



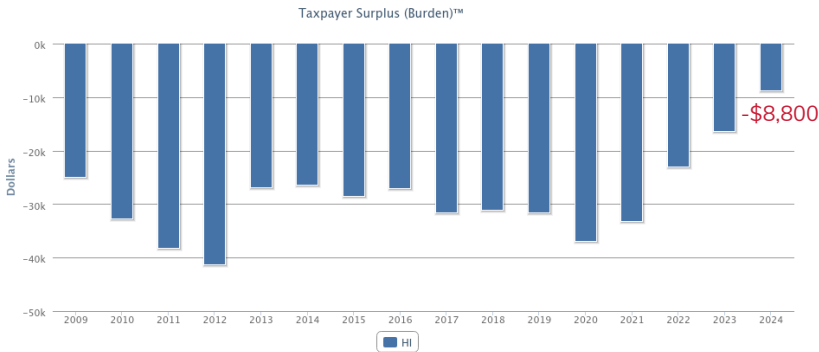


Hawaii's Financial Breakdown

Money Needed to Pay Bills	\$4.4 billion	
Taxpayer Burden	\$8,800	
Ranking (Out of 50)	39	
Financial Grade	D	

In 2024, Hawaii experienced an improvement in its financial situation, similar to that of many other states. But it still didn't have enough money to pay all of its bills and needed \$4.4 billion to fill the gap. That means each taxpayer would have to contribute \$8,800 to help pay off the state's debt. As a result, Hawaii earned a "D" grade from Truth in Accounting.

While Hawaii's reported revenues exceeded expenses in 2024, much of the improvement in its financial condition resulted from reclassifying nearly \$3 billion in assets from restricted to unrestricted. Previously, the state indicated that funds were set aside for purposes such as capital maintenance, health and welfare, natural resources, Native Hawaiian programs, education, regulatory and economic development, and administrative support. Now, the state has indicated those resources are available for other uses, which may warrant further clarification regarding the classification.



Hawaii has received substantial temporary federal aid since 2020 in response to the COVID-19 crisis. This additional funding contributed to improvements in the state's financial condition and increased its available resources to pay bills. However, as this aid declines and national budget tightening continues, future funding may return to more typical levels. This analysis models a return to 2019 federal grants and contributions, adjusted only for inflation. If that occurs, Hawaii could see a \$1.9 billion reduction in federal funding, which represents around 10 percent of projected expenses for the state's primary government and may present challenges for maintaining services and balancing the budget.

The data in this report is derived from Hawaii's audited 2024 Annual Comprehensive Financial Report and its retirement systems' reports. To explore prior years or compare financial, demographic, and economic data across other states and cities, visit Data-Z.org.

Hawaii's Financial Facts

- FACT #1:**
Hawaii had \$17.3 billion available to pay \$21.7 billion worth of bills.
- FACT #2:**
The outcome was a \$4.4 billion shortfall, which breaks down to a burden of \$8,800 per taxpayer.
- FACT #3:**
Hawaii may lose \$1.9 billion in federal funding (10 percent of expenses) if allocations return to 2019 levels, adjusted only for inflation.

The State's Bills Exceeded Its Assets	
Total Assets	\$40,900,299,000
Minus: Capital Assets	-\$19,704,227,000
Restricted Assets	-\$3,880,359,000
Assets Available to Pay Bills	\$17,315,713,000
Minus: Total Bills*	-\$21,747,977,000
Money Needed to Pay Bills	\$4,432,264,000
Each Taxpayer's Share of this Burden	\$8,800

*Breakdown of Total Bills	
Bonds	\$12,584,762,000
Other Liabilities	\$5,578,941,000
Minus: Debt Related to Capital Assets	-\$12,662,032,000
Unfunded Pension Benefits	\$9,518,944,000
Unfunded Retiree Health Care Benefits	\$6,727,362,000
Total Bills	\$21,747,977,000

Grade:

D

Bottom line:
Hawaii would need \$8,800 from each of its taxpayers to pay all of its outstanding bills and received a "D" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between \$5,000 and \$20,000 is given a "D" grade.



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