

Hawaii

Hawaii House Sends 'Prudent' State Budget To Senate

A flat revenue stream means lawmakers had to cut hundreds of millions of dollars from the governor's initial proposal.

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By Chad Blair    / March 15, 2017

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Using words like “prudent,” “cautious” and “conservative,” the Hawaii House on Wednesday unanimously passed the state’s operating budget, sending it over to the Senate for its review.

It totals \$28 billion for the next two fiscal years. But that’s at least \$500 million less than the budget Gov. David Ige introduced in December, reflecting two state [Council on Revenues](#) downward revisions (in January and in March) to the state’s economic outlook.

Rather than growing at a rate of 5.5 percent, the state’s growth rate is now estimated to be just 2.5 percent. The reason is that the state’s general excise tax collections have been showing zero growth over the past several months, as compared to the same period last year.



Reps. Bertrand Kobayashi and Sylvia Luke share a lighter moment on the House floor before voting to approve the latest draft of the state budget.

Speaking on the House floor before the vote, Finance Committee Chairwoman Sylvia Luke said her colleagues recognized that now is not the time to spend money on new programs at the expense of core government services.

There was also a cut in capital improvement projects (known as CIP) by hundreds of thousands of dollars. The figure now totals \$1.9 billion for the next two fiscal years — FY 2018, which begins July 1, and FY 2019, which begins July 1, 2018).

Luke noted that money would also be tight when it comes to grants in aid. On Friday, [dozens of groups](#) such as the Molokai Land Trust, the YMCA of Honolulu and Catholic Charities Hawaii will make their pitches before House Finance and the Senate Ways and Means Committee.

'A Very Practical Budget'

Rather than go into detail, Luke highlighted just one example of where lawmakers trimmed expenses: [the Hawaii Youth Correctional Facility](#).

While stressing commitment to helping juveniles in trouble with the law, Luke pointed out that the HYCF today only houses 20 kids, as compared with a high of 240 in 2003. She said it made sense to reduce the number of guard positions and convert some to social workers and counselor positions.

For his part, House Speaker Joe Souki later released a statement on the budget echoing Luke's views regarding the overall budget:

"This year we have proposed a very practical budget because income estimates for the state are declining. The priority is to meet the budgetary needs of our core programs including education, kupuna care, homelessness, health programs, environmental protection and transportation. This budget accomplishes that goal."

Further constrictions on the budget could still be forthcoming. As Rep. Gene Ward, the minority policy leader, noted, collective bargaining costs for 14 public employee bargaining units have yet to be factored in.

Ward also said he hoped that the Department of Hawaiian Home Lands would be better funded. The budget calls for \$18 million for DHHL in each of the next two fiscal years, even though a Hawaii judge has said that the amount should be more than \$28 million.

The full budget can be viewed [by clicking here](#). Detailed worksheets on the budget (known as House Bill 100) can be viewed [by clicking here](#).

Separately, the House also [approved the budget](#) for the Office of Hawaiian Affairs.

Below are budget highlights, as determined by the House:

Operating Budget

Department of the Attorney General

- \$110,000 to maintain the Criminal Justice Information System
- \$101,000 to maintain the Upgraded Automated Fingerprint Identification System
- \$95,000 for the Hawaii Integrated Justice Information Sharing Program

Department of Business, Economic Development, and Tourism

- \$3,000,000 for an accelerator program in the High Tech Development Corp.
- \$80,000 to promote Hawaii as a destination for films

Department of Budget and Finance

- \$15,001,114 to centralize vacation payout for general funded employees statewide
- \$3,695,200 for upgrades for the Employees' Retirement System

Department of Defense

- \$360,000 for 10-year motor vehicle replacement plan
- \$80,000 for a Hawaii State Fusion Center director

Department of Education

- \$5,600,000 to expand the Hawaii Keiki Healthy and Ready to Learn Program
- \$2,027,645 to support the Office of Hawaiian Education
- \$1,040,593 and 20 positions to expand pre-K programs in DOE preschools
- \$844,776 and 18 positions to support children struggling with homelessness in the DOE
- \$500,000 to address R&M backlogs in state libraries

