

JAN 24 2019

A BILL FOR AN ACT

RELATING TO FEDERAL WORKERS.

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

1 SECTION 1. This Act is recommended by the governor for
2 immediate passage in accordance with Section 9 of Article VII of
3 the Constitution of the State of Hawaii.

4 SECTION 2. The legislature finds that the federal shutdown
5 furlough adversely affects more than 2,500 Hawaii residents.
6 These federal employees are either furloughed (not working) or
7 excepted (working without pay). Due to the federal shutdown
8 furlough, some of these affected federal employees must seek out
9 other methods of financing to make ends meet, such as borrowing
10 from friends or financial institutions, or getting a second job.
11 While some affected federal employees are eligible for
12 unemployment compensation, others are not and benefits may not
13 be enough to cover their current expenses such as mortgage or
14 rent payments.

15 The purposes of this Act are to:

16 (1) Authorize the department of budget and finance to
17 provide interest-free loans to federal workers who



1 have been affected by the federal shutdown furlough to
2 cover current mortgage or rent payments; and
3 (2) Make an emergency appropriation to provide the funding
4 for the loans.

5 SECTION 3. **Definitions.** For the purposes of this Act,
6 unless the context otherwise requires:

7 "Department" means the department of budget and finance.

8 "Director" means the director of finance.

9 "Federal furlough loan program" means the loan program
10 established under this Act.

11 "Eligible borrower" means a federal employee affected by
12 the federal shutdown furlough who is either:

13 (1) Furloughed; or

14 (2) Excepted.

15 "Excepted" means the federal status for shutdown furlough
16 in which an employee is required to perform work during a lapse
17 in appropriations.

18 SECTION 4. **Federal furlough loan program.** (a) The
19 department shall implement and manage the federal furlough loan
20 program.



1 (b) The director may issue loans to eligible borrowers
2 only for the purposes of making current mortgage or rent
3 payments. The loans shall be interest-free.

4 (c) The director, without regard to chapter 91, Hawaii
5 Revised Statutes, may determine the form of the application,
6 required documents, and the method of disbursement.

7 (d) Recipients of the loans shall pay the loans in full
8 within thirty days of receiving their retroactive pay.

9 (e) The federal furlough loan program shall cease with the
10 enactment of an appropriation bill by the federal government to
11 continue the operations of the federal government.

12 SECTION 5. There is appropriated out of the general
13 revenues of the State of Hawaii the sum of \$. , or so much
14 thereof as may be necessary for fiscal year 2018-2019, for the
15 purpose of implementing the loan program for federal employees
16 affected by the shutdown furlough.

17 The sum appropriated shall be expended by the department of
18 budget and finance for the purposes of this Act.



S.B. NO. 1454

1 SECTION 6. This Act shall take effect upon its approval.

2

INTRODUCED BY: *MWD-LL*
By Request



S.B. NO. 1454

Report Title:

Loan; Shutdown Furlough; Federal Workers; Emergency
Appropriation

Description:

Establishes a loan program to provide loans to eligible federal workers affected by the federal shutdown furlough. Provides an emergency appropriation to carry out the purposes of the loan program.

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