otherwise noted)

1. Adds \$2,500,000 for coordination of State Security Operations, statewide.
2. Adds \$600,000 to increase funding for litigation expenses.
3. Adds 4.00 permanent positions and \$114,700 in general funds, and reduces 3.75 temporary federal fund positions to convert the Internet Crimes Against Children program positions to general funds.
4. Adds 2.05 permanent positions and \$183,112 in general funds, and reduces 2.05 permanent position and \$282,112 in interdepartmental transfer funds to convert Deputy Attorney General (AG) positions to offset the loss of Title IV-E federal funds for foster care expenses.
5. Adds 3.00 permanent positions and \$165,612 in interdepartmental transfer funds to establish a client funded Law Enforcement Training Program.
6. Adds 1.00 permanent position and \$82,000 in interdepartmental transfers funds for a client funded Deputy AG position for the Hawaii Public Housing Authority.
7. Adds 1.00 permanent position and \$72,000 for the Police Review Board Legal Clerk.
8. Adds 1.00 permanent position and \$33,304 to convert a position in the Sex Offender Registry program from federal to general funds.
9. Tradeoff/transfer requests to realign the budget to reflect necessary operating requirements.

**Department of the Attorney General
Capital Improvements Budget**

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	-	-	-	-	-	-
Total Requirements	-	-	-	-	-	-

Highlights: (general obligation bonds and FY 19 unless otherwise noted)

None.

DEPARTMENT OF BUDGET AND FINANCE

Department Summary

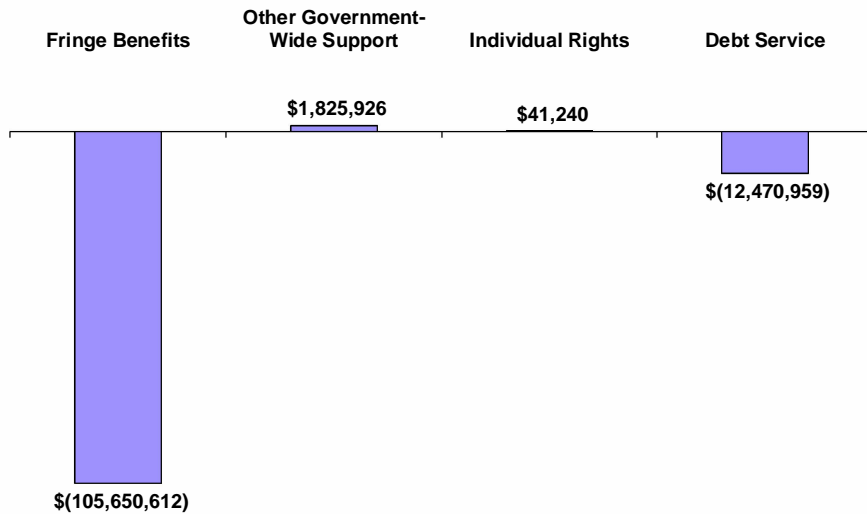
Mission Statement

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.

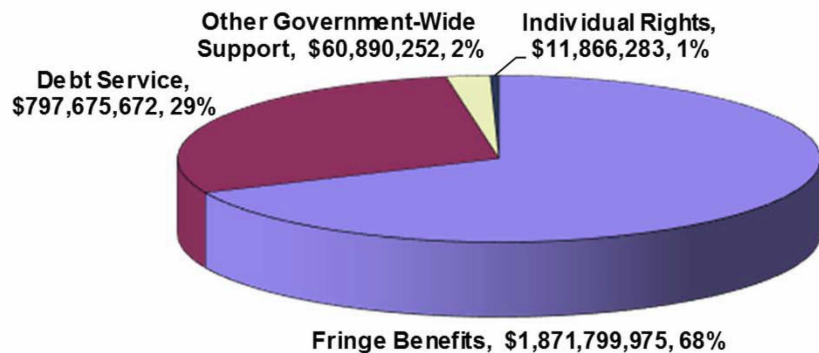
Department Goals

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.

**FY 2019 Supplemental
Operating Budget**



**FY 2019 Supplemental
Operating Budget**



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 – State
BUF 761	Health Premium Payments – State

Formal Education

BUF 725	Debt Service Payments – DOE
BUF 728	Debt Service Payments – UH
BUF 745	Retirement Benefits – DOE
BUF 748	Retirement Benefits – 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

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	198.50	198.50	-	2.00	198.50	200.50
		Temp	2.00	2.00	-	(2.00)	2.00	-
General Funds		\$	2,588,691,812	2,812,009,656	-	(118,016,047)	2,588,691,812	2,693,993,609
		Perm	-	-	-	-	-	-
Special Funds		Temp	-	-	-	-	-	-
		\$	93,444	93,444	-	(93,444)	93,444	-
		Perm	67.00	68.00	-	-	67.00	68.00
		Temp	-	-	-	-	-	-
Trust Funds		\$	19,268,763	19,461,208	-	-	19,268,763	19,461,208
		Perm	1.00	1.00	-	(1.00)	1.00	-
		Temp	-	-	-	-	-	-
		\$	10,976,561	10,976,561	-	(110,674)	10,976,561	10,865,887
Interdepartmental Transfers		Perm	107.00	107.00	-	1.00	107.00	108.00
		Temp	-	-	-	-	-	-
Other Funds		\$	17,279,607	15,945,718	-	1,965,760	17,279,607	17,911,478
		Perm	373.50	374.50	-	2.00	373.50	376.50
Total Requirements		Temp	2.00	2.00	-	(2.00)	2.00	-
		\$	2,636,310,187	2,858,486,587	-	(116,254,405)	2,636,310,187	2,742,232,182

Highlights: (general funds and FY 19 unless otherwise noted)

1. Decreases debt service payments by \$12,470,959.
2. Decreases retirement benefits payments by \$32,906,186.
3. Decreases health premium payments by \$72,744,426.
4. Adds \$1,485,000 in other funds for the Employees' Retirement System (ERS) to upgrade its computer system to implement the requirements of Act 263, SLH 2016.
5. Adds \$380,000 in other funds for the ERS to contract for internal audit services.
6. Adds 1.00 permanent position and \$100,760 in other funds for the ERS to establish a Chief Compliance Officer.

Department of Budget and Finance
Capital Improvements Budget

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	-	-	-	-	-	-
Total Requirements	-	-	-	-	-	-

Highlights: (general obligation bonds and FY 19 unless otherwise noted)
None.

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

Department Summary

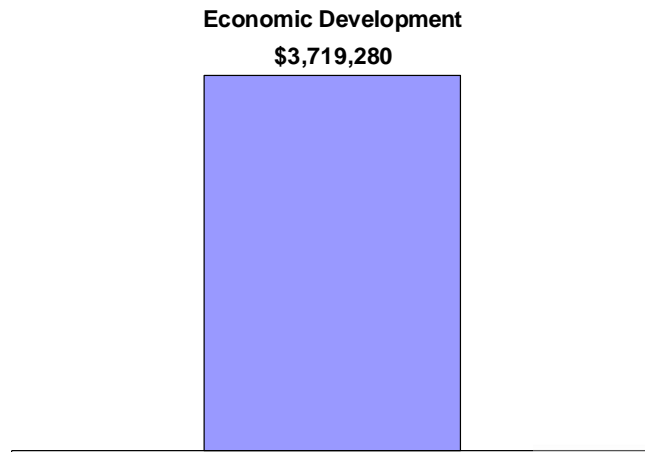
Mission Statement

To achieve a Hawaii economy that embraces innovation and is globally competitive, dynamic and productive, providing opportunities for all Hawaii's citizens to prosper.

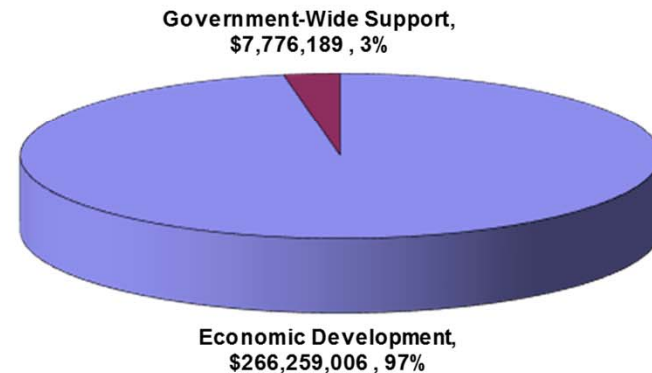
Department Goals

Lead efforts to facilitate structural economic adjustments to improve the competitiveness of Hawaii businesses and create the conditions to reward productivity and entrepreneurship.

FY 2019 Supplemental Operating Budget Adjustments by Major Program



FY 2019 Supplemental Operating Budget



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

MAJOR FUNCTIONS

- Meeting the Demand for Housing – Support the creation of low- and moderate- income homes for Hawaii’s residents through financing of private sector developments with long-term affordability.
- Planning Dynamic Communities – Plan and develop live-work-play communities to attract and retain a workforce with the skills required for an innovation-driven and globally-competitive economy.
- Hawaii Clean Energy Initiative – Transform how Hawaii uses energy by accelerating the production of renewable and alternative energy, increasing energy efficiency and developing and adopting new technologies thereby ensuring energy security and long-term environmental quality, and benefits to residents.
- Sustaining the Visitor Industry – Develop and implement Hawaii’s tourism strategic and marketing plan; managing programs and activities to sustain a healthy visitor industry through alignment of global marketing programs with Hawaii’s distinctive products, natural resources, the Hawaiian host culture and multi-cultures.
- Providing Economic Data and Research – Enhance economic development in Hawaii by providing government agencies and the business community with data, analysis, and policy recommendations accessible online.
- Global Links – Increase the flow of people, products, services and ideas between Hawaii and its export markets.
- Creation of an Innovation Infrastructure – Create the infrastructure that enables Hawaii’s creative and entrepreneurial talent to turn ideas into products and services.
- Improving Hawaii’s Business Environment – Lead public sector efforts to bring about a business environment that is market-driven, and rewards productivity and entrepreneurship.

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 105	Creative Industries Division
BED 107	Foreign Trade Zone
BED 113	Tourism
BED 120	Hawaii State Energy Office
BED 128	Office of Aerospace
BED 138	Hawaii Green Infrastructure Authority
BED 142	General Support for Economic Development
BED 143	HI Technology Development Corporation

BED 145	Hawaii Strategic Development Corporation
BED 146	Natural Energy Laboratory of Hawaii Authority
BED 150	Hawaii Community Development Authority
BED 160	Hawaii Housing Finance and Development Corporation

Government-Wide Support

BED 103	Statewide Land Use Management
BED 130	Economic Planning and Research
BED 144	Statewide Planning and Coordination

Department of Business, Economic Development and Tourism
Operating Budget

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	101.50	82.50	-	19.00	101.50	101.50
		Temp	8.71	8.71	-	(0.96)	8.71	7.75
General Funds		\$	15,801,673	10,258,761	-	4,566,362	15,801,673	14,825,123
		Perm	28.50	28.50	-	(2.00)	28.50	26.50
Special Funds		Temp	88.25	88.25	-	2.00	88.25	90.25
		\$	226,998,418	227,038,418	-	-	226,998,418	227,038,418
		Perm	5.00	5.00	-	-	5.00	5.00
		Temp	6.00	6.00	-	1.00	6.00	7.00
Federal Funds		\$	5,485,688	5,485,688	-	-	5,485,688	5,485,688
		Perm	-	-	-	-	-	-
Other Federal Funds		Temp	9.00	9.00	-	-	9.00	9.00
		\$	4,864,713	3,964,713	-	700,000	4,864,713	4,664,713
		Perm	33.00	52.00	-	(19.00)	33.00	33.00
		Temp	46.00	46.00	-	-	46.00	46.00
Revolving Funds		\$	22,164,335	23,568,335	-	(1,547,082)	22,164,335	22,021,253
		Perm	168.00	168.00	-	(2.00)	168.00	166.00
Total Requirements		Temp	157.96	157.96	-	2.04	157.96	160.00
		\$	275,314,827	270,315,915	-	3,719,280	275,314,827	274,035,195

Highlights: (general funds and FY 19 unless otherwise noted)

1. Adds 19.00 permanent positions and \$1,516,362, and reduces 19.00 permanent revolving funded positions and \$1,547,082 revolving funds, to convert Hawaii Community Development Authority positions from revolving to general funds.
2. Adds \$500,000 for the Aquaculture Accelerator /Incubator Initiative for the Natural Energy Laboratory of Hawaii Authority.
3. Adds \$500,000 for the Hawaii Small Business Innovation Research Program.
4. Adds \$750,000 for the Excelerator Program.
5. Adds \$500,000 for Manufacturing Assistance Program grants.

Department of Business, Economic Development and Tourism
Capital Improvements Budget

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	58,700,000	-	-	93,750,000	58,700,000	93,750,000
Total Requirements	58,700,000	-	-	93,750,000	58,700,000	93,750,000

Highlights: (general obligation bonds and FY 19 unless otherwise noted)

1. Adds \$10,000,000 for the Hawaii Resilience and Sustainability Strategy Update, Statewide.
2. Adds \$2,000,000 for Kakaako Makai Park Improvements, Oahu.
3. Adds \$5,500,000 for Waiahole Water System Improvements, Oahu.
4. Adds \$50,000,000 for a Cash Infusion for the Rental Housing Revolving Fund, Statewide.
5. Adds \$25,000,000 for a Cash Infusion for the Dwelling Unit Revolving Fund, Statewide.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

Department Summary

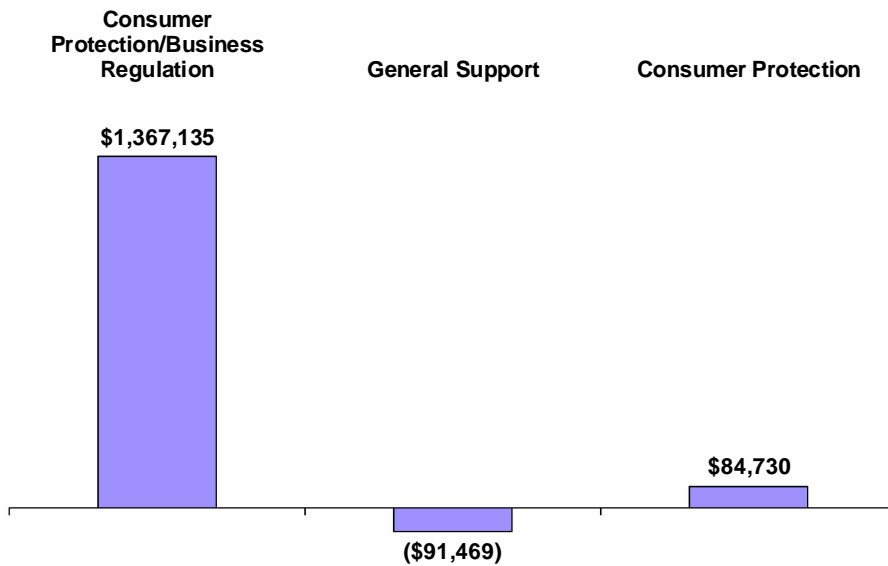
Mission Statement

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.

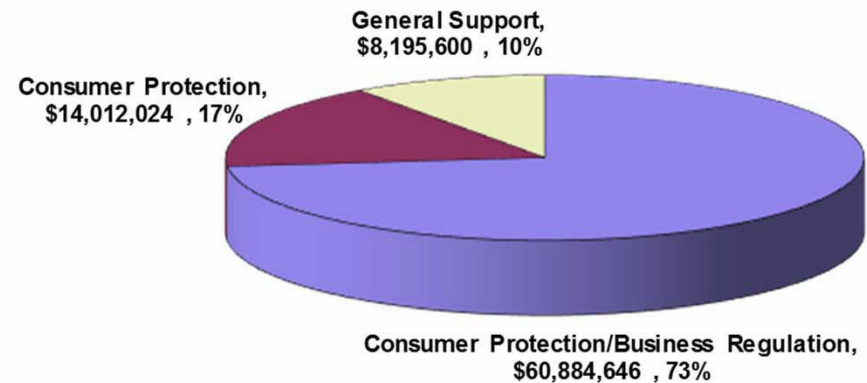
Department Goals

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

FY 2019 Supplemental Operating Budget Adjustments by Major Program



FY 2019 Supplemental Operating Budget



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 - Protection of the Consumer

CCA 102	Cable Television
CCA 103	Consumer Advocate for Communication, Utilities, and Transportation Services
CCA 104	Financial Services Regulation
CCA 105	Professional and Vocational Licensing
CCA 106	Insurance Regulatory Services

CCA 107	Post-Secondary Education Authorization
CCA 110	Office of Consumer Protection
CCA 111	Business Registration and Securities Regulation
CCA 112	Regulated Industries Complaints Office
CCA 191	General Support
CCA 901	Public Utilities Commission

Department of Commerce and Consumer Affairs
Operating Budget

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
	General Funds	\$	-	-	-	-	-	-
		Perm	492.00	492.00	-	2.00	492.00	494.00
	Special Funds	Temp	29.00	29.00	-	-	29.00	29.00
		\$	79,075,383	78,451,306	-	149,490	79,075,383	78,600,796
	Other Federal Funds	Perm	-	-	-	-	-	-
		Temp	4.00	4.00	-	2.00	4.00	6.00
	Trust Funds	\$	250,000	250,000	-	1,210,906	250,000	1,460,906
		Perm	8.00	8.00	-	-	8.00	8.00
		Temp	5.00	5.00	-	-	5.00	5.00
		\$	2,955,968	3,030,568	-	-	2,955,968	3,030,568
		Perm	500.00	500.00	-	2.00	500.00	502.00
		Temp	38.00	38.00	-	2.00	38.00	40.00
	Total Requirements		\$ 82,281,351	81,731,874	-	1,360,396	82,281,351	83,092,270

Highlights: (special funds and FY 19 unless otherwise noted)

1. Adds 1.00 permanent position and \$85,029 in special funds for the Business Registration and Securities Regulation Program to establish a Deputy Securities Commissioner.
2. Adds 1.00 permanent position and \$71,200 in special funds for the Financial Services Regulation Program to establish a Staff Attorney.

