EMPLOYEES' RETIREMENT SYSTEM
HAWAI'I EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

OFFICE OF THE PUBLIC DEFENDER



STATE OF HAWAI'I
DEPARTMENT OF BUDGET AND FINANCE

P.O. BOX 150 HONOLULU. HAWAI'I 96810-0150 CRAIG K. HIRAI

GLORIA CHANG DEPUTY DIRECTOR

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

WRITTEN ONLY

TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON TRANSPORTATION
ON
HOUSE BILL NO. 1813

February 9, 2022 10:00 a.m. Room 423 and Videoconference

RELATING TO THE DEPARTMENT OF TRANSPORTATION

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill No. 1813 establishes a pilot program within the Department of Transportation, Highways Division, to maintain areas beneath 1) Opaeula Stream Bridge, commonly referred to as Twin Bridges; and 2) Pokiwai Bridge in Haaula. The pilot program shall cease to exist on July 1, 2025. The bill also appropriates an unspecified amount of general funds in FY 23 for the purposes of this measure.

B&F notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

 Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.

HB-1813

Submitted on: 2/7/2022 7:54:00 PM

Testimony for TRN on 2/9/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
luann casey	Individual	Support	No

Comments:

I strongly support this bill. Thank you, LuAnn Casey