

Report on Non-General Fund Information
for Submittal to the 2020 Legislature

Department: <u>HHL</u> Prog ID(s): <u>HHL 602</u> Name of Fund: <u>Hawaiian Home Loan Fund</u> Legal Authority: <u>Section 213(b), Hawaiian Homes Commission Act of 1920, as amended</u>	Contact Name: <u>Rodney Lau</u> Phone: <u>620-9531</u> Fund type (MOF) <u>W</u> Appropriation Acct. No. <u>S-302-I</u>
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Intended Purpose: See attachment

Source of Revenues:

Current Program Activities/Allowable Expenses:

Purpose of Proposed Ceiling Adjustment (if applicable):

Variances:

Financial Data							
	FY 2016 (actual)	FY 2017 (actual)	FY 2018 (actual)	FY 2019 (actual)	FY 2020 (estimated)	FY 2021 (estimated)	
Appropriation Ceiling							
Beginning Cash Balance	2,571,114	2,732,907	2,483,602	3,032,057	3,235,700	3,235,700	
Revenues	161,793	141,645	548,455	203,643			
Expenditures	0	390,950	0	0			
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
		1,500,000	1,982,907	2,500,695			
		(1,500,000)	(1,982,907)	(2,500,695)			
Net Total Transfers	0	0	0	0	0	0	
Ending Cash Balance	2,732,907	2,483,602	3,032,057	3,235,700	3,235,700	3,235,700	
Encumbrances			0				
Unencumbered Cash Balance	2,732,907	2,483,602	3,032,057	3,235,700	3,235,700	3,235,700	

Additional Information:

Amount Req. by Bond Covenants						
Amount from Bond Proceeds						
Amount Held in CODs, Escrow Accounts, or Other Investments						

Department of Hawaiian Home Lands

Name of Fund: Hawaiian Home Loan Fund (S-302)

Means of Financing: Revolving Fund

1. Description and Purpose of Fund (including revenue source):

The Hawaiian Home Loan Fund was established in 1921 as a revolving fund. Section 4 of the Hawaii Admissions Act (Act of March 18, 1959, Pub. L. 86-3, 73 Stat 4) made the Hawaiian Homes Commission Act (HHCA) a State law by compact with the United States. Under this compact, the Hawaiian Home Loan Fund may not be the subject of amendments that impair or reduce its powers and benefits without the consent of Congress.

Section 4 of the Hawaii Admissions Act, states in part:

"the Hawaiian home-loan fund, the Hawaiian home-operating fund, and the Hawaiian home-development fund shall not be reduced or impaired by any such amendment, whether made in the constitution or in the manner required for State legislation, and the encumbrances authorized to be placed on Hawaiian home lands by officers other than those charged with the administration of said Act, shall not be changed except with the consent of the United States" (emphasis added).

REVENUE LINE ITEMS:

Loan Principal Repayment - Pursuant to section 213(b) of the Hawaiian Homes Commission Act (HHCA), any principal repayment arising out of loans from the Hawaiian Home Loan Fund are to be credited to and deposited into the Hawaiian Home Loan Fund.

The Hawaiian Home Loan Fund is used principally to pay the net proceeds when a homestead lease is canceled or surrendered or when a lessee dies without leaving a qualified successor.

2. Statutory Basis of Fund:

Section 213 (b), Hawaiian Homes Commission Act of 1920, as amended

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for Submittal to the 2020 Legislature

Department: HHL Prog ID(s): HHL 602 Name of Fund: Hawaiian Home General Loan Fund Legal Authority: Section 213(c) Hawaiian Homes Commission Act of 1920, as amended	Contact Name: Rodney Lau Phone: 620-9531 Fund type (MOF) W Appropriation Acct. No. S-323-I
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Intended Purpose: See attachment

Source of Revenues:

Current Program Activities/Allowable Expenses:

Purpose of Proposed Ceiling Adjustment (if applicable):

Variances:

Financial Data							
	FY 2016 (actual)	FY 2017 (actual)	FY 2018 (actual)	FY 2019 (estimated)	FY 2020 (estimated)	FY 2021 (estimated)	FY 2022 (estimated)
Appropriation Ceiling							
Beginning Cash Balance	16,825,479	21,687,197	27,251,763	28,147,405	36,155,735	36,155,735	36,155,735
Revenues	5,562,684	4,461,176	5,395,957	6,050,943			
Expenditures	4,680,966	3,596,610	8,900,315	4,308,309			
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
	20,856,741	14,700,000	16,087,197	21,830,261			
	(16,876,741)	(10,000,000)	(11,687,197)	(15,564,565)			
Net Total Transfers	3,980,000	4,700,000	4,400,000	6,265,696	0	0	0
Ending Cash Balance	21,687,197	27,251,763	28,147,405	36,155,735	36,155,735	36,155,735	36,155,735
Encumbrances							
Unencumbered Cash Balance	21,687,197	27,251,763	28,147,405	36,155,735	36,155,735	36,155,735	36,155,735

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Department of Hawaiian Home Lands

Name of Fund: Hawaiian Home General Loan Fund (S-323)

Means of Financing: Revolving Fund

1. Description and Purpose of Fund (including revenue source):

Act 249, passed by the 1986 State Legislature consolidated all remaining loan funds other than the Hawaiian home-loan fund into the Hawaiian home-general loan fund. These loan funds were established through various amendments to the Act since statehood. The major source of receipts for this fund is through principal repayment of loans.

