

Honolulu, Hawaii
, 2020

MAY 15

RE: S.B. No. 75
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 75,
S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO APPROPRIATIONS,"

begs leave to report as follows:

The purpose of this measure is to make emergency appropriations to the Department of Health, Department of Transportation, and Department of Defense for the public health response to the Coronavirus Disease 2019 (COVID-19) outbreak.

Your Committee received comments on this measure from the Department of Defense.

Prior to the hearing on this measure, your Committee prepared and made available for public review a proposed H.D. 1, which:

- (1) Deletes the emergency appropriations to the Departments of Health, Transportation, and Defense;
- (2) Appropriates federal funds designated for the State of Hawaii from the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, to:
 - (A) The Counties of Hawaii, Maui, and Kauai;



- (B) The Departments of Defense, Transportation, Labor and Industrial Relations, Health, and Human Services; and
- (C) The Office of the Governor,
for the public health response to the COVID-19 outbreak;
- (3) Deposits the remaining federal funds designated for the State of Hawaii by the CARES Act to the emergency and budget reserve fund; and
- (4) Authorizes the issuance of instruments of indebtedness for the purpose of Municipal Liquidity Facility under section 13(3) of the Federal Reserve Act.

Your Committee received testimony in support of the proposed H.D. 1 from the Mayor of the County of Maui, Mayor of the County of Kauai, two councilmembers from the County Council of Maui, Council Chairperson of the County Council of Kauai, Hawaii State Association of Counties, the Chamber of Commerce of Hawaii, Democratic Party of Hawaii Education Caucus, Hawaii Government Employees Association, IMUAlliance, United Public Workers, and an individual.

Your Committee received comments on the proposed H.D. 1 from the Office of the Governor, Department of Agriculture, Department of Budget and Finance, Department of Health, Department of Labor and Industrial Relations, a councilmember from the County Council of Kauai, Community Alliance on Prisons, Common Cause Hawaii, Hawaii Appleseed Center for Law and Economic Justice, and League of Women Voters of Hawaii.

Your Committee finds that the CARES Act was enacted on March 27, 2020, to address the extensive economic fallout of the COVID-19 pandemic. Your Committee further finds that this measure will appropriate funds received by the State from the CARES Act for the purpose of COVID-19 response activities and provide transparency and accountability for the use of those funds.

Your Committee has amended this measure by adopting the proposed H.D. 1 and further amending it by:



- (1) Changing the amount appropriated to the Department of Defense from \$100,000,000 to \$40,000,000;
- (2) Deleting the appropriations of CARES Act funds to the Department of Health, Department of Transportation, and Office of the Governor, and instead appropriating funds designated for the State by the Paycheck Protection Program and Health Care Enhancement Act to the Department of Transportation and Department of Health for testing, contact tracing, thermal screening, and other efforts;
- (3) Making an additional appropriation from the funds received by the State from the CARES Act to the Department of Labor and Industrial Relations for information technology, systems, and staffing, and authorizing forty-two full-time equivalent positions;
- (4) Changing the amount appropriated to the Department of Human Services from \$300,000 to \$2,000,000, and clarifying that the appropriation shall be used for information technology and other systems;
- (5) Changing the amount of CARES Act funding to be deposited to the emergency and budget reserve fund from \$555,640,000 to \$635,986,000;
- (6) Removing language providing that certain appropriations shall lapse on June 30, 2021; and
- (7) Making technical nonsubstantive changes for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 75, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 75, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.



Respectfully submitted on
behalf of the members of the
Committee on Finance,



SYLVIA DUKE, Chair



HSCR 1997-20

Record of Votes of the Committee on Finance

Bill/Resolution No.: SB 75, SD 2	Committee Referral: FIN	Date: MAY 15, 2020		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)	✓			
2. CULLEN, Ty J.K. (VC)	✓			
3. ELI, Stacelynn K.M.	✓			
4. GATES, Cedric Asuega	✓			
5. HASHIMOTO, Troy N.	✓			
6. HOLT, Daniel	✓			
7. KITAGAWA, Lisa	✓			
8. KOBAYASHI, Bertrand	✓			
9. MATAYOSHI, Scot Z.	✓			
10. NAKAMURA, Nadine K.	✓			
11. NISHIMOTO, Scott Y.	✓			
12. TODD, Chris	✓			
13. WILDBERGER, Tina	✓			
14. YAMASHITA, Kyle T.	✓			
15. McDERMOTT, Bob				✓
TOTAL (15)	14	∅	∅	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; margin-left: 100px;">committee acronym(s)</div>				
Vice Chair's or designee's signature: _____ 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				