



GOV. MSG. NO. 542

EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

March 30, 2009

The Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
State Capitol
Honolulu, Hawaii 96813

Dear Madam President:

Transmitted herewith is a proposed bill draft for immediate passage to amend the FY 09 Executive Budget (Act 213, SLH 2007, as amended by Act 158, SLH 2008). This draft includes:

- Departmental requests for federal stimulus funds in the American Recovery and Reinvestment Act of 2009 (ARRA) for FY 09. The draft also contains corresponding general fund reductions to certain programs that receive offsetting federal funding available under the ARRA to help address the State's budget shortfall in FY 09.
- Non-ARRA related adjustments to appropriate increased federal TANF funding that Hawaii recently qualified for in FY 09. This is necessary because appropriation of the TANF funds is a federal requirement.
- Requests for additional FY 09 funding for HTH 420, Adult Mental Health – Outpatient program, of \$10 million, \$1.86 million in ARRA Federal Medical Assistance Percentage (FMAP) through the Department of Human Services (DHS) funds and \$8.14 million in general funds, and for HTH 210, Hawaii Health Systems Corporation, of \$14 million in general funds to meet program requirements for FY 09.

A budget message will be sent under separate cover to request the necessary ARRA, general fund and TANF adjustments for FY 2009-11.

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These requests reflect the amounts of the ARRA stimulus funding that are known at this time. For competitive grants, or where amounts are still uncertain, departments will request my approval to increase federal fund expenditure ceilings in a manner comparable to current procedures for non-appropriated federal funds.

Please note that we have not referenced a specific bill to be used as a vehicle for these FY 09 amendments. We ask for your assistance in identifying an appropriate bill for this purpose. When such a bill has been found, please notify my office so that I can make the formal immediate passage notification.

Your favorable consideration is requested for the attached budget items:

Operating:

Department of Business, Economic Development and Tourism:

Add \$6,090,000 in federal stimulus funds in FY 09 for the strategic industries program (BED 120) for state energy programs and energy efficiency and conservation block grants.

Department of Education:

1. Add \$90,852,000 in federal stimulus funds in FY 09 for the School-Based Budgeting program (EDN 100) to reflect allocation of the State Fiscal Stabilization Funds under the ARRA, and decrease general funds by the same amount to help address the State's budget shortfall in FY 09.
2. Add \$16,587,184 in federal stimulus funds in FY 09 for the School-Based Budgeting program (EDN 100) to reflect additional No Child Left Behind Title I grants.
3. Add \$20,493,170 in federal stimulus funds in FY 09 for the Comprehensive Student Support Services program (EDN 150) to reflect additional Individuals with Disabilities Education Act (IDEA) Part B Grants to States and IDEA Part B Preschool Grants. The funds will be used to improve student achievement through school improvement and reform, and to ensure that children with disabilities, including children aged three through five, have access to a free appropriate public education.
4. Add \$173,154 in federal stimulus reimbursement funds from DHS in FY 09 for the Comprehensive Student Support Services program (EDN 150) to reflect increased FMAP funds for deposit into the program's revolving fund, and decrease general funds by the same amount to help address the State's budget shortfall in FY 09. The increased FMAP funding is due to a temporary increase in the percentage from 55.11% to 66.13% under the ARRA formula.

5. Add \$348,600 in federal stimulus funds in FY 09 for the School Support program (EDN 400) to reflect additional federal funding for the National School Lunch program.

Department of Health:

1. Add \$9,813,478 in interdepartmental transfer funds in FY 09 for the Developmental Disabilities program (HTH 501) to reflect increased FMAP reimbursement funds from DHS under the ARRA, and reduce general funds by the same amount to help address the State's budget shortfall in FY 09.
2. Add \$1,861,500 in special funds and \$8,138,500 in general funds in FY 09 for the Adult Mental Health – Outpatient program (HTH 420) to reflect increased FMAP reimbursement funds from DHS under the ARRA and increased general fund support to meet program requirements.
3. Add \$1,979,666 in special funds in FY 09 for the Child and Adolescent Mental Health program (HTH 460) to reflect increased FMAP reimbursement funds from DHS under the ARRA, and decrease general funds by the same amount to help address the State's budget shortfall in FY 09.
4. Add \$485,000 in federal stimulus funds in FY 09 for the Executive Office on Aging program for congregate and home delivered senior meals programs.

Department of Health – Hawaii Health Systems Corporation:

Add \$14,000,000 in general funds in FY 09 for the Hawaii Health Systems Corporation program (HTH 210) to meet program requirements.

Adds a new Section 46.2, which specifies the expenditure of the \$14,000,000 in general funds appropriated to the Hawaii Health Systems Corporation.

Department of Human Services:

1. Add \$1,124,575 in federal stimulus funds in FY 09 for the Vocational Rehabilitation program (HMS 802) for vocational rehabilitation and independent living programs.
2. Add \$500,000 in federal stimulus funds in FY 09 for the General Support for Child Care program (HMS 302) to enhance the existing quality care contracts, including the infant and toddler scholarships, to comply with the ARRA requirements.
3. Add \$1,705,010 in federal stimulus funds in FY 09 for the Child Protective Services Payments program (HMS 303) to reflect increased FMAP funding under the ARRA. The funds will be used for additional foster care services.
4. Add \$2,600,000 in federal stimulus funds in FY 09 for the Cash Support for Child Care program (HMS 305) for child care subsidies to meet program requirements in FY 09.

