

Department of Transportation – Airports Division
Federal Aviation Administration CARES Act Grant - \$133.3 Million

RE: Status of CARES Funding Disbursements and Expenditures

1. What are the total dollars appropriated, disbursed and expended to date?

\$ 133,334,924 is appropriated

\$ 52,689,380 has been disbursed and expended as of 8/27/2020

2. Reason(s) for unspent funds?

The State of Hawaii, Department of Transportation – Airports Division (DOTA) received Federal Aviation Administration (FAA) CARES Act grant funding of \$133.3 million in May 2020. At that point, based on our financial position, we strategically forecasted the financial need and use of \$50 million to keep airline rates and charges stable for FY 2020, based on the airports residual cost system per the Airport-Airline Agreement. As a result, the DOTA has drawn down \$50 million and \$2.7 million for FY 2020 and 2021, respectively. Currently, we will draw down the remaining \$80.6 million in FY 2021 to further keep rates stable. Therefore, the reason why there are “unspent funds” is to keep airline rates and charges stable for FY 2020 and 2021, with the hope of the economy returning soon. It should be noted that this CARES Act grant has a 4-year life and does not expire till May 2024.

3. What programs/services or other purchases have resulted from the CARES funds?

The FAA CARES Act grant allows reimbursement for any “*expenses in accordance with the FAA’s Policy and Procedures Concerning the Use of Airport Revenues and incurred after January 20, 2020.*” The DOTA has received and will be requesting further reimbursement relating to its larger expenditures such as salaries and wages, security costs, utilities and debt service.

4. Who is being served by the programs/services or other purchases?

Airlines carriers, airport tenants, and concessionaires.

5. What metrics of performance have been established to ensure funds will be spent by December 2020?

The FAA CARES Act grant does not expire till May 2024. However, the DOTA expects to submit for full reimbursement of the \$133.3 million by the end of this calendar year.