

Significant Changes from January 2021 Report

General Fund Non-Tax Revenues

Charges for Current Services – the net decreases in FYs 21-27 are attributed to decreases in anticipated collections for ambulance services (Department of Health (DOH)).

Non-Revenue Receipts – the net increase in FY 21 is reflective of a federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act) reimbursement to the general fund for costs associated with distance learning (Department of Budget and Finance (B&F)) and a transfer into the general fund from the Tax Administration Special Fund (Department of Taxation (TAX)).

Special Tax Revenues

Transfer of General Excise Tax – the decrease in FY 21 and increase in FY 27 reflect revised estimates of general excise tax transfers to the Mass Transit Special Fund (MTSF) based on the Council on Revenue's (Council) forecast from the meeting held on January 7, 2021 (B&F).

Transfer of Transient Accommodations Tax (TAT) – the decreases in FYs 21-27 are attributed to reduced TAT collections for the MTSF based on the TAT collections forecast by the Council at the January 7, 2021 meeting (B&F).

Transfer of Conveyance Tax – the increase in FY 21 is reflective of higher than anticipated conveyance activity (Department of Business, Economic Development and Tourism (DBEDT)).

Special Fund Non-Tax Revenues

Use of Money and Property – the net increase in FY 20 and net decreases in FYs 21-27 are attributed to an increase in earnings due to a higher cash balance due to bond sale proceeds (Department of Transportation (DOT)-Airports) and a low Unemployment Compensation Trust Fund balance (Department of Labor and Industrial Relations (DLIR)).

Federal Grants – the net decrease in FY 20 is attributed to lower than anticipated airport improvement funds (DOT-Airports), and the net increase in FY 21 reflects an estimated increase in stimulus funds under the Coronavirus Response and Relief Supplemental Appropriations Act (DOT-Airports) and a decrease in Medicare payments due to a reduction in outpatient and emergency room visits (DOH-Hawai'i Health Systems Corporation (HHSC)).

Charges for Current Services – the reduction in FY 20 is primarily attributable to a decrease in insurance payments due to a reduction in outpatient and emergency room visits (DOH-HHSC). The net decrease in FY 21 is attributed to the decrease in cafeteria revenues due to distance learning (Department of Education (DOE)), a decrease in projected insurance payments due to a reduction in outpatient and

emergency room visits (DOH-HHSC), lower than projected passenger traffic levels (DOT-Airports), and an offsetting increase in revenues from large online service providers and retailers (TAX).

Charges for Current Services, Utilities – the net decrease in FY 20 primarily reflects revised actuals after audit adjustments (DOT-Airports and DOT-Harbors) and the changes in FYs 21-27 are primarily attributed to revised projections of airport revenues (DOT-Airports).

Other Than Special Fund Non-Tax Revenues

Federal Grants – the net increases in FYs 20-22 are primarily due to increases in reimbursements for unemployment compensation benefits at DLIR due to the COVID-19 pandemic. In addition, in FY 21, estimates for federal grants related to Homeland Security and Disaster Relief at the Department of Defense (DOD), medical assistance payments at the Health Care Payments program at the Department of Human Services, and the School Lunch Program at DOE are revised.

Federal COVID-19 Funds – the net increase in FY 21 reflects additional CARES Act funds for: Emergency Rental Assistance Program at B&F; coronavirus relief at DOE and DOD, and a revision of the amount for the University of Hawai'i.

Revenues from Other Agencies – the net increase in FY 21 reflects an increase in requests for the disposition of unclaimed property at the Financial Administration Division (B&F).

Charges for Current Services, Utilities – the net increase in FY 21 reflects an increase in refunds, rebates from prescription drug plans, and network and performance guarantee payments on medical and dental plans from insurance carriers to the Employer-Union Health Benefits Trust Fund (B&F). The net decrease in FY 22 reflects a projected reduction in fees collected from parents to administer and operate after school programs due to distance learning at DOE.

Non-Revenue Receipts – the net decreases in FYs 21 and 22 reflect the decreases in projected revenues from fees collected for school activities at DOE and the postponement of a bond issuance at the Hawai'i Housing Finance and Development Corporation (HHFDC) (DBEDT).

Repayments – the net decreases in FYs 22 and 23 reflect a delay in loan repayments into the Dwelling Unit Revolving Fund at HHFDC (DBEDT).

Transfers – the net decrease in FY 20 reflects the actual amount transferred from special fund revenues at the Department of Hawaiian Home Lands.