

MAR 12 2021

SENATE RESOLUTION

URGING THE UNITED STATES CONGRESS TO FORGIVE THE STATE'S
OUTSTANDING FEDERAL UNEMPLOYMENT INSURANCE LOAN BALANCE FOR
FEDERAL LOANS BORROWED TO CONTINUE TO PAY FOR UNEMPLOYMENT
BENEFITS.

1 WHEREAS, due to the COVID-19 pandemic and massive
2 unemployment across the country, states have depleted their
3 unemployment benefit trust funds, and some have borrowed money
4 through federal loans from the United States Treasury to
5 continue paying unemployment benefits; and
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7 WHEREAS, according to data from the United States Treasury,
8 Hawaii has the eighth largest unemployment benefit payout debt
9 owed to the federal government of any state, totaling
10 \$700,700,000 as of January 2020; and
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12 WHEREAS, currently states have approximately two years to
13 repay the federal loans for continued unemployment benefit
14 payouts; and
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16 WHEREAS, after two years, the federal portion of
17 unemployment taxes will automatically increase each year for
18 businesses in the State until the debt is repaid; and
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20 WHEREAS, to date, there is no national plan in place to
21 extend the interest-free treatment, timeline, or forgive these
22 loans; and
23

24 WHEREAS, as of December 2020, the State has the highest
25 rate of unemployment in the country at 9.3 percent; and
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27 WHEREAS, the State may need to further borrow federal money
28 to pay for unemployment benefits; now, therefore,



S.R. NO. 114

1 BE IT RESOLVED by the Senate of the Thirty-first
2 Legislature of the State of Hawaii, Regular Session of 2021,
3 that the United States Congress is urged to:

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5 (1) Forgive the State's outstanding federal unemployment
6 insurance loan balance for federal loans borrowed to
7 continue to pay for unemployment benefits; and

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9 (2) Not penalize states for any debts acquired due to
10 emergency COVID-19 related funding; and

11
12 BE IT FURTHER RESOLVED that certified copies of this
13 Resolution be transmitted to the President Pro Tempore of the
14 United States Senate, Speaker of the United States House of
15 Representatives, and all members of the Hawaii Congressional
16 Delegation.

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19 OFFERED BY:

