



The Thirtieth Legislature, State of Hawaii
House of Representatives
Committee on Finance

Testimony by
Hawaii Government Employees Association

May 11, 2020

S.B. 75, S.D. 2, Proposed H.D. 1 – RELATING TO APPROPRIATIONS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of the proposed H.D. 1 to S.B. 75, S.D. 2 which appropriates funds designated for our state by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) to the counties of Hawaii, Maui, and Kauai, and various state departments and agencies for the public health response to COVID-19. Additionally, this measure transfers the remaining CARES Act funding to the emergency and budget reserve fund and authorizes the issuance of instruments of indebtedness for the municipal liquidity facility of the Federal Reserve.

COVID-19 has instantly and dramatically impacted not only our state but the entire world. During this worldwide pandemic, our collective reliance on each other could not be more apparent and we must work together to rebuild our economy. First, we have been at the forefront to suggest a wide variety of temporary and long-term solutions to the Administration on how to best navigate the projected budget shortfall, including many of the concepts the Legislature is currently considering. We strongly support tapping into the Federal Reserve's Municipal Liquidity Facility program, as outlined in the proposed H.D. 1. Further, we appreciate the specific language in Part II of the draft which provides a means for the counties to also draw upon the Fed's program.

Second, while the CARES Act appropriated approximately \$1.25 billion to Hawaii for expenditures related to COVID-19, including a direct allocation of over \$380 million to the City and County of Honolulu, the other three counties did not receive direct assistance. This measure appropriately allocates a portion of the state's share of federal funding to Hawaii, Maui, and Kauai, which is fair and ensures equitable support for all county jurisdictions.

Lastly, we vehemently insist that the Administration capture every possible cent of the \$1.25 billion federal CARES Act appropriation, ensure the public's trust and confidence during this process, and adhere to strict and transparent reporting of allocations and expenses. We fully support monthly reporting requirements and respectfully request that these regular reports be provided to the public as well.

All stakeholders must work in partnership to ensure our economic recovery and we must remain committed to protecting and funding our frontline employees, regardless of jurisdiction. Thank you for the opportunity to testify in strong support of the solutions contained in the proposed H.D. 1 to S.B. 75, S.D. 2.