Department of Commerce and Consumer Affairs
Capital Improvements Budget

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	-	-	-	-	-	-
Total Requirements	-	-	-	-	-	-

Highlights: (general obligation bonds and FY 19 unless otherwise noted)
None.

DEPARTMENT OF DEFENSE

Department Summary

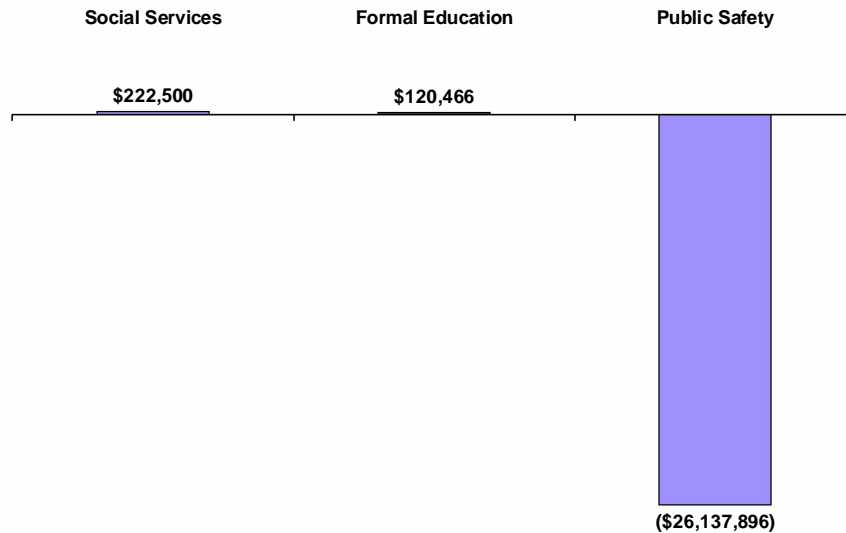
Mission Statement

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

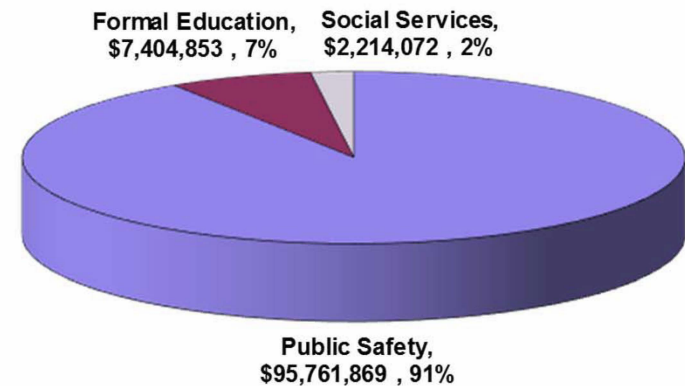
Department Goals

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.

FY 2019 Supplemental Operating Budget Adjustments by Major Program



FY 2019 Supplemental Operating Budget



DEPARTMENT OF DEFENSE MAJOR FUNCTIONS

- Provides for the defense, safety and welfare of the people of Hawaii.
- Maintains its readiness to respond to the needs of the people in the event of war or devastation originating from 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.
- Office of Homeland Security – Provides a comprehensive program, to protect our people, infrastructure, and government from terrorism and threats of attack as prescribed under Chapter 26, Executive and Administrative Departments, Section 21, Department of Defense.

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

**Department of Defense
Operating Budget**

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	160.35	160.35	-	1.65	160.35	162.00
		Temp	68.25	68.25	-	1.25	68.25	69.50
General Funds		\$	20,390,140	19,262,141	-	1,890,583	20,390,140	21,152,724
		Perm	9.50	9.50	-	-	9.50	9.50
		Temp	14.00	14.00	-	-	14.00	14.00
Federal Funds		\$	24,759,428	24,759,428	-	(14,000,000)	24,759,428	10,759,428
		Perm	92.15	92.15	-	3.35	92.15	95.50
		Temp	122.75	122.75	-	0.75	122.75	123.50
Other Federal Funds		\$	88,913,255	87,154,155	-	(13,923,013)	88,913,255	73,231,142
		Perm	-	-	-	-	-	-
		Temp	-	-	-	2.00	-	2.00
Interdepartmental Transfers		\$	-	-	-	237,500	-	237,500
		Perm	262.00	262.00	-	5.00	262.00	267.00
		Temp	205.00	205.00	-	4.00	205.00	209.00
Total Requirements		\$	134,062,823	131,175,724	-	(25,794,930)	134,062,823	105,380,794

Highlights: (general funds and FY 19 unless otherwise noted)

1. Adds \$912,000 for special maintenance projects at Department of Defense facilities, statewide.
2. Adds \$146,200 for the Homeland Security Office renovation and relocation.
3. Adds \$100,000 to support the National Guard Youth Challenge Academy (increases per cadet funding from \$17,000 to \$18,000), statewide.
4. Adds 4.00 permanent positions (1.00 general fund and 3.00 other federal fund) and funds (tradeoff/transfers) to perform grounds maintenance and repairs for the Hawaii Air National Guards.
5. Adds 1.00 temporary position and \$95,000 for the Hawaii State Fusion Center Director position.
6. Adds 1.00 temporary position and \$40,000 to support the Sensitive Compartmented Information Facility's construction.
7. Adds 2.00 tempoary positions and \$237,500 in interdepartmental transfers for the Kokua Ohana Aloha project (receives special funds from the Department of Health).
8. Reduces \$28,000,000 federal expenditure authorization (\$14,000,000 in federal funds and \$14,000,000 in other federal fund) in the Amelioration of Physical Disasters program to reflect anticipated federal grant awards.
9. Tradeoff/transfer requests to realign the budget to reflect necessary operating requirements.

**Department of Defense
Capital Improvements Budget**

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Obligation Bonds	12,272,000	9,564,000	-	4,220,000	12,272,000	13,784,000
Federal Funds	1,000	1,000	-	-	1,000	1,000
Other Federal Funds	11,089,000	11,969,000	-	-	11,089,000	11,969,000
Total Requirements	23,362,000	21,534,000	-	4,220,000	23,362,000	25,754,000

Highlights: (general obligation bonds and FY 19 unless otherwise noted)

1. Adds \$1,616,000 for the Hawaii State Fusion Center, Oahu.
2. Adds \$1,250,000 for Birkhimer Emergency Operating Center Modernization, Oahu

DEPARTMENT OF EDUCATION

Department Summary

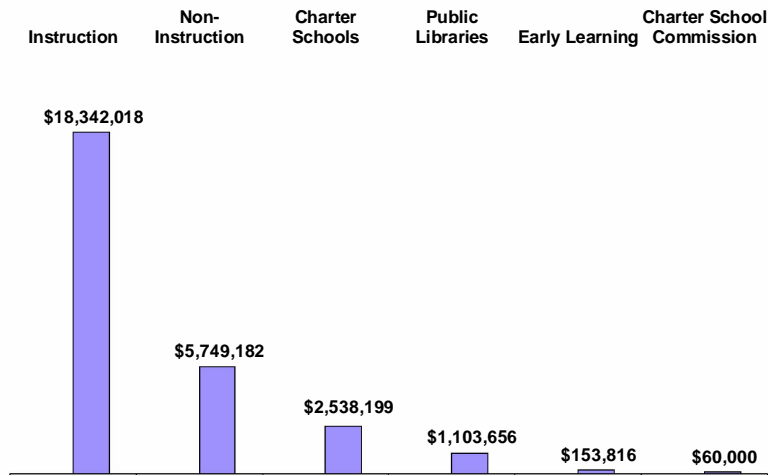
Mission Statement

- 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 – To provide Hawaii's residents, in all walks of life, and at each stage of their lives, with access to education, information, programs and services, and to teach and nurture the love of reading and the habit of life-long learning.
- Executive Office on Early Learning – To coordinate efforts to ensure a solid foundation for Hawaii's children by working with partners, families, and communities, and connecting policies, programs, and funding in relation to health, safety, early childhood programs, and school readiness and success in order to increase access and provide families with an array of options for high quality child development programs.

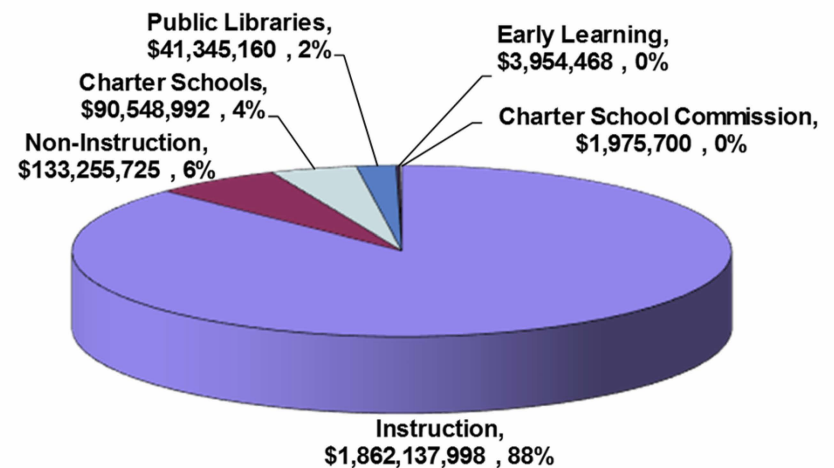
Department Goals

- *Public Education System – Student Success: All students demonstrate they are on a path toward success in college, career, and citizenship; Staff Success: Public schools have a high-performing culture where employees have the training, support, and professional development to contribute effectively to student success; and Successful Systems of Support: The system and culture of public schools work to effectively organize financial, human, and community resources in support of student success.*
- *Hawaii State Public Library System – Increase access to public library services and collections through innovative and effective methods and technologies; seek additional revenue sources and partnerships and make the best use of existing resources.*

FY 2019 Supplemental Operating Budget Adjustments by Major Program



FY 2019 Supplemental Operating Budget



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 the Hawaii State Library, the Library for the Blind and Physically Handicapped, public libraries, 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 is established within the Department of Education for administrative purposes. The Office is responsible for the performance, development, and control of programs and activities relating to a comprehensive early childhood system from prenatal to kindergarten entry.

MAJOR PROGRAM AREAS

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

Formal Education

EDN 100	School-Based Budgeting
EDN 150	Special Education and Student Support Services
EDN 200	Instructional Support
EDN 300	State Administration
EDN 400	School Support

EDN 407	Public Libraries
EDN 500	School Community Services
EDN 600	Charter Schools
EDN 612	Charter Schools Commission and Administration
EDN 700	Early Learning

**Department of Education
Operating Budget**

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	19,403.75	19,413.75	-	40.00	19,403.75	19,453.75
		Temp	2,007.50	2,007.50	-	-	2,007.50	2,007.50
General Funds		\$	1,610,321,050	1,604,971,277	-	24,245,016	1,610,321,050	1,629,216,293
		Perm	22.00	22.00	-	-	22.00	22.00
Special Funds		Temp	-	-	-	-	-	-
		\$	52,301,103	52,301,103	-	-	52,301,103	52,301,103
		Perm	720.50	720.50	-	-	720.50	720.50
		Temp	156.50	156.50	-	-	156.50	156.50
Federal Funds		\$	263,588,685	260,788,685	-	-	263,588,685	260,788,685
		Perm	-	-	-	-	-	-
Other Federal Funds		Temp	1.00	1.00	-	-	1.00	1.00
		\$	9,292,794	9,292,794	-	-	9,292,794	9,292,794
		Perm	-	-	-	-	-	-
Trust Funds		Temp	-	-	-	-	-	-
		\$	15,900,000	15,900,000	-	-	15,900,000	15,900,000
		Perm	-	-	-	-	-	-
Interdepartmental Transfers		Temp	-	-	-	-	-	-
		\$	7,765,636	7,765,636	-	-	7,765,636	7,765,636
		Perm	8.00	8.00	-	-	8.00	8.00
Revolving Funds		Temp	2.00	2.00	-	-	2.00	2.00
		\$	24,083,680	24,083,680	-	-	24,083,680	24,083,680
		Perm	20,154.25	20,164.25	-	40.00	20,154.25	20,204.25
	Temp	2,167.00	2,167.00	-	-	2,167.00	2,167.00	
Total Requirements		\$	1,983,252,948	1,975,103,175	-	24,245,016	1,983,252,948	1,999,348,191

Highlights: (general funds and FY 19 unless otherwise noted)

1. Adds \$2,000,000 for the Weighted Student Formula, which supports goals and objectives of schools based on enrollment and weighting factors.
2. Adds \$4,131,870 for increased workers' compensation expenses.
3. Adds \$3,133,234 for equipment for newly constructed school buildings and classrooms.
4. Adds \$2,800,000 for the Hawaii Keiki program that provides school-based health services.
5. Adds \$1,000,000 for the Early College High School Initiative to give students the opportunity to earn a high school diploma and college credits.
6. Adds 2.00 permanent positions and \$153,816 to support the Pre-K program administered by the Executive Office on Early Learning.

**Department of Education
Capital Improvements Budget**

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	4,349,000	4,349,000	-	452,000	4,349,000	4,801,000
General Obligation Bonds	451,415,000	20,280,000	-	150,000,000	451,415,000	170,280,000
Private Contributions		1,000	-	-	-	1,000
Total Requirements	455,764,000	24,630,000	-	150,452,000	455,764,000	175,082,000

Highlights: (general obligation bonds and FY 19 unless otherwise noted)

1. Adds \$90,000,000 for Lump Sum CIP - Condition Projects, Statewide.
2. Adds \$60,000,000 for Pohukaina Elementary School, Oahu.
3. Adds \$452,000 in general funds for Lump Sum CIP - Project Positions, Statewide.

Department of Education - Charter Schools
Operating Budget

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	16.12	16.12	-	1.00	16.12	17.12
		Temp	-	-	-	-	-	-
	General Funds	\$	86,747,456	87,618,793	-	2,598,199	86,747,456	90,216,992
		Perm	1.88	1.88	-	-	1.88	1.88
		Temp	-	-	-	-	-	-
	Federal Funds	\$	2,307,700	2,307,700	-	-	2,307,700	2,307,700
		Perm	18.00	18.00	-	1.00	18.00	19.00
		Temp	-	-	-	-	-	-
Total Requirements		\$	89,055,156	89,926,493	-	2,598,199	89,055,156	92,524,692

Highlights: (general funds and FY 19 unless otherwise noted)

1. Adds \$749,893 for the newly authorized charter school DreamHouse.
2. Adds \$667,050 for hard to staff (teachers) incentives.
3. Adds \$95,000 for national board certified teachers incentives.
4. Adds 1.00 permanent position and \$50,000 for fiscal support.
5. Adds \$1,317,937 to equalize the per pupil funding based on the Department of Education's FY19 Supplemental budget and projected enrollment for per pupil funding adjustment.

Department of Education - Charter Schools
Capital Improvements Budget

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	550,000	-	-	-	550,000	-
Total Requirements	550,000	-	-	-	550,000	-

Highlights: (general obligation bonds and FY 19 unless otherwise noted)
None.

Department of Education - Public Libraries
Operating Budget

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	558.00	558.00	-	3.50	558.00	561.50
		Temp	1.00	1.00	-	-	1.00	1.00
	General Funds	\$	35,325,668	34,876,260	-	1,103,656	35,325,668	35,979,916
		Perm	-	-	-	-	-	-
	Special Funds	Temp	-	-	-	-	-	-
		\$	4,000,000	4,000,000	-	-	4,000,000	4,000,000
	Federal Funds	Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
		\$	1,365,244	1,365,244	-	-	1,365,244	1,365,244
		Perm	558.00	558.00	-	3.50	558.00	561.50
	Total Requirements	Temp	1.00	1.00	-	-	1.00	1.00
		\$	40,690,912	40,241,504	-	1,103,656	40,690,912	41,345,160

Highlights: (general funds and FY 19 unless otherwise noted)

1. Adds 3.50 permanent positions and \$103,656 for the Nanakuli Public Library.
2. Adds \$500,000 for repair and maintenance projects.
3. Adds \$500,000 for library books and materials.

Department of Education - Public Libraries
Capital Improvements Budget

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	7,165,000	-	-	3,800,000	7,165,000	3,800,000
Total Requirements	7,165,000	-	-	3,800,000	7,165,000	3,800,000

Highlights: (general obligation bonds and FY19 unless otherwise noted)

1. Adds \$3,500,000 for Health and Safety, Statewide.
2. Adds \$300,000 for Keaau and Mountain View Public Library, Hawaii.

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.

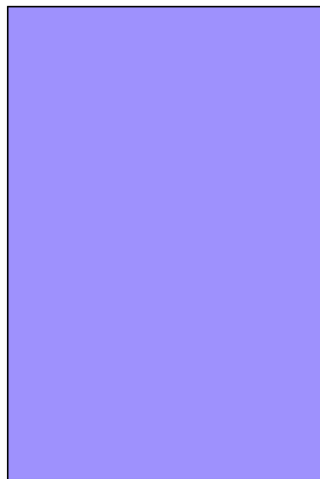
Department Goals

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.

