

JAN 22 2016

A BILL FOR AN ACT

RELATING TO FEDERAL FUNDS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The purpose of this Act is to address federal
2 funds for state government.

3 More specifically, this Act requires the office of the
4 governor to conduct a federal funding policy study.

5 The legislature finds that a study of federal funding is
6 necessary for state public policymakers to better understand the
7 possible consequences of major reductions in federal funding of
8 state government programs and projects. The legislature intends
9 that the study result in a policy from the governor that reduces
10 the dependence of state government on federal funds.

11 SECTION 2. (a) The office of the governor shall prepare a
12 federal funding policy study for the State.

13 (b) The federal funding policy study shall:

14 (1) Identify the federal fund awards that state executive
15 departments regularly receive to pay for programs and
16 projects;



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- 1 (2) Estimate the amount of federal funds to be expended by
2 the state government annually in the next two fiscal
3 bienniums;
- 4 (3) Analyze the extent of the dependence of state
5 executive departments on federal funds to pay for its
6 major programs and projects;
- 7 (4) Address the likelihood of a reduction of federal funds
8 for state programs and projects in the next two fiscal
9 bienniums; and
- 10 (5) Discuss generally the impact on state government and
11 Hawaii residents if federal funding levels are
12 reduced.
- 13 (c) Based upon the findings from subsection (b), the
14 federal funding policy study shall recommend a policy with
15 respect to the use of federal funds for state programs and
16 projects. The policy shall include:
- 17 (1) Parameters regarding the application for and
18 acceptance of federal funds available on a formula or
19 competitive basis;
- 20 (2) Principles guiding the extent of dependence of state
21 executive departments on federal funds;



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- 1 (3) Conditions for using federal funds as the means of
2 financing the salaries of state employees;
- 3 (4) Circumstances under which the state government should
4 continue programs or projects with state funds after
5 federal funds are no longer available for those
6 programs and projects; and
- 7 (5) Measures and recommendations to protect the state
8 government and residents of the State from the adverse
9 effects of a slowed or reduced rate of federal funding
10 for state programs and projects.
- 11 (d) The office of the governor shall submit:
- 12 (1) An interim report on the actions taken pursuant to
13 this Act from its effective date until December 31,
14 2016, to the legislature no later than twenty days
15 prior to the convening of the regular session of 2017;
16 and
- 17 (2) The final federal funding policy study and any
18 proposed legislation to the legislature no later than
19 twenty days prior to the convening of the regular
20 session of 2018.



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1 SECTION 3. There is appropriated out of the general
 2 revenues of the State of Hawaii the sum of \$50,000 or so much
 3 thereof as may be necessary for fiscal year 2016-2017 for the
 4 preparation of the federal funding policy study.

5 The sum appropriated shall be expended by the office of the
 6 governor for the purposes of this Act.

7 SECTION 4. This Act shall take effect on July 1, 2016.
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INTRODUCED BY:

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Report Title:

Federal Funding Policy Study; Appropriation

Description:

Requires the office of the governor to prepare a federal funding policy study for the State of Hawaii. Requires an interim report to be submitted before the 2017 regular session and the final study to be submitted before the 2018 regular session. Makes an appropriation. Effective 7/1/2016.

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