

STAND. COM. REP. NO. 1773

Honolulu, Hawaii

APR 06 2023

RE: H.B. No. 1018
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1018, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to ensure that the State remains in compliance with certain federal conditions related to the expenditure of American Rescue Plan Act funds.

Specifically, this measure delays the encumbrance and expenditure of certain general fund appropriations authorized in the Regular Session of 2022 until July 1, 2023, so the appropriations are no longer part of the fiscal year 2022-2023 American Rescue Plan Act maintenance of effort calculation.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, Department of Budget and Finance, Stadium Authority, and Hawaii Housing Finance and Development Corporation.

Your Committee finds that, as a condition of receiving funds under the American Rescue Plan Act, the State was required to maintain state support for elementary and secondary education at a certain level relative to the State's overall spending. However, various large, non-education-related appropriations have made



compliance with these spending requirements difficult. Your Committee further finds that delaying the expenditure of these appropriations until fiscal year 2023-2024 will allow the State to meet its obligations under the American Rescue Plan Act without adversely affecting other state programs.

Your Committee has amended this measure by:

- (1) Appropriating an unspecified sum to establish within the Office of the Governor one full-time equivalent (1.0 FTE) temporary federal funds advisor position and two full-time equivalent (2.0 FTE) temporary senior special assistant positions;
- (2) Changing certain appropriations made in Acts 115, 236, and 296, Session Laws of Hawaii 2022, which are amended by this measure, to unspecified sums to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1018, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1018, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-Second Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* HB 1018 HD1	Committee Referral: WAM	Date: 4/4/23		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
AQUINO, Henry J.C.	X			
DECOITE, Lynn	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
MORIWAKI, Sharon Y.	X			
SHIMABUKURO, Maile S.L.	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	13			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes