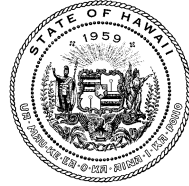


**JOSH GREEN, M.D.**  
GOVERNOR

**SYLVIA LUKE**  
LT. GOVERNOR



**COUNCIL ON REVENUES**

STATE OF HAWAII  
P.O. BOX 259  
HONOLULU, HAWAII 96809-0259

**KURT KAWAFUCHI**  
CHAIR

**Kristi L. Maynard**  
VICE-CHAIR

**MEMBERS:**

Carl S. Bonham  
Wendell Lee  
Scott Hayashi  
Mike Hamasu  
Regina Ostergaard-Klem

January 10, 2025

The Honorable Josh Green, M.D.  
Governor, State of Hawaii  
Executive Chambers  
State Capitol, Fifth Floor  
Honolulu, HI 96813

Dear Governor Green:

The Council on Revenues held a meeting to forecast revenue growth for the General Fund on January 8<sup>th</sup>, 2025. The Council increased the FY 2025 forecast and lowered the forecast for FY 2026-2029. The Council raised its forecast to 6.4% from 3.5% for Fiscal Year (FY) 2025. It lowered its forecast to -1.5% from 2.2% for FY 2026, 2.9% from 3.5% for FY 2027, 2.5% from 3.1% for FY 2028, 2.6% from 3.1% for FY 2029. The forecast for FY 2030 and FY 2031 was unchanged at 1.9% and 3.1%, respectively.

The upward revision in FY 2025 reflected a one-off boost of \$315 million to estate tax collections in September 2024. The negative growth number in FY 2026 is due in part to a higher base in the previous fiscal year. The Council lowered its growth forecast by 0.5% for each year in FY 2027-29, reflecting a slightly more pessimistic economic outlook surrounding the recent election and outmigration.

The forecast accounts for the significant tax relief legislation passed by the 2024 Legislature. Act 46, SLH 2024 incrementally decreases the State's income tax burden over a seven-year period. Act 47, SLH 2024 reduces GET collections through its exemption of medical and dental services paid with Medicare, Medicaid, and TRICARE. The revenue impacts of both laws are incorporated in the Council's forecast. See below for the expected revenue impacts of each law.

A recovery of tourists on the island of Maui in the wake of the 2023 fires, an expected gradual return of Japanese visitors, and a strong construction outlook make for a more favorable economic outlook for the State in the coming years. The Council believes these developments will provide a temporary boost to revenue growth in FY 2025 and FY 2026. After which, revenue growth will gradually revert to its long-term average rate.

The new forecasts for the State General Fund tax revenues FY 2025 through FY 2031 are shown in the table below.

### General Fund Tax Revenues

Fiscal Year	Amount (in Thousands of Dollars)	Growth From Previous Year
2025	\$10,180,685	6.4%
2026	\$10,027,975	-1.5%
2027	\$10,318,786	2.9%
2028	\$10,576,756	2.5%
2029	\$10,851,752	2.6%
2020	\$11,057,935	1.9%
2031	\$11,400,731	3.1%

The Council adopted specific adjustments recommended by the Department of Taxation to reflect effects on General Fund tax revenues due to tax law changes enacted by the Legislature, including the following:

- Act 46, SLH 2024 increases the standard deduction amounts, with amendments taking effect in tax years 2024, 2026, 2028, 2030, and 2031. The act also amends the income tax brackets by increasing the income limits in each bracket, with amendments taking effect in tax years 2025, 2027, and 2029. The estimated revenue impact assumes the adjustment of the withholding tables on wages beginning January 1, 2025. The law became effective January 1, 2024. The estimated loss to the General Fund is \$240.3 million in FY 2025, \$596.6 million in FY 2026, \$740.1 million in FY 2027, \$922.7 million in FY 2028, \$1,052.6 million in FY 2029, \$1,262.3 million in FY 2030, \$1,347.5 million in FY 2031, and \$1,453.2 million in FY 2032.
- Act 47, SLH 2024 exempts medical services health care providers provide to patients who receive Medicaid, Medicare, or TRICARE benefits from the general excise tax. The exemption applies to taxable years beginning January 1, 2026. The estimated loss to the General Fund is \$33.6 million in FY 2026, \$77.5 million in FY 2027, \$81.0 million in FY 2028, \$84.5 million in FY 2029, \$88.2 million in FY 2030, and \$92.1 million in FY 2031.
- Act 62, SLH 2023 amends the cigarette tax and tobacco tax. Beginning January 1, 2024, the Act imposes a tax of 70% of the wholesale price of each electronic smoking device or e-liquid sold, used, or possessed by a wholesaler or dealer, whether or not sold at wholesale, or if not sold, then at the same rate upon the use by the wholesaler or dealer. The Act increases the wholesaler and dealer license fee from \$2.50 to \$250. It also increases the retail tobacco permit fee from \$20 to \$50. The Act became effective on July 1, 2023. The estimated gain to the General Fund is \$6.4 million in FY 2024, \$15.8 million in FY 2025, \$16.3 million in FY 2026, \$18.6 million in FY 2027, \$17.3 million in FY 2028, \$17.8 million in FY 2029, and \$18.3 million in FY 2030.