The department can make loans from the revolving funds for the following purposes:

1. Repair, maintenance, purchase or erection of dwellings on any tract and any permanent improvements.
2. Purchase of livestock and farm equipment (including aquaculture).
3. Assistance in developing land.
4. Farm loans not to exceed \$20,000.
5. Commercial loans.

In addition, the department may:

6. Use money in the Hawaiian home-operating fund to secure matching funds from federal, state or county agencies.
7. Loan or guarantee the repayment of loans up to fifty percent (50%) of the maximum single-residence loan amount allowed in Hawaii by the United States Department of Housing and Urban Development, Federal Housing Administration (FHA).

8. Permit loans to lessees by government agencies or private lenders, where the department assures payment of such loans in case of default.
9. Secure, pledge, or otherwise guarantee the repayment of money borrowed by the department from government agencies or private lenders. Money borrowed by the department or on departmental guarantees of loan shall at no time exceed \$100,000,000.
10. Use available loan fund monies or other funds as cash guarantees when required by lenders.
11. Exercise the functions of a lender of money in all direct loans made by government agencies or private lenders to lessees of which repayment is guaranteed by the department.
12. Pledge receivables of loan accounts outstanding as collateral to secure loans made by government agencies or private lenders to the department, the proceeds of which shall be used to make new loans.
13. Transfer into the Hawaiian home-trust fund any available money from any loan fund, except the Hawaiian home-loan fund, for use as cash guarantees or reserves when required by a federal agency authorized to insure or guarantee loans to lessees.

2. Statutory Basis of Fund:

Section 213 (c), Hawaiian Homes Commission Act of 1920, as amended

Report on Non-General Fund Information
for Submittal to the 2020 Legislature

Department: HHL
 Prog ID(s): HHL 602
 Name of Fund: Hawaiian Home Administration Account
 Legal Authority: Section 213(f), Hawaiian Homes Commission Act of 1920, as amended

Contact Name: Rodney Lau
 Phone: 620-9531
 Fund type (MOF) B
 Appropriation Acct. No. S-325-I

Intended Purpose: See attached

Source of Revenues:

Current Program Activities/Allowable Expenses:

Purpose of Proposed Ceiling Adjustment (if applicable):

Variances:

Financial Data							
	FY 2016 (actual)	FY 2017 (actual)	FY 2018 (actual)	FY 2019 (actual)	FY 2020 (estimated)	FY 2021 (estimated)	FY 2022 (estimated)
Appropriation Ceiling	13,517,243	4,824,709	4,824,709	4,824,709			
Beginning Cash Balance	33,334,120	29,844,497	43,904,299	39,245,710	31,436,091	31,436,091	31,436,091
Revenues	13,351,879	16,262,711	16,707,336	17,546,848			
Expenditures	5,568,100	2,200,409	1,565,222	2,161,626			
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
		(2,500)					
	19,229,098	0	15,983,755	5,048,884			
	(30,502,500)	0	(35,784,458)	(28,243,725)			
Net Total Transfers	(11,273,402)	(2,500)	(19,800,703)	(23,194,841)	0	0	0
Ending Cash Balance	29,844,497	43,904,299	39,245,710	31,436,091	31,436,091	31,436,091	31,436,091
Encumbrances	2,223,181	2,313,024	2,807,514	1,940,981			
Unencumbered Cash Balance	27,621,316	41,591,275	36,438,196	29,495,110	31,436,091	31,436,091	31,436,091

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Report on Non-General Fund Information
for Submittal to the 2020 Legislature

Department: <u>HHL</u> Prog ID(s): <u>HHL 602</u> Name of Fund: <u>Hawaiian Home Administration Account</u> Legal Authority: <u>Section 213(f), Hawaiian Homes Commission Act of 1920, as amended</u>	Contact Name: <u>Rodney Lau</u> Phone: <u>620-9531</u> Fund type (MOF) <u>B</u> Appropriation Acct. No. <u>S-326-I</u>
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Intended Purpose: See attachment

Source of Revenues:

Current Program Activities/Allowable Expenses:

Purpose of Proposed Ceiling Adjustment (if applicable):

Variances:

