

STAND. COM. REP. NO. 3512

Honolulu, Hawaii

MAY 15 2020

RE: H.B. No. 2200
H.D. 1
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. 2200, H.D. 1, 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 appropriate supplemental funds for the operating costs of the Executive Branch of the State of Hawaii for fiscal years 2019-2020 and 2020-2021.

Your Committee received testimony in support of this measure from the Hawaii State Judiciary, Department of Agriculture, University of Hawaii, Department of Public Safety, Department of Commerce and Consumer Affairs, Department of Land and Natural Resources, Department of Hawaiian Home Lands, Department of Transportation, Department of Human Services, Department of Labor and Industrial Relations, Office of Information Practices, Office of Planning, Hawaii Green Infrastructure Authority, Hawaii Community Development Authority, Hawaii State Energy Office, Kahoolawe Island Reserve Commission, Hawaii Health Systems Corporation, Special Education Advisory Council, Hawaii Youth Services Network, AAUW of Hawaii, Hawaii State Teachers Association, Maui Health System, Hawaii Children's Action Network Speaks, United Public Workers, League of Women Voters of Hawaii, University of Hawaii Alumni Association, Hawaii Kai Homeless Task Force, Democratic Party of Hawaii Education Caucus, IMUA Alliance,



University of Hawaii Professional Assembly, and more than four hundred individuals.

Your Committee received testimony in opposition to this measure from the Department of Accounting and General Services, Ka Hale Pomaika'i, Kelii Foundation, and six individuals.

Your Committee received comments on this measure from the Department of Budget and Finance; Department of Business, Economic Development, and Tourism; Department of Education; Department of Health; Department of Human Resources Development; Land Use Commission; Hawaii Public Housing Authority; State Procurement Office; Governor's Coordinator on Homelessness; Executive Office on Early Learning; Hawaii State Public Library System; Early Learning Board; Hawaii Technology Development Corporation; Planned Parenthood of Hawaii Votes Northwest and Hawaii; Hawaii Women's Coalition; Hawaii Substance Abuse Coalition; Catholic Charities Hawaii; Sutter Health Kahi Mohala; Kokua Kalihi Valley; Common Cause Hawaii; Hawaii State Coalition Against Domestic Violence; Grassroot Institute of Hawaii; Hawaii Appleseed Center for Law and Economic Justice; Domestic Violence Action Center; ACLU of Hawaii; The Salvation Army Addiction Treatment Services and Family Treatment Services; Hawaii Government Employees Association; YMCA of Honolulu-Kalihi Branch; Early Childhood Action Strategy; Hawaii Autism Foundation; and more than twenty individuals.

Your Committee finds that this budget will ensure that state government will continue to serve the people of Hawaii with fiscal certainty and fidelity during this most uncertain of economic times. Your Committee recognizes that the State is faced with declining tax revenues at the same time that our communities are suffering through record job losses, business closures, and difficulties in addressing basic needs for themselves and their families. Accordingly, your Committee dutifully assembled a budget that is fiscally prudent while being mindful not to impair the state government's ability to provide stable and dependable services statewide.

Working closely with the Committee on Finance of the House of Representatives, your Committee has established a budget that aims to avoid state employee furloughs or pay cuts, which your Committee believes would exacerbate damage to our already fragile local economy. Your Committee has also kept in mind the State's



large fixed cost obligations, which alone account for fifty-one percent of the State's budget. Your Committee pursued an overall fiscal strategy that reappropriates and redirects state funds that have gone unspent and supplements or replaces them with proceeds of bond authorizations, thus freeing up cash that can be used immediately for the maintenance of state operations.

In amending this budget, your Committee has strived to ensure the following priorities:

- (1) That critical government functions remain operational during the pandemic;
- (2) That core state programs and services be maintained to ensure stability and continuity for our communities; and
- (3) That state positions and funds that have remained vacant or unused for an extended period of time be reduced.

Your Committee has amended this budget by:

- (1) Utilizing the base budget for the Executive Branch for fiscal biennium 2019-2021 as enacted in Act 5, Session Laws of Hawaii 2019;
- (2) Not including any of the Governor's supplemental budget requests;
- (3) Incorporating base budget amounts appropriated in other session laws into this measure;
- (4) Reducing all vacant positions funded through general funds; and
- (5) Reducing excess general fund appropriations for fiscal year 2019-2020, as identified by executive branch departments.

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. 2200, H.D. 1, as amended herein, and recommends that it pass



Second Reading in the form attached hereto as H.B. No. 2200,
H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

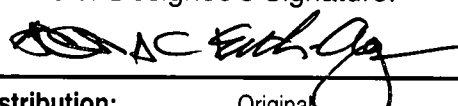
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


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.:* HB 2200 HD 1	Committee Referral: WAM	Date: 5/13/20		
<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	11			2
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