The Honorable Josh Green, M.D.

January 10, 2025

Page 3

- Act 163 SLH 2023 amends the household and dependent care services credit by increasing the cap on employment-related expenses that may be used to claim the credit from \$2,400 to \$10,000 for one qualifying individual and from \$4,800 to \$20,000 for two or more qualifying individuals. The Act also amends the EITC by increasing the amount of the credit from 20% to 40% of the federal EITC allowed. The Act amends the refundable food/excise tax credit by doubling the amount of credit per qualified exemption and increasing the adjusted gross income limits by \$10,000 in all income brackets. Act 163 became effective on June 30, 2023, applies to taxable years beginning after December 31, 2022, and will be repealed on December 31, 2027. The estimated decline to the General Fund is \$89.2 million in FY 2024, \$88.0 million in FY 2025, \$87.6 million in FY 2026, \$87.7 million in FY 2027, and \$88.2 million in FY 2028. There are no General Fund impacts expected in FY 2029-30 due to the expiration date.

The Department of Taxation has prepared a report (attached) detailing line-item forecasts for various components of the General Fund, reconciled to the Council's forecast growth rate for total General Fund tax revenues. The line-item forecasts include components, such as revenues from the general excise tax and the individual income tax that the Council does not forecast separately. The Department of Budget and Finance has also prepared the attached report to update its projections for change in non-tax and special tax revenues from its September 2024 report.

Please advise us if we can be of further assistance or if we can answer any questions.

Very truly yours,



KURT KAWAFUCHI  
Chair, Council on Revenues

Attachments

**ESTIMATES OF GENERAL FUND TAX REVENUE: FY 2025 TO FY 2031**

**Results Based on Input Mean Forecasts**

Line item projections generated by Tax Research & Planning Office to be consistent with the Council's forecast for the total General Fund tax revenues

(in thousands of dollars)

TYPE OF TAX	BASE		ESTIMATED						
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
General Excise and Use Tax	\$4,408,473	\$4,446,125	\$4,786,580	\$5,110,995	\$5,306,285	\$5,433,543	\$5,535,961	\$5,605,204	\$5,676,750
Individual Income Tax	3,099,886	3,280,416	3,465,229	2,913,068	2,903,249	2,968,225	3,091,399	3,167,285	3,382,794
Corporate Income Tax	316,831	483,676	515,856	566,226	656,907	686,365	708,788	727,512	741,747
Public Service Company Tax	142,195	159,222	167,360	175,808	184,273	192,676	201,421	210,520	219,897
Tax on Insurance Premiums	203,791	211,352	228,955	217,850	221,349	229,611	237,726	246,774	256,070
Cigarette and Tobacco Tax	59,070	58,789	43,033	39,055	21,466	17,058	2,033	1,182	(820)
Liquor Tax	54,513	51,602	52,497	53,522	54,333	54,988	55,641	56,288	56,893
Tax on Banks and Other Financial Corps.	28,969	28,912	35,616	39,827	43,357	46,194	48,221	49,757	51,056
Inheritance and Estate Tax	58,083	55,794	57,139	58,499	59,826	61,113	62,421	63,750	65,089
Conveyance Tax	49,032	54,311	57,927	60,726	57,751	60,771	65,376	70,175	75,384
Miscellaneous Taxes*	22,886	22,639	22,556	22,475	22,394	22,313	22,232	22,152	22,074
Transient Accommodations Tax	756,578	715,475	747,937	769,924	787,596	803,899	820,533	837,336	853,797
<b>GENERAL FUND TOTAL</b>	<b>\$9,200,305</b>	<b>\$9,568,313</b>	<b>\$10,180,685</b>	<b>\$10,027,975</b>	<b>\$10,318,786</b>	<b>\$10,576,756</b>	<b>\$10,851,752</b>	<b>\$11,057,935</b>	<b>\$11,400,731</b>
<b>GROWTH RATE</b>	<b>-1.7%</b>	<b>4.0%</b>	<b>6.4%</b>	<b>-1.5%</b>	<b>2.9%</b>	<b>2.5%</b>	<b>2.6%</b>	<b>1.9%</b>	<b>3.1%</b>