FY 2019 Supplemental Operating Budget Adjustments by Major Program

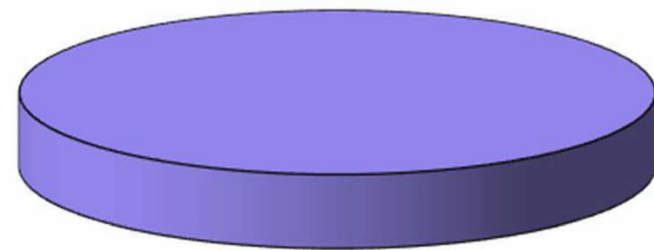
Office of the Governor

\$892,285



FY 2019 Supplemental Operating Budget

Office of the Governor,
\$4,354,920 , 100%



OFFICE OF THE GOVERNOR MAJOR FUNCTIONS

- Restore 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.
- Ensuring the 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**

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	23.00	23.00	-	-	23.00	23.00
		Temp	22.00	22.00	-	-	22.00	22.00
	General Funds	\$	3,462,635	3,462,635	-	892,285	3,462,635	4,354,920
		Perm	23.00	23.00	-	-	23.00	23.00
		Temp	22.00	22.00	-	-	22.00	22.00
		\$	3,462,635	3,462,635	-	892,285	3,462,635	4,354,920
Total Requirements								

Highlights: (general funds and FY 19 unless otherwise noted)

1. Adds \$642,285 for vacation payout for potential change in Administration.
2. Adds \$130,000 to restore the Chief Negotiator's salary.
3. Adds \$100,000 for Gubernatorial transition funds pursuant to Section 30-6, Hawaii Revised Statutes.
4. Adds \$20,000 for Western Governors' Association Summer Meeting in Hawaii.

**Office of the Governor
Capital Improvements Budget**

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	-	-	-	-	-	-
Total Requirements	-	-	-	-	-	-

Highlights: (general obligation bonds and FY 19 unless otherwise noted)

None.

DEPARTMENT OF HAWAIIAN HOME LANDS

Department Summary

Mission Statement

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

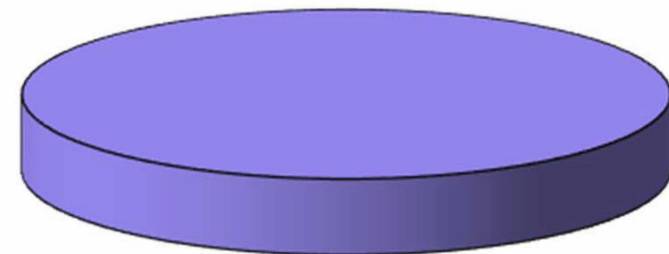
Department Goals

To effectively manage the HHLT's 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's 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.

FY 2019 Supplemental Operating Budget Adjustments by Major Program

No operating budget adjustments.

FY 2019 Supplemental Operating Budget



**Social Services,
\$57,004,500 , 100%**

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 Homes Trust; identifying Hawaiian home lands by physical characteristics, lands 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.
- Developing waiting lists of applicants for homestead leases; 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 a program in the following major program area:

Social Services

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

Department of Hawaiian Home Lands
Operating Budget

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	200.00	200.00	-	-	200.00	200.00
		Temp	-	-	-	-	-	-
	General Funds	\$	25,120,730	25,120,730	-	-	25,120,730	25,120,730
		Perm	-	-	-	-	-	-
	Special Funds	Temp	-	-	-	-	-	-
		\$	4,824,709	4,824,709	-	-	4,824,709	4,824,709
		Perm	4.00	4.00	-	-	4.00	4.00
		Temp	2.00	2.00	-	-	2.00	2.00
	Federal Funds	\$	23,318,527	23,318,527	-	-	23,318,527	23,318,527
		Perm	-	-	-	-	-	-
	Trust Funds	Temp	-	-	-	-	-	-
		\$	3,740,534	3,740,534	-	-	3,740,534	3,740,534
		Perm	204.00	204.00	-	-	204.00	204.00
		Temp	2.00	2.00	-	-	2.00	2.00
Total Requirements		\$	57,004,500	57,004,500	-	-	57,004,500	57,004,500

Highlights: (general funds and FY 19 unless otherwise noted)
None.

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

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	46,100,000	2,900,000	-	25,000,000	46,100,000	27,900,000
Federal Funds	15,000,000	15,000,000	-	-	15,000,000	15,000,000
Total Requirements	61,100,000	17,900,000	-	25,000,000	61,100,000	42,900,000

Highlights: (general obligation bonds and FY 19 unless otherwise noted)

1. Adds \$10,000,000 for Lump Sum Repairs and Maintenance for Existing Infrastructure, Statewide.
2. Adds \$15,000,000 for Lump Sum Lot Development, Statewide.

DEPARTMENT OF HEALTH

Department Summary

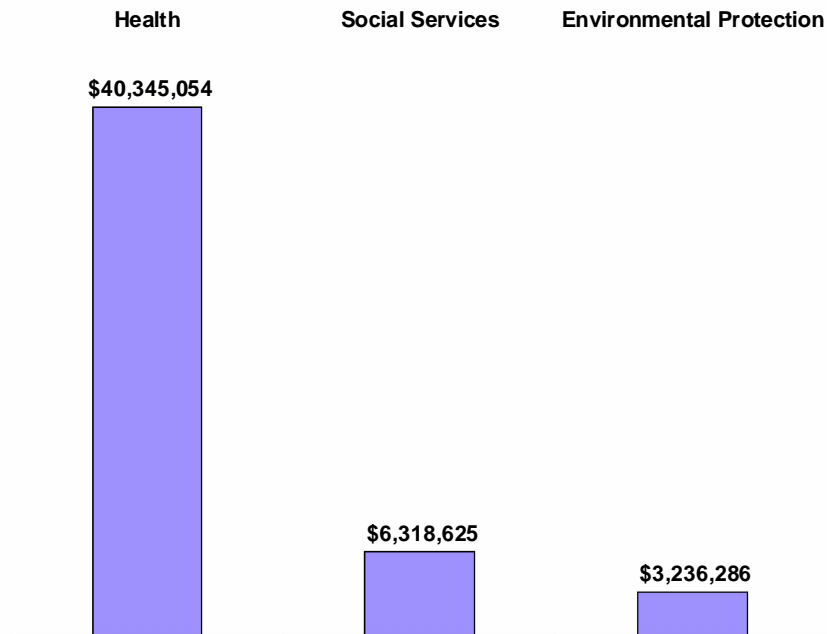
Mission Statement

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

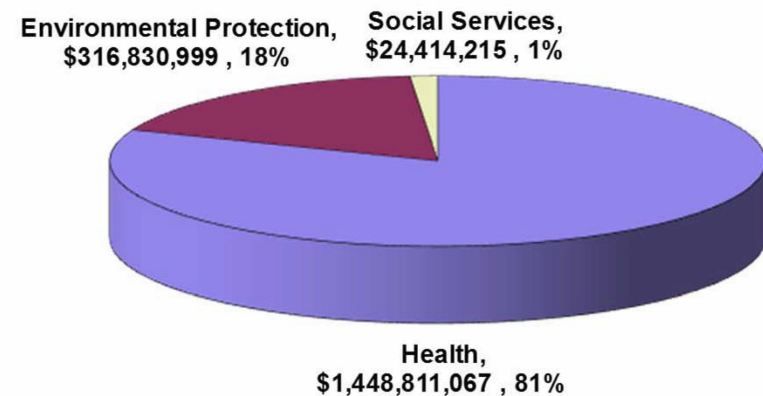
Department Goals

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.

FY 2019 Supplemental Operating Budget Adjustments by Major Program



FY 2019 Supplemental Operating Budget



DEPARTMENT OF HEALTH MAJOR FUNCTIONS

- Plans, directs and administers statewide programs to protect, preserve and improve the physical, mental and environmental health of Hawaii's residents.
- Administers programs for the prevention, control and treatment of infectious and communicable diseases; coordinates bioterrorism preparedness planning activities and integrating these activities with surveillance and response mechanisms.
- Administers community based 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 intervention 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.
- 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 for the control of oral diseases and abnormalities to institutionalized patients at Hawaii State Hospital, Hale Mohalu, Kalaupapa Settlement and through the four Oahu health centers.
- 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.

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
HTH 850 Office of Environmental Quality Control

Health

HTH 100 Communicable Disease and Public Health
Nursing
HTH 131 Disease Outbreak Control
HTH 210 Hawaii Health Systems Corporation –
Corporate Office
HTH 211 Kahuku Hospital
HTH 212 Hawaii Health Systems Corporation –
Regions
HTH 213 Alii Community Care
HTH 214 Maui Health System, a KFH, LLC
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 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**

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	2,175.16	2,175.16	-	49.10	2,175.16	2,224.26
		Temp	325.30	325.30	-	(42.50)	325.30	282.80
General Funds		\$	475,118,321	468,952,646	-	13,095,653	475,118,321	482,048,299
		Perm	129.50	129.50	-	1.00	129.50	130.50
		Temp	34.00	34.00	-	(1.00)	34.00	33.00
Special Funds		\$	203,673,124	203,737,213	-	127,114	203,673,124	203,864,327
		Perm	251.86	251.86	-	(52.50)	251.86	199.36
		Temp	68.10	68.10	-	13.80	68.10	81.90
Federal Funds		\$	133,678,727	89,743,348	-	10,934,716	133,678,727	100,678,064
		Perm	80.60	80.60	-	(4.60)	80.60	76.00
		Temp	149.15	143.15	-	2.70	149.15	145.85
Other Federal Funds		\$	68,756,451	68,561,522	-	(14,578,447)	68,756,451	53,983,075
		Perm	7.00	7.00	-	(2.00)	7.00	5.00
		Temp	3.00	3.00	-	-	3.00	3.00
Interdepartmental Transfers		\$	4,027,031	4,027,031	-	309,960	4,027,031	4,336,991
		Perm	45.00	45.00	-	-	45.00	45.00
		Temp	-	-	-	-	-	-
Revolving Funds		\$	211,594,712	211,594,712	-	-	211,594,712	211,594,712
		Perm	2,689.12	2,689.12	-	(9.00)	2,689.12	2,680.12
		Temp	579.55	573.55	-	(27.00)	579.55	546.55
Total Requirements		\$	1,096,848,366	1,046,616,472	-	9,888,996	1,096,848,366	1,056,505,468

Highlights: (general funds and FY 19 unless otherwise noted)

1. Adds \$800,000 for homeless outreach and counseling services for chronically homeless persons experiencing severe substance use disorders.
2. Adds \$3,877,063 for the Kupuna care program.
3. Adds \$1,700,000 for the Aging and Disability Resource Centers program.
4. Adds \$600,000 for the Kupuna Caregiver program.
5. Adds \$3,613,454 for statewide emergency ambulance services.
6. Adds \$2,000,000 to address increased costs associated with early intervention services.
7. Adjustments to reflect the change in means of financing between federal funds (major recurring federal funds) and other federal funds based on anticipated federal awards.
8. Tradeoff/transfer requests to realign the budget to reflect necessary operating requirements.

**Department of Health
Capital Improvements Budget**

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	22,349,000	-	-	19,482,000	22,349,000	19,482,000
Federal Funds	18,660,000	-	-	18,509,000	18,660,000	18,509,000
Total Requirements	41,009,000	-	-	37,991,000	41,009,000	37,991,000

Highlights: (general obligation bonds and FY 19 unless otherwise noted)

1. Adds \$2,054,000 and \$10,268,000 in federal funds for Wastewater Treatment Revolving Fund, Statewide.
2. Adds \$1,648,000 and \$8,241,000 in federal funds for Safe Drinking Water Revolving Fund, Statewide.
3. Adds \$7,600,000 for Department of Health, Health and Safety, Statewide.
4. Adds \$5,480,000 for Hawaii State Laboratories Improvements, Oahu.
5. Adds \$950,000 for Hawaii State Hospital Improvements, Oahu.

Department of Health - Hawaii Health Systems Corporation
Operating Budget

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
	General Funds	\$	146,121,003	107,501,003	-	40,010,969	146,121,003	147,511,972
		Perm	2,835.25	2,835.25	-	-	2,835.25	2,835.25
	Special Funds	Temp	-	-	-	-	-	-
		\$	586,038,841	586,038,841	-	-	586,038,841	586,038,841
		Perm	2,835.25	2,835.25	-	-	2,835.25	2,835.25
		Temp	-	-	-	-	-	-
	Total Requirements		\$ 732,159,844	693,539,844	-	40,010,969	732,159,844	733,550,813

Highlights: (general funds and FY 19 unless otherwise noted)

1. Adds \$11,230,969 for collective bargaining raises for the Hawaii Health Systems Corporation.
2. Adds \$28,780,000 for an operating subsidy for Maui Health Systems.

Department of Health - Hawaii Health Systems Corporation
Capital Improvements Budget

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	29,002,000	-	-	21,000,000	29,002,000	21,000,000
Total Requirements	29,002,000	-	-	21,000,000	29,002,000	21,000,000

Highlights: (general obligation bonds and FY 19 unless otherwise noted)

1. Adds \$15,000,000 for Lump Sum Hawaii Health Systems Corporation Improvements and Renovations, Statewide.
2. Adds \$6,000,000 for Maui Health System Facilities Repair, Renovations and Upgrades.

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.

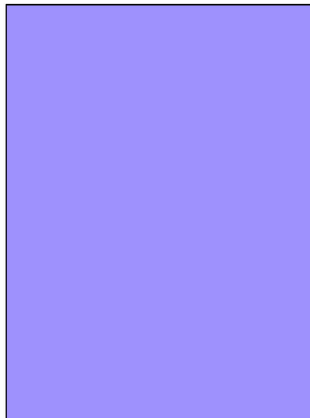
Department Goals

To maximize employee productivity and performance toward excellence in human resources development; 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.

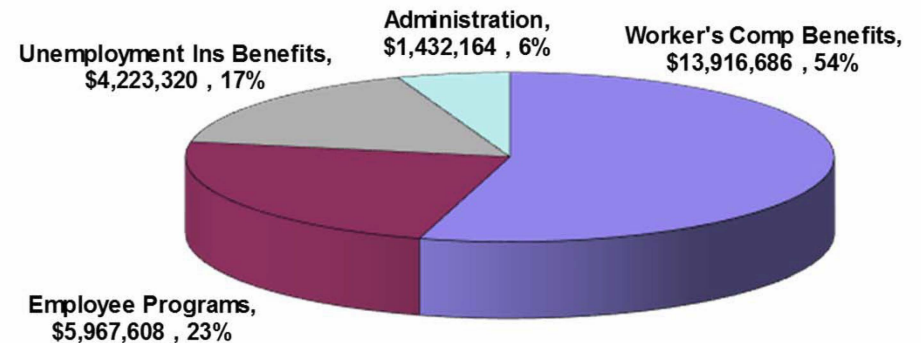
FY 2019 Supplemental Operating Budget Adjustments by Major Program

Employee Programs

\$101,080



FY 2019 Supplemental Operating Budget



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 personnel development and training, recruitment, examination, position classification, pay administration, workers' compensation payments, and labor relations within the scope of laws, rules and established policies.
- 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.
- Plans and administers statewide (except for DOE and UH) workers' compensation program, claims management, Return to Work Priority Program, and a safety and accident prevention program.
- 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 a program in the following major program area:

Government-Wide Support

HRD 102 Work Force Attraction, Selection,
 Classification, and Effectiveness

HRD191

Supporting Services-Human Resources
Development

Department of Human Resources Development
Operating Budget

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	97.00	97.00	-	-	97.00	97.00
		Temp	-	-	-	-	-	-
	General Funds	\$	19,528,497	19,677,417	-	101,080	19,528,497	19,778,497
		Perm	-	-	-	-	-	-
	Special Funds	Temp	-	-	-	-	-	-
		\$	700,000	700,000	-	-	700,000	700,000
	Interdepartmental Transfers	Perm	1.00	1.00	-	-	1.00	1.00
		Temp	-	-	-	-	-	-
		\$	5,061,281	5,061,281	-	-	5,061,281	5,061,281
		Perm	98.00	98.00	-	-	98.00	98.00
	Total Requirements	Temp	-	-	-	-	-	-
		\$	25,289,778	25,438,698	-	101,080	25,289,778	25,539,778

Highlights: (general funds and FY 19 unless otherwise noted)

1. Adds \$101,080 to continue the Learning Management System and self-directed learning library.

**Department of Human Resources Development
Capital Improvements Budget**

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	-	-	-	-	-	-
Total Requirements	-	-	-	-	-	-

Highlights: (general obligation bonds and FY 19 unless otherwise noted)
None.

DEPARTMENT OF HUMAN SERVICES

Department Summary

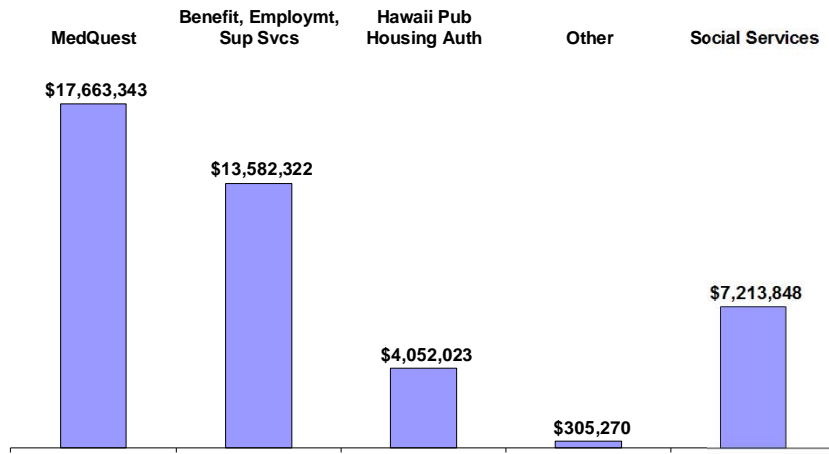
Mission Statement

To encourage self-sufficiency and support the well-being of individuals, families, and communities in Hawaii.

