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MANAGEMENT DIVISION  
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OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

TESTIMONY BY RODERICK K. BECKER  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE HOUSE COMMITTEE ON FINANCE  
ON  
HOUSE BILL NO. 1427, H.D. 1

**February 25, 2019**  
**2:30 p.m.**  
**Room No. 308**

RELATING TO THE DEPARTMENT OF BUDGET AND FINANCE BUDGET.

House Bill No. 1427, H.D. 1 provides additional funds for the BUF 101 – Budget, Program Planning and Management program and the BUF 115 – Financial Administration program. It is noted that H.D. 1 of this bill has deleted the appropriations and also defects the effective date to July 1, 2022.

The Department strongly supports the requested Mass Transit special fund appropriation and the requested Trust Fund ceiling increases for the Unclaimed Property trust fund which were included in the previous draft of this bill for both FY 2020 and FY 2021.

The Special Fund appropriations that we had requested are necessary to enable the transfers of funds from the Mass Transit Special Fund to the Honolulu Authority for Rapid Transit (HART) as authorized under Act 1, Special Legislative Session, 2017 for FY 2020 and FY 2021. While Act 1, Special Legislative Session, 2017 included a specific appropriation for FY 2018 that provided an extended lapse date of June 30,

2019, the requested appropriations from the Mass Transit Special Fund for FY 2020 and FY 2021 are necessary to enable the continued transfer of special funds to HART as authorized by Act 1, Special Legislative Session, 2017.

Finally, the requested increases in the Trust Fund ceiling for the Unclaimed Property program for both FY 2020 and FY 2021 are necessary due to higher fringe benefits rate of 60 percent that must be utilized and applied for the non-general funded positions during the biennium budget period.

Thank you for allowing us to provide testimony on this bill.