\* The figures on this line include penalty and interest charges, fees and license charges from various taxes, and allocations to the General Fund from the environmental response, energy and food security tax.

January 5, 2025

**STATE OF HAWAII**  
**CONSOLIDATED MULTI-YEAR GENERAL FUND REVENUES FROM SOURCES OTHER THAN TAX,**  
**AND SPECIAL REVENUES FROM TAX & SOURCES OTHER THAN TAX,**  
**FISCAL YEARS 2024 - 2031**

(in thousands of dollars)

Sources	Actual/Est*	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	
REVENUES - TAX									
Special Revenue Fund	1,157,298	1,225,248	1,241,219	1,276,062	1,302,388	1,326,474	1,346,214	1,348,922	
REVENUES - OTHER THAN TAX									
License & Permits / Use of Money & Prop. / Other Agencies / Fines, Forfeits & Penalties / Repayment of Loans & Adv.	1,374,516	1,055,626	1,082,085	1,137,355	1,198,466	1,262,595	1,327,268	1,392,589	
Federal	4,055,705	4,625,980	2,547,527	1,914,897	1,674,155	1,685,202	2,025,256	2,275,608	
Federal COVID-19 Funds	215,818	184,431	200,771	71,871	0	0	0	0	
Charges for Current Services	3,078,140	3,000,042	2,944,786	3,030,056	3,144,786	3,224,974	3,273,381	3,329,196	
Non-Revenue Receipts	4,171,976	3,196,136	3,227,246	3,151,844	3,173,990	3,191,230	3,203,400	3,203,108	
Office of Hawaiian Affairs	103,246	107,524	109,563	112,197	114,918	117,722	120,609	123,582	
Judiciary	35,014	34,992	35,285	35,285	35,285	35,285	35,285	35,285	
Subtotal Revenues - Other Than Tax	13,034,415	12,204,731	10,147,262	9,453,505	9,341,600	9,517,008	9,985,199	10,359,368	
TOTAL REVENUES	14,191,713	13,429,979	11,388,481	10,729,567	10,643,988	10,843,482	11,331,413	11,708,290	
ADJUSTMENTS - Revenue Transfers	1,239,648	145,591	140,885	141,924	143,850	141,850	143,850	141,850	
TOTAL ADJUSTED REVENUES	12,952,065	13,284,388	11,247,596	10,587,643	10,500,138	10,701,632	11,187,563	11,566,440	

Prepared by: Department of Budget & Finance

Note: Due to rounding, details may not add to totals.

\* Unaudited, preliminary revenues.

January 8, 2025

**STATE OF HAWAII  
GENERAL FUND  
MULTI-YEAR REVENUES FROM SOURCES OTHER THAN TAX  
FISCAL YEARS 2024 - 2031  
(in thousands of dollars)**

