



## NEWS RELEASE – HOUSE OF REPRESENTATIVES

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### LEGISLATURE UNANIMOUSLY PASSES STATE BUDGET

**Honolulu, Hawaii** – The Hawaii State Legislature today voted unanimously in both the House and Senate to approve the state budget for the upcoming FY2013-2015 biennium.

[HB200 CD1](#) appropriates funds for operating and capital improvement costs of the Executive Branch for the biennium fiscal years FY2013-2014 and FY2014-2015.

For FY2013-2014, the bill offers \$6 billion in general funds and \$11.8 billion in all other means of financing. For FY2014-2015, it appropriates \$6.1 billion in general funds and \$12 billion in all additional financing means. It also provides over \$3 billion in funding for capital improvement projects (CIP) and \$30 million Grants-In-Aid for non-profit organizations.

House Finance Chair Sylvia Luke (Makiki, Punchbowl, Nuuanu, Dowsett Highlands, Pacific Heights, Pauoa) acknowledged that the fiscal outlook is looking positive but reiterated the importance of financial prudence, “our economy is recovering and while we have the money, it is now time to take a measured approach towards our State’s financial plan. This means passing a budget that takes care of our current needs, while also taking care of our financial obligations and reinvests in our future,” said Luke. “In this budget, we kept our promise to recapitalize the Hurricane Relief Fund and Rainy Day Funds and we have taken significant steps towards reducing our unfunded liabilities.”

The financial plan includes an addition of \$160 million into the Hurricane Relief Fund and \$50 million into the Rainy Day Fund. Most importantly, it includes appropriations of \$217 million in the next biennium to begin payments towards the State’s unfunded liability and will continue to allocate funds every year ending in an allocation of \$500 million in FY2019.

"We used the projected surplus to strengthen economic drivers to ensure increased revenue returns. To help the construction industry, the budget bill authorizes more than \$1.3 billion in general obligation bond authorization for capital improvement projects statewide. Additionally, to support our number one industry our financial plan includes an \$11 million increase to the Hawaii Tourism Authority to strengthen the marketing of Hawaii as a visitor destination. We

also appropriated \$6 million to assist our growing high technology industry in investment start ups and tax credits for research and development," said Luke.

Other funding highlights include:

#### **Agriculture (AGR)**

- **Added \$750,000 in general funds for the New Farmer Loan Program in FY14.** This funding will enhance opportunities for new farmers to grow, while also supporting the State in becoming more food self-sufficient.
- **Added 10 positions and nearly \$1.2 million over the biennium to the Plant, Pest, and Disease Control division** to support the Apiary program on Maui, Kauai, and Kona, and various other programs aimed at protecting local agriculture from invasive species, as well as the Hawaii Queen Bee industry.

#### **Consumer Protection and Commerce (CPC)**

- **Added 2 temporary positions and over \$300,000 in special funds each year for the Mortgage Foreclosure Dispute Resolution Program,** which handles disputes between owner-occupants and lenders.
- **Added \$190,000 in special and trust funds over the biennium to the Department of Commerce and Consumer Affairs for public service campaigns aimed at educating consumers** on a broad spectrum of consumer issues, including the dangers of hiring unlicensed contractors.

#### **Economic Development and Business (EDB)**

- **Provided 3.69 temporary positions and \$3 million in special funds over the biennium for the Hawaii State Energy Office Strategic Plan Programs** to develop alternative energy resource related projects.
- **Added \$800,000 over the biennium to the Pacific International Space Center for Exploration Systems Program (PISCES).** This supports the PISCES center on Hawaii Island to build an aerospace research and development park in cooperation with NASA and other international organizations, to be able to test aerospace robotics on a similar terrain.
- **Added \$1.5 million in general funds over the biennium for the Hawaii Invasive Species Council** in Forestry Resource Management and Development Division of DLNR. This restores funding to support invasive species control, bringing general funding closer to historical levels.