- 40 preschool teachers and 20 educational assistants to support special education students in DOE preschools

Department of Human Services

- \$3,000,000 for Rapid Re-Housing program to keep people out of homelessness
- \$3,000,000 for Housing First Program to keep chronically homeless individuals in housing
- \$1,500,000 for homeless outreach
- \$300,000 for homeless shelter maintenance and repair
- \$2,100,000 for low income family and elderly housing facilities
- \$400,000 for services for child victims of sex trafficking

Department of Human Resources Development

- \$3,274,000 for workers' compensation claims
- \$350,000 for pilot program to improve effectiveness of employees
- \$101,080 for professional development courses for state employees

Department of Health

- \$40,710,951 for various federal grants to support the Disease Outbreak Control Program (\$24,000,000 for support to local hospitals responding to emergency outbreaks, \$13,200,000 for immunizations and vaccines for children, and \$3,510,951 for other grants)
- \$4,314,600 for a voluntary family planning program grant
- \$4,145,695 for Kupuna Care
- \$3,000,000 as a match for the maternal, infant, and early childhood home visiting grant
- \$1,700,000 for Aging and Disability Resource Centers
- \$1,912,836 to rebase home and community care service subsidies
- \$422,540 for vector control
- \$300,000 to increase the inventory of clean and sober housing
- \$157,168 and one program specialist position for the Long Term Care Ombudsman

- \$150,000 for a Statewide Telehealth Pilot project
- \$102,000 for two epidemiological specialists to help with surveillance of disease outbreak

Department of Labor

- \$515,386 and one position for Disability Compensation Division modernization
- \$205,00 for Community Services Block Grant
- \$41,197 for Commodity Supplemental Food Program Federal Grant

Department of Land and Natural Resources

- \$4,000,000 for Hawaii Invasive Species Council operations
- \$3,405,749 for Native Resources and Fire Protection operations
- \$2,832,996 for Forest Reserve Management and Development operations
- \$500,000 for Bureau of Conveyances to modernize accessibility to records
- \$500,000 to implement an Integrated Information Management System
- \$250,000 for the Ala Wai Watershed Initiative

Department of Transportation

- \$124,400,000 for 10-year replacement plans for motor vehicles, equipment and ongoing base funding for special maintenance projects (\$35,500,000 for airports, \$17,600,000 for harbors, and \$71,300,000 for highways)
- \$4,000,000 for highway cleanup services in Department of Transportation
- \$3,000,000 in state matching funds for Airport Rescue and Firefighting vehicles statewide

University of Hawaii System

- \$600,000 and six psychologist positions to address mental health concerns of students enrolled in the University of Hawaii System

Capital Improvement Projects (CIP)

Agriculture

- \$10 million for the development of an agricultural park in Upcountry Maui
- \$3.7 million for improvements to the Waimanalo irrigation system

Accounting and General Services

- \$19 million for Aloha Stadium to meet code, safety, and/or operational requirements
- \$25 million for improvements and maintenance of existing public facilities and sites statewide

Business, Economic Development, and Tourism

- \$3 million for an underground utility distribution system on Enterprise Avenue to Midway Road in Kalaeloa
- \$50 million for the Rental Housing Revolving Fund and the Dwelling Unit Revolving Fund to finance additional affordable rental housing

Defense

- \$6 million to retrofit buildings with hurricane protective measures to increase the number of emergency shelters, statewide
- \$5 million for incremental addition, replacement, and upgrade of the state Civil Defense warning and communications equipment, statewide

Education

Lump sums of CIP that total over \$202 million for school facilities statewide to address equity, school condition, and program support.