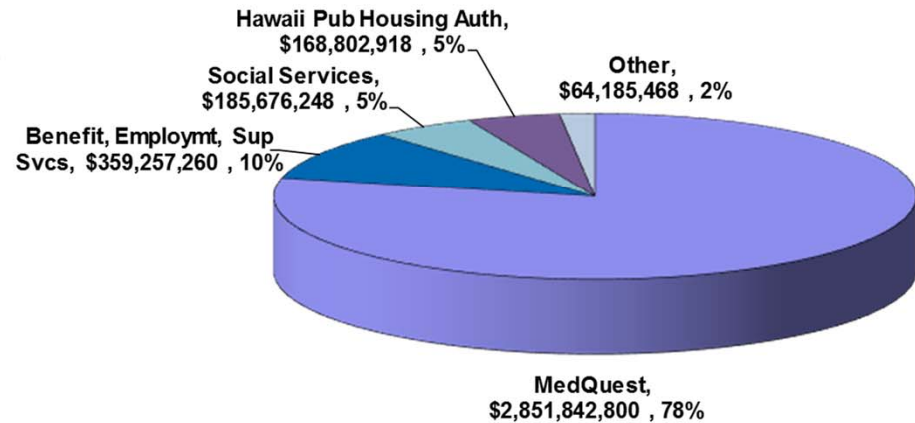
Department Goals

1. Improve the self-sufficiency and well-being of Hawaii's individuals and families by assisting individuals in securing gainful employment and economic self-sufficiency, supporting early childhood development and school readiness, supporting the health and safety of individuals and families, increasing housing stability, and improving access to food.
2. Improve service integration and delivery to develop solutions for sustainable outcomes by improving departmental business processes and leveraging data to make evidence-based decisions.
3. Improve staff health and development by coordinating and integrating strategies that promote the health and well-being of DHS staff and promoting staff career development to enhance capacity to enact the department's vision, mission, and goals.

FY 2019 Supplemental Operating Budget Adjustments by Major Program



FY 2019 Supplemental Operating Budget



DEPARTMENT OF HUMAN SERVICES MAJOR FUNCTIONS

- Provides employment related services, childcare services, and economic assistance to eligible families and individuals.
- Provides medical assistance programs to eligible families and individuals.
- 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.
- Serves as a catalyst to provide Hawaii residents with affordable housing and shelter.

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 601	Adult Protective and Community Services
		HMS 237	Employment and Training	HMS 605	Community-Based Residential Support
Social Services		HMS 238	Disability Determination		
HMS 202	Aged, Blind and Disabled Payments	HMS 301	Child Protective Services	HMS 901	General Support for Social Services
HMS 204	General Assistance Payments	HMS 302	General Support for Child Care	HMS 902	General Support for Health Care Payments
HMS 206	Federal Assistance Payments	HMS 303	Child Protective Services Payments	HMS 903	General Support for Self-Sufficiency Services
HMS 211	Cash Support for Families-Self-Sufficiency	HMS 305	Cash Support for Child Care	HMS 904	General Administration – DHS
HMS 220	Rental Housing Services	HMS 401	Health Care Payments		
HMS 222	Rental Assistance Services	HMS 501	In-Community Youth Programs	Individual Rights	
HMS 224	Homeless Services			HMS 888	Commission on the Status of Women
HMS 229	Hawaii Public Housing Authority Administration	HMS 503	Hawaii Youth Correctional Facility		

**Department of Human Services
Operating Budget**

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	1,135.15	1,135.15	-	1.95	1,135.15	1,137.10
		Temp	19.43	19.43	-	-	19.43	19.43
General Funds		\$	1,227,409,986	1,248,648,444	-	29,749,984	1,227,409,986	1,278,398,428
		Perm	0.56	0.56	-	-	0.56	0.56
Special Funds		Temp	-	-	-	-	-	-
		\$	3,923,604	3,923,604	-	-	3,923,604	3,923,604
		Perm	1,088.04	1,088.04	-	1.05	1,088.04	1,089.09
		Temp	82.57	82.57	-	-	82.57	82.57
Federal Funds		\$	2,190,994,970	2,296,611,045	-	13,066,822	2,190,994,970	2,309,677,867
		Perm	-	-	-	-	-	-
Other Federal Funds		Temp	-	-	-	-	-	-
		\$	17,889,212	17,889,212	-	-	17,889,212	17,889,212
		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
Private Contributions		\$	10,000	10,000	-	-	10,000	10,000
		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
		\$	7,169,481	7,169,481	-	-	7,169,481	7,169,481
Interdepartmental Transfers		Perm	72.00	72.00	-	-	72.00	72.00
		Temp	20.00	20.00	-	-	20.00	20.00
Revolving Funds		\$	12,013,691	12,696,102	-	-	12,013,691	12,696,102
		Perm	2,295.75	2,295.75	-	3.00	2,295.75	2,298.75
		Temp	122.00	122.00	-	-	122.00	122.00
Total Requirements		\$	3,459,410,944	3,586,947,888	-	42,816,806	3,459,410,944	3,629,764,694

Highlights: (general funds and FY 19 unless otherwise noted)

1. Adds \$14,981,577 to various programs for Housing First, Rapid Re-Housing, housing subsidies, homeless outreach services, and other homeless initiatives.
2. Adds \$5,250,000 for the maintenance and operation costs of the Kauhale On-Line Eligibility Assistance system.
3. Adds \$4,704,480 in general funds and \$7,056,720 in federal funds to restore Adult Dental Benefits for Medicaid clients.
4. Adds \$4,634,292 in general funds and \$2,495,388 in federal funds for Foster Care Board rate settlement increases.
5. Adds 2.00 positions and \$703,980 in general funds and \$495,120 in federal funds to strengthen and expand the Med-QUEST Division's health analytics capabilities.
6. Increases funding by \$3,013,673 in federal funds for various programs for fringe benefits.

**Department of Human Services
Capital Improvements Budget**

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	20,996,000	-	-	33,800,000	20,996,000	33,800,000
Total Requirements	20,996,000	-	-	33,800,000	20,996,000	33,800,000

Highlights: (general obligation bonds and FY 19 unless otherwise noted)

1. Increases funding for Lump Sum Public Housing Improvements, and Renovations, Statewide, by \$29,000,000 for the Hawaii Public Housing Authority.
2. Adds \$4,500,000 for Mayor Wright On-site Infrastructure Improvements, Oahu.
3. Adds \$200,000 for Hawaii Youth Correctional Facility (HYCF), Observation and Assessment Cottage, Perimeter Fence, Oahu.

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

Department Summary

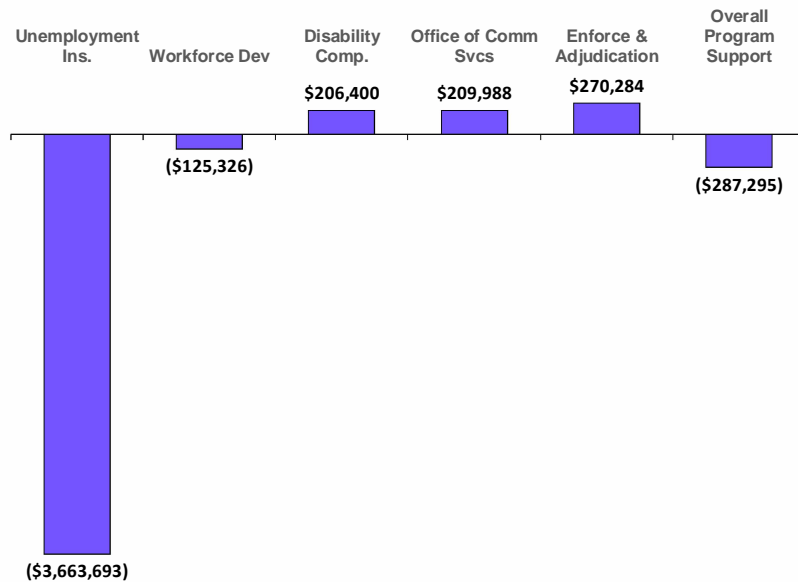
Mission Statement

To increase the economic security, physical and economic well being and productivity of workers and achieve industrial peace.

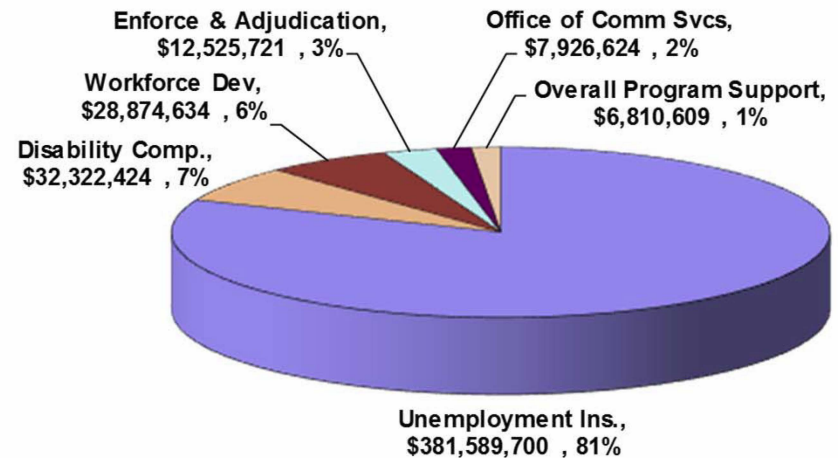
Department Goals

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 to 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.

FY 2019 Supplemental Operating Budget Adjustments by Major Program



FY 2019 Supplemental Operating Budget



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.
- Conducts program, labor market, and economic research to augment and enhance management decisions and policy making capabilities.

MAJOR PROGRAM AREAS

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

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 871	Employment Security Appeals Referees' Office
LBR 901	Research and Statistics
LBR 902	General Administration
LBR 903	Office of Community Services

Department of Labor and Industrial Relations
Operating Budget

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	188.11	188.11	-	-	188.11	188.11
		Temp	14.12	14.12	-	-	14.12	14.12
General Funds		\$	18,851,103	19,510,939	-	47,903	18,851,103	19,558,842
		Perm	22.00	22.00	-	-	22.00	22.00
Special Funds		Temp	22.00	22.00	-	-	22.00	22.00
		\$	12,339,275	12,339,275	-	-	12,339,275	12,339,275
		Perm	303.87	303.87	-	-	303.87	303.87
		Temp	17.00	17.00	-	-	17.00	17.00
Federal Funds		\$	47,037,146	47,037,146	-	(3,328,829)	47,037,146	43,708,317
		Perm	73.57	73.57	-	-	73.57	73.57
		Temp	7.88	7.88	-	-	7.88	7.88
Other Federal Funds		\$	7,096,190	7,096,190	-	391,284	7,096,190	7,487,474
		Perm	20.00	20.00	-	-	20.00	20.00
		Temp	-	-	-	-	-	-
County Funds		\$	2,000,000	2,000,000	-	-	2,000,000	2,000,000
		Perm	11.00	11.00	-	-	11.00	11.00
		Temp	5.00	5.00	-	-	5.00	5.00
Trust Funds		\$	381,937,031	382,002,622	-	-	381,937,031	382,002,622
		Perm	12.00	12.00	-	-	12.00	12.00
		Temp	20.00	20.00	-	-	20.00	20.00
Interdepartmental Transfers		\$	3,383,182	3,383,182	-	(500,000)	3,383,182	2,883,182
		Perm	-	-	-	-	-	-
		Temp	0.50	0.50	-	-	0.50	0.50
Revolving Funds		\$	70,000	70,000	-	-	70,000	70,000
		Perm	630.55	630.55	-	-	630.55	630.55
		Temp	86.50	86.50	-	-	86.50	86.50
Total Requirements		\$	472,713,927	473,439,354	-	(3,389,642)	472,713,927	470,049,712

Highlights: (general funds and FY 19 unless otherwise noted)

1. Reduces \$2,937,545 in federal and other federal funds for various programs to align the budget with federal grants anticipated to be received.
2. Reduces \$500,000 in interdepartmental transfer funds for the Office of Community Services to align budget with funds anticipated to be received.

Department of Labor and Industrial Relations
Capital Improvements Budget

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	3,658,000	-	-	-	3,658,000	-
Total Requirements	3,658,000	-	-	-	3,658,000	-

Highlights: (general obligation bonds and FY 19 unless otherwise noted)
None.

DEPARTMENT OF LAND AND NATURAL RESOURCES

Department Summary

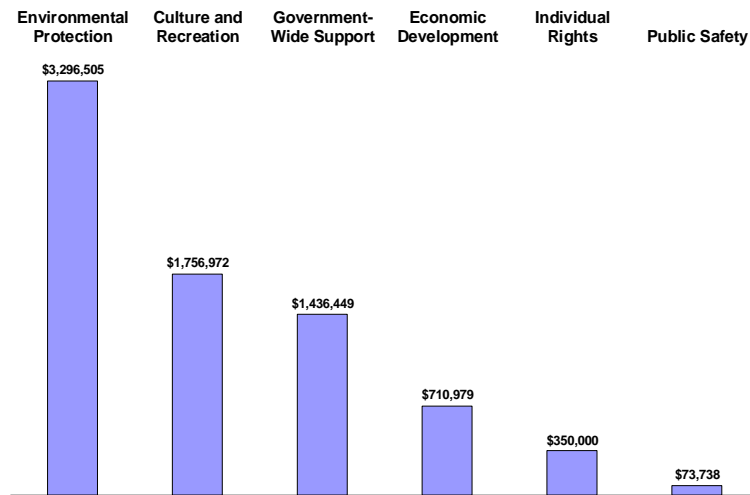
Mission Statement

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.

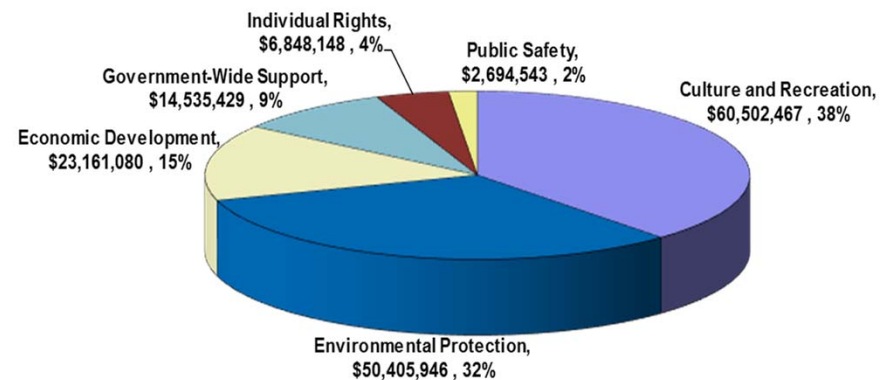
Department Goals

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.

FY 2019 Supplemental Operating Budget Adjustments by Major Program



FY 2019 Supplemental Operating Budget



DEPARTMENT OF LAND AND NATURAL RESOURCES

MAJOR FUNCTIONS

- Implement programs to conserve, protect, develop and utilize the State's natural and cultural resources.
- Preserve and enhance native and indigenous fish and other aquatic species and their habitats for residents and visitors.
- Promote the safe and responsible use of Hawaii's natural resources through firm, fair and effective law enforcement.
- Provide accurate, timely and permanent system of registering and recording land title and related documents and maps.
- Manage the conservation, protection, planning, and utilization of the State's water resources for social, economic and environmental requirements.
- Provide safe and enjoyable recreation opportunities.
- Develop and maintain 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. Cooperates and 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 153 Fisheries Management
LNR 172 Forestry-Resource Management and Development

Environmental Protection

LNR 401 Ecosystem Protection and Restoration
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

Culture and Recreation

LNR 801 Ocean-Based Recreation
LNR 802 Historic Preservation
LNR 804 Forest and Outdoor Recreation
LNR 805 District Resource Management
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

Department of Land and Natural Resources
Operating Budget

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	475.00	475.00	-	56.00	475.00	531.00
		Temp	76.00	76.00	-	(25.00)	76.00	51.00
General Funds		\$	57,393,925	56,071,951	-	2,299,025	57,393,925	58,370,976
		Perm	340.00	340.00	-	11.50	340.00	351.50
		Temp	4.25	4.25	-	1.00	4.25	5.25
Special Funds		\$	71,056,802	71,179,859	-	3,577,619	71,056,802	74,757,478
		Perm	32.50	32.50	-	-	32.50	32.50
		Temp	17.75	17.75	-	2.00	17.75	19.75
Federal Funds		\$	13,693,630	13,813,630	-	167,462	13,693,630	13,981,092
		Perm	8.50	8.50	-	-	8.50	8.50
		Temp	13.00	13.00	-	(3.00)	13.00	10.00
Other Federal Funds		\$	18,727,426	6,567,426	-	1,580,537	18,727,426	8,147,963
		Perm	1.00	1.00	-	-	1.00	1.00
		Temp	1.00	1.00	-	-	1.00	1.00
Trust Funds		\$	540,497	540,497	-	-	540,497	540,497
		Perm	-	-	-	-	-	-
		Temp	7.00	7.00	-	-	7.00	7.00
Interdepartmental Transfers		\$	1,679,079	1,679,079	-	-	1,679,079	1,679,079
		Perm	-	-	-	3.00	-	3.00
		Temp	3.00	3.00	-	(3.00)	3.00	-
Revolving Funds		\$	670,528	670,528	-	-	670,528	670,528
		Perm	857.00	857.00	-	70.50	857.00	927.50
		Temp	122.00	122.00	-	(28.00)	122.00	94.00
Total Requirements		\$	163,761,887	150,522,970	-	7,624,643	163,761,887	158,147,613

Highlights: (general funds and FY 19 unless otherwise noted)

1. Adds 10.0 permanent positions and \$765,812 for manpower support, and to install an integrated information management system for the State Historic Preservation Division.
2. Adds \$536,819 for increased county contract costs for lifeguard services on Maui and Kauai.
3. Adds 2.0 permanent positions and \$500,928 to establish a training academy for the Division of Conservation and Resources Enforcement.
4. Adds 7.0 permanent positions and \$215,466 to restore positions abolished by Act 49, SLH 2017.
5. Adds \$200,000 for fire response activities, and removal of invasive species in protected areas.
6. Adds \$1,848,498 in special funds for the Legacy Land Conservation Program.
7. Adds \$1,180,000 in special funds for the preservation of records at the Bureau of Conveyances, homeless policy enforcement, and protection of native ecosystems and rare species.