#### **Education (EDN)**

- **Added \$12.9 million in general funds for the Weighted Student Formula.** This funding will go directly to classrooms to support educational activities for students, teachers and principals.
- **Added \$8.2 million in general funds in FY14 for a pilot program relating to Common Core Instructional Materials.** This is the DOE's initiative to give every child from grades 3-12 either a tablet or laptop to enhance their educational experience.

- **Added \$1 million in general funds in FY14 for Common Core Standards Assessment in Hawaiian.** This funding creates a Hawaiian language Common Core Standards test for 350 third and fourth grade students enrolled in 14 immersion schools.
- **Added \$700,000 in FY14 in general funds for library books and materials.** Includes funding for both physical books and e-books. Libraries have not received general funding for materials for 4 years.

#### **Energy and Environmental Protection (EEP)**

- **Added 13 temporary positions to Department of Land and Natural Resources (DLNR) for Watershed Management** to continue management of watershed projects.
- **Added 8 positions and \$1.3 million for quality management and monitoring of environmental resources.** These positions support programs for watershed and surface water quality monitoring, water reuse, greenhouse gas emissions, air pollution control, federal and state clean water regulations, solid waste permitting and monitoring.

#### **Higher Education (HED)**

- **Added nearly \$1.2 Million over the biennium** for The Native Hawaiian Center of Excellence at the John A. Burns School of Medicine.
- **Added 10 positions and \$3 million in general funds in each year of the biennium** to support activities and growth at the University of Hawaii at West Oahu campus.
- **Added 9 positions and \$3 million in general funds over the biennium for Science, Technology, Engineering, and Mathematics (STEM) Initiatives.** This program enhances the professional development of middle school teachers in STEM subject matter areas.

#### **Health (HLT)**

- **Added \$1.4 million general funds each year for Aging and Disability Resource Centers.**
- **Added 1 position and \$95,000 in the Children and Youth Services section to re-establish the Violence Prevention Coordinator position,** which is responsible for statewide Domestic Violence program planning.

#### **Human Services (HUS)**

- **Added \$3.1 million for various social service programs** including those to expand voluntary foster care to 21, increasing the clothing allowance for foster children, and developing Neighborhood drop-in Centers on Kauai.
- **Added \$750,000 in general funds in FY14 to expand the Housing First program** to the Leeward coast of Oahu. This helps transition chronically homeless into affordable housing situations.
- **Added 5 Counselors and nearly \$875,000 over the biennium** for the Office of Veterans Services.

#### **Public Safety (PSD) & Judiciary (JUD)**

- **Added \$327,000 in general funds over the biennium for the Automated Fingerprint Identification system maintenance.** The system is used by the Honolulu Police Department and State Sheriffs in the field to check a suspect's criminal history. This also

includes facial recognition software which allows field officers to also check a suspect's criminal records through photographs.

- **Added 91 positions for the re-opening of the Kulani Facility** on Hawaii Island, as part of the Justice Reinvestment Initiative to bring prisoners home.
- **Added 10 Positions and \$850,000 in general funds over each year of the biennium for additional security at courthouses statewide.** These deputy sheriffs would provide additional security to courthouses on Oahu, Hawaii Island, and Maui.

#### **Transportation (TRN)**

- **Added \$161,886,000 in special funds over the biennium to highways division** for special repairs and maintenance of roads statewide.
- **Added 33 positions and over \$2.3 million in special funds over the biennium for additional janitorial support.** Positions include: 32 janitors for Honolulu International Airport and 1 janitor supervisor for Kona International Airport, who will be tasked with improving the first and last impressions and overall experience of visitors by improving the quality of services and facilities at State airports.

Also approved today were the budgets for the Judiciary Branch and the Office of Hawaiian Affairs.

[HB197](#) appropriates funds for operating and capital improvement costs of the Judicial Branch for the next biennium. The bill offers in general funding \$145 million for FY2013-FY2014 and \$144 million for FY2014-FY2015.

[HB222](#) appropriates \$3.1 million in FY2014 and \$2.7 million in FY2015 in operating funds for the Office of Hawaiian Affairs.