Financial Data							
	FY 2016 (actual)	FY 2017 (actual)	FY 2018 (actual)	FY 2019 (actual)	FY 2020 (estimated)	FY 2021 (estimated)	FY 2022 (estimated)
Appropriation Ceiling							
Beginning Cash Balance	231,499	234,487	234,487	6,710	0	0	0
Revenues	2,988		0				
Expenditures			0				
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
			(227,777)	(6,710)			
Net Total Transfers	0	0	(227,777)	(6,710)	0	0	0
Ending Cash Balance	234,487	234,487	6,710	0	0	0	0
Encumbrances							
Unencumbered Cash Balance	234,487	234,487	6,710	0	0	0	0

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Report on Non-General Fund Information
for Submittal to the 2020 Legislature

Department: HHL
 Prog ID(s): HHL 602
 Name of Fund: Hawaiian Home Administration Account
 Legal Authority: Administratively Created

Contact Name: Rodney Lau
 Phone: 620-9531
 Fund type (MOF) B
 Appropriation Acct. No. S-305-I

Intended Purpose: See attachment

Source of Revenues:

Current Program Activities/Allowable Expenses:

Purpose of Proposed Ceiling Adjustment (if applicable):

Variances:

Financial Data							
	FY 2016 (actual)	FY 2017 (actual)	FY 2018 (actual)	FY 2019 (actual)	FY 2020 (estimated)	FY 2021 (estimated)	FY 2022 (estimated)
Appropriation Ceiling							
Beginning Cash Balance	0	0	0	0	0	0	0
Revenues			20,000,000	0			
Expenditures				0			
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
	20,500,000			23,200,000			
	(20,500,000)		(20,000,000)	(23,200,000)			
Net Total Transfers	0	0	(20,000,000)	0	0	0	0
Ending Cash Balance	0	0	0	0	0	0	0
Encumbrances							
Unencumbered Cash Balance	0	0	0	0	0	0	0

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Department of Hawaiian Home Lands

Name of Fund: Hawaiian Home Administration Account (S-325, S-326, S-305)

Means of Financing: Special Fund

1. Description and Purpose of Fund (including revenue source):

In 1959, the Hawaii Admission Act (Act of March 18, 1959, Pub. L. 86-3, 73 Stat 4) provided that ownership of Hawaiian home lands (HHL) be transferred from the United States to the State of Hawaii. The Admission Act also provided that the HHL, as well as proceeds and income therefrom were to be held by the State in trust for native Hawaiians and administered in accordance with the Act, and that use of HHL for any other purpose would constitute a breach of trust for which suit may be brought by the United States.

Section 4 of the Hawaii Admissions Act, states in part:

"(3) that all proceeds and income from the "available lands" as defined by said Act, shall be used only in carrying out the provisions of said Act" (emphasis added).

Section 5(f) of the Hawaii Admissions Act, states in part:

"Such lands, proceeds, and income shall be managed and disposed of for one or more of the foregoing purposes in such manner as the constitution and laws of said State may provide, and their use for any other object shall constitute a breach of trust for which suit may be brought by the United States." (emphasis added).

REVENUE LINE ITEMS:

- 1) The entire receipts from any leasing or other dispositions of "available lands" are deposited into this account. Any interest or other earnings arising out of investments from this fund are to be credited to this fund.

Receipts of this fund are from general leases, licenses, revocable permits, rights of entry, and other dispositions of Hawaiian home lands. The Admission Act and the Constitution stipulate that all proceeds and income from "available lands," as defined by the HHCA, "shall be used only in carrying out the provisions of said Act."

EXPENDITURE LINE ITEMS:

- 1) The monies are to be expended by the department for salaries and all other administrative expenses of the department, excluding capital improvements, in the absence of general funds appropriated for operating and administrative costs.

Funds of the Administration Account must be incorporated in the Executive Budget and appropriated by the legislature before they can be used for salaries and operating costs.

OTHER CHANGES IN FUND BALANCE:

- 1) The HHCA provides that the excess of the receipts deposited into the Hawaiian Home Administration Account over the amount approved or made available by the legislature may be transferred to the Hawaiian Home Operating Fund.
- 2) All revenues from "available" lands are pledged to the repayment of DHHL revenue bonds. Monies in excess of the reserve and debt service requirements may be transferred back to the Administration Account upon Commission approval.

