



It's Money that Matters

(WHEN DIVING INTO THE BUDGET)

Before you jump into looking at the Executive budget or the budget worksheets, it helps to know how the budget is developed and amended. At the risk of over-simplifying a complex process, here's an overview.

Crafting the Budget

Quite a few entities are involved in crafting the Executive budget, which is the largest of the four budgets enacted by the Legislature. (Separate budgets are enacted for the Judiciary and the Legislative branches of Hawaii's government, as well as the Office of Hawaiian Affairs. The Judiciary and Legislative budgets are not subject to line-item vetoes.)

- The [Council on Revenues](#) prepares revenue estimates (how much money will be coming in) for the State four times each fiscal year, which helps in forecasting how much money will be available.
- The **Governor**, through the [Department of Budget & Finance](#) and in discussion with Executive departments, drafts the initial version of the "budget bill." That bill is introduced, by request, to the Legislature by the Senate President and Speaker of the House of Representatives. (Near the end of session, the Legislature will pass the bill in its final form and send it to the Governor for enactment. The Governor can veto line items or the bill as a whole. IMPORTANT: As head of the Executive branch, the Governor holds the 'power of the purse strings,' and can determine when and if allocated funds will be released.)
- After the **Legislature** receives the Governor's draft budget, it amends and ratifies the budget using its legislative procedures. Both chambers must agree on the final version to enroll to the Governor for enactment. If vetoed in whole or in part, the Legislature *may* override with sufficient votes.
- **Senate Ways and Means (WAM)** and **House Finance (FIN)** are the “**money committees.**” They produce and keep track of numerous reports, estimates, calculations, and summaries, and receive input from numerous sources. Near the beginning of each session, informational briefings with Executive departments and agencies elicit information on previous expenditures and operational needs. Additionally, the **House and Senate leadership** and **chairs of legislative standing committees** provide their assessments of the priority and import of budget items as well as money bills being passed by their committees. The **Department of Taxation** provides assessments of the tax consequences of proposed legislation. Ultimately, the money committees prepare amended versions of the bills, and the numerous budget worksheets which help to clarify the various drafts.
- Don't forget – the **public** meaningfully informs and influences the Legislature's budget deliberations, through advocacy and testimony about the bills, programs, and projects under discussion.

The Budget Bill (the proposed “Supplemental Appropriations Act of 2026”)

This year, the bill conversationally referred to as "The Budget Bill" for the fiscal biennium 2025-2027 is [HB1800](#). (Its companion bill on the Senate side is [SB2500](#), but the House bill is customarily the one that moves forward and is used as the final vehicle, incorporating conference draft amendments prior to enrollment to the Governor.)

- NOTE: In the *second* year of a biennium, the budget bill specifically amends the measure passed in the *first* year. Hence, after the initial introductory page, you'll be looking at the content of the previous year's Act with changes noted. Any text or numbers to be changed or deleted will be indicated by parentheses and strikethroughs [~~like this~~] and new text and numbers will be underlined.
- The first page looks a lot like other bills, but the substance of the bill resembles financial spreadsheets. (Keep reading for tips to decipher what you see.) Narrative sections of the bill may provide specific parameters on how the monies may be used by the expending agencies and organization programs.
- Budget worksheets are posted on the [Legislature's website \(capitol.hawaii.gov\)](#) as new drafts are developed. (Go to the “Laws & Research” tab and select [Budget](#) from the drop-down menu. You'll find links to "Budget Worksheets." New versions of the worksheets will appear after new drafts have been issued.)
- Near the end of session, the budget bill may incorporate funding initially presented as separate bills containing appropriations. While the individual bill that proposed funding Program XYZ may be left behind, the funding and direction for the expenditure may have been incorporated into the budget bill.
- The staff assisting the House Finance Committee and the Senate Ways and Means Committee may be able to address questions regarding budget line items, procedures, and status. NOTE: It's usually not possible to determine the status and monetary allocations of Grant-in-Aid (GIA) requests until the publication of the final conference draft of the budget bill.

NOTE: No appropriation bills (except those recommended by the Governor for immediate passage or to cover the legislature's expense) may pass final reading until the budget bill has been transmitted to the Governor.

