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BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY
TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
HOUSE BILL NO. 1045, H.D. 1

April 1, 2025
10:01 a.m.
Room 211 and Videoconference

**MAKING EMERGENCY APPROPRIATIONS FOR LAW ENFORCEMENT
PERSONNEL COSTS**

The Department of Budget and Finance supports this bill with proposed amendments inserting in the necessary appropriation dollar amounts and providing the necessary dollar amounts and percentage by which the FY 25 appropriations in this bill would exceed the FY 25 expenditure ceiling.

House Bill No. 1045, H.D. 1, makes emergency appropriations to the Department of Accounting and General Services (DAGS) and the Judiciary for transfer payments to the Department of Law Enforcement (DLE) for payroll costs of sheriffs.

Section 3 of Act 164, SLH 2023, as amended by Act 230, SLH 2024, appropriated general funds to DAGS for FY 25 for transfer payments to DLE for payroll costs of sheriffs. Similarly, Section 3 of Act 70, SLH 2023, as amended by Act 233, SLH 2024, appropriated general funds for FY 25 to the Judiciary for transfer payments to DLE for payroll costs of sheriffs. While appropriations out of the general fund of the State of Hawai'i exclude fringe benefit costs, fringe benefits must be included if an appropriation from a non-general fund is used to fund positions. Because these

aforementioned appropriations did not include fringe benefits, a critical funding shortage exists, and additional funds must be appropriated to cover fringe benefit costs.

We recommend that the following dollar amounts be inserted into the bill:

- In Section 3 of the H.D. 1 (page 3, line 12), \$2,480,509; and
- In Section 4 of the bill (page 3, line 20), \$4,673,616.

Additionally, a commensurate appropriation of interdepartmental transfer fund ceiling for DLE is necessary to read as follows:

"SECTION 5. There is appropriated out of interdepartmental transfer funds the sum of \$7,154,125, or so much thereof as may be necessary in fiscal year 2024-2025 for personnel costs, including payroll and fringe benefits.

The sum appropriated shall be expended by the department of law enforcement."

We also suggest the expenditure ceiling declaration in Section 5 (page 4, lines 5 through 13) be amended to read as follows:

"SECTION 6. In accordance with section 9 of article VII of the Constitution of the State of Hawaii and sections 37-91 and 37-93, Hawaii Revised Statutes, the legislature has determined that the state general fund expenditure ceiling for fiscal year 2024-2025 has already been exceeded by \$8,551,795, or 1 per cent. The appropriations contained in this Act will cause the state general fund expenditure ceiling for fiscal year 2024-2025 to be further exceeded by \$7,154,125, or 1 per cent. This declaration takes into account the additional general fund appropriations authorized for fiscal year 2024-2025 in this Act only. The reasons for exceeding the general fund expenditure ceiling are that the appropriations made in this Act are necessary to serve the public interest and to meet the needs addressed by this Act."

Thank you for your consideration of our comments.



The Judiciary, State of Hawai‘i

Testimony to the Thirty-Third Legislature, 2025 Regular Session

Senate Committee on Ways and Means

Senator Donovan M. Dela Cruz, Chair

Senator Sharon Y. Moriwaki, Vice Chair

Tuesday, April 1, 2025 at 10:01 a.m.

State Capitol, Conference Room 211

by

Rodney A. Maile

Administrative Director of the Courts

WRITTEN TESTIMONY

Bill No. and Title: House Bill No. 1045, H.D. 1, Making Emergency Appropriations for Law Enforcement Personnel Costs

Purpose: Makes emergency appropriations for fiscal year 2024-2025 to the Department of Accounting and General Services and the Judiciary for payroll and fringe benefits of affected Department of Law Enforcement personnel.

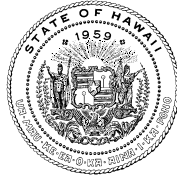
Judiciary's Position:

The Judiciary strongly supports this bill which seeks to appropriate general funds to cover payroll and fringe benefit costs for law enforcement personnel which were not covered by Section 3 of Act 164, Session Laws of Hawai‘i 2023, as amended by Act 230, Session Laws of Hawai‘i 2024; and Section 3 of Act 70, Session Laws of Hawai‘i 2023, as amended by Act 233, Session Laws of Hawai‘i 2024.

The Judiciary has conferred with the Department of Budget and Finance and is agreeable with receiving an appropriation for this purpose and transferring the appropriated amount to the Department of Law Enforcement for deputies who serve the Judiciary.

Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



KEITH A. REGAN
COMPTROLLER
KA LUNA HO'OMALU HANA LAULĀ

MEOH-LENG SILLIMAN
DEPUTY COMPTROLLER
KA HOPE LUNA HO'OMALU HANA LAULĀ

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | KA 'OIHANA LOIHELU A LAWELAWÉ LAULĀ
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

WRITTEN TESTIMONY
OF
KEITH A. REGAN, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE

COMMITTEE ON WAYS AND MEANS

APRIL 1, 2025, 10:01 A.M.
CONFERENCE ROOM 211 AND VIA VIDEOCONFERENCE, STATE CAPITOL

H.B. 1045 H.D. 1

MAKING EMERGENCY APPROPRIATIONS FOR LAW ENFORCEMENT
PERSONNEL COSTS.

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee, thank you
for the opportunity to submit testimony on H.B. 1045 H.D.1.

H.B. 1045 H.D. 1 makes emergency appropriations for fiscal year 2024-2025 to
the Department of Accounting and General Services (DAGS) and the Judiciary for
payroll and fringe benefits of affected Department of Law Enforcement personnel.

The Department of Accounting and General Services **supports** this measure.
The Department defers to the Department of Law Enforcement on the amount of the
appropriation required for personnel payroll and fringe benefits.

Thank you for the opportunity to provide testimony on this measure.