2. Statutory Basis of Fund:

Section 213(f), Hawaiian Homes Commission Act of 1920, as amended

Report on Non-General Fund Information
for Submittal to the 2020 Legislature

Department: <u>HHL</u> Prog ID(s): <u>HHL 602</u> Name of Fund: <u>DHHL Revenue Bond Special Fund</u> Legal Authority: <u>Section 213.5, Hawaiian Homes Commission Act of 1920, as amended</u>	Contact Name: <u>Rodney Lau</u> Phone: <u>620-9531</u> Fund type (MOF) <u>B</u> Appropriation Acct. No. <u>S-350-I</u>
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Intended Purpose: See attachment

Source of Revenues:

Current Program Activities/Allowable Expenses:

Purpose of Proposed Ceiling Adjustment (if applicable):

Variances:

Financial Data							
	FY 2016 (actual)	FY 2017 (actual)	FY 2018 (actual)	FY 2019 (actual)	FY 2020 (estimated)	FY 2021 (estimated)	FY 2022 (estimated)
Appropriation Ceiling							
Beginning Cash Balance	13,034,736	13,093,714	10,173,277	12,021,668	11,889,248	11,889,248	11,889,248
Revenues	3,070,477	91,913	5,056,512	3,082,760			
Expenditures	3,011,499	3,012,350	3,208,121	3,215,180			
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
		10,580,444	8,984,128	14,679,678			
		(10,580,444)	(8,984,128)	(14,679,678)			
Net Total Transfers	0	0	0	0	0	0	0
Ending Cash Balance	13,093,714	10,173,277	12,021,668	11,889,248	11,889,248	11,889,248	11,889,248
Encumbrances	529,140	700,000	242,777	103,189			
Unencumbered Cash Balance	12,564,574	9,473,277	11,778,891	11,786,059	11,889,248	11,889,248	11,889,248

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Department of Hawaiian Home Lands

Name of Fund: Department of Hawaiian Home Lands Revenue Bond Special Fund (S-350)

Means of Financing: Special Fund

1. Description and Purpose of Fund (including revenue source):

In 1959, the Hawaii Admission Act (Act of March 18, 1959, Pub. L. 86-3, 73 Stat 4) provided that ownership of Hawaiian home lands (HHL) be transferred from the United States to the State of Hawaii. The Admission Act also provided that the HHL, as well as proceeds and income therefrom were to be held by the State in trust for native Hawaiians and administered in accordance with the Act, and that use of HHL for any other purpose would constitute a breach of trust for which suit may be brought by the United States.

Section 4 of the Hawaii Admissions Act, states in part:

"(3) that all proceeds and income from the "available lands" as defined by said Act, shall be used only in carrying out the provisions of said Act" (emphasis added).

Section 5(f) of the Hawaii Admissions Act, states in part:

"Such lands, proceeds, and income shall be managed and disposed of for one or more of the foregoing purposes in such manner as the constitution and laws of said State may provide, and their use for any other object shall constitute a breach of trust for which suit may be brought by the United States." (emphasis added).

In October 1991, the department sold \$18 million of revenue bonds. All revenues from "available" lands were pledged to the repayment of these bonds. Monies in excess of the reserve and debt service requirements may be transferred back to the Administration Account upon Commission approval.

Pursuant to section 213.5 of the HHCA, the department is required to establish a Revenue Bond Special Fund for each undertaking financed by revenue bonds. A special fund was established for the revenue bonds issued in 1991. Sources of monies for this fund are:

1. Revenues committed for payment of debt service and maintenance of reserve accounts.
2. Interest from investments of reserve accounts.

The monies are primarily used to repay the debt service on the bonds and to maintain a reserve account as required by the bond resolution.

In 2009, DHHHL issued \$42.5 million in Revenue Bond Series 2009. On July 25, 2017, the DHHHL successfully priced the \$30,940,000 Revenue Bond, Series 2017. Proceeds were used to refund \$36,640,000 Revenue Bond Series 2009.

2. Statutory Basis of Fund:

Section 213.5, Hawaiian Homes Commission Act of 1920, as amended

Report on Non-General Fund Information
for Submittal to the 2020 Legislature

Department: <u>HHL</u> Prog ID(s): <u>HHL 602</u> Name of Fund: <u>Hawaiian Home Land Trust Fund</u> Legal Authority: <u>Section 213.6, Hawaiian Homes Commission Act of 1920, as amended</u>	Contact Name: <u>Rodney Lau</u> Phone: <u>620-9531</u> Fund type (MOF): <u>T</u> Appropriation Acct. No.: <u>T-902-I</u>
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Intended Purpose: See attachment

Source of Revenues:

Current Program Activities/Allowable Expenses:

Purpose of Proposed Ceiling Adjustment (if applicable):

Variances:

Financial Data							
	FY 2016 (actual)	FY 2017 (actual)	FY 2018 (actual)	FY 2019 (actual)	FY 2020 (estimated)	FY 2021 (estimated)	FY 2022 (estimated)
Appropriation Ceiling							
Beginning Cash Balance	165,611,032	156,673,500	146,060,630	150,703,816	145,842,157	145,842,157	145,842,157
Revenues	2,140,035	1,464,615	7,004,251	1,941,895			
Expenditures	11,077,567	12,077,485	2,361,065	6,803,554			
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
	83,768,825	54,272,330	101,489,912	126,566,011			
	(83,768,825)	(54,272,330)	(101,489,912)	(126,566,011)			
Net Total Transfers	0	0	0	0	0	0	0
Ending Cash Balance	156,673,500	146,060,630	150,703,816	145,842,157	145,842,157	145,842,157	145,842,157
Encumbrances	15,347,575	12,605,042	8,049,776	7,038,507			
Unencumbered Cash Balance	141,325,925	133,455,588	142,654,040	138,803,650	145,842,157	145,842,157	145,842,157

