

STAND. COM. REP. NO.

3065

Honolulu, Hawaii

JUN 24 2020

RE: H.B. No. 2500
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 2500 entitled:

"A BILL FOR AN ACT RELATING TO THE STATE BUDGET,"

begs leave to report as follows:

The purpose and intent of this measure is to adjust and make additional appropriations for the operating and capital budgets of executive branch agencies and programs.

Prior to decision making on this measure, your Committee made available for public review a proposed S.D. 1 of this measure. The proposed S.D. 1 deleted the contents of this measure and replaced it with language:

- (1) Finding that the debt limit of the State will be exceeded by the borrowing authorized by this measure;
- (2) Authorizing the issuance of general obligation bonds; and
- (3) Authorizing the issuance of instruments of indebtedness, which include federal Municipal Liquidity Facility instruments, to finance any permitted purpose under:
 - (A) The Supplemental Appropriations Act of 2020; and



(B) Section 13(3) of the Federal Reserve Act.

Your Committee received written comments in support of this measure from the Department of Budget and Finance, Hawaii Emergency Management Agency, Catholic Charities Hawaii, Hawaii Government Employees Association, Hawaii Youth Services Network, United Public Workers, and two individuals.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee received written comments on this measure from the Hawaii State Commission on the Status of Women, Kauai County Council, American Civil Liberties Union of Hawaii, Breastfeeding Hawaii, Common Cause Hawaii, Grassroot Institute of Hawaii, Hawaii Women's Coalition, Hamakua-Kohala Health, Midwives Alliance of Hawaii, Planned Parenthood Votes Northwest and Hawaii, Save Medicaid Hawaii, Zonta Club of Hilo, and numerous individuals.

Your Committee finds that the coronavirus disease 2019, or COVID-19, pandemic has created an unprecedented public health and economic crisis throughout the world. Your Committee also finds that although the borrowings authorized by this measure will allow the State to mitigate the effects of the COVID-19 pandemic on the State's economy, these borrowings exceed the State's debt limit. However, pursuant to Article VII, Section 13 of the Constitution of the State of Hawaii, the State's debt limit may be exceeded if the Governor declares an emergency condition with which the Legislature concurs by a vote of two-thirds of the members of each chamber. Your Committee recognizes that on March 4, 2020, the Governor issued a proclamation declaring that the COVID-19 pandemic had created an emergency condition in the State. Your Committee notes that since this initial proclamation, the Governor has issued nine supplementary proclamations related to the COVID-19 pandemic. Additionally, your Committee recognizes that the Governor has requested that the Legislature concur with the Governor's declaration.

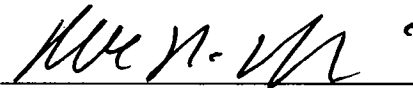
Your Committee has amended this measure by adopting the Proposed Draft and amending the Proposed Draft further by:



- (1) Clarifying the Legislature's intent regarding the utilization of federal Municipal Liquidity Facility instruments;
- (2) Changing the amount of general obligation bonds authorized in this measure from \$2,994,991,000 to \$3,073,991,000, and making conforming amendments throughout the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

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. 2500, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2500, 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,




DONOVAN M. DELA CRUZ, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* HB2500	Committee Referral: WAM	Date: 6/22/20		
<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
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani				X
HARIMOTO, Breene				X
INOUYE, Lorraine R.				X
KAHELE, Kaiali'i	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MORIWAKI, Sharon Y.	X			
RIVIERE, Gil	X			
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.				X
FEVELLA, Kurt	X			
TOTAL	9			4
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