<u>Sources</u>	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated
	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>	<u>FY 2029</u>	<u>FY 2030</u>	<u>FY 2031</u>
Licenses & Permits	1,107	1,088	1,088	1,348	1,329	1,329	1,329	1,069	1,069
Revenues from Use of Money and Property	164,391	12,443	12,952	13,148	13,359	13,410	13,410	13,492	13,510
Federal	8,380	11,225	11,295	11,295	11,295	11,295	11,295	11,295	11,295
Revenues from Other Agencies	13,877	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Charges for Current Services	457,838	441,231	449,811	449,753	467,305	477,707	477,937	477,937	478,147
Fines, Forfeits & Penalties	79	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051
Repayment of Loans & Advances	5,140	5,235	5,235	5,235	5,235	5,235	5,235	5,235	5,235
Non-Revenue Receipts	391,009	378,078	385,891	394,740	400,363	406,101	406,101	406,101	406,101
Judiciary	<u>25,591</u>	<u>25,569</u>	<u>25,569</u>	<u>25,569</u>	<u>25,569</u>	<u>25,569</u>	<u>25,569</u>	<u>25,569</u>	<u>25,569</u>
<b>Total</b>	<u>1,067,412</u>	<u>880,920</u>	<u>897,891</u>	<u>907,139</u>	<u>930,506</u>	<u>946,697</u>	<u>946,749</u>	<u>946,977</u>	<u>946,977</u>

Prepared by: Department of Budget & Finance  
Note: Due to rounding, details may not add to totals.  
\*Unaudited, preliminary revenues.

January 8, 2025

Table 2

**STATE OF HAWAII**  
**SPECIAL REVENUE FUND**  
**MULTI-YEAR TAX REVENUES**  
**FISCAL YEARS 2024 - 2031**  
(in thousands of dollars)

Sources	Actual* FY 2024	Estimated FY 2025	Estimated FY 2026	Estimated FY 2027	Estimated FY 2028	Estimated FY 2029	Estimated FY 2030	Estimated FY 2031
Transfer of Gen. Excise Tax	341,711	385,865	413,648	435,157	452,564	472,024	487,129	487,129
Transfer of Tobacco Tax	16,770	27,559	26,753	26,022	25,360	24,757	24,210	23,766
Liquid Fuel:								
Highway	76,446	76,475	76,551	76,627	76,704	76,780	76,857	76,933
Aviation	2,664	3,066	3,066	3,066	3,066	3,066	3,066	3,066
Small Boats	<u>1,659</u>	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>
Subtotal	80,769	81,141	81,217	81,293	81,370	81,446	81,523	81,599
Elec/Alt Fuel Vehicle Surcharge	1,103	1,664	1,966	2,497	2,996	3,446	3,790	3,980
Transfer of Transient Accom Tax	95,168	105,326	102,823	104,910	106,778	108,649	110,559	110,559
Motor Vehicle Weight Tax	80,591	95,697	88,805	89,249	89,696	90,144	90,595	91,048
Vehicle Registration Fee Tax	48,328	58,386	54,000	54,240	54,482	54,725	54,969	55,214
Vehicle Surcharge:								
Rental /Tour	105,647	114,233	124,535	135,121	141,572	143,695	145,851	148,039
Environmental Response Tax	3,977	4,553	4,553	4,553	4,553	4,553	4,553	4,553
Unemployment Comp Tax	333,560	301,000	301,000	301,000	301,000	301,000	301,000	301,000
Employment & Training	1,379	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Election Campaign Contrib T.F.	92	124	119	120	117	135	135	135
Transfer of Banks & Fin. Corp Tax	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Transfer of Conveyance Tax	43,100	43,100	35,100	35,100	35,100	35,100	35,100	35,100
Transfer of Tax on Ins. Premiums	<u>3,103</u>	<u>3,200</u>	<u>3,300</u>	<u>3,400</u>	<u>3,400</u>	<u>3,400</u>	<u>3,400</u>	<u>3,400</u>
Total	<u>1,157,298</u>	<u>1,225,248</u>	<u>1,241,219</u>	<u>1,276,062</u>	<u>1,302,388</u>	<u>1,326,474</u>	<u>1,346,214</u>	<u>1,348,922</u>

Prepared by: Department of Budget & Finance  
Note: Due to rounding, details may not add to totals.  
\* Unaudited

**STATE OF HAWAII**  
**SPECIAL REVENUE FUND - SPECIAL FUNDS**  
**MULTI-YEAR REVENUES FROM SOURCES OTHER THAN TAX**  
**FISCAL YEARS 2024 - 2031**  
(in thousands of dollars)