5. Add \$3,000,000 in federal funds in FY 09 for the Cash Support for Families-Self-Sufficiency program (HMS 211) to increase the federal TANF ceiling so that children can be cared for in their own homes or in the homes of relatives and for associated eligibility determination costs. This request is not ARRA-related and is designated as an "N" fund ceiling increase because TANF funds need to be appropriated pursuant to federal regulations.
6. Add \$2,166,888 in federal stimulus funds in FY 09 for the Homeless Services program (HMS 224) for rent, security deposits, utilities, and other housing expenses for the Counties of Kauai, Hawaii, and Maui.
7. Add \$106,798,179 in federal stimulus funds in FY 09 for the Health Care Payments program (HMS 401) to reflect increased FMAP funding under the ARRA, and reduce general funds by \$92,970,831 to help address the State's budget shortfall in FY 09. [Note: The difference between the increased FMAP amount and the general fund reduction is due to FMAP reimbursements being transferred to DOH and DOE. Corresponding general reductions are being made to DOH and DOE programs with the exception of the Adult Mental Health - Outpatient program.]
8. Add \$10,000,000 in federal funds in FY 09 for the General Support for Self-Sufficiency Services program (HMS 903) to enable DHS to receive and expend TANF contingency funds through the Deficit Reduction Act of 2005 (TANF authorization bill). Hawaii has met the "needy state" trigger for high food stamp caseloads. This request is not ARRA-related and is designated as an "N" fund ceiling increase because TANF funds need to be appropriated pursuant to federal regulations.
9. Add \$25,550,000 in federal stimulus funds in FY 09 for the General Support for Self-Sufficiency Services program (HMS 903) for increased expenditures for the Supplemental Nutrition Assistance program and TANF program that qualify for the temporary contingency fund established in ARRA.

Department of Labor and Industrial Relations:

Add \$34,000,000 in federal stimulus funds in FY 09 for the Unemployment Insurance program (LBR 171) to accommodate increased unemployment insurance benefit payments under the ARRA.

Department of Transportation:

1. Add \$11,000,000 in federal stimulus funds in FY 09 for the Hawaii Highways program (TRN 511) for highways special maintenance projects.
2. Add \$3,200,000 in federal stimulus funds in FY 09 for the Kauai Highways program (TRN 561) for highways special maintenance projects.

University of Hawaii:

Add \$29,449,741 in federal stimulus funds in FY 09 for the University of Hawaii, System Wide Support program (UOH 900) to reflect allocation of the State Fiscal Stabilization Fund under the ARRA, and decrease general funds by the same amount to help address the State's budget shortfall in FY 09.

CIP:

Department of Agriculture:

Upcountry Maui Watershed, Maui

Add \$550,000 in federal stimulus funds for construction in FY 09 for the Upcountry Maui Watershed Project in Kula.

Lower Hamakua Ditch System, Hawaii

Add \$1,800,000 in federal stimulus funds for construction in FY 09 for improvements to the lower Hamakua ditch system, including flood mitigation improvements.

Department of Hawaiian Home Lands:

NAHASDA Development Projects (ARRA), Statewide

Add \$10,200,000 in federal stimulus funds for plans, design and construction in FY 09 for various Hawaiian homestead projects and improvements, statewide.

Department of Human Services:

Lump Sum CIP – ARRA HUD Stimulus Renovations, Statewide

Add \$16,245,443 in federal stimulus funds for construction in FY 09 for non-routine repairs and maintenance, improvements and renovations, statewide.

Department of Transportation:

Seismic Retrofit of Various Bridges, Statewide

Add \$1,800,000 in federal stimulus funds for construction in FY 09 for seismic retrofit improvements for various bridges, statewide.

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Kamehameha Highway, South Punaluu Bridge Replacement, Oahu

Add \$17,000,000 in federal stimulus funds for construction in FY 04 (amends prior biennium Act project) for replacement of South Punaluu Bridge.

Honolulu International Airport, Inline Baggage System Improvements, Oahu

Add \$25,000,000 in federal stimulus funds for construction in FY 07 (amends prior biennium Act project) for inline baggage system improvements including explosive detection systems, baggage belt conveyors and other related improvements.

Kahului Airport, Inline Baggage System Improvements, Maui

Add \$11,000,000 in federal stimulus funds for construction in FY 07 (amends prior biennium Act project) for inline baggage system improvements including explosive detection systems, baggage belt conveyors and other related improvements.

Structural Improvements to Airfield Paving, Statewide

Add \$15,000,000 in federal stimulus funds for construction in FY 07 (amends prior biennium Act project) for structural improvements to runways, taxiways and aprons at statewide airports.

Provisos:

1. Amends Section 167, which authorizes the Governor to approve expenditure of non-appropriated federal funds, to clarify that the Governor can approve both operating and capital improvement federal grants. This amendment is being proposed to remove any ambiguity on the Governor's authority to approve expenditure of non-appropriated federal funds.
2. Adds a new Section 167.1, which specifically authorizes the Governor to approve expenditure of non-appropriated federal stimulus funds. This amendment also includes a reporting requirement.

New MOF Designation Proviso:

Amends Section 2 by adding a new definition for MOF "V" federal stimulus funds.

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Effective Date:

The proposed effective date of the bill draft is May 1, 2009. This date was chosen (rather than upon approval) to allow agencies sufficient time to submit the necessary ARRA applications for stimulus funding so that the federal funds are available when the corresponding general fund reductions take effect.

Your staff may contact the appropriate agency for additional information. Your understanding and assistance is appreciated.

Sincerely,



LINDA LINGLE

Attachments

c: Honorable Donna Mercado Kim

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A BILL FOR AN ACT

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. This Act is recommended by the governor for
2 immediate passage in accordance with section 9 of article VII of
3 the Constitution of the State of Hawaii.

