DAVID Y. IGE

EMPLOYEES' RETIREMENT SYSTEM

OFFICE OF THE PUBLIC DEFENDER

HAWAII EMPLOYER-LINION HEALTH BENEFITS TRUST FUND

OF HAMP

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE

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ADMINISTRATIVE AND RESEARCH OFFICE BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION FINANCIAL ADMINISTRATION DIVISION OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

TESTIMONY BY RODERICK K. BECKER
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 1195, H.D. 1

February 27, 2019 11:00 a.m. Room 308

## RELATING TO FEDERAL WORKERS

House Bill (H.B.) No. 1195, H.D. 1, establishes the Federal Furlough Loan Program within the Department of Budget and Finance to provide interest-free loans to furloughed or excepted federal workers to help them cover rent or mortgage payments during the federal government shutdown and provides an undetermined amount of general funds in FY 19 to fund the loans.

The department appreciates the intent of the measure but believes that it is no longer necessary given that funding has been provided to all federal agencies for federal fiscal year 2019.

Prior to the temporary reopening of the federal government, the Office of the Governor was working to establish a contingency loan program in partnership with local financial institutions to provide emergency loans to the affected federal workers. Unlike the department, these entities already have the staff, infrastructure, and expertise to evaluate applications and disburse small loans to qualified individuals. This contingency loan program can be set in motion should the need arise again in the future.

Thank you for your consideration of our comments.

<u>HB-1195-HD-1</u> Submitted on: 2/26/2019 12:47:33 PM

Testimony for FIN on 2/27/2019 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dylan P. Armstrong	Oahu County Democrats	Support	No

Comments:

<u>HB-1195-HD-1</u> Submitted on: 2/26/2019 10:41:57 AM

Testimony for FIN on 2/27/2019 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments: