

Significant Changes from May 2015 Report

General Fund Non-Tax Revenues

Use of Money and Property – the net decrease in FY 15 is attributed to receiving a partial payment for reimbursement of debt service for bonds issued for the convention center (Department of Budget and Finance (B&F)).

Charges for Current Services – net increases in FYs 15-22 reflect increases for reimbursements from the federal government to reflect actual revenues (Department of Human Services (DHS)), special fund assessments to reflect actual collections (B&F), and reimbursements of health fund premiums to reflect actual revenues and to update the estimates (B&F).

Non-Revenue Receipts – the changes in FYs 15-22 are attributed to the updating of pension accumulation and social security reimbursements (B&F) and the amended distribution of tobacco settlement monies (from 25.5% to 46.5%, pursuant to Act 118, SLH 2015) that are transferred to the general fund (Department of Health (DOH)).

Special Tax Revenues

Cigarette Stamp Tax – the increases in FYs 15-22 reflect the revenues transferred to the Hawaii Cancer Research Special Fund (University of Hawaii (UH)).

Transfer of Transient Accommodations Tax (TAT) – the increase in FY 15 reflects \$6,500,000 of TAT funds that was deposited to the Convention Center Enterprise Special Fund due to a technical error in Act 81, SLH 2014. Act 121, SLH 2015, corrected the technical error and the Department of Land and Natural Resources (DLNR) will receive and report the \$6,500,000 revenues from FY 16 going forward (Department of Business, Economic Development and Tourism (DBEDT)).

Rental Motor Vehicle Surcharge Tax – increase in FY 15 reflects actual revenues and revised FYs 16-22 estimates based on the actual FY 15 revenues (Department of Transportation (DOT Highways)).

Unemployment Compensation Tax – decrease in FY 15 reflects actual revenues which were less than originally anticipated due to a higher Unemployment Insurance Trust Fund balance resulting in a lower unemployment insurance rate (Department of Labor and Industrial Relations (DLIR)).

Special Fund Non-Tax Revenues

Federal Grants – the net increases in FY 15 actual and FYs 16-22 estimates are mainly due to the increase in reimbursements for federal-aid Capital Improvement projects. The increases are offset by reductions in reimbursements for Special Maintenance projects (DOT Highways).

Revenues from Other Agencies – the decrease in FYs 15-22 is due mainly to the reduction of receipts from the Tobacco Master Settlement Agreement. The projections reflect reduced settlement distributions due to scheduled payment reductions and changes in the distribution of Tobacco Master Settlement funds pursuant to Act 118, SLH 2015.

Charges for Current Services – the net increase in FY 15 is primarily due to increased revenues from UH Manoa non-resident - undergraduate tuition fees and UH West Oahu resident - undergraduate tuition fees. The net increases in FYs 16-22 reflect projected payor contract rate increases for the Hawaii Health Systems Corporation – DOH, and updated UH enrollment projections combined with changes in tuition fees.

Charges for Current Services, Utilities – the adjustments in FYs 16-22 reflect DOT, Airports Division, revised revenue projections due to changes in the recovery of airport operating expenses through the airport-airline residual cost recovery system and changes in projected concession revenues.

Transfers – the net decreases in FYs 16-22 are due primarily to the reduction of projected revenues from the Tobacco Master Settlement Agreement and the change in the amount of funds to be transferred to the Emergency and Budget Reserve Special Fund pursuant to Act 118, SLH 2015.

Other than Special Fund Non-Tax Revenues

Revenue from Use of Money and Property – the net increase in FY 15 reflects the update of actual returns on investments for prefunded liability contributions held outside the State investment pool. Returns were higher than previously projected. Prefunded liability contributions for State and county government entities are required by Act 268, SLH 2015, in the Hawaii Employer-Union Health Benefits Trust Fund of B&F.

Federal Grants – the net decrease in FY 15 and net increase in FY 16 reflect the rollover of various unexpended federal grants into FY 16 at the end of the fiscal year for DLNR. The net increase in FY 16 also reflects increases in grants for: the Medical Assistance Program by the Affordable Care Act administered by DHS; disaster relief funding (Department of Defense); the School Lunch and Breakfast Program (Department of Education); and the workforce investment grant for job training (DLIR). The net decreases in FYs 17-22 are reflective of projected decreases in awards of various research and training grants at UH and the correction of a keypunch error in the Chronic Disease Prevention and Health Promotion program in DOH.

Charges for Current Services – the net decrease in FY 15 reflects the collection of fees charged to other departments to consolidate departmental procurement for enterprise shared services, software licensing and maintenance, networking, and hardware being less than projected in the Office of Information Management and Technology (Department of Accounting and General Services).

Non-Revenue Receipts – the net increase in FY 15 reflects the proceeds of bond issuances being higher than expected in Hawaii Housing Finance Development Corporation (HHFDC) in DBEDT. The net decrease in FY 16 is due to delays in loan repayments and less loans made from the Dwelling Unit Revolving Fund in HHFDC.

Transfers – the net increase in FY 17 is due to a general obligation bond infusion of the Rental Housing Trust Fund in HHFDC.