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

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
Special Funds	-	-	-	13,506,000	-	13,506,000
General Obligation Bonds	35,977,000	5,000,000	-	27,670,000	35,977,000	32,670,000
Federal Funds	15,600,000	100,000	-	200,000	15,600,000	300,000
Private Contributions	-	4,650,000	-	-	-	4,650,000
Trust Funds	-	1,150,000	-	-	-	1,150,000
Total Requirements	51,577,000	10,900,000	-	41,376,000	51,577,000	52,276,000

Highlights: (general obligation bonds and FY 19 unless otherwise noted)

1. Adds \$6,506,000 in special funds for the Watershed Initiative, Statewide.
2. Adds \$4,500,000 for flood damage reconstruction at Iao Valley State Monument, Maui.
3. Adds \$8,800,000 (\$8,600,000 in General Obligation Bonds and \$200,000 in federal funds) for Infrastructure, Facility, and Hazard Mitigation Improvements at State Parks.
4. Adds \$3,000,000 for Rockfall and Flood Mitigation Projects, Statewide.
5. Adds \$2,000,000 for Division of Forestry and Wildlife Baseyard Improvements, Oahu.
6. Adds \$7,000,000 in special funds for Additions to the Kula, Pupukeya, and Hana Forest Reserves.

OFFICE OF THE LIEUTENANT GOVERNOR

Department Summary

Mission Statement

To enhance the efficiency and effectiveness of state programs by providing leadership and executive management.

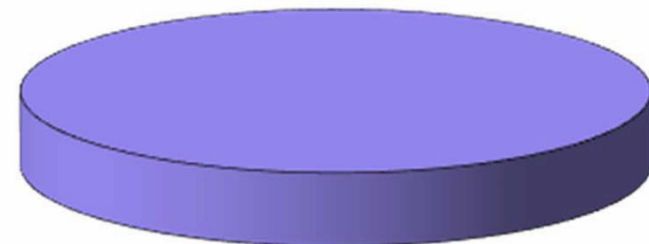
Department Goals

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

FY 2019 Supplemental Operating Budget Adjustments by Major Program

No operating budget adjustments.

FY 2019 Supplemental Operating Budget



**Office of the
Lieutenant Governor,
\$1,061,626 , 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.
- Performs duties and undertakes projects assigned by the Governor.
- Serves as the Secretary of State for intergovernmental relations.

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**

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	3.00	3.00	-	-	3.00	3.00
		Temp	11.00	11.00	-	-	11.00	11.00
	General Funds	\$	1,061,626	1,061,626	-	-	1,061,626	1,061,626
		Perm	3.00	3.00	-	-	3.00	3.00
		Temp	11.00	11.00	-	-	11.00	11.00
		\$	1,061,626	1,061,626	-	-	1,061,626	1,061,626
Total Requirements								

Highlights: (general funds and FY 19 unless otherwise noted)
None.

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

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	-	-	-	-	-	-
Total Requirements	-	-	-	-	-	-

Highlights: (general obligation bonds and FY 19 unless otherwise noted)

None.

DEPARTMENT OF PUBLIC SAFETY

Department Summary

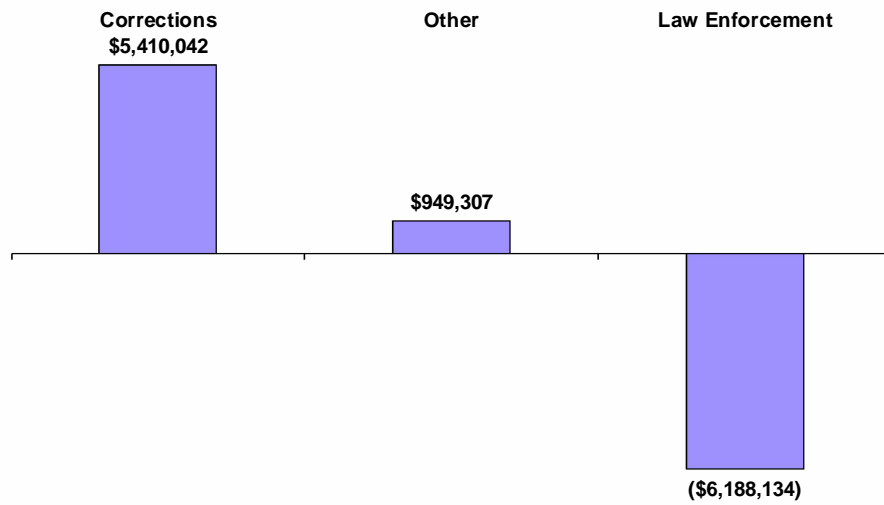
Mission Statement

To uphold justice and public safety by providing correctional and law enforcement services to Hawaii's communities with professionalism, integrity and fairness.

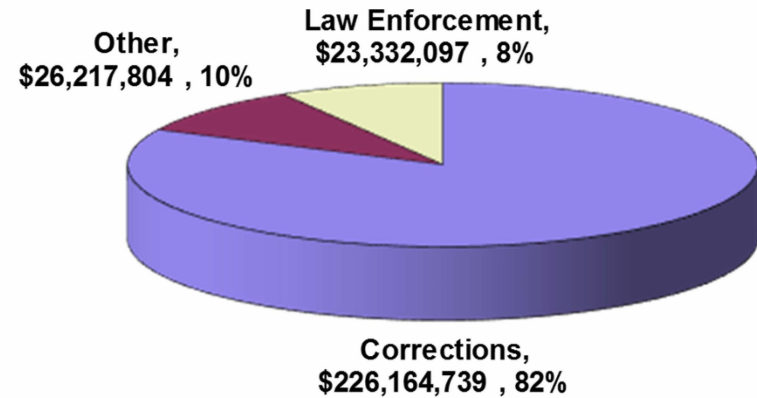
Department Goals

To protect individuals and property from injury and loss caused by criminal actions by providing and coordinating services, facilities, security, and law enforcement to preserve the peace; to prevent and deter crimes; to detect, apprehend, detain, and rehabilitate criminals; and, where appropriate, to compensate victims of crime.

FY 2019 Supplemental Operating Budget Adjustments by Major Program



FY 2019 Supplemental Operating Budget



DEPARTMENT OF PUBLIC SAFETY MAJOR FUNCTIONS

- Administer various 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 supervises offenders conditionally released by the courts.
- Administer 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.
- Regulate the manufacture, distribution, sale, prescription, and dispensing of controlled substances in the State by issuing applications and permits to conduct transactions; and investigates and enforces laws, rules and regulations relative to controlled substances.
- 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 Public Safety has programs in the following major program area:

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

Law Enforcement

PSD 502	Narcotics Enforcement
PSD 503	Sheriff

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 Public Safety
Operating Budget**

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	2,641.60	2,641.60	-	12.00	2,641.60	2,653.60
		Temp	-	-	-	-	-	-
General Funds		\$	256,739,033	251,665,423	-	6,760,680	256,739,033	258,426,103
		Perm	8.00	8.00	-	-	8.00	8.00
Special Funds		Temp	-	-	-	-	-	-
		\$	3,084,824	3,084,824	-	-	3,084,824	3,084,824
Federal Funds		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
		\$	1,615,989	1,615,989	-	-	1,615,989	1,615,989
		Perm	-	-	-	-	-	-
Other Federal Funds		Temp	1.00	1.00	-	-	1.00	1.00
		\$	1,059,315	1,059,315	-	-	1,059,315	1,059,315
County Funds		Perm	-	-	-	-	-	-
		Temp	3.00	3.00	-	-	3.00	3.00
		\$	209,721	209,721	-	-	209,721	209,721
		Perm	-	-	-	-	-	-
Trust Funds		Temp	-	-	-	-	-	-
		\$	75,065	75,065	-	-	75,065	75,065
Interdepartmental Transfers		Perm	59.00	59.00	-	(59.00)	59.00	-
		Temp	-	-	-	-	-	-
		\$	6,589,465	6,589,465	-	(6,589,465)	6,589,465	-
		Perm	10.00	10.00	-	-	10.00	10.00
Revolving Funds		Temp	42.00	42.00	-	-	42.00	42.00
		\$	11,243,623	11,243,623	-	-	11,243,623	11,243,623
Total Requirements		Perm	2,718.60	2,718.60	-	(47.00)	2,718.60	2,671.60
		Temp	46.00	46.00	-	-	46.00	46.00
		\$	280,617,035	275,543,425	-	171,215	280,617,035	275,714,640

Highlights: (general funds and FY 19 unless otherwise noted)

1. Transfers out 59.00 permanent positions and \$6,589,465 in interdepartmental transfers for the airport security detail to the Department of Transportation.
2. Adds \$1,740,404 for the continued housing of 248 Halawa Correctional Facility (HCF) inmates in Arizona for an additional 3 months in FY 19, due to delays in the HCF security systems project.
3. Adds \$1,944,923 for additional medical health care expenses.
4. Adds \$745,527 for additional pharmacy (prescription) expenses.
5. Adds 8.00 permanent positions and \$419,302 for Deputy Sheriff positions to support homeless and illegal camping operations.

6. Adds \$142,144 for additional pre- and post- psychological testing expenses for recruitment of Deputy Sherrifs and Adult Corrections Officers.
7. Adds 1.00 permanent position and \$108,400 for a farm manager position and operating supply expenses for Kulani Correctional Facility.
8. Adds 1.00 permanent position and \$108,400 for a farm manager position and operating supply expenses for Waiawa Correctional Facility.

**Department of Public Safety
Capital Improvements Budget**

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	78,710,000	-	-	50,000,000	78,710,000	50,000,000
Total Requirements	78,710,000	-	-	50,000,000	78,710,000	50,000,000

Highlights: (general obligation bonds and FY 19 unless otherwise noted)

1. Adds \$10,000,000 for PSD Statewide Facility, ADA and Sustainability Master Plans.
2. Adds \$9,700,000 for Kauai Community Correctional Center for new medium security housing.
3. Adds \$8,100,000 for Hawaii Community Correctional Center for new medium security housing.
4. Adds \$8,000,000 for Maui Community Correctional Center for new medium security housing.
5. Adds \$4,700,000 for PSD General Administration, Lump Sum CIP, Statewide.
6. Adds \$2,500,000 for Women's Community Correctional Center to renovate Hookipa Makai Cottage for new women's housing.
7. Adds \$2,500,000 for a Site Assessment Study for a new Kauai Community Correctional Center.
8. Adds \$2,500,000 for a Site Assessment Study for a new Hawaii Community Correctional Center.

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DEPARTMENT OF TAXATION

Department Summary

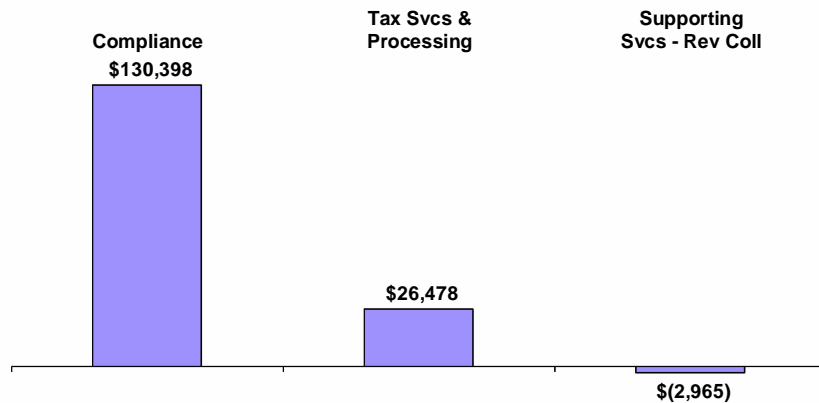
Mission Statement

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

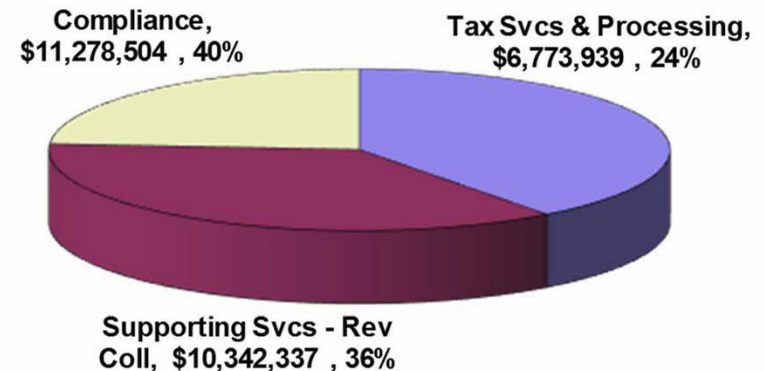
Department Goals

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.

FY 2019 Supplemental Operating Budget Adjustments by Major Program



FY 2019 Supplemental Operating Budget



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 a program in the following major program area:

Government-Wide Support

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

**Department of Taxation
Operating Budget**

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	386.00	386.00	-	17.00	386.00	403.00
		Temp	137.00	137.00	-	(13.00)	137.00	124.00
General Funds		\$	27,293,200	27,168,200	-	110,826	27,293,200	27,279,026
		Perm	-	-	-	-	-	-
		Temp	7.00	7.00	-	1.00	7.00	8.00
Special Funds		\$	1,072,669	1,072,669	-	43,085	1,072,669	1,115,754
		Perm	386.00	386.00	-	17.00	386.00	403.00
		Temp	144.00	144.00	-	(12.00)	144.00	132.00
Total Requirements		\$	28,365,869	28,240,869	-	153,911	28,365,869	28,394,780

Highlights: (general funds and FY 19 unless otherwise noted)

1. Adds 3.00 positions and \$102,762 for various programs and reduces \$102,762 in other current expenses from Supporting Services - Revenue Collection as a trade-off for the salary costs.
2. Increases funding by \$84,348 to fully fund 4.00 positions approved in FY 17 for Compliance.
3. Converts 13.00 positions from temporary to permanent for Tax Services and Processing.

**Department of Taxation
Capital Improvements Budget**

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	500,000	-	-	16,546,000	500,000	16,546,000
Total Requirements	500,000	-	-	16,546,000	500,000	16,546,000

Highlights: (general obligation bonds and FY 19 unless otherwise noted)

1. Increases funding for Tax System Modernization (TSM), Statewide, by \$16,546,000.

DEPARTMENT OF TRANSPORTATION

Department Summary

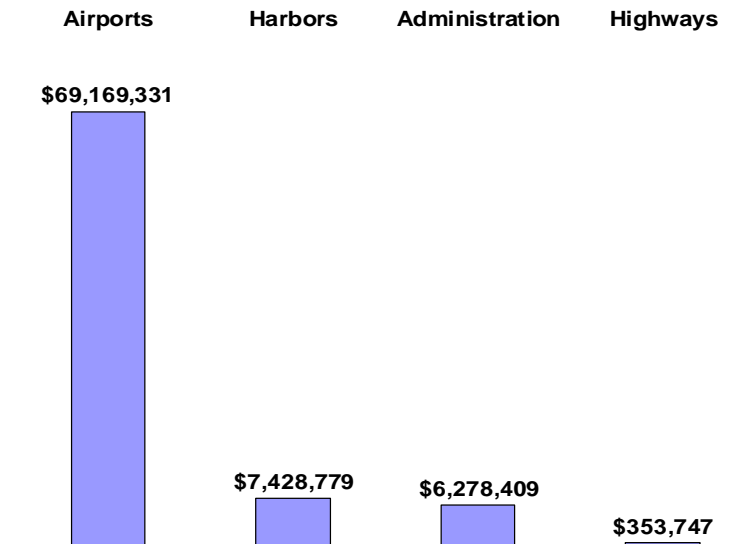
Mission Statement

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.

