

Significant Changes from May 2023 Report

General Fund Non-Tax Revenues

Use of Money and Property – the net increase in FY 23 is attributed to investment pool account earnings disbursement to the general fund (Department of Budget and Finance (B&F)).

Charges for Current Services – the net increase in FY 23 is attributed to reimbursements of prior year expenditures (Department of Human Services (DHS)), FY 23 central services assessment (B&F), the net increase is offset by decreases in reimbursements of health premiums for non-general funded positions at the University of Hawai'i (UH) (B&F), and reimbursements of pre-funding for non-general funded positions for other post-employment benefits (OPEB) (B&F). FYs 24-30 net increases are attributed to reimbursements of health premiums for non-general funded positions for annual required contributions (ARC) (B&F), and FY 23 reimbursements of pre-funding for non-general funded positions for OPEB (B&F).

Non-Revenue Receipts – the net increase in FY 23 is attributed to updating revenues to actuals in various departments. The net increases in FYs 24-30 are from: reimbursements of pension accumulation for non-general funded State positions (B&F); reimbursement of social security for non-general funded within State (B&F); and transfers into the general fund from the Tax Administration Special Fund (TAX).

Special Tax Revenues

Transfer of General Excise Tax (GET) – the increase in FY 23 reflects actual GET transfers to the Mass Transit Special Fund (MTSF), and the changes in FYs 24-30 reflect revised estimates of GET transfers to the MTSF based on the Council on Revenues' forecast from the meeting held on May 15, 2023 (B&F).

Vehicle Surcharge, Rental/Tour – the increase in FY 23 is due to a higher than projected demand for rental cars, and the increases in FYs 24-30 reflect revised revenue projections (Department of Transportation (DOT)-Airports).

Unemployment Compensation Taxes – the increase in FY 23 reflects the actual unemployment insurance (UI) tax collection, and the increases in FYs 24-30 reflect revised UI tax collection projections (Department of Labor and Industrial Relations (DLIR)).

Conveyance Taxes – the increase in FY 23 reflects the actual conveyance tax collections deposited to the Rental Housing Revolving Fund (Department of Business, Economic Development and Tourism).

Special Fund Non-Tax Revenues

Use of Money and Property – the net increase in FY 23 reflects actual revenues, and the increases in FYs 24-30 primarily reflect the increase in interest rates and higher cash balances (DOT-Harbors).

Federal Grants – the net increase in FY 23 reflects an update of actual revenues from transportation and highway project funding (DOT-Highways).

Other Agencies – the increase in FY 23 reflects higher than projected proceeds from the Tobacco Master Settlement Agreement (Department of Health (DOH)).

Charges for Current Services – the net increase in FY 23 is primarily due to higher than anticipated contract rate reimbursement, and the FYs 24-30 revenues are revised projected reimbursements (DOH-Hawai'i Health Systems Corporation).

Charges for Current Services, Utilities – the decrease in FY 23 is primarily due to lower than projected federal grant utilization (DOT-Airports), and the FYs 23-29 revenues have been revised to reflect projected volume and annual tariff (DOT).

Other Than Special Fund Non-Tax Revenues

Use of Money – the net decrease in FY 30 reflects the estimated return on investment in subsequent years on OPEB contributions based on the current ARC set by an actuary at the Hawai'i Employer-Union Health Benefits Trust Fund (EUTF) (B&F).

Federal Grants – the net increases in FYs 23 and 24 reflect reimbursements for a federal grant for water projects at the Department of Hawaiian Home Lands (DHHL), updates for actual revenues for UI at DLIR, and additional grants being received for expansion of watershed and forest protection at the Department of Land and Natural Resources. The net increases in FYs 25-30 reflect additional grant funds for: improvement of broadband equity at B&F; Native Hawaiian Housing Block Grant at DHHL; Section 8 lower income housing assistance and vocational rehabilitation services at DHS; capitalization grants for safe drinking water and clean water at the Environmental Management program at DOH; lower income housing assistance at the Rental Assistance Services program at the Hawai'i Public Housing Authority (DHS); and various research and training project grants at UH due to an increase in extramural funding.

Federal COVID-19 Funds – the net increases in FYs 23-26 and net decrease in FY 27 reflect revised projections for the Coronavirus Capital Projects Fund at B&F and additional funds for disaster relief reimbursements for Amelioration of Physical Disasters program (Department of Defense). In addition, net increases in FYs 23 and 24 include updates for actual reimbursements for unemployment benefits at DLIR, a change in the timing of expending relief funds from the Higher Education Emergency Relief Fund at UH, and delays in executing contracts for the Chronic Disease Prevention and Health Promotion program at DOH.

Charges for Current Services – the net increase in FY 23 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 EUTF (B&F). The net increase in FY 24 reflects a one-time general fund appropriation for increased insurance premiums at the State Risk Management and Insurance Administration program at the Department of Accounting and General Services.

Non-Revenue Receipts – the net decreases in FYs 23-30 reflect revised estimates for employee premium contributions based on actual premiums paid by employees at EUTF (B&F). This is offset by increases in projected revenues from various grants and gifts for research projects at UH.