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Department of Hawaiian Home Lands

Name of Fund: Hawaiian Home Lands Trust Fund (T-902)

Means of Financing: Trust Fund

1. Description and Purpose of Fund (including revenue source):

Act 14, Special Session 1995, (DHHL Land Claims Settlement Act) settles all claims made on behalf of the Hawaiian Home Lands Trust against the State between August 21, 1959 and July 1, 1988. It requires that the State make twenty annual deposits of \$30,000,000 or their discounted equivalent into the Hawaiian Home Lands Trust Fund. Proceeds of the fund may be used by DHHL for capital improvements and to meet the requirements of the Hawaiian Homes Commission Act of 1920, as amended.

2. Statutory Basis of Fund:

Section 213.6, Hawaiian Homes Commission Act of 1920, as amended.

Report on Non-General Fund Information
for Submittal to the 2020 Legislature

Department: HHL
 Prog ID(s): HHL 602
 Name of Fund: Hawaiian Home Operating Fund
 Legal Authority: Section 213(e), Hawaiian Homes Commission Act of 1920, as amended

Contact Name: Rodney Lau
 Phone: 620-9531
 Fund type (MOF): T
 Appropriation Acct. No.: T-905-I

Intended Purpose: See attachment

Source of Revenues:

Current Program Activities/Allowable Expenses:

Purpose of Proposed Ceiling Adjustment (if applicable):

Variances:

Financial Data							
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
	(actual)	(actual)	(actual)	(actual)	(estimated)	(estimated)	(estimated)
Appropriation Ceiling	11,037,323	3,740,534	3,740,534	3,740,534	3,740,534	3,740,534	3,740,534
Beginning Cash Balance	1,599,294	2,088,540	3,715,502	3,659,212	5,830,462	5,830,462	5,830,462
Revenues	93		740	0			
Expenditures	2,510,847	373,038	1,557,030	828,750			
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
	3,000,000	3,599,387	3,225,000	3,508,875			
	0	(1,599,387)	(1,725,000)	(508,875)			
Net Total Transfers	3,000,000	2,000,000	1,500,000	3,000,000	0	0	0
Ending Cash Balance	2,088,540	3,715,502	3,659,212	5,830,462	5,830,462	5,830,462	5,830,462
Encumbrances		1,418,576	1,914,338	1,185,468			
Unencumbered Cash Balance	2,088,540	2,296,926	1,744,874	4,644,994	5,830,462	5,830,462	5,830,462

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Report on Non-General Fund Information
for Submittal to the 2020 Legislature

Department: HHL
 Prog ID(s): HHL 602
 Name of Fund: Hawaiian Home Operating Fund
 Legal Authority: Section 213(e), Hawaiian Homes Commission Act of 1920, as amended

Contact Name: Rodney Lau
 Phone: 620-9531
 Fund type (MOF): T
 Appropriation Acct. No. T-906-I

Intended Purpose: See attachment

Source of Revenues:

Current Program Activities/Allowable Expenses:

Purpose of Proposed Ceiling Adjustment (if applicable):

Variances:

Financial Data						
	FY 2016 (actual)	FY 2017 (actual)	FY 2018 (actual)	FY 2019 (actual)	FY 2020 (estimated)	FY 2021 (estimated)
Appropriation Ceiling						
Beginning Cash Balance	269,477	199	0	0	0	0
Revenues	0	0	0			
Expenditures	0	199	0			
Transfers						
List each net transfer in/out/ or projection in/out; list each account number						
	(269,278)					
Net Total Transfers	(269,278)	0	0	0	0	0
Ending Cash Balance	199	0	0	0	0	0
Encumbrances						
Unencumbered Cash Balance	199	0	0	0	0	0

Additional Information:

Amount Req. by Bond Covenants						
Amount from Bond Proceeds						
Amount Held in CODs, Escrow Accounts, or Other Investments						

Report on Non-General Fund Information
for Submittal to the 2020 Legislature

Department:	HHL	Contact Name:	Rodney Lau
Prog ID(s):	HHL 602	Phone:	620-9531
Name of Fund:	Hawaiian Home Operating Fund	Fund type (MOF):	T
Legal Authority	Section 213(e), Hawaiian Homes Commission Act of 1920, as amended	Appropriation Acct. No.:	T-915-I

Intended Purpose: See attachment

Source of Revenues:

Current Program Activities/Allowable Expenses:

