



**DEPARTMENT OF
CORRECTIONS AND REHABILITATION
REPORT TO THE 2026 LEGISLATURE**

**RESPONSE TO SECTION 353-38
HAWAII REVISED STATUTES**

**Annual Report on the Status of the
Federal Reimbursement Maximization Special Fund**

December 2025

Department of Corrections and Rehabilitation (PSD)
Annual Report on the Status of the Federal Reimbursement Maximization Special Fund
Fiscal Year 2025

Section 353-38, Hawaii Revised Statutes, established the Federal Reimbursement Maximization Special Fund (FRMSF) under the purview of the Department of Corrections and Rehabilitation (PSD). The following are the uses allowed for this special fund:

1. To meet the state match requirement for federal grants and costs associated with federal grant reporting requirements, including administrative expenses such as the hiring of temporary staff;
2. For any other purpose deemed necessary by the department for maintaining existing federal grants as well as pursuing federal grants;
3. To hire consultants to provide training for corrections officers;
4. To hire consultants to conduct facility or program evaluations;
5. To rent or purchase vehicles to transport inmates;
6. To provide pre-release and reentry programs;
7. To improve technology; and
8. To recruit and retain corrections workforce.

For fiscal year 2025, the total encumbrance/expenditure was \$541,355.33. The details of the encumbrance/expenditure are as follows:

\$350,641.00 for Purchases of motor vehicles to transport inmates

The funds were used to replace vehicles at Oahu Community Correctional Center and Hawaii Community Correctional Center. Vehicles are essential in the transport of inmates to court and between facilities.

\$186,823.33 for contract services to aid in the recruitment of Adult Corrections Officers

A vendor was contracted to aid in the recruitment and screening of Adult Corrections Officer candidates for all department correctional institutions statewide.

\$3,891.00 for the payment of Special Fund Assessment Fees

In accordance with Section 36-30, HRS, the Director of Finance is authorized to transfer assessments for the pro rata share of administrative expenses incurred by the department responsible for the operations supported by each special fund.