

STAND. COM. REP. NO. 1223

Honolulu, Hawaii

MAR 25 2021

RE: H.B. No. 573
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Government Operations, to which was referred H.B. No. 573, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO FEDERAL FUNDS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the Joint Legislative Budget Committee, under certain circumstances, to convene and make recommendations to the Legislature regarding federal funds;
- (2) Provide the Legislature with the opportunity to convene in Special Session in accordance with the Hawaii State Constitution to act on the recommendations or, if the Legislature does not convene in Special Session, otherwise authorize the Governor to expend federal funds pursuant to the Governor's emergency powers; and
- (3) Appropriate federal funds for the coronavirus disease 2019 (COVID-19) response; provided that funding of certain programs be paid for from a county's share of federal funds.



Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from the Department of Budget and Finance, Hawaii Emergency Management Agency, and one member of the Maui County Council. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that under existing law, there is no process to appropriate federal relief funds received by the State during a state of emergency when the Legislature is not in session. Although your Committee believes that it is imperative to have a process in place to ensure that crucial services are available to support and protect the residents and visitors of the State, your Committee recognizes that appropriations can be restrictive and difficult to implement during times of emergency, when needs and requirements are changing rapidly.

Accordingly, your Committee has amended this measure by:

- (1) Inserting language to establish a Joint Legislative Emergency Response and Recovery Committee that can address budgetary matters and other matters relating to the emergency response and recovery of the State;
- (2) Amending language relating to federal funds during a state of emergency to give the Joint Legislative Emergency Response and Recovery Committee and Legislature broad discretion to convene;
- (3) Deleting part II, which would have appropriated federal funds from the American Rescue Plan Act of 2021 for COVID-19 response pursuant to Public Law 117-2; provided that the funding of certain programs be paid for from a county's share of federal funds; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 573, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 573,



H.D. 1, S.D. 1, and be referred to your Committees on Ways and Means and Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Government
Operations,



SHARON MORIWAKA, Chair



