

Measure HB-4143:

I oppose Authorizes the Governor to direct state agencies to withhold money owed to the Federal government if federal funds are being withheld from state in contravention of a valid court order.

This bill may escalate intergovernmental tensions and create financial uncertainty for state agencies. By authorizing the Governor to withhold payments to the federal government in response to unlawfully withheld federal funds, the state risks entering a cycle of reciprocal withholding that could impact essential services and disrupt established funding streams. Additionally, the bill's indemnification of state employees and officers for civil claims related to compliance may encourage actions that could be legally contested, increasing the likelihood of costly litigation and administrative burden.

Another potential drawback of the measure is that it could strain the relationship between the state and federal government, possibly leading to delays in receiving critical federal funding or services. Additionally, the process of withholding payments and managing the Federal Moneys Holding Account may introduce administrative complexity and increase the risk of legal disputes, which could result in additional costs or uncertainty for the state.

Finally, the policy could undermine cooperative federal-state relationships, making it more difficult to resolve disputes through negotiation rather than confrontation.