4 SECTION 2. The purpose of this Act is to amend Act 213,
5 Session Laws of Hawaii 2007, as amended by Act 158, Session Laws
6 of Hawaii 2008, to:

7 (1) Appropriate federal funds to various programs that are
8 expected to receive funding during fiscal year 2008-2009
9 under the federal American Recovery and Reinvestment Act of
10 2009 (Recovery Act) to promote openness and transparency in
11 use of the funds for fiscal year 2008-2009;

12 (2) Correspondingly reduce general fund appropriations for
13 certain programs that receive offsetting federal funding
14 for fiscal year 2008-2009 under the Recovery Act to address
15 the general fund revenue shortfall for fiscal
16 year 2008-2009;

17 (3) Appropriate additional federal Temporary Assistance for
18 Needy Families (TANF) funds for fiscal year 2008-2009 that

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1 the state recently qualified for under the federal Deficit
2 Reduction Act of 2005 as required by federal regulations;
3 (4) Appropriate additional general funds for fiscal
4 year 2008-2009 to the adult mental health - outpatient
5 program (HTH 420) to meet program requirements; and
6 (5) Appropriate additional general funds for fiscal
7 year 2008-2009 to the Hawaii health systems corporation
8 program (HTH 210) to meet program requirements.

9 Many unprecedented events have converged to create an
10 economic, financial, and fiscal environment that threatens the
11 very foundation of our national economy. For state governments,
12 the financial crisis and economic downturn have adversely
13 affected tax revenues and budgets. The impact on Hawaii has
14 been a severe reduction in projected general fund revenues for
15 fiscal year 2008-2009 through fiscal biennium 2009-2011 by
16 \$2.1 billion over the period of one year. Based on the council
17 on revenues' March 2009 projections, the state is faced with a
18 general fund revenue shortfall of \$430,500,000 in fiscal
19 year 2008-2009 if corrective action is not taken.

20 The federal American Recovery and Reinvestment Act of 2009
21 was enacted to provide a necessary boost to the U. S. economy
22 and to help struggling states in these difficult times. Two

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1 provisions in particular directly help states by making
2 available federal funding that can be used as replacement for
3 state general revenues for education and Medicaid.

4 Title V, State Fiscal Relief, of the Recovery Act
5 temporarily increases the federal medical assistance percentage
6 (FMAP) which permits states to reduce their share of Medicaid
7 costs. Preliminary calculations under the new, temporary
8 Title V FMAP formula indicate that Hawaii would receive an
9 additional \$315.8 million of federal funds over the period from
10 fiscal years 2008-2009 through 2011. In fiscal year 2008-2009,
11 the increased FMAP funding would amount to \$106.8 million, which
12 can be used to offset fiscal year 2008-2009 general fund
13 appropriations of the health care payments program (HMS 401) of
14 the department of human services, the developmental disabilities
15 program (HTH 501) and child and adolescent mental health program
16 (HTH 460) of the department of health, and the comprehensive
17 student support services program (EDN 150) of the department of
18 education.

19 Title XIV, State Fiscal Stabilization Fund, of the Recovery
20 Act creates a temporary funding program through the U. S.
21 Department of Education to help states support elementary,
22 secondary, and postsecondary education over the period from

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1 fiscal years 2008-2009 through 2011. Initial information from
2 the National Association of Governors indicates that Hawaii's
3 share of the State Fiscal Stabilization Fund will be
4 \$192.2 million. Preliminary calculations based on the
5 provisions of Title XIV indicate that \$120.3 million can be used
6 to offset fiscal year 2008-2009 general fund appropriations for
7 the school-based budgeting program (EDN 100) of the department
8 of education and the university of Hawaii system wide support
9 program (UOH 900) of the university of Hawaii.

10 The Recovery Act also temporarily increases federal support
11 to states for:

- 12 (1) Energy initiatives through allocations in the strategic
13 industries program (BED 120) of the department of business,
14 economic development and tourism for state energy programs
15 and energy efficiency and conservation block grants;
- 16 (2) Water systems development through allocations in the
17 agricultural resource management program (AGR 141) of the
18 department of agriculture for capital improvements;
- 19 (3) Unemployment insurance through increased allocations in the
20 unemployment compensation program (LBR 171) of the
21 department of labor and industrial relations for increased
22 unemployment insurance benefit payments;

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- 1 (4) Vocational rehabilitation through increased allocations in
2 the vocational rehabilitation program (HMS 802) of the
3 department of human services for vocational rehabilitation
4 and independent living programs;
- 5 (5) Transportation through increased allocations in the Hawaii
6 highways program (TRN 511) and Kauai highways program
7 (TRN 561) of the department of transportation for highway
8 special maintenance, in the Oahu highways program (TRN 501)
9 and highways administration program (TRN 595) of the
10 department of transportation for capital improvements, and
11 in the Honolulu international airport program (TRN 102),
12 Kahului airport program (TRN 131) and airports
13 administration program (TRN 195) of the department of
14 transportation for capital improvements;
- 15 (6) Social services through increased allocations in the
16 general support for child care program (HMS 302), in the
17 child protective services payments program (HMS 303), cash
18 support for child care program (HMS 305) and general
19 support for self sufficiency services program (HMS 903) of
20 the department of human services for payments to eligible
21 clients and associated program expenditures;

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- 1 (7) Public housing through increased allocations in the rental
2 housing services program (HMS 220) of the department of
3 human services for public housing capital improvements and
4 in the homeless services program (HMS 224) of the
5 department of human services for non-routine repairs and
6 maintenance of the public housing inventory and homeless
7 prevention initiatives;
- 8 (8) Native Hawaiian homesteads through allocations in the
9 planning and development for Hawaiian homesteads program
10 (HHL 602) of the department of Hawaiian home lands for
11 capital improvements;
- 12 (9) Support for elders through increased allocations in the
13 executive office on aging (HTH 904) for congregate meals
14 and home delivered meals; and
- 15 (10) Education through increased allocations in the
16 comprehensive student support services program (EDN 150) of
17 the department of education for No Child Left Behind
18 Title I grants, Individuals with Disabilities Education Act
19 part B grants, Individuals with Disabilities Education Act
20 part B preschool grants, and in the school support program
21 (EDN 400) of the department of education for the National
22 School Lunch program.