- \$13.4 million for a new classroom building at Campbell High School
- \$77 million for the construction of the new East Kapolei Middle School
- \$28.2 million for the construction of the new Pohukaina Elementary School
- \$10 million for health, safety, accessibility and other code requirements for public libraries statewide

Hawaiian Home Lands

- \$74 million for lot development, repair, and maintenance of Hawaiian Home Lands

Human Services

- \$2 million for site and dwelling improvements, site utilities, rock fall protection, exterior building repairs and roof repairs at Puahala Homes
- \$10.7 million for interior and exterior building and site improvements at Hale Poai
- \$1.5 million for rockfall mitigation at Hauiki Homes

Health

- \$1.6 million for improvements and renovations to the Kahuku Medical Center
- \$24.4 million for improvements and renovations to the Hawaii Health Systems Corporation statewide
- \$4.4 million for improvements to health facilities statewide
- \$2.1 million to modernize elevators at Diamond Head, Lanakila and Leeward Health Centers
- \$4.5 million for re-roofing, interior and exterior improvements to the Hilo Counseling Center and Keawe Health Center

Land and Natural Resources

- \$4.5 million for assessments, maintenance and remediation of dams under the jurisdiction of the Department of Land and Natural Resources

- \$5 million for dredging and related improvements to the Ala Wai Canal
- \$6 million for rockfall and flood mitigation at various locations, statewide
- \$200,000 for hazardous tree mitigation in forest reserves, game management areas, natural area reserves and wildlife sanctuaries
- \$800,000 to provide statewide support for fire and natural disaster response
- \$4.5 million for improvements at various boating facilities statewide
- \$9 million for flood damage reconstruction at the Iao Valley State Monument, Maui

Public Safety

- \$53.5 million for electrical and mechanical infrastructure improvements and rehabilitation of buildings, at Public Safety facilities, statewide
- \$6.7 million for a new consolidated women's housing associated support office, and other improvements at the Women's Community Correctional Center, Oahu

Transportation

- \$46.1 million for renovations and new restroom facilities at airports statewide
- \$170 million for improvements to the overseas terminal ticket lobby at Honolulu International Airport
- \$30 million for improvements at gates 29 and 34 to accommodate A380 Aircraft at Honolulu International Airport
- \$8.7 million for a new United States Department of Agriculture, Agricultural Inspection Station at Kona International Airport
- \$50 million for a Federal Inspection Stations (FIS) at Kona International Airport
- \$39.2 million for holdroom and gate improvements at Kahului Airport
- \$10.5 million for inbound baggage handling system improvements, Kahului Airport
- \$7.2 million for terminal improvements at Molokai Airport

- \$4.5 million for a new aircraft rescue and fire fighting garage, renovation of the terminal, and replacement of airfield lighting at Kalaupapa Airport
- \$17.8 million for ticket lobby and holdroom improvements at Lihue Airport
- \$6.3 million to address safety needs, optimize energy and operational efficiencies, and provide essential infrastructure to Pier 24-28 at Honolulu Harbor
- \$7.5 million to address storm water run-off, erosion, passenger safety issues, ineffective drainage and/or subsurface irregularities at Nawiliwili Harbor
- \$172.7 million for rehabilitation and/or replacement of bridges, statewide
- \$7.5 million for guardrail and shoulder improvements on state highways, statewide
- \$89 million for a new roadway and/or realignment, and extending the Daniel K. Inouye Highway from the Hilo Terminus to the Queen Kaahumanu Highway
- \$25.9 million for improvements and installation of drainage systems on state highways statewide
- \$50 million for shoreline protection, highway realignment, and beach fill/nourishment for state highways statewide

University of Hawaii

- \$30 million for the Culinary Institute of the Pacific, Phase II at Kapiolani Community College
- \$5 million for renovations at Snyder Hall, University of Hawaii at Manoa
- \$15 million for renovations and new facilities at community colleges and neighbor island university campuses statewide
- \$550,000 for renovations and improvements for University of Hawaii athletics facilities to address Title IX compliances statewide
- \$1.8 million for replacement and, renovation of fire alarm systems at the University of Hawaii at Manoa

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