Purpose of Proposed Ceiling Adjustment (if applicable):

Variances:

Financial Data							
	FY 2016 (actual)	FY 2017 (actual)	FY 2018 (actual)	FY 2019 (actual)	FY 2020 (estimated)	FY 2021 (estimated)	FY 2022 (estimated)
Appropriation Ceiling							
Beginning Cash Balance	18,204,556	34,860,588	31,896,171	47,022,532	57,833,698	57,833,698	57,833,698
Revenues	4,708,796	983,542	1,063,751	1,414,013			
Expenditures	2,187,035	1,901,225	4,437,390	10,808,015			
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
	30,838,434	10,576,034	44,289,563	41,482,017			
	(16,704,163)	(12,622,768)	(25,789,563)	(21,276,849)			
Net Total Transfers	14,134,271	(2,046,734)	18,500,000	20,205,168	0	0	0
Ending Cash Balance	34,860,588	31,896,171	47,022,532	57,833,698	57,833,698	57,833,698	57,833,698
Encumbrances	4,285,077	3,892,954	6,190,798	14,313,939			
Unencumbered Cash Balance	30,575,511	28,003,217	40,831,734	43,519,759	57,833,698	57,833,698	57,833,698

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Department of Hawaiian Home Lands

Name of Fund: Hawaiian Home Operating Fund (T-905, T-906, T-915)

Means of Financing: Trust Fund

1. Description and Purpose of Fund (including revenue source):

The Hawaiian Home-Development Fund, established in 1941 as a special fund, and the Hawaiian Home Operating Fund, established in 1948 as a revolving fund, were merged into one fund, the Hawaiian Home Operating Fund, in 1986. Section 4 of the Hawaii Admissions Act (Act of March 18, 1959, Pub. L. 86-3, 73 Stat 4) made the Hawaiian Homes Commission Act (HHCA) a State law by compact with the United States. Under this compact, the Hawaiian Home Development Fund and the Hawaiian Home Operating Fund may not be the subject of amendments that impair or reduce them without the consent of Congress. Consequently, the Hawaiian Home Operating Fund is managed as two separate portions, the operating portion and the development portion, to retain the characteristics and substance of the predecessors of this fund.

Section 4 of the Hawaii Admissions Act, states in part:

"the Hawaiian home-loan fund, the Hawaiian home-operating fund, and the Hawaiian home-development fund shall not be reduced or impaired by any such amendment, whether made in the constitution or in the manner required for State legislation, and the encumbrances authorized to be placed on Hawaiian home lands by officers other than those charged with the administration of said Act, shall not be changed except with the consent of the United States" (emphasis added).

REVENUE LINE ITEMS:

- 1-2) Loan Interest/ Investment Interest - Pursuant to section 213(b) of the Hawaiian Homes Commission Act (HHCA), any interest or earnings arising out of investments from the Hawaiian Home Loan Fund are to be credited to and deposited into the Hawaiian Home Operating Fund.

- 3) Miscellaneous - Pursuant to section 213(e) of the HHCA, all moneys received by the department from any other source, other than those prescribed in other funds of the HHCA, are deposited into the Hawaiian Home Operating Fund. This includes receipts collected from the Molokai and Anahola Water systems, hall rentals, and homestead lease payments.
- 4) Refund/ Reimbursables - Refunds and reimbursements of expenditures are deposited back to the fund of origination.

EXPENDITURE LINE ITEMS:

(1-14) Uses of the operating portion of the Hawaiian Home Operating Fund include:

1. Construction operation and maintenance of revenue-producing activities (such as the Molokai Water System, and the Anahola Farm Lots Water System, on the island of Kauai) that are intended to serve principally occupants on Hawaiian home lands.
2. Purchase of goods and services to be resold, rented or furnished on a charge basis to occupants of Hawaiian home lands. The department operates a community hall in Waimea on the island of Hawaii.
3. Cost of appraisals, studies, consultant services or other staff services, including those in section 202(b) of the HHCA. Some of DHHL temporary exempt hires are funded from this portion of the Operating Fund.

The uses of the development portion of the Hawaiian Home Operating Fund, which require approval of the Governor, include:

1. Improvement and development necessary to serve present and future occupants of Hawaiian home lands.
2. Improvements, additions, and repairs to all assets owned or leased by the department excluding structures or improvements that the department is obligated to acquire under Section 209 of the HHCA.
3. Engineering, architectural and planning services to maintain and develop properties.
4. For consultant services.

5. For purchase or lease of equipment.
6. For acquisition or lease of real property; and
7. Improvements constructed for the benefit of the beneficiaries of the HHCA and not otherwise permitted in the loan funds or Administration Account.