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1 The federal Deficit Reduction Act of 2005 authorizes an
2 enhanced level of federal TANF funding if a state qualifies as a
3 "needy state" in terms of high food stamp case loads. Hawaii
4 recently qualified as a "needy state" and is eligible to receive
5 enhanced federal funding for fiscal year 2008-2009. However,
6 federal regulations require that the state appropriate the TANF
7 funds before they can be used.

8 The increased federal FMAP funding for Medicaid
9 correspondingly reduces general fund costs thereby freeing up
10 some general funds in fiscal year 2008-2009 for use to address
11 increased program requirements in the adult mental
12 health - outpatient program and the Hawaii health systems
13 corporation program. Both of these programs provide critical
14 health services to the public and are experiencing difficult
15 challenges in meeting program requirements with their present
16 level of funding.

17 The immediate passage of this appropriation is necessary
18 to: promote openness and transparency in the use of federal
19 Recovery Act funds for fiscal year 2008-2009; address the
20 general fund revenue shortfall for fiscal year 2008-2009;
21 authorize TANF funds for fiscal year 2008-2009 as required by
22 federal regulations; and meet fiscal year 2008-2009 program

1 requirements of the adult mental health - outpatient program and
2 the Hawaii health systems corporation program.

3 SECTION 3. Part I, Act 213, Session Laws of Hawaii 2007,
4 as amended by Act 158, Session Laws of Hawaii 2008, is amended
5 by amending section 2 to read as follows:

6 "SECTION 2. DEFINITIONS. Unless otherwise clear from the
7 context, as used in this Act:

8 (a) "Program ID" means the unique identifier for the specific
9 program, and consists of the abbreviation for the
10 organization responsible for carrying out the program,
11 followed by the organization number for the program.

12 (b) "Expending agency" means the executive department,
13 independent commission, bureau, office, board, or other
14 establishment of the state government (other than the
15 legislature, office of Hawaiian affairs, and judiciary),
16 the political subdivisions of the state, or any
17 quasi-public institution supported in whole or in part by
18 state funds, which is authorized to expend specified
19 appropriations made by this Act.

20 Abbreviations where used to denote the expending agency
21 shall mean the following:

22 AGR Department of Agriculture

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- 1 AGS Department of Accounting and General Services
- 2 ATG Department of the Attorney General
- 3 BED Department of Business, Economic Development and
- 4 Tourism
- 5 BUF Department of Budget and Finance
- 6 CCA Department of Commerce and Consumer Affairs
- 7 DEF Department of Defense
- 8 EDN Department of Education
- 9 GOV Office of the Governor
- 10 HHL Department of Hawaiian Home Lands
- 11 HMS Department of Human Services
- 12 HRD Department of Human Resources Development
- 13 HTH Department of Health
- 14 LBR Department of Labor and Industrial Relations
- 15 LNR Department of Land and Natural Resources
- 16 LTG Office of the Lieutenant Governor
- 17 PSD Department of Public Safety
- 18 SUB Subsidies
- 19 TAX Department of Taxation
- 20 TRN Department of Transportation
- 21 UOH University of Hawaii
- 22 CCH City and County of Honolulu

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1 COH County of Hawaii

2 COK County of Kauai

3 COM County of Maui

4 (c) "Means of financing" (or "MOF") means the source from which
5 funds are appropriated or authorized to be expended for the
6 programs and projects specified in this Act. All
7 appropriations are followed by letter symbols. Such letter
8 symbols, where used, shall have the following meanings:

9 A general funds

10 B special funds

11 C general obligation bond fund

12 D general obligation bond fund with debt service cost to
13 be paid from special funds

14 E revenue bond funds

15 J federal aid interstate funds

16 K federal aid primary funds

17 L federal aid secondary funds

18 M federal aid urban funds

19 N other federal funds

20 R private contributions

21 S county funds

22 T trust funds

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- 1 U interdepartmental transfers
- 2 V federal stimulus funds
- 3 W revolving funds
- 4 X other funds

5 (d) "Position ceiling" means the maximum number of permanent
 6 positions that an expending agency is authorized for a
 7 particular program during a specified period or periods, as
 8 denoted by an asterisk.

9 (e) "Capital project number" means the official number of the
 10 capital project, as assigned by the responsible
 11 organization."

12 SECTION 4. Part II, Act 213, Session Laws of Hawaii 2007,
 13 as amended by Act 158, Session Laws of Hawaii 2008, is amended
 14 by amending items A.13 and A.18 in section 3 to read as follows:

15 "A. ECONOMIC DEVELOPMENT

16 13. AGR141 - AGRICULTURAL RESOURCE MANAGEMENT

17			2.00*	2.00*
18	OPERATING	AGR	573,157A	573,157A
19			6.00*	8.00*
20		AGR	3,717,780B	853,942B
21			13.00*	13.00*
22		AGR	1,417,472W	1,417,472W
23	INVESTMENT CAPITAL	AGR	18,400,000C	1,500,000C
24		AGR	1,500,000N	1,500,000N
25		<u>AGR</u>	<u> V</u>	<u>2,350,000V</u>

26

27 18. BED120 - STRATEGIC INDUSTRIES

28			9.00*	9.00*
29	OPERATING	BED	1,143,447A	1,273,579A
30		BED	4,263,395N	4,263,397N
31		BED	U	100,000U
32		<u>BED</u>	<u> V</u>	<u>6,090,900V"</u>

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1 SECTION 5. Part II, Act 213, Session Laws of Hawaii 2007,
 2 as amended by Act 158, Session Laws of Hawaii 2008, is amended
 3 by amending items B.3 and B.6 in section 3 to read as follows:

