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STATE OF HAWAI'I
DEPARTMENT OF DEFENSE
HAWAI'I EMERGENCY MANAGEMENT AGENCY

TESTIMONY ON HOUSE BILL 1296,
RELATING TO THE MAJOR DISASTER FUND

BEFORE THE HOUSE COMMITTEE ON
PUBLIC SAFETY

BY

JAMES DS. BARROS
ADMINISTRATOR
HAWAI'I EMERGENCY MANAGEMENT AGENCY

FEBRUARY 7, 2025

Aloha Chair Bellati, Vice-Chair Iwamoto, and Members of the Committee:

Thank you for the opportunity to submit a testimony to **OPPOSE** House Bill 1296.

The Hawai'i Emergency Management Agency respectfully submits this testimony in opposition to House Bill 1296, which seeks to establish new reporting and notification requirements related to the Major Disaster Fund. While we fully support efforts to enhance transparency and accountability in disaster relief funding, we believe that the provisions outlined in this legislative bill would pose significant challenges to our agency's ability to respond effectively to emergencies and disrupt the streamlined processes necessary for rapid disaster relief.

This bill's stringent reporting requirements would reduce the flexibility HIEMA needs to adapt to changing circumstances in disaster relief. Furthermore, detailed reporting and the need to justify each transfer could result in delays that undermine our capacity to deliver services when they are needed the most and could also disrupt the established process for handling federal funds, potentially leading to delays in recovery efforts and a prolonged financial strain on local agencies.

HIEMA must have the autonomy to make timely decisions about fund allocation to the most critical areas. We urge the committee to reconsider these provisions and look for ways to balance transparency with the flexibility and speed necessary for emergency response.

Thank you for the opportunity to submit testimony on House Bill 1296.

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EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

House Committee on Public Safety

Friday, February 7, 2025

9:30 a.m.

State Capitol, Conference Room 411 and via Videoconference

With Comments

House Bill No. 1296 Relating to the Major Disaster Fund

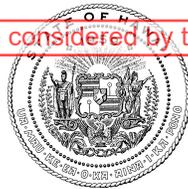
Chair Belatti, Vice Chair Iwamoto, and Members of the House Committee on Public Safety:

The Office of the Governor provides the following comments for H.B. No. 1296, Relating to the Major Disaster Fund (MDF). This bill establishes timely notice and reporting requirements to the Legislature by the Governor regarding the transfer of appropriations to the MDF.

The Lahaina wildfires resulted in unbearable loss of lives, homes, infrastructure, and businesses. In response to this tragic event, Acting Governor Sylvia Luke signed the Emergency Proclamation (EP) on Wildfires, dated August 8, 2023. State departments responded promptly and worked with the County of Maui, various federal agencies, the Hawaii State Legislature, and private sector leaders to navigate the disaster.

The Office of the Governor finds H.B. No. 1296 duplicative as existing reporting requirements pursuant to HRS 127A-16(b) and Act 10, SLH 2024, are adequate. H.B. No. 1296 proposes several requirements that could adversely impact the ability of the State to respond effectively and efficiently to future emergencies.

Mahalo for the opportunity to provide testimony on this measure.



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
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WRITTEN ONLY
TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON PUBLIC SAFETY
ON
HOUSE BILL NO. 1296

February 7, 2025
9:30 a.m.
Room 411 and Videoconference

RELATING TO THE MAJOR DISASTER FUND

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill (H.B.) No. 1296 proposes to amend Section 127A-16, HRS, to require the Governor to: 1) provide 14 days advance notice to the Legislature of any transfer of appropriations to the Major Disaster Fund (MDF); 2) describe the subsequent use of the transferred funds; and 3) submit a legislative report within five days of each use of the Governor's authority to transfer funds into the MDF, including the date, amount, Program ID from which and to which funds were transferred, and an explanation of the uses of the transferred funds and the public purpose thereof. Under current law, the administrator of the MDF is required to report allotments and expenditures of the MDF to the Legislature no later than 60 days thereafter.

H.B. No. 1296 would impose a significant change to the ability of the State to respond to future states of emergency. The MDF only carries a balance of \$5,000,000. Based on recent experiences, that balance can be very rapidly expended on disaster response efforts before additional funds become necessary. This bill may be an

impediment to the State's ability to respond to an emergency on a timely basis.

Depending on the nature of a future disaster, it may well be that requiring 14 days advance notice of a transfer of funds to the MDF would result in a commensurate delay in State response efforts. Furthermore, requiring a legislative report within five days of each use of the Governor's authority to transfer funds into the MDF would divert time and resources from disaster response and recovery efforts.

B&F believes the existing requirements in Chapter 127A, HRS, provide adequate notice of actions taken to ensure that there are sufficient funds to address disasters.

Thank you for your consideration of our comments.