

LINDA LINGLE  
GOVERNOR



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EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER  
PUBLIC UTILITIES COMMISSION

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION

March 4, 2008

The Honorable Marcus Oshiro, Chair  
House Committee on Finance  
Twenty-Fourth State Legislature  
State Capitol, Room 306  
Honolulu, Hawaii 96813

Dear Chair Oshiro:

As requested in the joint House Finance and Senate Ways & Means memorandum dated February 14, 2008, "Grant and Subsidy Applications for 2008-2009", attached are the "Statement of Findings and Recommendations" forms for operating and capital improvement projects for the Department of Budget and Finance. Please note that the Bishop Museum's Operating Grant request (Log No. 19-O) relating to a Bishop Museum Sustainability Project has been forwarded to the Department of Business Economic Development and Tourism (DBEDT) for their review. A copy of the February 25, 2008 memorandum to DBEDT was provided to your committee.

As you know, the budget authorized by Act 213, SLH 2007 was based on revenue projections made by the State Council on Revenues (COR) in March 2007. In May, the COR revised the revenue estimates downward resulting in a reduction of approximately \$190 million for the FB 2008-09. The COR met on August 28, 2007, and revised its revenue projections downwards by another \$100 million for the biennium. In January 2008, the COR again revised its revenues downward by another \$59 million for the biennium. While there are many worthy programs that have been identified, we continue to pursue prudent management of public resources and to be cautious in our spending given this economic and financial moderation. Therefore, we cannot support additional grants at this time. We note that the Bishop Museum, as the State of Hawaii's Museum of Natural and Cultural History, already receives an annual subsidy of \$700,000 and the Legislature authorized Grant-in-Aid Funds of \$450,000 for a total of \$1.15 million in each year of the 2008-2009 fiscal biennium. Additionally, the FY 2009 Executive Supplemental Budget request includes General Obligation (G.O.) Bond Funds of \$1 million for repairs and maintenance at the Bishop Museum.

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Thank you for the opportunity to provide input. Please have your staff contact Ms. LeNora Wee, of the Administrative and Research Office, at 586-1601 if you have any questions.

Aloha,

A handwritten signature in black ink, appearing to read "Georgina K. Kawamura". The signature is fluid and cursive, with a long horizontal flourish at the end.

GEORGINA K. KAWAMURA  
Director of Finance

Attachment

c: BPPMD (attachment available upon request)