4	"B. EMPLOYMENT			
5	3. LBR171 - UNEMPLOYMENT INSURANCE PROGRAM			
6	OPERATING	LBR	166,626,650B	166,626,650B
7			207.50*	207.50*
8		LBR	14,799,675N	14,799,675N
9		<u>LBR</u>	<u>V</u>	<u>34,000,000V</u>
10				
11	6. HMS802 - VOCATIONAL REHABILITATION			
12			27.13*	27.13*
13	OPERATING	HMS	4,084,904A	4,085,181A
14			95.37*	95.37*
15		HMS	12,949,367N	13,775,679N
16		<u>HMS</u>	<u>V</u>	<u>1,124,575V</u>
17		HMS	1,330,200W	1,330,200W
18	INVESTMENT CAPITAL	HMS	250,000C	C"
19				

20 SECTION 6. Part II, Act 213, Session Laws of Hawaii 2007,
 21 as amended by Act 158, Session Laws of Hawaii 2008, is amended
 22 by amending items C.28, C.32, and C.33 in section 3 to read as
 23 follows:

24	"C. TRANSPORTATION FACILITIES			
25	28. TRN511 - HAWAII HIGHWAYS			
26			124.00*	124.00*
27	OPERATING	TRN	24,490,830B	22,960,942B
28		<u>TRN</u>		<u>11,000,000V</u>
29	INVESTMENT CAPITAL	TRN	400,000B	B
30		TRN	11,870,000E	4,299,000E
31		TRN	43,280,000N	10,801,000N
32		TRN	275,000X	X
33				
34	32. TRN561 - KAUAI HIGHWAYS			
35			51.00*	51.00*
36	OPERATING	TRN	13,135,766B	14,214,142B
37		TRN		<u>3,200,000V</u>
38	INVESTMENT CAPITAL	TRN	6,700,000E	9,900,000E
39		TRN	7,200,000N	13,600,000N
40				
41	33. TRN595 - HIGHWAYS ADMINISTRATION			
42			80.00*	80.00*
43	OPERATING	TRN	76,115,141B	88,562,587B

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1		TRN	3,655,940N	4,417,330N
2	INVESTMENT CAPITAL	TRN	18,575,000B	18,000,000B
3		TRN	6,824,000E	6,974,000E
4		TRN	12,902,000N	26,501,000N
5		<u>TRN</u>		<u>V</u> <u>1,800,000V"</u>

7 SECTION 7. Part II, Act 213, Session Laws of Hawaii 2007,
 8 as amended by Act 158, Session Laws of Hawaii 2008, is amended
 9 by amending items E.5, E.10, E.13 and E.16 in section 3 to read
 10 as follows:

11	"E. HEALTH			
12	5. HTH501 - DEVELOPMENTAL DISABILITIES			
13			236.75*	236.75*
14	OPERATING	HTH	66,576,526A	71,625,299A
15				<u>61,811,821A</u>
16			3.00*	3.00*
17		HTH	1,025,331B	1,025,331B
18		HTH	60,118,132U	64,264,766U
19				<u>74,078,244U</u>
20				
21	10. HTH210 - HAWAII HEALTH SYSTEMS CORPORATION			
22	OPERATING	HTH	53,612,232A	53,622,961A
23				<u>67,622,961A</u>
24			2,836.25*	2,836.25*
25		HTH	379,654,000B	403,460,000B
26	INVESTMENT CAPITAL	HTH	23,920,000C	3,332,000C
27				
28	13. HTH420 - ADULT MENTAL HEALTH - OUTPATIENT			
29			198.50*	198.50*
30	OPERATING	HTH	73,268,683A	82,539,423A
31				<u>90,677,923A</u>
32		HTH	22,382,981B	24,832,981B
33				<u>26,694,481B</u>
34		HTH	1,643,030N	1,643,030N
35				
36	16. HTH460 - CHILD AND ADOLESCENT MENTAL HEALTH			
37			193.50*	193.50*
38	OPERATING	HTH	44,103,749A	45,063,201A
39				<u>43,083,535A</u>
40			17.00*	17.00*
41		HTH	19,636,965B	18,636,965B
42				<u>20,616,631B</u>
43		HTH	2,555,977N	2,568,019N
44		HTH	2,260,313U	2,260,313U"
45				

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1 SECTION 8. Part II, Act 213, Session Laws of Hawaii 2007,
 2 as amended by Act 158, Session Laws of Hawaii 2008, is amended
 3 by amending items F.2, F.3, F.4, F.10, F.12, F.17, F.19, F.24,
 4 F.26 and F.29 in section 3 to read as follows:

5	"F. SOCIAL SERVICES			
6	2. HMS302 - GENERAL SUPPORT FOR CHILD CARE			
7			26.07*	26.07*
8	OPERATING	HMS	1,245,650A	1,245,908A
9			15.93*	16.93*
10		HMS	6,512,325N	6,683,439N
11		<u>HMS</u>	<u>V</u>	<u>500,000V</u>
12				
13	3. HMS303 - CHILD PROTECTIVE SERVICES PAYMENTS			
14	OPERATING	HMS	44,816,013A	41,816,013A
15		HMS	20,095,666N	20,095,666N
16		<u>HMS</u>	<u>V</u>	<u>1,705,010V</u>
17				
18	4. HMS305 - CASH SUPPORT FOR CHILD CARE			
19	OPERATING	HMS	22,411,811A	22,411,811A
20		HMS	34,250,754N	34,250,754N
21		<u>HMS</u>	<u>V</u>	<u>2,600,000V</u>
22				
23	10. HMS211 - CASH SUPPORT FOR FAMILIES - SELF-SUFFICIENCY			
24	OPERATING	HMS	38,182,284A	38,182,284A
25		HMS	41,000,000N	[41,000,000N]
26				<u>44,000,000N</u>
27				
28	12. HMS220 - RENTAL HOUSING SERVICES			
29			1.00*	1.00*
30	OPERATING	HMS	10,194,240A	5,039,240A
31			200.00*	200.00*
32		HMS	43,869,465N	43,869,475N
33			23.00*	23.00*
34		HMS	3,992,323W	3,992,323W
35	INVESTMENT CAPITAL	HMS	25,000,000C	16,410,000C
36		<u>HMS</u>	<u>V</u>	<u>16,245,443V</u>
37				
38	17. HMS224 - HOMELESS SERVICES			
39			5.00*	5.00*
40	OPERATING	HMS	11,276,608A	14,111,698A
41		HMS	1,369,108N	1,369,108N
42		<u>HMS</u>	<u>V</u>	<u>2,166,888V</u>
43	INVESTMENT CAPITAL	HMS	850,000C	1,454,000C
44				
45	19. HMS401 - HEALTH CARE PAYMENTS			
46	OPERATING	HMS	479,133,108A	[498,189,087A]
47				<u>405,218,706A</u>

.B. NO.

