

# The Truth



## Hawaii Still in Bottom Five

### Financial State of Hawaii

Hawaii's financial condition improved in 2022, but the state still needed \$11.4 billion to pay its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of \$23,100, earning it an "F" grade from Truth in Accounting.

The pension data used for last year's Financial State of Hawaii was for 2020 because 2021 data was unavailable. Fortunately, this year, 2022 data was available. Between 2020 and 2022, while investment income dropped dramatically in 2022, the state's unfunded pension promises decreased due to the substantial investment income experienced by the pension system in 2021. Unfortunately, 2022 data for Hawaii's Employer-Union Health Benefits Trust Fund unfunded liability was not available. For 2021, the fund reported a decrease in unfunded retiree healthcare promises as contributions increased and unusually high investment income exceeded accruing interest and benefits.

However, these positive economic factors did not change the fact that Hawaii still needed more than \$11 billion to pay its outstanding bills, including unfunded retirement obligations.

The data included in this report is derived from Hawaii's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to [Data-Z.org](http://Data-Z.org).



# Hawaii's Financial Breakdown

- Hawaii had \$11.2 billion available to pay \$22.6 billion worth of bills.
- The outcome was a \$11.4 billion shortfall, which breaks down to a burden of \$23,100 per taxpayer.
- Hawaii's overall financial condition improved significantly in 2022. Despite federal COVID funding and increased tax collections, Hawaii still did not have enough money to pay its bills.

## The State's Bills Exceeded Its Assets

Total Assets	\$35,483,570,000
Minus: Capital Assets	-\$18,756,550,000
Restricted Assets	-\$5,523,642,000
Assets Available to Pay Bills	\$11,203,378,000
Minus: Total Bills*	\$22,577,408,000
Money needed to pay bills	\$11,374,030,000
Each taxpayer's share of this burden	\$23,100

## \*Breakdown of Total Bills

Bonds	\$12,924,213,000
Other Liabilities	\$5,573,715,000
Minus: Debt Related to Capital Assets	-\$12,515,175,000
Unfunded Pension Benefits	\$8,967,858,000
Unfunded Retiree Health Care Benefits	\$7,626,797,000
Total Bills	\$22,577,408,000

**Grade:**

**F**

Bottom line: Hawaii would need \$23,100 from each of its taxpayers to pay all of its outstanding bills and received an "F" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden greater than \$20,000 is given an "F" grade.

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