Sources	Estimated* FY 2024	Estimated FY 2025	Estimated FY 2026	Estimated FY 2027	Estimated FY 2028	Estimated FY 2029	Estimated FY 2030	Estimated FY 2031
Licenses & Permits	28,707	29,797	29,929	29,319	30,231	29,529	31,034	30,993
Revenues from Use of Money and Property	196,206	192,280	183,930	181,712	185,030	185,258	180,405	176,132
Federal	363,239	360,299	361,475	362,625	362,625	362,625	362,625	362,625
Revenue from Other Agencies	89,511	96,009	96,013	96,017	96,016	96,016	96,016	96,016
Charges for Current Services:								
Utils & Other Enterprises	876,525	902,075	954,965	1,023,469	1,118,014	1,184,867	1,232,582	1,288,186
Others	1,285,299	1,376,138	1,386,701	1,399,272	1,402,290	1,405,623	1,406,435	1,406,850
Fines, Forfeits & Penalties	9,643	11,110	10,528	10,479	10,115	9,812	9,834	9,856
Non-Revenue Receipts	603,153	53,016	45,981	46,552	46,923	47,381	47,854	48,342
Judiciary	9,423	9,423	9,716	9,716	9,716	9,716	9,716	9,716
Total	<u>3,461,706</u>	<u>3,030,147</u>	<u>3,079,238</u>	<u>3,159,161</u>	<u>3,260,960</u>	<u>3,330,827</u>	<u>3,376,501</u>	<u>3,428,716</u>
Adjustments:								
Revenue Transfers	579,943	29,054	21,500	21,539	21,465	21,465	21,465	21,465
Adjusted Total	<u>2,881,763</u>	<u>3,001,093</u>	<u>3,057,738</u>	<u>3,137,622</u>	<u>3,239,495</u>	<u>3,309,362</u>	<u>3,355,036</u>	<u>3,407,251</u>

Prepared by: Department of Budget & Finance

Note: Due to rounding, details may not add to totals.

\* Unaudited, preliminary

January 8, 2025



**STATE OF HAWAII**  
**SPECIAL REVENUE FUND - OTHER THAN SPECIAL FUNDS**  
**MULTI-YEAR REVENUES FROM SOURCES OTHER THAN TAX**  
**FISCAL YEARS 2024 - 2031**  
(in thousands of dollars)

<u>Sources</u>	<u>Estimated*</u>	<u>Estimated</u>	<u>Estimated</u>	<u>Estimated</u>	<u>Estimated</u>	<u>Estimated</u>	<u>Estimated</u>	<u>Estimated</u>	<u>Estimated</u>
	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>	<u>FY 2030</u>	<u>FY 2031</u>	<u>FY 2031</u>
Licenses & Permits	1,280	1,649	1,649	1,649	1,649	1,649	1,649	1,649	1,649
Revenues from Use of Money and Property	736,699	572,490	625,933	686,026	751,255	818,546	887,627	958,344	
Federal	3,684,086	4,254,456	2,174,757	1,540,977	1,300,235	1,311,282	1,651,336	1,901,688	
Federal COVID-19 Funds	215,818	184,431	200,771	71,871	0	0	0	0	
Revenues from Other Agencies	52,631	30,242	30,042	30,042	30,042	30,042	30,042	30,042	30,042
Charges for Current Services	458,478	280,598	153,309	157,562	157,177	156,777	156,427	156,013	
Fines, Forfeits & Penalties	1,230	1,035	1,069	1,070	1,069	1,069	1,069	1,069	1,069
Repayment of Loans & Advances	74,015	96,197	77,666	75,259	67,085	64,649	63,745	62,623	
Non-Revenue Receipts	3,177,814	2,765,042	2,795,374	2,710,552	2,726,704	2,737,748	2,749,445	2,748,665	
Office of Hawaiian Affairs	<u>103,246</u>	<u>107,524</u>	<u>109,563</u>	<u>112,197</u>	<u>114,918</u>	<u>117,722</u>	<u>120,609</u>	<u>123,582</u>	
TOTAL	<u>8,505,297</u>	<u>8,293,664</u>	<u>6,170,133</u>	<u>5,387,205</u>	<u>5,150,134</u>	<u>5,239,484</u>	<u>5,661,949</u>	<u>5,983,675</u>	
Adjustments:									
Revenue Transfers	581,866	24,085	26,085	24,085	26,085	24,085	26,085	24,085	24,085
Adjusted Total	<u>7,923,431</u>	<u>8,269,579</u>	<u>6,144,048</u>	<u>5,363,120</u>	<u>5,124,049</u>	<u>5,215,399</u>	<u>5,635,864</u>	<u>5,959,590</u>	

Prepared by: Dept. of Budget & Finance

January 8, 2025

Note: Due to rounding, details may not add to totals.

