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# A BILL FOR AN ACT

RELATING TO DISASTER RELIEF.

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

1           SECTION 1. Section 37-41.5, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "**§37-41.5 Department of education; carryover of funds.**

4 (a) The department of education may retain up to five per cent  
5 of any appropriation, except for appropriations to fund  
6 financing agreements entered into in accordance with chapter  
7 37D, at the close of a fiscal year and the funds retained shall  
8 not lapse until June 30 of the first fiscal year of the next  
9 fiscal biennium. The department of education shall submit:

10           (1) A report to the director of finance ninety days after  
11           the close of each fiscal year, which shall be prepared  
12           in the form prescribed by the director of finance and  
13           shall identify the total amount of funds that will  
14           carry over to the next fiscal year; and

15           (2) A copy of this report to the legislature, as well as a  
16           report identifying the carryover of funds on a school-  
17           by-school basis, at least twenty days prior to the



1 convening of the next regular session of the  
2 legislature.

3 (b) Appropriations allocated to the schools shall remain  
4 within the budget of the school to which they were originally  
5 allocated; provided that the retention of an appropriation shall  
6 not be used by the department as a basis for reducing a school's  
7 future budget requirements.

8 ~~[(c) In addition to the five per cent retainage under  
9 subsection (a), the department of education may retain any  
10 appropriation received pursuant to section 127A-16(a) or as  
11 reimbursement for disaster relief pursuant to section 127A-16(d)  
12 at the close of the fiscal year in which the appropriation or  
13 reimbursement was received and the funds retained shall not  
14 lapse until June 30 of the first fiscal year of the next fiscal  
15 biennium. Such funds shall be considered as separate and  
16 distinct from the funds the department of education is  
17 authorized to retain pursuant to subsection (a).]~~"

18 SECTION 2. Section 127A-16, Hawaii Revised Statutes, is  
19 amended to read as follows:

20 "**§127A-16 Major disaster special fund.** (a) The  
21 administrator shall submit requests to the legislature to



1 appropriate from the general revenues of the State sufficient  
2 moneys as may be necessary for expenditure by or under the  
3 direction of the governor for immediate relief in response to an  
4 emergency or disaster in any part of the State; provided that:

5 (1) The governor has issued a proclamation of a state of  
6 emergency;

7 (2) The governor [~~may~~] shall not expend in excess of  
8 \$10,000,000 for immediate relief as a result of any  
9 single emergency or disaster; and

10 (3) In addition to the funds in paragraph (2), an  
11 additional \$5,000,000 may be made available solely for  
12 the purpose of matching federal disaster relief funds  
13 when these funds become available to the State  
14 following a presidential disaster declaration.

15 In expending the moneys, the governor may allot any portion  
16 thereof to any agency, office, or employee of the State or a  
17 county for the most efficient relief for the population.

18 Notwithstanding this subsection, the only exception to  
19 paragraphs (1), (2), and (3) is that the administrator may use  
20 up to \$250,000 per year to support the emergency management  
21 reserve corps.



1 (b) No later than [~~sixty~~] thirty days after any allotment  
2 by the governor or the expenditure of any fund moneys, the  
3 administrator shall report to the legislature on the purpose of  
4 the allotment or expenditure.

5 (c) [~~Except as provided in subsection (d), federal~~]  
6 Federal reimbursement moneys for disaster relief [~~shall be~~  
7 ~~deemed to be trust moneys and~~] may be deposited into a [~~trust~~]  
8 separate account with and under the control of the Hawaii  
9 emergency management agency. These moneys and any interest  
10 earned thereon shall be used for the purpose identified in  
11 subsection (a) and shall [~~not~~] lapse to the general fund[~~-~~] if  
12 not expended within five years after receipt from the federal  
13 government.

14 [~~(d) In cases in which the department of education expends~~  
15 ~~the funds appropriated to the department for purposes deemed to~~  
16 ~~be reimbursable by federal reimbursement moneys for disaster~~  
17 ~~relief, the federal reimbursement moneys shall not lapse to the~~  
18 ~~general fund and shall be credited directly to the department of~~  
19 ~~education without regard to whether the original appropriation~~  
20 ~~has lapsed. Such funds shall carry over in accordance with~~  
21 ~~section 37-41.5(c).~~



1 ~~(c) Any unspent funding under \$2,500,000 shall be rolled~~  
2 ~~over to the next fiscal year to support future emergencies and~~  
3 ~~disasters.]~~

4 (d) The administrator shall submit an annual report to the  
5 legislature no later than twenty days prior to the convening of  
6 each regular session on the following:

7 (1) The amount of federal reimbursement moneys for  
8 disaster relief that the State or any county could  
9 have applied for during the prior fiscal year, broken  
10 down by department, agency, and county;

11 (2) The amount of federal reimbursement moneys for  
12 disaster relief that the State or any county applied  
13 for and the amount received during the prior fiscal  
14 year, broken down by department, agency, and county;

15 (3) The justification for any difference in the amount of  
16 federal reimbursement moneys for disaster relief that  
17 the State or county was eligible for and the amount  
18 the State or county applied for;

19 (4) The average amount of time between the submittal of an  
20 application for a Federal Emergency Management Agency  
21 reimbursement and receipt of the funds; and



1        (5) The number of disaster accounts opened for the prior  
2                    fiscal year."

3            SECTION 3. If any part of this Act is found to be in  
4 conflict with federal requirements that are a prescribed  
5 condition for the allocation of federal funds to the State, the  
6 conflicting part of this Act is inoperative solely to the extent  
7 of the conflict and with respect to the agencies directly  
8 affected, and this finding does not affect the operation of the  
9 remainder of this Act in its application to the agencies  
10 concerned. The rules under this Act shall meet federal  
11 requirements that are a necessary condition to the receipt of  
12 federal funds by the State.

13            SECTION 4. Statutory material to be repealed is bracketed  
14 and stricken. New statutory material is underscored.

15            SECTION 5. This Act shall take effect upon its approval.



**Report Title:**

Major Disaster Fund; Federal Reimbursements; Reports

**Description:**

Shortens the time for reporting the purpose of any allotment or expenditure of fund moneys. Requires federal disaster relief funds to lapse to the general fund if not expended within five years. Amends the major disaster fund to be a special fund and repeals language that deemed federal reimbursement money for disaster relief as trust moneys. Repeals language authorizing the DOE to retain federal disaster relief funds. Repeals language requiring unspent funds to be rolled over. Requires annual reports to the legislature on federal disaster relief funds. (Proposed HD1)

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