1		HMS	672,850,832N	693,906,153N
2		HMS	44,409,563U	44,409,563U
3		HMS		<u>V 106,798,179V</u>
4				
5	24.	HHL602 - PLANNING AND DEVELOPMENT FOR HAWAIIAN HOMESTEADS		
6			14.00*	14.00*
7	OPERATING	HHL	679,070A	679,274A
8			66.00*	66.00*
9		HHL	5,649,008B	5,063,477B
10		HHL	16,393,455N	9,600,545N
11			51.00*	51.00*
12		HHL	3,878,386T	3,640,482T
13	INVESTMENT CAPITAL	HHL	375,000C	550,000C
14		HHL		E 100,000,000E
15		<u>HHL</u>		<u>V 10,200,000V</u>
16				
17	26.	HTH904 - EXECUTIVE OFFICE ON AGING		
18			3.30*	3.74*
19	OPERATING	HTH	6,370,552A	6,119,214A
20			7.45*	8.01*
21		HTH	7,443,720N	7,443,720N
22		<u>HTH</u>		<u>V 485,000V</u>
23	INVESTMENT CAPITAL	HTH	250,000C	800,000C
24				
25	29.	HMS903 - GENERAL SUPPORT FOR SELF SUFFICIENCY SERVICES		
26			62.96*	62.96*
27	OPERATING	HMS	10,444,592A	10,420,477A
28			57.04*	62.04*
29		HMS	59,079,035N	[55,059,052N]
30				<u>65,059,052N</u>
31		<u>HMS</u>		<u>V 25,550,000V"</u>
32				

33 SECTION 9. Part II, Act 213, Session Laws of Hawaii 2007,
 34 as amended by Act 158, Session Laws of Hawaii 2008, is amended
 35 by amending items G.1, G.2, G.5 and G.19 in section 3 to read as
 36 follows:

37	"G.	FORMAL EDUCATION		
38	1.	EDN100 - SCHOOL-BASED BUDGETING		
39			12,338.60*	12,352.60*
40	OPERATING	EDN	774,244,048A	[772,086,697A]
41				<u>681,234,697A</u>
42		EDN	6,280,000B	6,780,000B
43		EDN	171,923,444N	171,160,198N
44		EDN	6,300,000T	13,750,000T
45		EDN	3,000,000U	4,000,000U
46		<u>EDN</u>		<u>V 107,439,184V</u>
47		EDN	3,398,000W	3,398,000W

.B. NO.

1	INVESTMENT CAPITAL	EDN	291,958,000B	310,193,000B
2		EDN	650,000C	3,000,000C
3		EDN	1,428,000R	R
4		EDN	50,000,000A	A
5				
6	2. EDN150 - COMPREHENSIVE STUDENT SUPPORT SERVICES			
7			5,615.50*	5,728.50*
8	OPERATING	EDN	361,156,533A	355,373,685A
9				<u>355,200,531A</u>
10			2.00*	2.00*
11		EDN	49,050,756N	49,050,756N
12		<u>EDN</u>	<u>V</u>	<u>20,493,170V</u>
13		EDN	2,000,000W	2,000,000W
14				<u>2,173,154W</u>
15				
16	5. EDN400 - SCHOOL SUPPORT			
17			644.00*	644.00*
18	OPERATING	EDN	170,290,488A	169,455,447A
19			726.50*	726.50*
20		EDN	23,112,819B	23,112,819B
21			3.00*	3.00*
22		EDN	35,659,876N	35,659,880N
23		<u>EDN</u>	<u>V</u>	<u>348,600V</u>
24			4.00*	4.00*
25		EDN	6,000,000W	7,022,625W
26				
27	19. UOH900 - UNIVERSITY OF HAWAII, SYSTEM WIDE SUPPORT			
28			414.00*	407.50*
29	OPERATING	UOH	41,759,019A	39,709,051A
30				<u>10,259,310A</u>
31			4.00*	8.00*
32		UOH	10,938,128B	21,363,400B
33			4.00*	4.00*
34		UOH	673,484N	673,484N
35		<u>UOH</u>	<u>V</u>	<u>29,449,741V</u>
36			5.00*	15.00*
37		UOH	13,157,802W	13,157,802W
38	INVESTMENT CAPITAL	UOH	50,000,000C	63,792,000C"
39				

40 SECTION 10. Part IV, Act 213, Session Laws of Hawaii 2007,
 41 as amended by Act 158, Session Laws of Hawaii 2008, is amended
 42 by amending item A.4 and adding item A.6.01 in section 125 to
 43 read as follows:

44 "A. ECONOMIC DEVELOPMENT
 45
 46 AGR141 - AGRICULTURAL RESOURCE MANAGEMENT
 47

.B. NO.