\* Unaudited, preliminary

## Significant Changes from September 2024 Report

### General Fund Non-Tax Revenues

**Non-Revenue Receipts** – the decreases in FYs 25-31 are attributed to decreases in Tax Administration Special Fund transfers to the general fund at the Department of Taxation (TAX).

### Special Tax Revenues

**State Motor Vehicle Registration Fee** – the increase in FY 25 reflects a two-month delay in the receipt of motor vehicle registration fees (Department of Transportation (DOT)-Highways).

**State Motor Vehicle Weight Tax** – the increase in FY 25 is reflective of a two-month delay in the receipt of motor vehicle weight taxes (DOT-Highways).

### Special Fund Non-Tax Revenues

**Use of Money and Property** – the net increases in FYs 25-31 primarily reflect annualizing anticipated interest earnings based on actuals (DOT-Airports and Highways).

**Federal Grants** – the net increases in FYs 24-31 primarily reflect increases to align with actual federal grant revenues (DOT-Highways).

**Other Agencies** – the decrease in FY 24 reflects actual hospital sustainability fees collected at the Department of Human Services (DHS).

**Charges for Current Services** – the net decreases in FYs 25-31 are based on actual revenues collected thus far in the first four months of FY 25 (TAX).

**Charges for Current Services, Utilities** – the net changes in FYs 24-31 reflect lower than anticipated motor vehicle customer facility charges and concession fees. The decreases are offset by increases in revenues for terminal rental spaces and landing fees (DOT-Airports).

### Other Than Special Fund Non-Tax Revenues

**Use of Money and Property** – the net increase in FY 24 reflects revised actual monthly dwelling rent revenues at the Hawai'i Public Housing Authority (HPHA) at DHS.

**Federal Grants** – the net decrease in FY 24 reflects the update of actual federal grants received as of June 30, 2024, which were lower than anticipated previously, including those primarily for the federal medical assistance program at DHS under Title XIX of the Social Security Administration, and for public assistance for social services and training, foster care of needy and dependent children with special needs, offset by additional federal funds for vocational rehabilitation services for those with mental and physical handicaps and the First To Work program at DHS. The net increases in FYs 25-31 reflect additional federal funds for: the high-efficiency electric home rebate program at the Department of Business, Economic Development and Tourism (DBEDT); Elementary and Secondary Education Act grant funds to improve the teaching and learning of children at risk of failing and meeting State academic standards, grants for assistance in the education of handicapped students, and the National School Lunch Program at the Department of Education; home energy cost assistance, temporary assistance to needy families, federal low rent supplement contributions, Section 8 contract administration, the rehabilitation and modernization of low-income housing projects at the HPHA, food stamps program, federal reimbursement for child care development, the federal medical assistance program, and the First To Work program at DHS; additional federal funds were also projected for the Native Hawaiian Housing Block Grant at the Department of Hawaiian Home Lands.

**Federal COVID-19 Funds** – The net increase in FY 24 reflects the revised actual federal funds reimbursed for the Child Care Development Block Grant at DHS. The net decrease in FY 26 primarily reflects revised estimates of Coronavirus Aid, Relief, and Economic Security Act funds for disaster assistance relief at the Department of Defense.

**Charges for Current Services** – the net increases in FY 25 primarily reflect refunds, rebates from prescription drug plans, and network and performance guarantee payments on medical and dental plans from insurance carriers to the Hawai'i Employer-Union Health Benefits Trust Fund (EUTF) (Department of Budget and Finance (B&F)).

**Non-Revenue Receipts** – the net increases in FYs 25-31 reflect anticipated increases in employer premium contributions based on actual premiums paid by the State of Hawai'i, the City and County of Honolulu, Hawai'i County, Maui County, Kaua'i County, Charter Schools, and the various county water agencies at EUTF (B&F).

**Repayments** – the net increase in FY 25 reflects the transfer of estimated revenues collected in the Dwelling Unit Revolving Fund's sources of funds from the lower and middle-income resident loan category to HPHA loans due to a large loan payoff at Hawai'i Housing and Finance Development Corporation (DBEDT).