A BILL FOR AN ACT

RELATING TO FEDERAL WORKERS.

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

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

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

The purposes of this Act are to:

(1) Authorize the department of budget and finance to provide interest-free loans to federal workers who
have been affected by the federal shutdown furlough to cover current mortgage or rent payments; and

(2) Make an emergency appropriation to provide the funding for the loans.

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

"Department" means the department of budget and finance.

"Director" means the director of finance.

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

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

(1) Furloughed; or

(2) Excepted.

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

SECTION 4. Federal furlough loan program. (a) The department shall implement and manage the federal furlough loan program.
(b) The director may issue loans to eligible borrowers only for the purposes of making current mortgage or rent payments. The loans shall be interest-free.

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

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

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

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

The sum appropriated shall be expended by the department of budget and finance for the purposes of this Act.
SECTION 6. This Act shall take effect upon its approval.

INTRODUCED BY:

JAN 23 2019
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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