1	4.	P97002	UPCOUNTRY MAUI WATERSHED, MAUI			
2						
3			PLANS, LAND ACQUISITION, DESIGN, AND CONSTRUCTION FOR THE			
4			INSTALLATION OF PIPELINE FOR THE UPCOUNTRY MAUI WATERSHED PROJECT,			
5			KULA, MAUI. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL			
6			AID AND/OR REIMBURSEMENT.			
7			PLANS	50		50
8			LAND	100		100
9			DESIGN	200		200
10			CONSTRUCTION	2,650		[2,650]
11						<u>3,200</u>
12			TOTAL FUNDING	AGR 1,500	C	1,500 C
13				AGR 1,500	N	1,500 N
14				<u>AGR</u>	<u>V</u>	<u>550 V</u>

16 6.01 LOWER HAMAKUA DITCH SYSTEM, HAWAII

17
 18 CONSTRUCTION FOR IMPROVEMENTS TO THE LOWER HAMAKUA DITCH SYSTEM,
 19 TOGETHER WITH APPURTENANT WORKS, INCLUDING IMPROVEMENTS TO MITIGATE
 20 FLOOD DAMAGE. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL
 21 AID FINANCING AND/OR REIMBURSEMENT.

22			CONSTRUCTION			<u>1,800</u>
23			TOTAL FUNDING	AGR	V	<u>1,800 V</u> "

25 SECTION 11. Part IV, Act 213, Session Laws of Hawaii 2007,
 26 as amended by Act 158, Session Laws of Hawaii 2008, is amended
 27 by amending item C.118 X222 in section 125 to read as follows:

28 "C. TRANSPORTATION FACILITIES

29
 30 TRN595 - HIGHWAYS ADMINISTRATION

31
 32 118. X222 SEISMIC RETROFIT OF VARIOUS BRIDGES, STATEWIDE

33
 34 CONSTRUCTION FOR SEISMIC RETROFIT IMPROVEMENTS FOR VARIOUS
 35 BRIDGES STATEWIDE. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR
 36 FEDERAL AID FINANCING AND/OR REIMBURSEMENT.

37			CONSTRUCTION			[7,500]
38						<u>9,300</u>
39			TOTAL FUNDING	TRN	E	1,500 E
40				TRN	N	6,000 N
41				<u>TRN</u>	<u>V</u>	<u>1,800 V</u> "

42
 43 SECTION 12. Part IV, Act 213, Session Laws of Hawaii 2007,
 44 as amended by Act 158, Session Laws of Hawaii 2008, is amended

.B. NO.

1 by adding items F.13.01 and F.18.02. TBA 005 in section 125 to
 2 read as follows:

3 "F. SOCIAL SERVICES

4
 5 HMS220 - RENTAL HOUSING SERVICES

6
 7 13.01 LUMP SUM CIP - ARRA HUD STIMULUS RENOVATIONS, STATEWIDE

8
 9 CONSTRUCTION FOR NON-ROUTINE REPAIRS AND MAINTENANCE,
 10 IMPROVEMENTS, AND RENOVATIONS STATEWIDE.

11	CONSTRUCTION			16,245	
12	TOTAL FUNDING	HMS	V	16,245	V

13
 14 HHL602 - PLANNING AND DEVELOPMENT FOR HAWAIIAN HOMESTEADS

15
 16 18.02 TBA 005 NAHASDA DEVELOPMENT PROJECTS (ARRA), STATEWIDE

17
 18 PLANS, DESIGN, AND CONSTRUCTION FOR VARIOUS HAWAIIAN HOMESTEAD
 19 PROJECTS AND IMPROVEMENTS STATEWIDE, PURSUANT TO THE NATIVE AMERICAN
 20 HOUSING ASSISTANCE AND SELF-DETERMINATION ACT OF 1996 AND THE AMERICAN
 21 RECOVERY AND REINVESTMENT ACT OF 2009. FUNDS NOT NEEDED IN A COST
 22 ELEMENT MAY BE USED IN ANOTHER.

23	PLANS			1	
24	DESIGN			1	
25	CONSTRUCTION			10,198	
26	TOTAL FUNDING	HHL	V	10,200	V"

27
 28 SECTION 13. Part V, Act 213, Session Laws of Hawaii 2007,
 29 as amended by Act 158, Session Laws of Hawaii 2008, is amended
 30 by adding a new section to read as follows:

31 "SECTION 134.1. Act 200, SLH 2003, as amended by Act 41,
 32 SLH 2004, is amended by amending item C-37 S269 in section 77 to

33 read:

34 TRN 501 - OAHU HIGHWAYS

35
 36 "C-37 S269 KAMEHAMEHA HIGHWAY, SOUTH PUNALUU BRIDGE REPLACEMENT, OAHU

37
 38 CONSTRUCTION FOR REPLACEMENT OF SOUTH PUNALUU BRIDGE. THIS
 39 PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR
 40 REIMBURSEMENT.
 41

.B. NO.

			<u>FY 2004</u>		<u>FY 2005</u>
1					
2					
3	<u>CONSTRUCTION</u>		<u>[12,250]</u>	<u>29,250</u>	
4	<u>TOTAL FUNDING</u>	<u>TRN</u>		<u>2,450</u>	<u>E</u>
5		<u>TRN</u>		<u>9,800</u>	<u>N</u>
6		<u>TRN</u>		<u>17,000</u>	<u>V</u>
7					

8 SECTION 14. Part V, Act 213, Session Laws of Hawaii 2007,
 9 as amended by Act 158, Session Laws of Hawaii 2008, is amended
 10 by adding a new section to read as follows:

11 "SECTION 134.2. Act 178, SLH 2005, as amended by Act 160,
 12 SLH 2006, is amended by amending items C-9.02, C-22.02, and C-34
 13 in section 85 to read:

14 TRN 102 - HONOLULU INTERNATIONAL AIRPORT

15
 16 "C-9.02 A24B HONOLULU INTERNATIONAL AIRPORT, INLINE BAGGAGE SYSTEM
 17 IMPROVEMENTS, OAHU

18
 19 CONSTRUCTION FOR INLINE BAGGAGE SYSTEM IMPROVEMENTS INCLUDING
 20 EXPLOSIVE DETECTION SYSTEMS, BAGGAGE BELT CONVEYORS, AND OTHER RELATED
 21 IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL
 22 AID FINANCING AND/OR REIMBURSEMENT.

