FOR IMMEDIATE RELEASE
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Hawaii Nonprofits Feel Impact of the Federal Government Shutdown

Honolulu, HI – Despite today’s news that the federal government may reopen until February 15, the effects on Hawaii’s nonprofit sector are still serious. The Hawai`i Alliance of Nonprofits (HANO) recently surveyed its constituency, statewide and received 28 responses from charitable nonprofits on the effects of the federal government shutdown here in Hawaii.

Of those respondents:
- 75 percent said they are being directly impacted.
- 61 percent are already taking steps in response to the shutdown.

“The current agreement, if passed, is only a temporary fix until February 15. These stops and starts are preventing nonprofits from delivering critical services to their communities. In some cases, the disruption is undoing years of work and planning that were to ensure consistent, quality services over the long term,” said Lisa Maruyama, president and CEO of HANO.

“While it is expected that federal employees will receive back pay once the government reopens, it is still unknown whether laid off employees of contractors and grantees, including many nonprofit employees, will receive back pay,” Maruyama continued. “This will be completely destabilizing if these payments are not restored.”

Several respondents shared these stories:

We were going to close on a new facility on Dec 28 using a USDA community facility loan. Because government shut down, we are now in limbo. We have extended our purchase agreement but are waiting for the USDA to cut the check. If the sellers were not willing to extend the date we could be out of the deal that we have been working on with USDA for over 2 years. If the shutdown is extended, it could also affect GIA capital funds grant that we were awarded to do renovation on the facility. Without the facility, we will not be awarded the grant that has already been approved.

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We are working with Hawaii Island Community Development Corp on an affordable housing project on Hawaii Island. The participating families are waiting to have their loan applications processed by Rural Development, which unfortunately is not able to do so because of the government shut down. The families are waiting.

Representatives from HUD, EPA, and National Parks are part of our advisory team and programming partners. Conversations and planning have been stalled and we will have to move forward on grant applications without their valuable input.

For connection to these nonprofits, please contact Lisa Maruyama at 808 384-5568 or at lmaruyama@hano-hawaii.org.

The Hawai‘i Alliance of Nonprofit Organizations is a charitable 501c3 organization dedicated to strengthening and uniting the nonprofit sector as a collective force to improve the quality of life in Hawaii. For more information, go to www.hano-hawaii.org.

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