

Honolulu, Hawaii

APR 04 2017

RE: H.B. No. 1309
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1309, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GRANTS,"

begs leave to report as follows:

The purpose and intent of this measure is to address state grants.

More specifically, this measure:

- (1) Requires an organization that receives a grant from the State to repay the State if the organization's activities or services as approved in the grant are discontinued and the grant was awarded for the planning, design, construction, renovation, operations, or equipment of facilities, in addition to the acquisition of land;
- (2) Requires organizations that use a grant to publicly recognize that the project funded by the grant was supported by the State;
- (3) Designates the Department of Budget and Finance as the agency responsible for negotiating grant repayments;



- (4) Authorizes a designated expending agency of a grant or subsidy, with the approval of the Governor, to delegate its expending authority to a different agency when the two agencies deem the delegation of authority to be advantageous and subject to the consent of the grantee; and
- (5) Requires the Governor to report to the Legislature on delegations of the expending authority for grants or subsidies.

Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that chapter 42F, Hawaii Revised Statutes, authorizes the Legislature to appropriate state grant funds to support activities that benefit the community. Pursuant to section 42F-106, Hawaii Revised Statutes, the expending agency designated in the legislative appropriation is responsible for monitoring the grant to ensure compliance with applicable laws and the public purpose and legislative intent of the grant. Your Committee finds that this measure further enhances mechanisms to ensure state grant expenditures continue to serve their intended purposes, by:

- (1) Expanding the conditions requiring the repayment of grant funds to the State when a grant recipient discontinues the activities or services for which the grant was approved; and
- (2) Authorizing the delegation of expending agency authority where the arrangement benefits the State's interest,

Your Committee has amended this measure by removing an incorrect reference to "subsidies" with respect to an expending agency's delegation.

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. 1309, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1309, 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,

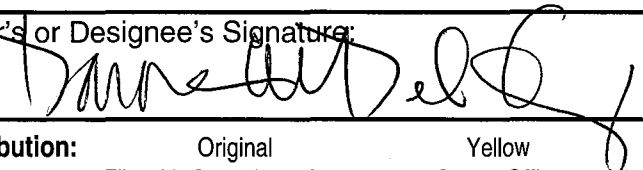


JILL N. TOKUDA, Chair



The Senate
Twenty-Ninth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* HB 1309 , HDI	Committee Referral: WAM	Date: 3/02/17		
<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
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
ENGLISH, J. Kalani	/			
GALUTERIA, Brickwood	/			
HARIMOTO, Breene				/
INOUE, Lorraine R.				/
KAHELE, Kaiali'i				/
RIVIERE, Gil	/			
SHIMABUKURO, Maile S.L.	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
TOTAL	8			3
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