			<u>FY 2006</u>		<u>FY 2007</u>
23					
24					
25					
26	<u>CONSTRUCTION</u>			<u>[63,250]</u>	<u>88,250</u>
27	<u>TOTAL FUNDING</u>	<u>TRN</u>		<u>E</u>	<u>63,250 E</u>
28		<u>TRN</u>		<u>V</u>	<u>25,000 V</u>
29					

30 TRN 131 - KAHULUI AIRPORT

31
 32 "C-22.02 D08L KAHULUI AIRPORT, INLINE BAGGAGE SYSTEM IMPROVEMENTS, MAUI
 33

34 CONSTRUCTION OF INLINE BAGGAGE SYSTEM IMPROVEMENTS INCLUDING
 35 EXPLOSIVE DETECTION SYSTEMS, BAGGAGE BELT CONVEYORS, AND OTHER RELATED
 36 IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL
 37 AID FINANCING AND/OR REIMBURSEMENT.

			<u>FY 2006</u>		<u>FY 2007</u>
38					
39					
40					
41	<u>CONSTRUCTION</u>			<u>[14,300]</u>	<u>25,300</u>
42	<u>TOTAL FUNDING</u>	<u>TRN</u>		<u>E</u>	<u>14,300 E</u>
43		<u>TRN</u>		<u>V</u>	<u>11,000 V</u>
44					

1 TRN 195 - AIRPORTS ADMINISTRATION

2
3 "C-34 F05C STRUCTURAL IMPROVEMENTS TO AIRFIELD PAVING, STATEWIDE

4
5 DESIGN AND CONSTRUCTION FOR STRUCTURAL IMPROVEMENTS TO RUNWAYS,
6 TAXIWAYS, AND APRONS AT STATEWIDE AIRPORTS. IMPROVEMENTS INCLUDE
7 PAVING, MILL AND REPLACE, RECONSTRUCTION, GROOVING, PAINTING, AND OTHER
8 RELATED IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALITY FOR
9 FEDERAL AID FINANCING AND/OR REIMBURSEMENT.

			<u>FY 2006</u>		<u>FY 2007</u>
11					
12					
13	<u>DESIGN</u>		<u>800</u>		<u>900</u>
14	<u>CONSTRUCTION</u>		<u>10,250</u>	<u>[11,370]</u>	<u>26,370</u>
15	<u>TOTAL FUNDING</u>	<u>TRN</u>	<u>3,200</u>	<u>B</u>	<u>4,500</u>
16		<u>TRN</u>	<u>7,850</u>	<u>N</u>	<u>7,770</u>
17		<u>TRN</u>		<u>V</u>	<u>15,000</u>
18					<u>V"</u>

19 SECTION 15. Part VII, Act 213, Session Laws of
20 Hawaii 2007, as amended by Act 158, Session Laws of Hawaii 2008,
21 is amended by amending section 167 to read as follows:

22 "SECTION 167. Provided that the governor may approve the
23 expenditure of federal funds for operating and capital
24 improvement purposes which are in excess of levels authorized by
25 the legislature only in the event that the expenditure is made
26 for the benefit of the public; provided further that the
27 governor may allow for an increase in the federal fund
28 authorization ceiling for the program to accommodate the
29 expenditure of such funds; provided further that prior to the
30 governor's approval to expend these funds the governor shall
31 submit a report to the legislature; provided further that the
32 report shall include the date when the program to receive the
33 federal funds was first notified that additional federal funds

1 may be available, the date that additional federal funds were
2 known to be available, and the reasons why additional federal
3 fund appropriations were not sought during the preceding
4 legislative session, and an explanation of the public benefit;
5 provided further that in the event of federal funds received as
6 a result of a natural or manmade disaster, the governor shall
7 submit notification to the legislature within five days after
8 the governor's approval to expend funds has been granted; and
9 provided further that the governor shall submit a summary report
10 of all uses of this proviso for the previous twelve month period
11 from December 1 to November 30 no later than twenty days prior
12 to the convening of the 2008 and 2009 regular sessions."

13 SECTION 16. Part VII, Act 213, Session Laws of
14 Hawaii 2007, as amended by Act 158, Session Laws of Hawaii 2008,
15 is amended by adding new sections to read as follows:

16 "Section 46.2. Provided that of the general fund
17 appropriation for the Hawaii health systems corporation
18 (HTH 210), there is appropriated general funds in the sum of
19 \$14 million or so much thereof as may be necessary for fiscal
20 year 2008-2009 that shall be expended to pay accounts payable
21 vendors for medical services, equipment or supplies; provided
22 further that \$3,300,000 shall be expended for the Kauai Veterans

.B. NO.

1 Memorial Hospital; \$3,700,000 shall be expended for the Kona
2 Community Hospital; and \$7,000,000 shall be expended for the
3 Hilo Medical Center; provided further that the funds shall not
4 be expended for any other purpose and that any unexpended funds
5 shall lapse to the general fund."

6 "Section 167.1. Provided that the governor may approve the
7 expenditure of federal stimulus funds for operating and capital
8 improvement purposes designated with the letter (V) which are in
9 excess of levels authorized by the legislature; provided further
10 that the governor may allow for an increase in the federal
11 stimulus fund authorization ceiling for the program to
12 accommodate the expenditure of such funds; provided further that
13 prior to the governor's approval to expend these funds the
14 governor shall submit a report to the legislature."

15 SECTION 17. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 18. This Act shall take effect on May 1, 2009.

18

19

20

INTRODUCED BY: _____

21

By Request