OTHER CHANGES IN FUND BALANCE:

- 1) The Hawaiian Homes Commission authorizes the quarterly transfer of moneys from the Hawaiian Home Receipts Fund to the Hawaiian Home Operating Fund.
- 2) Any amount in the Hawaiian Home Administration Account which is in excess of the amount approved by the State Legislature or made available for the fiscal period may be transferred to the Hawaiian Home Operating Fund.

2. Statutory Basis of Fund:

Section 213 (e), Hawaiian Homes Commission Act of 1920, as amended

Report on Non-General Fund Information

for Submittal to the 2020

Legislature

Department:	HHL	Contact Name:	Rodney Lau
Prog ID(s):	HHL 602	Phone:	620-9531
Name of Fund:	Native Hawaiian Rehabilitation Fund	Fund type (MOF):	T
Legal Authority	Section 213(i), Hawaiian Homes Commission Act of 1920, as amended	Appropriation Acct. No.	T-924-I

Intended Purpose: See attachment

Source of Revenues:

Current Program Activities/Allowable Expenses:

Purpose of Proposed Ceiling Adjustment (if applicable):

Variances:

Financial Data							
	FY 2016 (actual)	FY 2017 (actual)	FY 2018 (actual)	FY 2019 (actual)	FY 2020 (estimated)	FY 2021 (estimated)	FY 2022 (estimated)
Appropriation Ceiling							
Beginning Cash Balance	5,934,451	6,214,700	6,630,193	6,683,076	6,566,584	6,566,584	6,566,584
Revenues	544,304	582,035	289,559	500,439			
Expenditures	264,055	213,280	236,676	616,931			
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
		4,517,655	4,518,837	2,400,000			
		(4,470,917)	(4,518,837)	(2,400,000)			
Net Total Transfers	0	46,738	0	0	0	0	0
Ending Cash Balance	6,214,700	6,630,193	6,683,076	6,566,584	6,566,584	6,566,584	6,566,584
Encumbrances	282,593	253,606	627,390	792,815			
Unencumbered Cash Balance	5,932,107	6,376,587	6,055,686	5,773,769	6,566,584	6,566,584	6,566,584

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Department of Hawaiian Home Lands

Name of Fund: Native Hawaiian Rehabilitation Fund (T-924)

Means of Financing: Trust Fund

1. Description and Purpose of Fund (including revenue source):

The Native Hawaiian Rehabilitation Fund (NHRF) was created by the 1978 Constitutional Convention to finance various activities intended to exclusively benefit native Hawaiians. This includes, but is not limited to, educational, economic, political, social, and cultural processes by which the general welfare and conditions of native Hawaiians are improved and perpetuated. The specific sources of NHRF funds vary, but are primarily derived from certain lands labeled "ceded lands" which were conveyed from the federal government to the State when it was admitted into the Union.

REVENUE LINE ITEMS:

- 1) Thirty percent of the state receipts, derived from lands previously cultivated and cultivated as sugarcane lands and from water licenses, are deposited into this fund.
- 2) Any payments of principal, interest or other earnings arising out of the loan or investments from the fund are credited and deposited into this fund.

EXPENDITURE LINE ITEMS:

- 1) NHRF has been used for interim home construction. The fund is reimbursed by private lenders that provide permanent takeout loans (e.g. FHA loans).
- 2) NHRF has also been involved in the financing of community based projects and an education scholarship program within the native Hawaiian community.

2. Statutory Basis of Fund:

Report on Non-General Fund Information
for Submittal to the 2020 Legislature

Department:	HHL	Contact Name:	Rodney Lau
Prog ID(s):	HHL 602	Phone:	620-9531
Name of Fund:	Hawaiian Home Trust Fund	Fund type (MOF) T	
Legal Authority	Section 213(h), Hawaiian Homes Commission Act of 1920, as amended	Appropriation Acct. No. T-917-I	

Intended Purpose: See attachment

Source of Revenues:

Current Program Activities/Allowable Expenses:

Purpose of Proposed Ceiling Adjustment (if applicable):

Variances:

Financial Data							
	FY 2016 (actual)	FY 2017 (actual)	FY 2018 (actual)	FY 2019 (actual)	FY 2020 (estimated)	FY 2021 (estimated)	FY 2022 (estimated)
Appropriation Ceiling							
Beginning Cash Balance	12,199,530	12,199,530	12,199,530	12,199,530	11,798,833	11,798,833	11,798,833
Revenues			0	0			
Expenditures			0	400,697			
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
		12,199,530		12,199,530			
		(12,199,530)		(12,199,530)			
Net Total Transfers	0	0	0	0	0	0	0
Ending Cash Balance	12,199,530	12,199,530	12,199,530	11,798,833	11,798,833	11,798,833	11,798,833
Encumbrances							
Unencumbered Cash Balance	12,199,530	12,199,530	12,199,530	11,798,833	11,798,833	11,798,833	11,798,833

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Department of Hawaiian Home Lands

Name of Fund: Hawaiian Home Trust Fund (T-917)

Means of Financing: Trust Fund

1. Description and Purpose of Fund (including revenue source):

Monies deposited into this fund are available for transfers into any other fund or account authorized by the Act or for any public purpose to further the purposes of the Act. Public purpose includes using the Hawaiian home trust fund as a reserve for loans insured or guaranteed by the Federal Housing Administration, Veteran Administration or any other federal agency authorized to insure or guarantee loans. A major deposit in the Hawaiian home-trust fund is the reserve for loans insured by the Federal Housing Administration.

