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WRITTEN ONLY

TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
SENATE BILL NO. 1117, S.D. 1

March 2, 2021

9:30 a.m.

Room 211 and Videoconference

**MAKING AN EMERGENCY APPROPRIATION TO THE OFFICE OF THE GOVERNOR
RELATING TO COVID-19 EXPENDITURES**

The Department of Budget and Finance supports Senate Bill (S.B.) No. 1117,
S.D. 1.

S.B. No. 1117, S.D. 1, provides an unspecified amount of general funds to the Office of the Governor in FY 21 to be used as a contingency fund to supplement the continuation of coronavirus (COVID-19) response-related programs and activities. This bill provides that the Governor is authorized to transfer appropriated funds among all Executive agencies as deemed necessary, and authorizes the Governor to transfer funds in excess of what is needed for each expending agency from other emergency appropriation acts relating to COVID-19 expenditures in FY 21 to the contingency fund for the purposes of this bill.

The COVID-19 pandemic has been devastating to global, national, and state economies. Federal funds appropriated to the State of Hawaii by the Coronavirus Aid, Relief, and Economic Security Act, Public Law 116-136, provided funding to implement and administer various COVID-19-related response, relief, and mitigation programs and

activities for the first half of FY 21. This bill and the other COVID-19-related emergency appropriations are needed to fund requirements for the second half of FY 21.

Experience from the first half of FY 21 has reinforced the practical need for a “contingency fund” and flexibility to reprioritize and reallocate resources to address unforeseen needs/requirements and ever-changing circumstances.

Thank you for your consideration of our comments



**Testimony to the Senate Committee on Ways and Means
Tuesday, March 2, 2021; 9:30 a.m.
State Capitol, Conference Room 211
Via Videoconference**

**RE: SENATE BILL NO. 1117, SENATE DRAFT 1, MAKING AN EMERGENCY APPROPRIATIONS
TO THE OFFICE OF THE GOVERNOR RELATING TO COVID-19 EXPENDITURES.**

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS** Senate Bill No. 1117, Senate Draft 1, MAKING AN EMERGENCY APPROPRIATION TO THE OFFICE OF THE GOVERNOR RELATING TO COVID-19 EXPENDITURES.

The bill, as received by your Committee, is part of the Administration's Package, and would appropriate an unspecified amount of general funds for fiscal year 2020-2021, to be used as a contingency fund by the Office of the Governor to supplement the continuation of COVID-19 response related programs and activities.

This bill would take effect on July 1, 2020, to facilitate further discussion.

By way of background, the HPCA represents Hawaii Federally-Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

Ever since COVID-19 hit Hawaii's shores, FQHCs have worked with our partner health care providers and the State Department of Health, the Counties of Hawaii, Kauai, and Maui, and the City and County of Honolulu to plan and implement the enormous task of immunizing Hawaii's citizens. The federal government has helped enormously by fast-tracking the vaccine and paying for the hundreds of millions of doses that will need to be distributed throughout our Nation.

Testimony on Senate Bill No. 1117, Senate Draft 1
Tuesday, March 2, 2021; 9:30 a.m.
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However, the federal government is not paying for the administrative costs of delivering this medication to citizens. This includes, among other things, the purchase of needles, syringes, personal protection equipment, as well as the time of health care professionals away from their normal duties to perform this added responsibility.

Because these costs were not previously budgeted, the Administration has had to scramble to find resources within existing budgets to, among other things, start the immunizations of first responders and health care providers. That they had gotten us this far, the Administration should be commended for their creativity and willingness to work with the providers.

FQHCs have done our part as well. We have searched within our limited resources to make the plan work. This has forced us and our partner organizations to make sacrifices for the benefit of our patients and communities. We gladly do this but to continue these efforts, we will need help.

For these reasons, the HPCA urges your favorable consideration of this important measure.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiiipca.net.