Overview

• Launches initiatives that are responsive to the pandemic
• Restores critical services that were reduced over the past two years
• Continues to prepare for unforeseen events
• Prioritizes cleaner, safer, healthier environment
Operating Budget

• Total Operating Budget from all methods of financing:
  • $16.017 Billion in FY 2022 (.1% less than current appropriation)
  • $16.926 Billion in FY 2023 (10.2% more than current appropriation)
General Funds Adjustments

• Proposed General Fund adjustment for FY23:
  • $8.701 billion
  • Increase of 12.2% or $942.3 million over current appropriation level of $7.759 billion
Capital Improvements Program for GO Bond funds

• Slight decrease of $2.0 million in FY22
  • .2% less than current level of $948.8 million in FY22

• In FY23, proposing an increase of $827.4 million
  • 281% more than the current total of GO bond funding of $294.1 million
Budget Highlights

• Education – DOE and University
  • Restoring and investing over $689 million for public education
    o Adds $100.2 million for various DOE programs to restore funding due to restrictions during the pandemic
    o $32.5 million for extra compensation for classroom teacher differentials
    o $240 million additional funds in FY23 for public school facilities
    o Requesting $86.5 million at the university level for modernization, maintenance, capital renewal/deferred maintenance, and tech renovations statewide
Budget Highlights (Cont)

• Education – University (Medical Education)
  • To address doctor and nurse shortage:
    o Requested 20 permanent positions and $2.04 million to expand JABSOM’s residency program to the neighbor islands.
    o $1.75 million to support UH’s nursing programs.
Budget Highlights (Cont)

• **Medicare Health Payments**
  • Increases Medicaid health care payments by $15.9 million in general funds and $10.2 million in federal funds

• **Information Technology**
  • $33.3 million for broadband
  • Reappropriating $115.3 million in ARP CIP funding for statewide broadband projects
Budget Highlights (Cont)

• Housing
  • $40 million in the Capital Improvement budget to the School Facility Agency for teacher housing in West O‘ahu and $40 million special funds authorization for the project
  • $5 million for statewide loan capitalization for DHHL
  • $10 million for DHHL lot development projects
Budget Highlights (Cont)

• Public Safety – COVID-19 Response
  • Adding $61.8 million for Safe Travels, National Guard costs, and other COVID-19 expenditures
  • Adding over $30 million in state and federal funds to provide contingency funding for statewide COVID-19 operations
  • Restoring $5 million to the Major Disaster Fund
Budget Highlights (Cont)

• Public Safety – Jails and Prisons
  • Restores $17.6 million to fund 291.5 permanent positions in PSD, bringing dept. up to FY19 staffing levels
  • Adds 193 new positions, including 29 healthcare positions, to staff new wings currently underway to address overcrowding
  • Adds 24 permanent positions to support law enforcement services (O‘ahu, Hawaiʻi)
  • Adds 22 permanent healthcare positions to improve healthcare services
Budget Highlights (Cont)

• Public Safety – Jails and Prisons
  • $5 million for upgrades to state’s emergency operations center
  • $21 million to replace existing inmate management system for PSD facilities statewide
  • $15 million to take next steps relocating OCCC
Budget Highlights (Cont)

• Creating a Cleaner, Safer, and Healthier Hawaiʻi
  • Focused on protecting watersheds, better managing our oceans, bio-security plan, doubling local food production, and moving toward 100% renewable energy.
    • $10 million for Royal Kunia Agricultural Park
    • $4 million for watershed protection
    • $3.45 million for Maunawili and Kāneʻohe Pali acquisitions on Oʻahu
Budget Highlights (Cont)

• Transportation
  • Seeking to strengthen infrastructure that supports our communities.
  • Using a mix of funding sources, state will make improvements to airports, highways, and harbors statewide
Additional Proposal

• Submitting a separate spending bill to replenish the Emergency and Budget Reserve Fund
  • Proposing to deposit $1 billion into the Emergency and Budget Reserve Fund