(Hawaii State Constitution, [Article VII, Section 9](#))

Budget Decipher Sheet

4 Crucial Pieces of Information to Help De-code the Budget

This information is taken from the 2026 State Budget bill, [HB1800](#) (Section 2)

- 1) Expending Agency.** Departments aren't referred to using their regular acronyms. Instead, the budget uses distinct 3-letter IDs to refer to organization programs (with identifying program numbers) and expending agencies, as listed below. (For example, if you're looking for funding for the DOE, you'll want to search for "EDN".)

Program & Expending Agency ID	Department (Commonly Used Acronym)
AGR	Department of Agriculture and Biosecurity (DOAB)
AGS	Department of Accounting and General Services (DAGS)
ATG	Department of the Attorney General (AG)
BED	Department of Business, Economic Development, and Tourism (DBEDT)
BUF	Department of Budget and Finance (B&F)
CCA	Department of Commerce and Consumer Affairs (DCCA)
DEF	Department of Defense (DOD)
EDN	Department of Education (DOE)
GOV	Office of the Governor
HHL	Department of Hawaiian Home Lands (DHHL)
HMS	Department of Human Services (DHS)
HRD	Department of Human Resources Development (DHRD)
HTH	Department of Health (DOH)
LAW	Department of Law Enforcement
LBR	Department of Labor and Industrial Relations (DLIR)
LNR	Department of Land and Natural Resources (DLNR)
LTG	Office of the Lieutenant Governor (LG)
PSD	Department of Corrections and Rehabilitation (DCR)
SUB	Subsidies
TAX	Department of Taxation (DOTAX)
TRN	Department of Transportation (DOT)
UOH	University of Hawaii (UH)
CCH	City and County of Honolulu
COH	County of Hawaii
COK	County of Kauai
COM	County of Maui

2) MOF = Means of Financing. The letter that follows each appropriation figure has significance – it indicates the source of funding. Here's the list for decoding:

- | | | |
|---|----------------------------------|---------------------------------|
| A: general funds; | J: federal aid interstate funds; | S: county funds; |
| B: special funds; | K: federal aid primary funds; | T: trust funds; |
| C: general obligation bond fund; | L: federal aid secondary funds; | U: interdepartmental transfers; |
| D: general obligation bond fund
(with debt service cost to be paid
from special funds); | M: federal aid urban funds; | W: revolving funds; |
| E: revenue bond funds; | N: federal funds; | X: other funds; |
| | P: other federal funds; | |
| | R: private contributions; | |

3) Position Ceiling. Above certain line items you'll find numbers followed by an * or **. The * **single asterisk** indicates the maximum number of permanent full-time positions (sometimes referred to as full-time equivalents or FTEs) that may be funded by the dollar amount and funding source noted immediately below. The ** **double asterisk** indicates temporary full-time equivalent positions. (In later drafts of the bill, temporary full-time equivalent positions may be indicated by a **pound #** sign – look at the definitions section of the bill.)

4) Program ID. A unique identifier for a specific program. Consists of the abbreviation for the organization responsible for carrying out the program, followed by the organization number for the program.

STATE OF HAWAII							
PROGRAM APPROPRIATIONS							
ITEM NO	PROGRAM	PROGRAM ID	EXPENDING AGENCY	APPROPRIATIONS			
				FISCAL YEAR 2025-2026	MOF	FISCAL YEAR 2026-2027	MOF
5.	OPERATING		TRN	1,311,808	B	1,311,808	B
6.	UPOLU AIRPORT						
		TRN118					
7.	OPERATING		TRN	51,100	B	51,100	B
	KAHULUI AIRPORT						
		TRN131					
	OPERATING - CUR. LEASE PAYMENTS		TRN	3,375,011	B	3,511,647	B
				183.00	* 3	183.00	*
				4.00	**	4.00	**
	OPERATING INVESTMENT: CAPITAL		TRN	48,837,888	B	48,837,888	B
			TRN	52,250,000	E	57,500,000	E
			TRN	5,000,000	N		N

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Example [p. 15 of HB300 (2025) PDF]. The proposed appropriation for Kahului airport includes the above 4 data points.

- 1) The Expending Agency is TRN = Department of Transportation;
- 2) Means of Financing shows B, E, and N funds (Special, Revenue Bond Funds, and Federal Funds);
- 3) Position Ceiling shows 183 maximum permanent full-time positions and 4 temporary full-time equivalent positions);
- 4) Program ID is TRN131.

If you know the program ID already, you can also search the budget bill for the section of the bill by doing a control+f or command+f search on your keyboard, which will take you to the page of the bill that discusses that program.