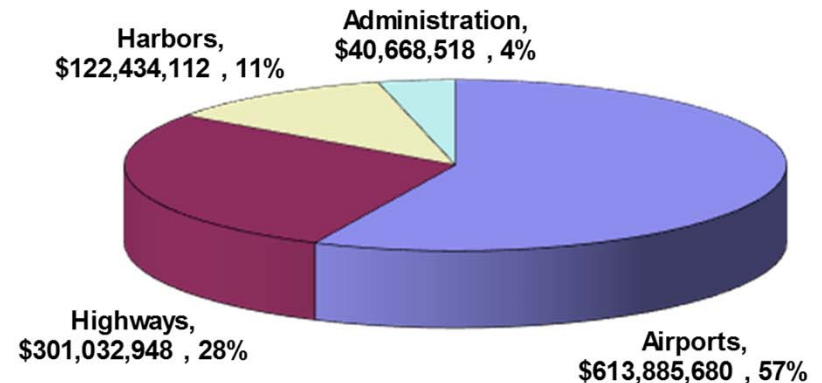
Department Goals

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; 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.

FY 2019 Supplemental Operating Budget Adjustments by Major Program



FY 2019 Supplemental Operating Budget



DEPARTMENT OF TRANSPORTATION MAJOR FUNCTIONS

- Carries out programs to improve, maintain, and operate transportation facilities of the State.
- Administers the operations of the airports program of the State government by equipping, regulating and protecting the state system of public airports and related facilities. Plans, designs, develops, acquires, and constructs new and expanded airports and facilities as well as reconstructs 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 harbors program of the State government by equipping, regulating, and protecting the State system of harbors 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 resources, 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 area:

Transportation Facilities and Services

Airports

TRN 102	Honolulu International Airport
TRN 104	General Aviation
TRN 111	Hilo International Airport
TRN 114	Kona International 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**

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
General Funds		\$	2,000,000	-	-	-	2,000,000	-
			2,303.70	2,304.70	-	96.50	2,303.70	2,401.20
Special Funds			16.00	16.00	-	(4.00)	16.00	12.00
		\$	975,809,449	968,471,142	-	78,089,181	975,809,449	1,046,560,323
		Perm	7.00	7.00	-	-	7.00	7.00
		Temp	1.00	1.00	-	-	1.00	1.00
Federal Funds		\$	28,967,701	24,827,351	-	5,141,085	28,967,701	29,968,436
		Perm	0.80	0.80	-	-	0.80	0.80
Other Federal Funds		Temp	-	-	-	-	-	-
		\$	754,989	754,989	-	-	754,989	754,989
		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
Private Contributions		\$	728,352	737,510	-	-	728,352	737,510
		Perm	2,311.50	2,312.50	-	96.50	2,311.50	2,409.00
		Temp	17.00	17.00	-	(4.00)	17.00	13.00
Total Requirements		\$	1,008,260,491	994,790,992	-	83,230,266	1,008,260,491	1,078,021,258

Highlights: (special funds and FY 19 unless otherwise noted)

1. Airports Division- Transfer-in 59.00 permanent positions and trade-off/transfer funds of \$6,589,465 from the Department of Public Safety for law enforcement services at Daniel K. Inouye International Airport (HNL).
2. Airports Division- Adds \$39,000,000 for the Consolidated Rental Car Facilities (CONRAC) at HNL and Kahului Airport (OGG); \$27,000,000 for shuttle buses at HNL, \$7,000,000 for pilot program at HNL, and \$5,000,000 for operating expenses of the tram at OGG.
3. Airports Division- Adds \$13,700,000 for consultant services for special maintenance projects, architectural and engineering mechanical systems, and environmental consultant services, statewide.
4. Airports Division- Adds \$10,994,788 for ten additional Wiki-Wiki buses at HNL.
5. Airports Division- Adds 25.00 permanent positions (6 months salary) and \$1,129,084 for staffing at various airports for the Visitor Information Program, Airports Operations Controllers, Aircraft Rescue and Fire Fighting (ARFF), and Grounds Maintenance Program.
6. Harbors Division- Trade-off/transfer \$15,000,000 for Special Maintenance Projects from various programs to administration.
7. Harbors Division- Adds \$4,159,351 for back rent at Kapalama Military Reserve (KMR) to DOT Airports Division.
8. Harbors Division- Adds \$2,464,000 for central service assessment expenses.
9. Harbors Division- Adds 8.00 permanent positions and \$284,493 (6 months salary) for staffing at various programs at Honolulu Harbor and Kahului Harbor.
10. Administration Division- Adds 3.00 permanent positions and \$588,146 (full year salary) for the Office of Law Enforcement and Security for Transportation.

**Department of Transportation
Capital Improvements Budget**

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
Special Funds	50,400,000	93,513,000	-	(40,486,000)	50,400,000	53,027,000
General Obligation Bonds	1,000,000	-	-	-	1,000,000	-
Revenue Bonds	794,537,000	270,777,000	-	570,237,000	794,537,000	841,014,000
Federal Funds	320,402,000	204,643,000	-	256,906,000	320,402,000	461,549,000
Other Federal Funds	3,000	3,000	-	-	3,000	3,000
Private Contributions	-	-	-	5,003,000	-	5,003,000
Other Funds	19,325,000	28,125,000	-	53,000,000	19,325,000	81,125,000
Total Requirements	1,185,667,000	597,061,000	-	844,660,000	1,185,667,000	1,441,721,000

Highlights: (revenue bonds and FY 19 unless otherwise noted)

1. Airports Division- Adds \$76,000,000 for Daniel K. Inouye International Airport, EB-5 Loan Repayment, Oahu.
2. Airports Division- Adds \$69,000,000 for Ellison Onizuka Kona International Airport at Keahole, Federal Inspection Station, Hawaii.
3. Airports Division- Adds \$67,000,000 for Rental Car Facility Improvements, Statewide.
4. Airports Division- Adds \$53,000,000 in other funds (passenger facility charges) for Airport Improvements, Statewide.
5. Airports Division- Changes the means of financing of \$40,500,000 in special funds to revenue bond funds and adds \$5,000,000 for Airfield Improvements, Statewide.
6. Airports Division- Adds \$22,301,000 (\$22,300,000 in revenue bond funds and \$1,000 in federal funds) for Lanai Airport, Runway 3-21 Reconstruction, Lanai.
7. Airports Division- Adds \$13,000,000 for Daniel K. Inouye International Airport, International Arrivals Building Renovation, Oahu.
8. Airports Division- Adds \$12,500,000 for Daniel K. Inouye International Airport, Restroom Renovation, Oahu.
9. Airports Division- Changes project title for various projects from Honolulu International Airport to Daniel K. Inouye International Airport and Kona International Airport at Keahole to Ellison Onizuka International Airport at Keahole.
10. Harbors Division- Adds \$20,202,000 (\$20,200,000 in revenue bonds and \$2,000 in special funds) for Pier 1 and 2 Improvements, Honolulu, Harbor, Oahu.
11. Harbors Division- Adds \$19,252,000 (\$19,250,000 in revenue bonds and \$2,000 in special funds) for Keehi Industrial Lots Improvements, Honolulu Harbor, Oahu.
12. Harbors Division- Adds \$17,602,000 (\$17,600,000 in revenue bonds and \$2,000 in special funds) for Kahului Harbor Improvements, Maui.
13. Harbors Division- Adds \$17,002,000 (\$17,000,000 in revenue bonds and \$2,000 in special funds) for Kahului Harbor Land Acquisition and Improvements, Maui.
14. Highways Division- Adds \$176,500,000 (\$35,300,000 in revenue bonds and \$141,200,000 in federal funds) for Major Pavement Improvements, Statewide.
15. Highways Division- Adds \$73,202,000 (\$16,200,000 in revenue bonds and \$57,002,000 in federal funds) for various bridges, Statewide.
16. Highways Division- Adds \$21,500,000 (\$2,150,000 in revenue bonds and \$19,350,000 in federal funds) for Interstate Route H-3, Finish Work and Mitigation, Junction at H-1 to Kaneohe Marine Corps Air Station (KMCAS), Oahu.
17. Highways Division- Adds \$13,000,000 (\$2,600,000 in revenue bonds and \$10,400,000 in federal funds) for Highway Lighting at various locations, Oahu.

UNIVERSITY OF HAWAII

Department Summary

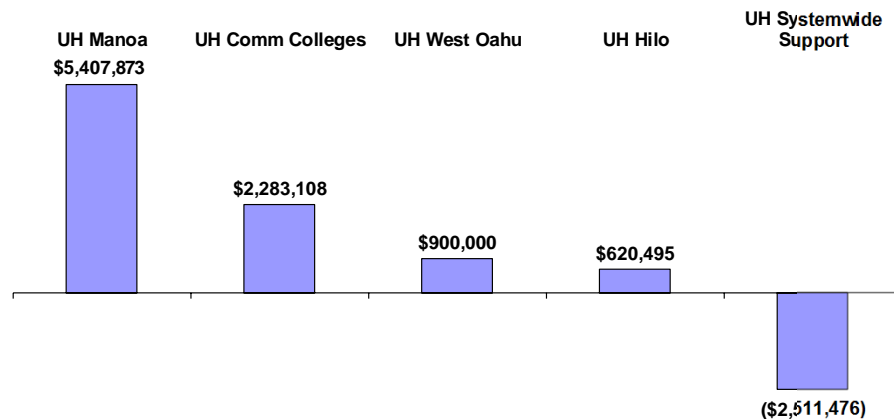
Mission Statement

To serve the public by creating, preserving, and transmitting knowledge in a multi-cultural environment.

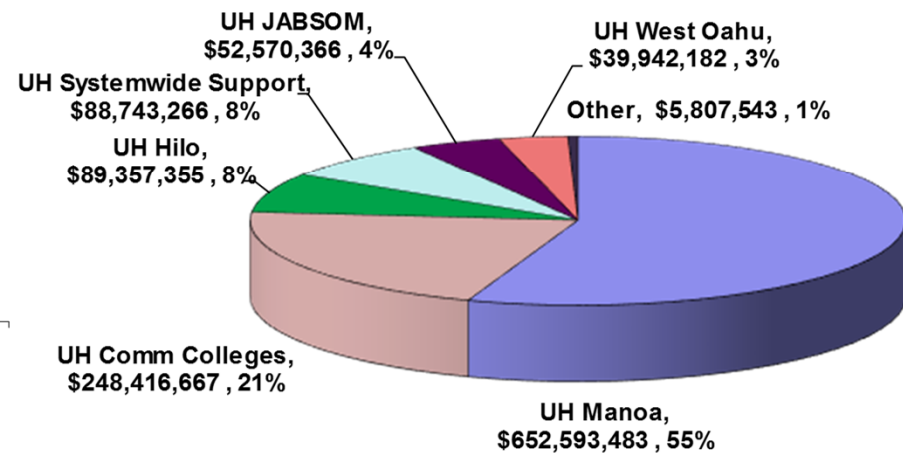
Department Goals

To achieve educational effectiveness and student success; provide a learning, research, and service network; be a model local, regional, and global university; maximize investment in faculty, staff, students, and their environment; and provide resources and stewardship.

FY 2019 Supplemental Operating Budget Adjustments by Major Program



FY 2019 Supplemental Operating Budget



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 the 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.
- 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.
- 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.
- 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 Hawaii, Manoa
UOH 110	University of Hawaii, John A. Burns School of Medicine
UOH 210	University of Hawaii, Hilo
UOH 220	Small Business Development

UOH 700	University of Hawaii, West Oahu
UOH 800	University of Hawaii, Community Colleges
UOH 900	University of Hawaii, Systemwide Support

Culture and Recreation

UOH 881	University of Hawaii, Aquaria
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University of Hawaii
Operating Budget

			Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:	Positions	Perm	6,604.73	6,604.73	-	91.00	6,604.73	6,695.73
		Temp	119.25	119.25	-	10.00	119.25	129.25
	General Funds	\$	475,757,464	475,712,464	-	6,700,000	475,757,464	482,412,464
		Perm	599.25	599.25	-	(43.00)	599.25	556.25
	Special Funds	Temp	9.50	9.50	-	-	9.50	9.50
		\$	576,476,867	576,476,867	-	-	576,476,867	576,476,867
		Perm	82.56	82.56	-	-	82.56	82.56
		Temp	4.00	4.00	-	-	4.00	4.00
	Federal Funds	\$	13,642,735	13,642,735	-	-	13,642,735	13,642,735
		Perm	53.75	53.75	-	-	53.75	53.75
	Revolving Funds	Temp	-	-	-	-	-	-
		\$	104,898,796	104,898,796	-	-	104,898,796	104,898,796
		Perm	7,340.29	7,340.29	-	48.00	7,340.29	7,388.29
		Temp	132.75	132.75	-	10.00	132.75	142.75
	Total Requirements		\$ 1,170,775,862	1,170,730,862	-	6,700,000	1,170,775,862	1,177,430,862

Highlights: (general funds and FY 19 unless otherwise noted)

1. Adds \$700,000 for the Hawaii Promise Scholarship Program for the Community Colleges.
2. Adds 15.00 permanent positions and \$1,223,108 to support underserved regions and populations such as Filipinos, Veterans, and students with disabilities at the University of Hawaii (UH) Manoa and the Community Colleges.
3. Adds 11.00 permanent positions and \$600,000 to support Academic and Student Affairs programs at the UH West Oahu to address enrollment growth and campus development additions.
4. Adds 9.00 permanent positions and \$1,200,000 to support Native Hawaiian students at UH Manoa, UH Hilo and the Community Colleges.
5. Adds 7.00 permanent positions and \$1,500,000 for facilities maintenance, upkeep and security access at UH Manoa.
6. Adds 10.00 temporary positions and tradeoff/transfers of \$543,852 for the Small Business Development Center.
7. Adds \$621,397 to support the graduate student employment programs.
8. Converts 43.00 permanent positions for UH Athletics program from special funds to general funds and transfers \$3,000,000 from UH Systemwide to UH Manoa and UH Hilo to support the Athletic program.
9. Tradeoff/transfer requests to realign the budget to reflect necessary operating requirements.

University of Hawaii
Capital Improvements Budget

	Act 49/2017 FY 2018	Act 49/2017 FY 2019	FY 2018 Adjustments	FY 2019 Adjustments	Total FY 2018	Total FY 2019
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	149,770,000	10,000,000	-	120,000,000	149,770,000	130,000,000
Private Contributions	5,000,000	5,000,000	-	-	5,000,000	5,000,000
Total Requirements	154,770,000	15,000,000	-	120,000,000	154,770,000	135,000,000

Highlights: (general obligation bonds and FY 19 unless otherwise noted)

1. Adds \$76,000,000 for the University of Hawaii (UH) Renew, Improve and Modernize Projects, Statewide.
2. Adds \$20,000,000 for the Sinclair Library Renovation project at UH Manoa.
3. Adds \$12,000,000 for Capital Renewal and Deferred Maintenance for the Community Colleges, Statewide.
4. Adds \$10,000,000 for Minor CIP for the Community Colleges, Statewide.
5. Adds \$2,000,000 for the Hawaii Community College in Hilo, campus development design.

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Historical Information

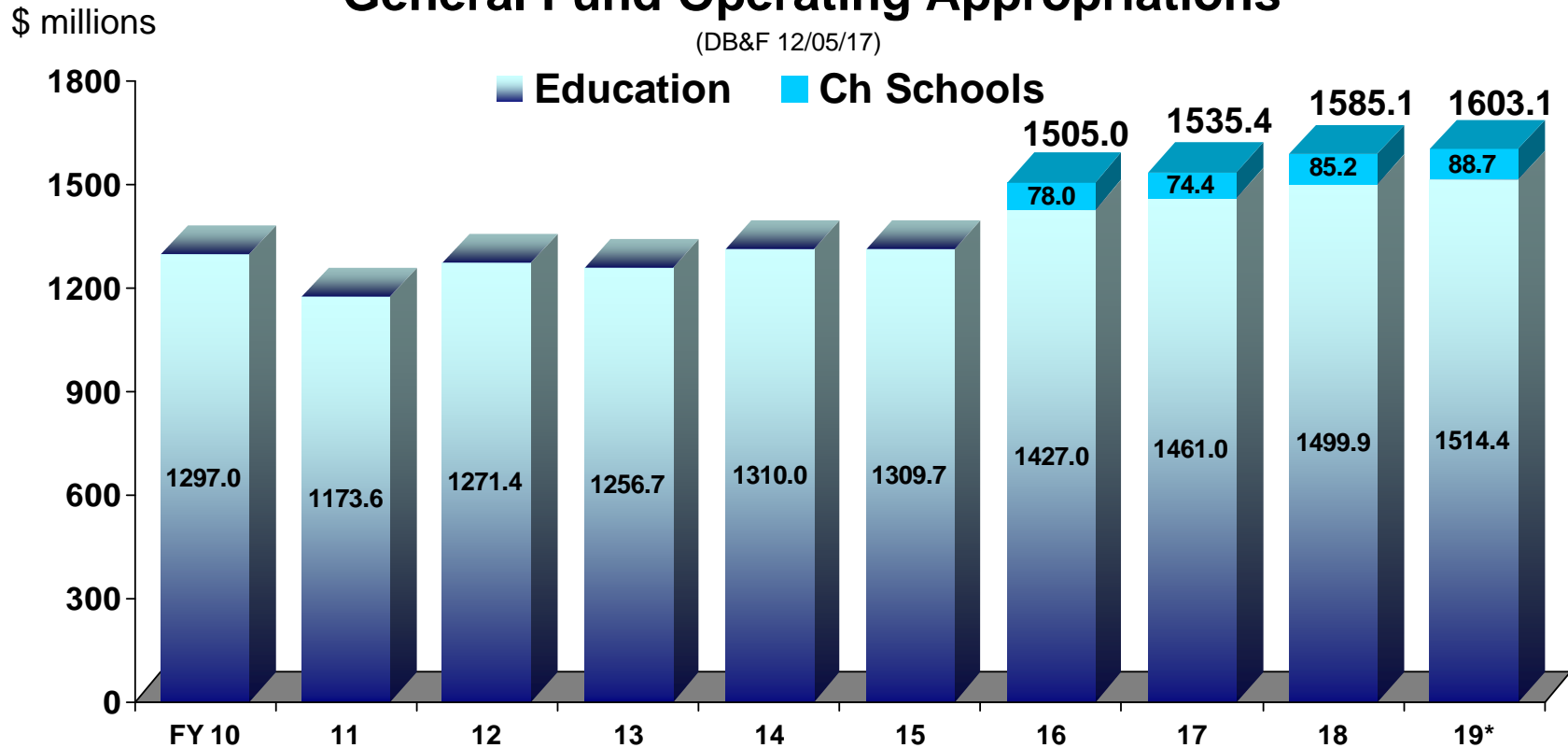
General Fund Revenues, Expenditures and Fund Balance
(in \$ millions)