2. Statutory Basis of Fund:

Section 213(h), Hawaiian Homes Commission Act of 1920, as amended

Report on Non-General Fund Information
for Submittal to the 2020 Legislature

Department: <u>HHL</u> Prog ID(s): <u>HHL 602</u> Name of Fund: <u>Hawaiian Homes Receipts Fund</u> Legal Authority: <u>Section 213(g), Hawaiian Homes Commission Act of 1920, as amended</u>	Contact Name: <u>Rodney Lau</u> Phone: <u>620-9531</u> Fund type (MOF): <u>T</u> Appropriation Acct. No.: <u>T-916-I</u>
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Intended Purpose: See attachment

Source of Revenues:

Current Program Activities/Allowable Expenses:

Purpose of Proposed Ceiling Adjustment (if applicable):

Variances:

Financial Data							
	FY 2016 (actual)	FY 2017 (actual)	FY 2018 (actual)	FY 2019 (actual)	FY 2020 (estimated)	FY 2021 (estimated)	FY 2022 (estimated)
Appropriation Ceiling							
Beginning Cash Balance	343,677	307,656	673,337	1,465,523	655,770	655,770	655,770
Revenues	3,943,979	5,065,681	5,192,186	5,455,942			
Expenditures	0		0	0			
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
	(3,980,000)	(4,700,000)		762,204			
				(7,027,899)			
Net Total Transfers	(3,980,000)	(4,700,000)	(4,400,000)	(6,265,695)	0	0	0
Ending Cash Balance	307,656	673,337	1,465,523	655,770	655,770	655,770	655,770
Encumbrances							
Unencumbered Cash Balance	307,656	673,337	1,465,523	655,770	655,770	655,770	655,770

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Department of Hawaiian Home Lands

Name of Fund: Hawaiian Home Receipts Fund (T-916)

Means of Financing: Trust Fund

1. Description and Purpose of Fund (including revenue source):

All interest monies from loans or investments received by the department from any fund (except the borrowed money loans in the Hawaiian home-general loan fund and the Hawaiian home-loan fund) are deposited into this fund. In essence, the fund was to serve as a clearing fund at the end of each quarter, all monies in this fund are transferred to the Hawaiian home-operating fund, the Hawaiian home-administration account, the Hawaiian home-trust fund and any loan fund in accordance with rules adopted by the department. Since this a clearing account and monies are transferred quarterly, as required by the Hawaiian Homes Commission Act, there are no beginning and ending balances at start and end of quarter. Consequently, there are no prior year or end of year balances.

2. Statutory Basis of Fund:

Section 213 (g), Hawaiian Homes Commission Act of 1920, as amended

Section 213(i), Hawaiian Homes Commission Act of 1920, as amended

Report on Non-General Fund Information
for Submittal to the 2020 Legislature

Department: HHL
 Prog ID(s): HHL 602
 Name of Fund: Security Deposits Clearing Account
 Legal Authority: Administratively Created

Contact Name: Rodney Lau
 Phone: 620-9531
 Fund type (MOF): T
 Appropriation Acct. No. T-901-I

Intended Purpose: See attachment

Source of Revenues:

Current Program Activities/Allowable Expenses:

Purpose of Proposed Ceiling Adjustment (if applicable):

Variances:

Financial Data						
	FY 2016 (actual)	FY 2017 (actual)	FY 2018 (actual)	FY 2019 (actual)	FY 2020 (estimated)	FY 2021 (estimated)
Appropriation Ceiling						
Beginning Cash Balance	1,643,528	2,937,905	2,721,203	2,623,402	2,701,992	2,701,992
Revenues	1,294,377	124,498	76,579	158,355		
Expenditures		341,200	174,380	79,765		
Transfers						
List each net transfer in/out/ or projection in/out; list each account number						
		(2,288,781)		2,079,698		
		2,288,781		(2,079,698)		
Net Total Transfers	0	0	0	0	0	0
Ending Cash Balance	2,937,905	2,721,203	2,623,402	2,701,992	2,701,992	2,701,992
Encumbrances		42,380				
Unencumbered Cash Balance	2,937,905	2,678,823	2,623,402	2,701,992	2,701,992	2,701,992

Additional Information:

Amount Req. by Bond Covenants						
Amount from Bond Proceeds						
Amount Held in CODs, Escrow Accounts, or Other Investments						