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# A BILL FOR AN ACT

RELATING TO GRANT IN AID.

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

1           SECTION 1. The legislature finds that unacceptable delays  
2 exist in the disbursement of grant-in-aid funding. Although the  
3 legislature awards appropriations effective at the beginning of  
4 the fiscal year, organizations must often wait up to over a year  
5 before the money is disbursed by the appropriate executive  
6 agency.

7           Delays harm all organizations, but particularly impact  
8 those providing health and human services to low-income,  
9 homeless, and other vulnerable individuals. Not receiving  
10 payments in a timely manner destabilizes those organizations and  
11 affects their ability to serve vulnerable populations.

12           The purpose of this Act is to require funds awarded through  
13 grant-in-aid and disbursed by contracts with the Department of  
14 Human Services or the Department of Health to be released within  
15 ninety days of the legislation's effective date awarding the  
16 grant.



1 SECTION 2. Chapter 42F, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4 "§42F- Grant Disbursement. Funds shall be allocated,  
5 released, and disbursed to recipients of grants from the  
6 department of human services and the department of health within  
7 ninety days of the effective date of the legislation awarding  
8 the grant."

9 SECTION 3. Section 42F-104, Hawaii Revised Statutes, is  
10 amended to read as follows:

11 "§42F-104 Contracts for grants. An appropriation for a  
12 grant shall be disbursed by a contract between the state agency  
13 designated the expending agency for the appropriation by the  
14 legislature, and the recipient of the grant. The contract shall  
15 be effective as of the first day of the fiscal year for which  
16 the funds for the grant are appropriated [~~;~~ ~~provided that~~] and  
17 up to one-fourth of the total amount appropriated may be  
18 disbursed prior to the execution of the contract. The total  
19 amount appropriated may be disbursed prior to the execution of a  
20 contract between the department of human services or the  
21 department of health and a recipient of the grant."



# H.B. NO. 1145

1 SECTION 4. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 5. This Act shall take effect on July 1, 2019.

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# H.B. NO. 1145

**Report Title:**

Grant in Aid; Department of Human Services; Department of Health

**Description:**

Requires the Department of Human Services and the Department of Health to disperse grant-in-aid funds to recipient organizations within ninety days of the effective date of the legislation awarding the grant. Allows the Department of Human Services and the Department of Health to disperse the total amount awarded to recipient organizations before contract execution.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