<u>Fiscal Year</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Revenues Over Exp.</u>	<u>Fund Balance</u>
2009	5,008.0	5,375.2	(367.2)	(36.8)
2010	4,852.4	4,837.8	14.6	(22.2)
2011	5,116.9	4,968.7	148.2	126.0 ⁽²⁾
2012	5,660.6	5,511.3	149.3	275.3 ⁽²⁾
2013	6,234.4	5,665.7	568.8	844.0 ^{(1), (2)}
2014	6,096.2	6,275.4	(179.2)	664.8 ⁽¹⁾
2015	6,576.7	6,413.4	163.3	828.1 ^{(1), (2)}
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⁾

* Note: (1) Fiscal year in which the fund balance exceeded 5% of revenues
(2) Fiscal year (after FY 2009) in which revenues exceeded the preceding
fiscal year's revenues by 5%

Department of Education Instruction General Fund Operating Appropriations

(DB&F 12/05/17)



Enrollment (Thousands)**

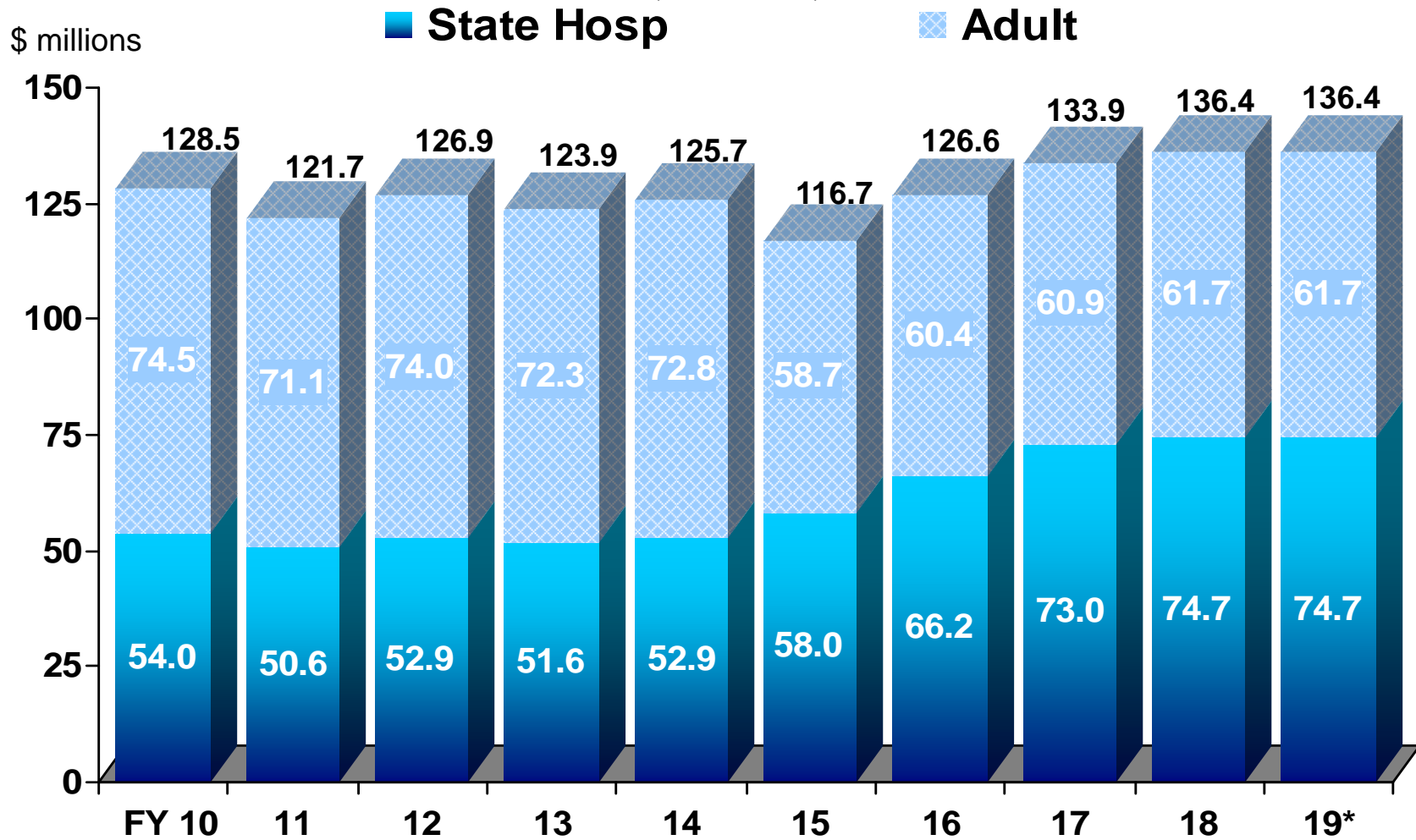
Regular	153.4	152.9	155.1	156.8	158.6	153.8	153.5	153.7	151.6	150.7
Special	17.4	17.0	17.0	17.0	16.9	16.5	16.4	16.4	16.4	16.3
Charter	7.8	8.2	9.1	10.1	10.3	10.4	10.5	10.5	11.3	11.7

*FY 19 reflects the Executive Supplemental Budget request

**FY 19 reflects projected enrollment

Adult Mental Health General Fund Appropriations

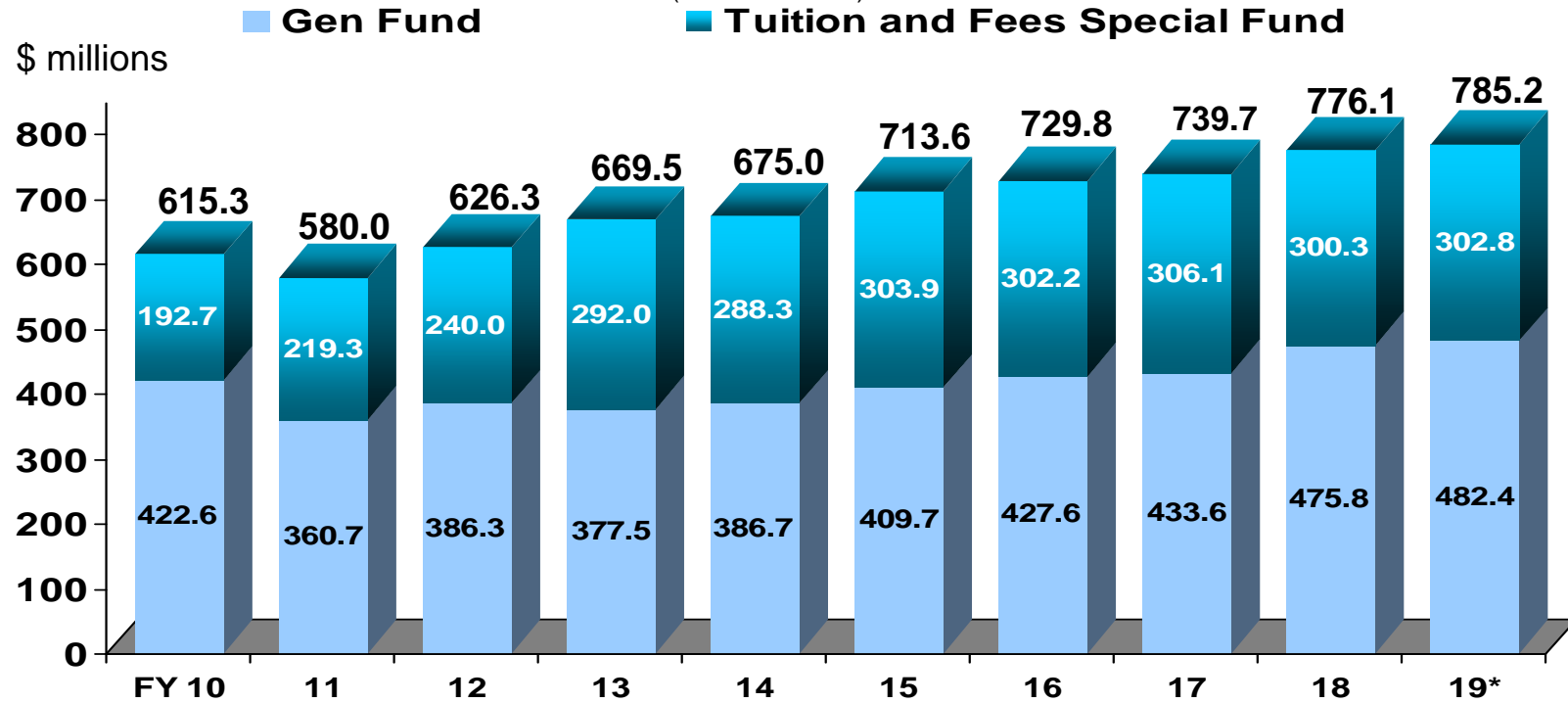
(DB&F 12/05/17)



*FY 19 reflects the Executive Supplemental Budget request

University of Hawaii Operating Appropriations Net of Fringe & Debt Svc

(DB&F 12/05/17)



Enrollment – Full Time Equivalent (Thousands)**

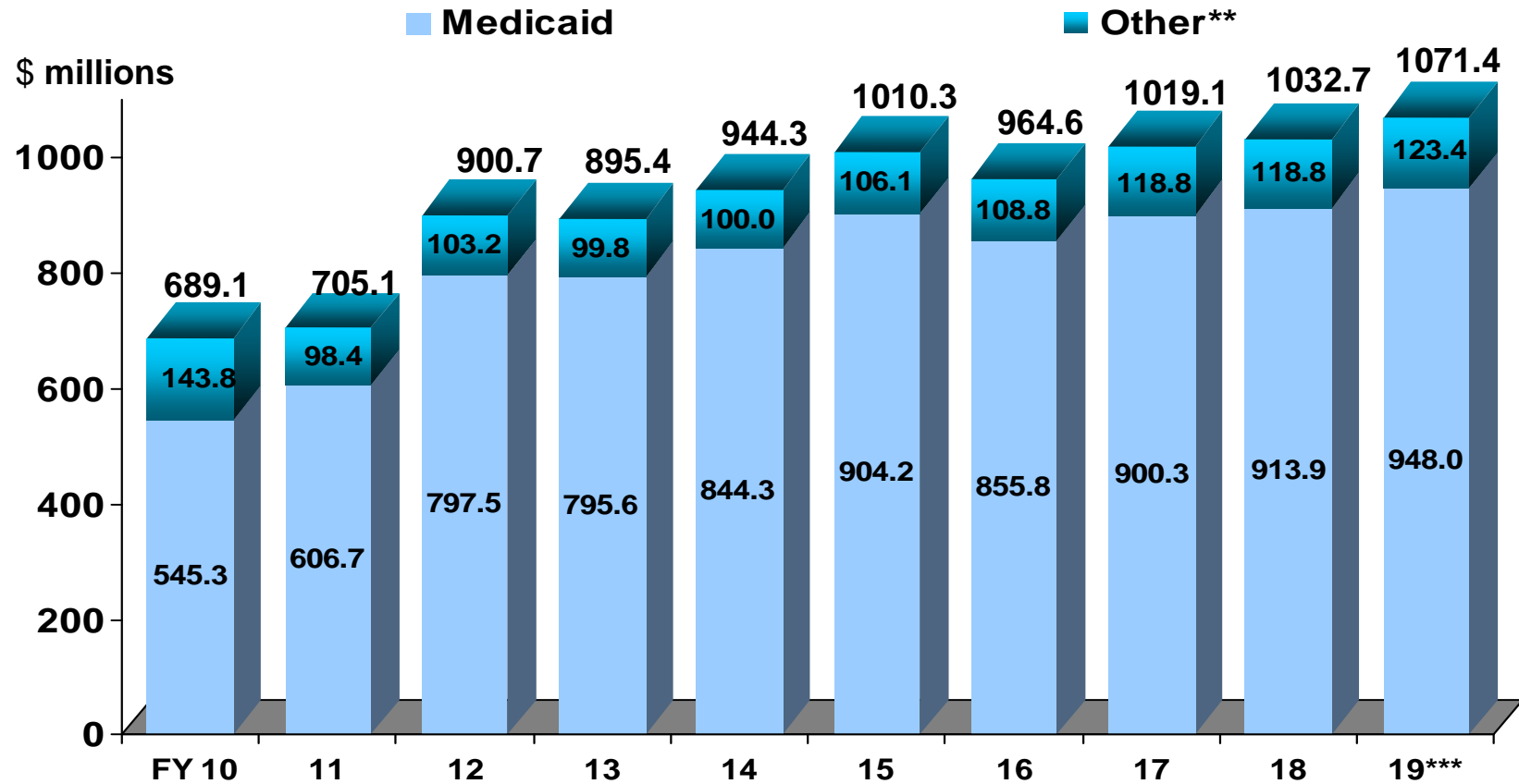
Manoa	16.3	16.2	16.4	16.7	16.5	16.2	15.9	15.2	14.8	14.7
Hilo	3.5	3.6	3.6	3.7	3.6	3.5	3.4	3.2	3.1	3.1
West Oahu	0.7	0.8	0.9	1.2	1.5	1.7	1.8	2.0	2.1	2.1
Comm Coll	<u>18.5</u>	<u>19.8</u>	<u>19.5</u>	<u>19.3</u>	<u>18.8</u>	<u>17.8</u>	<u>17.3</u>	<u>16.3</u>	<u>15.8</u>	<u>15.7</u>
Total	39.0	40.4	40.4	40.9	40.4	39.2	38.4	36.7	35.8	35.6

* FY 19 reflects the Executive Supplemental Budget request

**FY 17, FY 18 & FY 19 reflect projected enrollment as of January 2017

Medicaid and Welfare Payments General Fund Operating Appropriations*

(DB&F 12/05/17)



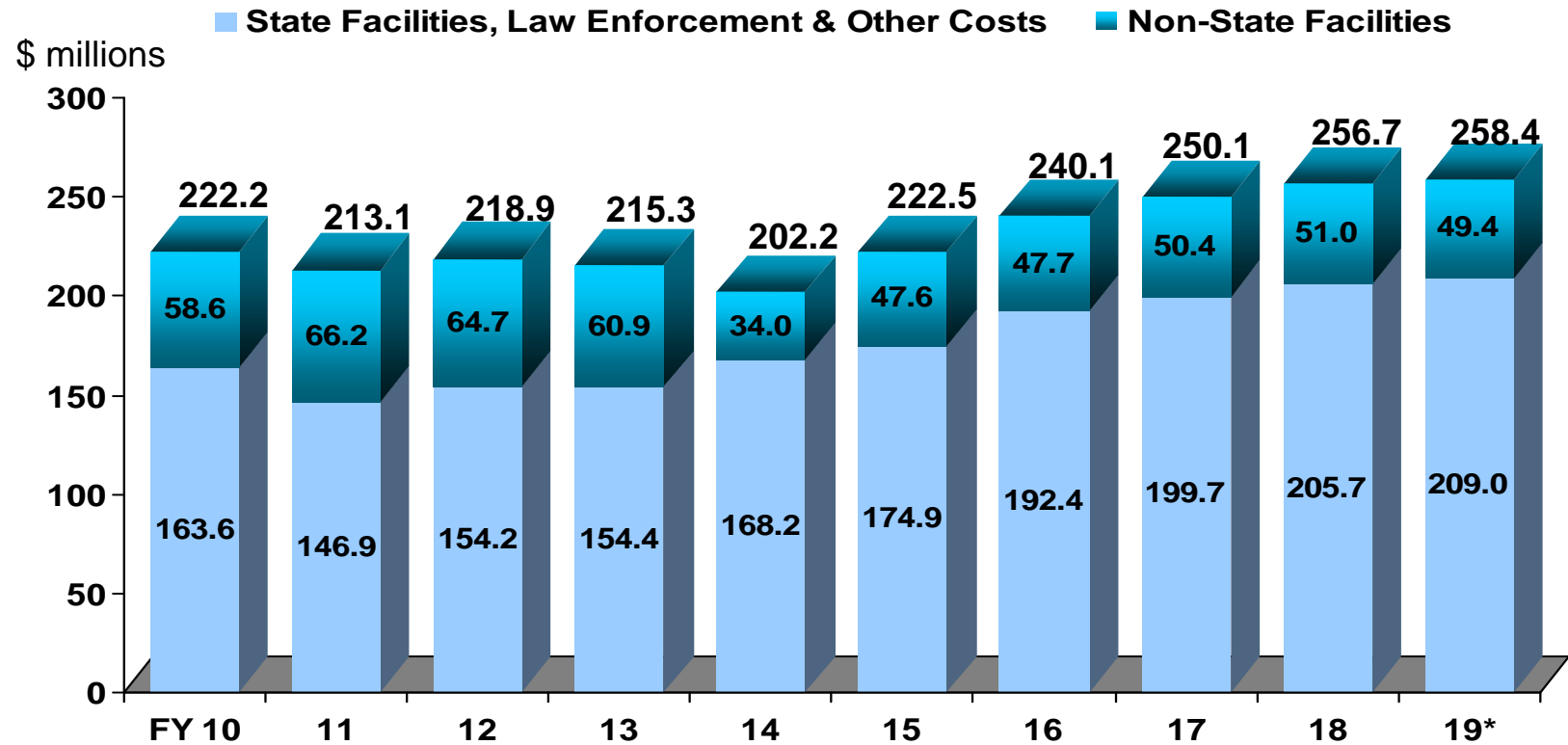
*Excludes Housing

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

***FY 19 reflects the Executive Supplemental Budget request

Public Safety General Fund Operating Appropriations

(DB&F 12/05/17)



Inmates (Thousands)**

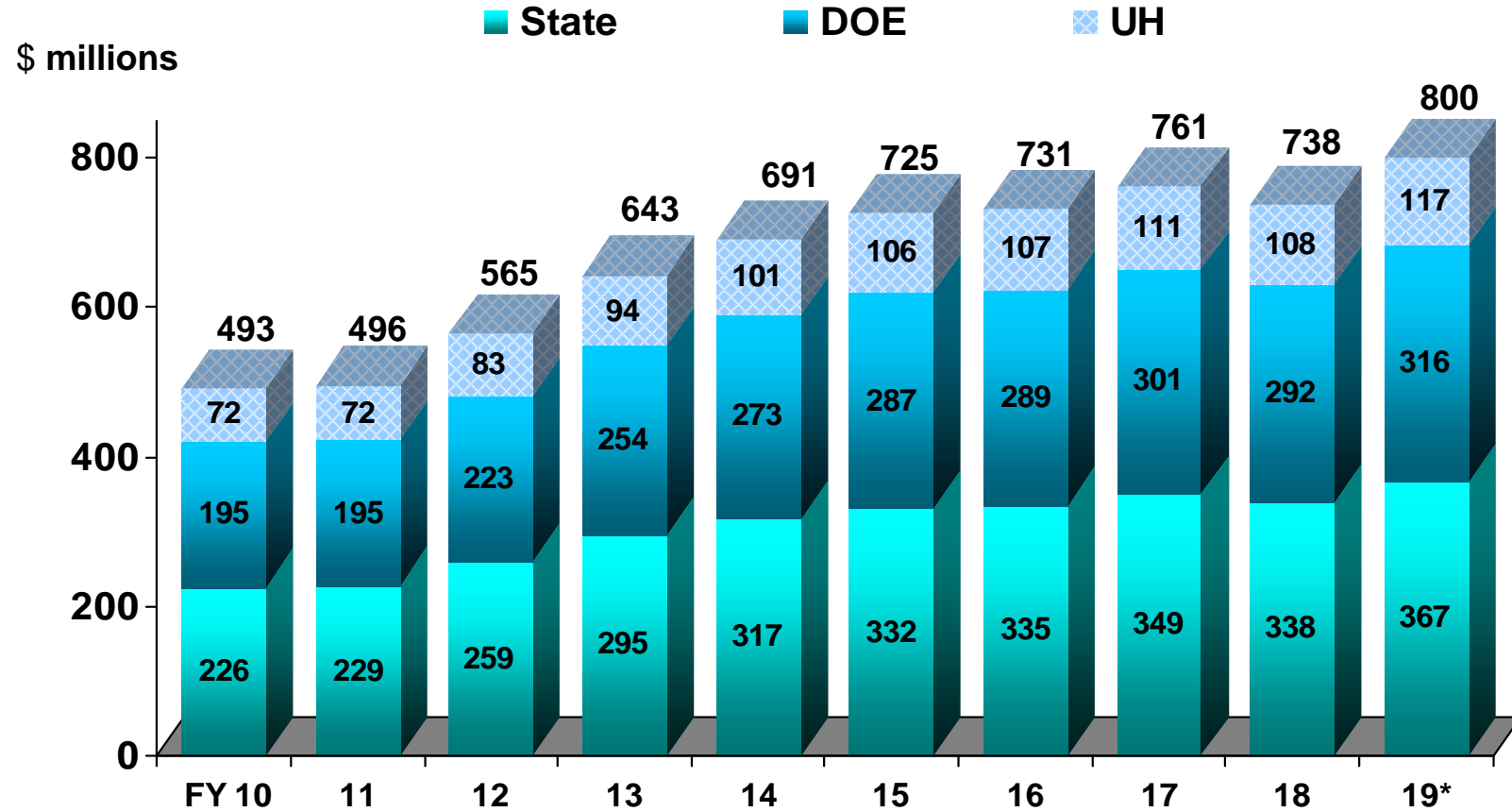
State	3.7	3.9	3.8	4.2	4.4	4.5	4.5	4.1	3.6	4.4
Non-State	2.5	2.5	2.4	1.6	1.5	1.3	1.4	1.4	1.7	1.4

*FY 19 reflects the Executive Supplemental Budget request

**FY 18 reflects assigned count as of November 30, 2017; FY 19 reflects projected head counts

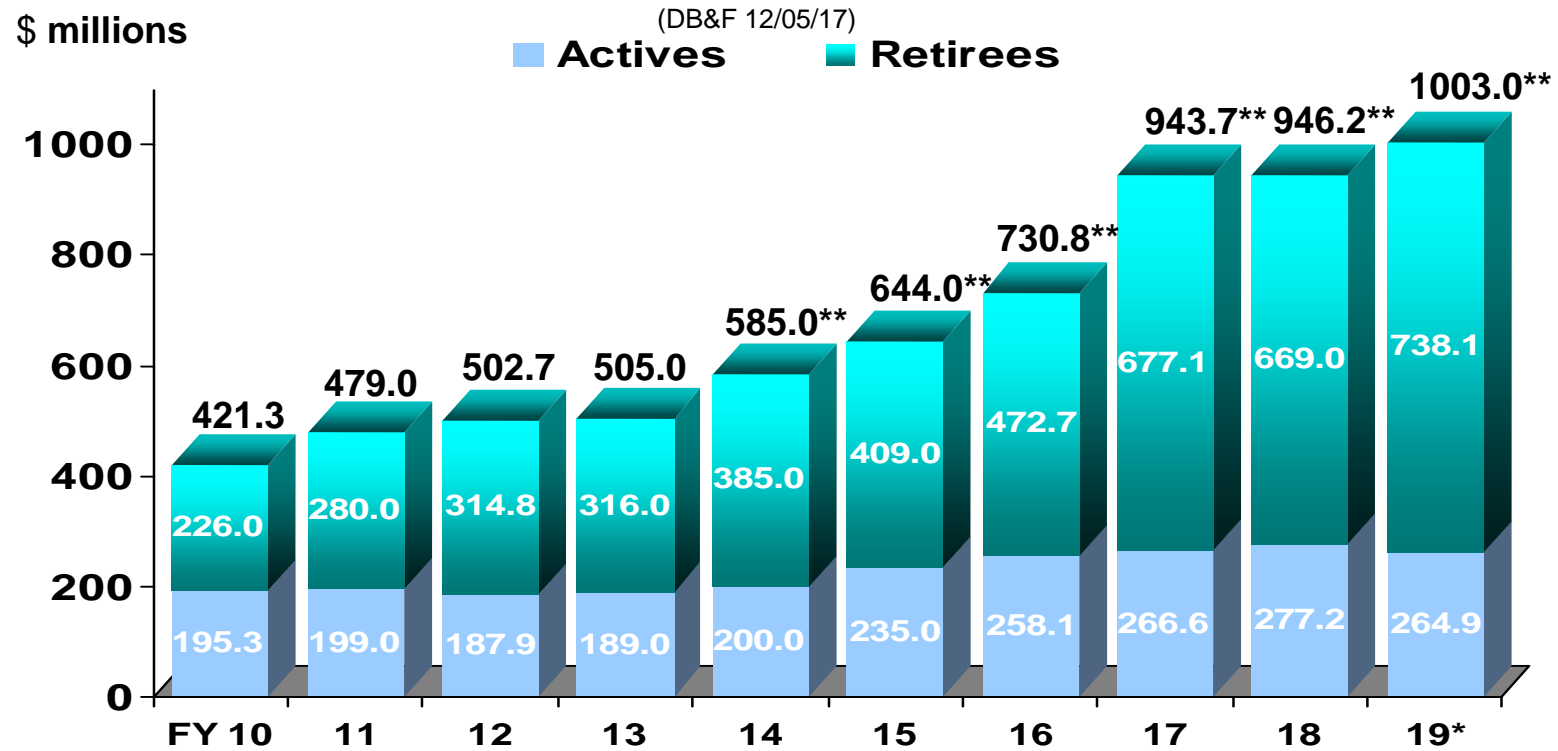
Debt Service and Certificates of Participation General Fund Operating Appropriations

(DB&F 12/05/17)



*FY 19 reflects the Executive Supplemental Budget request

State Employee and Retiree Health Benefits General Fund Appropriations



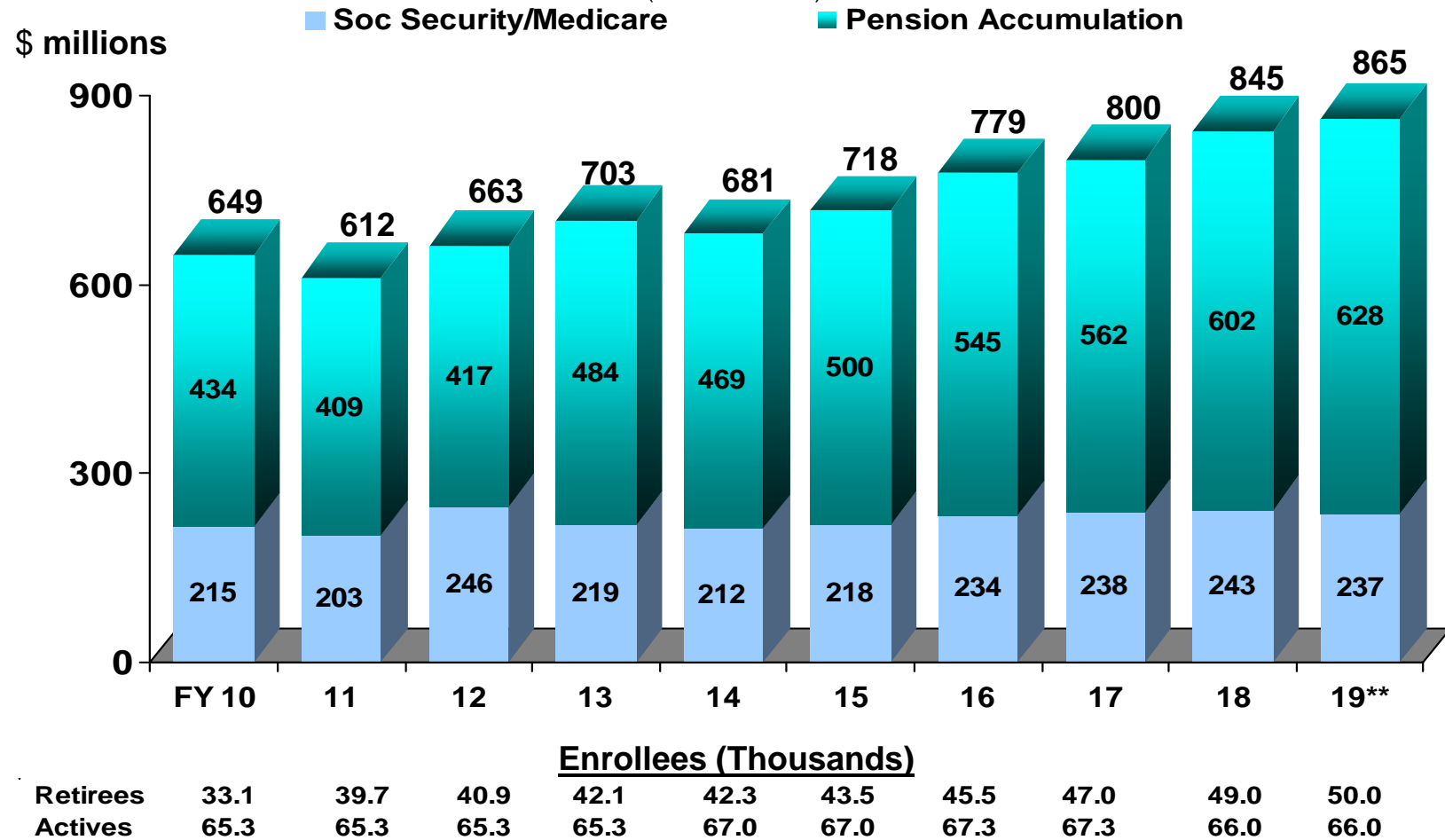
	<u>Enrollees (Thousands)</u>									
Retirees	26.6	39.6	42.3	43.0	43.0	44.8	45.9	46.8	47.7	48.8
Actives	54.1	55.2	67.1	67.7	68.0	68.0	68.6	68.4	67.3	67.3

*FY 19 reflects the Executive Supplemental Budget request

**Includes Other Post-Employment Benefits Pre-funding

Public Employees' Retirement System General Fund Appropriations*

(DB&F 12/05/17)

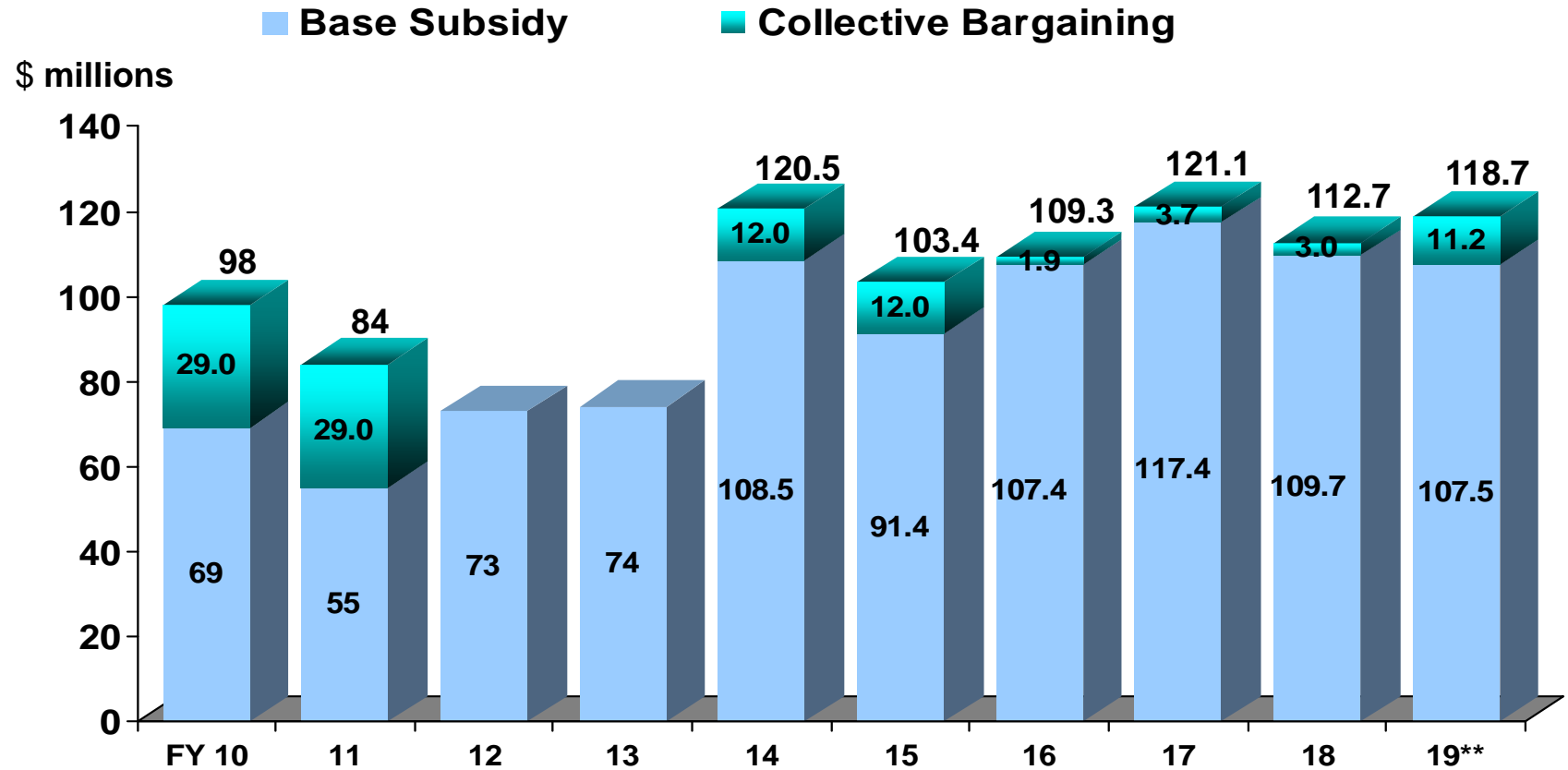


*FY 18 and FY 19 exclude Maui Health System

**FY 19 reflects the Executive Supplemental Budget request

Hawaii Health Systems Corporation General Fund Operating Appropriations*

(DB&F 12/05/17)



*Includes emergency and specific appropriations, less Maui Health System (FY 18 – \$33.4M, FY 19 – \$28.8M)

**FY 19 reflects the Executive Supplemental Budget request