



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kāla
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON PUBLIC SAFETY AND INTERGOVERNMENTAL
AND MILITARY AFFAIRS
ON
HOUSE BILL NO. 2610, H.D. 1

March 11, 2024
3:00 p.m.
Room 225 and Videoconference

RELATING TO DISASTER RELIEF

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

House Bill (H.B.) No. 2610, H.D. 1, adds a new section to Chapter 127A, HRS, that establishes the Disaster Relief Match Special Fund (DRMSF), to be administered by the Department of Defense (DOD), to support the local match requirements of the Federal Emergency Management Agency's (FEMA) Maui Wildfires Hazard Mitigation Grant Program.

H.B. No. 2610, H.D. 1, also appropriates an unspecified amount of general funds for FY 25 to be deposited into the DRMSF and appropriates an unspecified amount of special funds out of the DRMSF for the purposes of this measure to DOD as the designated expending agency for the appropriations.

Furthermore, the bill requires DOD to evaluate applications for funding from the special fund; recommend priority applications to FEMA for review, approval, and award; and establish criteria for evaluating requests from potential applicants for matching support out of the special fund.

As a matter of general policy, B&F does not support the creation of any special fund which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining. Regarding H.B. No. 2610, H.D. 1, it is difficult to determine whether the proposed special fund would be self-sustaining.

Thank you for your consideration of our comments.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



KENNETH S. HARA
DIRECTOR OF EMERGENCY
MANAGEMENT

JAMES DS. BARROS
ADMINISTRATOR OF
EMERGENCY MANAGEMENT

STATE OF HAWAII
KA MOKU'ĀINA O HAWAI'I
DEPARTMENT OF DEFENSE
KA 'OIHANA PILI KAUA
HAWAI'I EMERGENCY MANAGEMENT AGENCY
4204 DIAMOND HEAD ROAD
HONOLULU, HAWAI'I 96816-4420



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

TESTIMONY ON HOUSE BILL 2610 HD1,
RELATING TO EMERGENCY MANAGEMENT

BEFORE THE SENATE COMMITTEE ON
PUBLIC SAFETY AND INTERGOVERNMENTAL AND MILITARY AFFAIRS

BY

JAMES DS. BARROS
ADMINISTRATOR
HAWAI'I EMERGENCY MANAGEMENT AGENCY

MARCH 11, 2024

Aloha Chair Wakai, Vice-Chair Elefante, and Members of the Committee:

Thank you for the opportunity to submit testimony to **SUPPORT** HB 2610 HD1.

I believe this legislative measure would have immense benefits for our community and its ability to recover and mitigate future disasters effectively should the establishment of a Disaster Relief Match Special Fund be created.

The devastating impact of the Maui wildfires cannot be overstated. Not only did they cause significant damage to properties, natural resources, and infrastructure, but they also put the lives and safety of our communities in Lahaina at risk.

The need for immediate and comprehensive action to restore and rebuild our community is evident. This bill would provide a crucial financial mechanism to address the local match requirements of the FEMA Grant program, ensuring that we can maximize the available federal assistance to expedite our recovery efforts.

Furthermore, the establishment of a Disaster Relief Match Special Fund would alleviate the burden on local authorities and communities in securing the necessary funds to meet the required match amounts set by FEMA. It would enable HI-EMA to access federal grants that might otherwise be out of reach due to limited local resources.

HI-EMA is in support of House Bill 2610 HD1 provided that its passage does not replace or adversely impact priorities indicated in the Executive Budget.

Thank you for the opportunity to provide testimony on House Bill 2610 HD1.

James Barros: james.barros@hawaii.gov; 808-733-4300

Aloha Chair Wakai, Vice Chair Elefante and Members of the Committee on Public Safety and Intergovernmental and Military Affairs,

Thank you for this opportunity to submit testimony IN SUPPORT of HB2610 HD1.

As we all are painfully aware, on August 8, last year, wildfires devastated Lahaina and parts of upland Maui. Assistance from across the State and from the mainland rushed to support Maui during the initial response to these terrible wildfires and into the on-going recovery from their devastating impacts. In particular, FEMA provided substantial response and recovery assistance via several programs, including the Hazard Mitigation Grant Program (HMGP) which provides funding that communities can use to build back better and stronger as well as to reduce the impact of other natural hazards statewide. The current, 6-month estimate of the HMGP funding under the Maui Wildfire disaster is about \$300,000,000. This estimate is 15% of the total FEMA funding under its Public Assistance (PA) program, Individual Assistance (IA) program and certain Mission Assignments (MA). FEMA will “lock-in” the HMGP funding at the 1-year anniversary of the declaration date, August 10, 2023, so the final estimate could be substantially higher as FEMA’s other assistance continues to increase.

The HMGP requires a non-federal match which is 25% of the overall project cost. The current estimate of this 25% cost share is \$100,000,000 (i.e. matching the 75% federal share of \$300,000,000.) Historically, finding and maintaining the local, non-federal match has been a huge impediment to communities wanting to use this funding for their Hazard Mitigation projects. As a result, good projects are not funded or are withdrawn for lack of the local match. This problem is exacerbated by FEMA sometimes lengthy review and approval process, sometimes up to 18 months. It is challenging for communities to have their match funding sit idle during FEMA’s lengthy and uncertain review.

HB2610 HD1 will address this specific hurdle to the complete and efficient use of the HMGP by establishing a fund to support communities in meeting the HMGP match requirement. The bill designates the Department of Defense’s Emergency Management Agency (HI-EMA) as the agency to administer the match fund. This is an appropriate fit since HI-EMA currently administers and manages FEMA’s recovery programs, including the HMGP. HI-EMA’s experience working with FEMA on a range of recovery projects and its expertise in evaluating HMGP proposals will facilitate the establishment of appropriate criteria for distributing the match fund, effectively and equitably, to those applicants with strong proposals that would most benefit from receiving match support. The bill intends the support to be up to half of the required match for most projects. However, in the case of small, economically disadvantaged applicants, the support could cover the entire match.

By providing this match fund, we will make it more likely that our communities will be able to take advantage of FEMA’s HMGP funding and will assist Maui and the State in rebuilding safer, stronger, and smarter, and in creating a more resilient Hawaii by mitigating the impact of natural hazards.

I look forward to your support of HB 2610 HD1 and to working together to build a safer, stronger, and more resilient Hawaii.

David Kennard

Chair, State Hazard Mitigation Forum

RICHARD T. BISSEN, JR.
Mayor

JOSIAH K. NISHITA
Managing Director



OFFICE OF THE MAYOR
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov

TO: Senator Glenn Wakai, Chair
Senator Brandon J.C. Elefante, Vice Chair
Committee on Public Safety and Intergovernmental and Military Affairs

FROM: Richard T. Bissen, Jr., Mayor
Josiah K. Nishita, Managing Director

DATE: March 10, 2024

SUBJECT: SUPPORT OF HB2610 HD1, RELATING TO DISASTER RELIEF

Thank you for the opportunity to testify in **SUPPORT** of this important measure. The act establishes a disaster relief match special fund to support the local match requirements of the FEMA Maui Wildfires Hazard Mitigation Grant Program for projects that implement mitigation measures to prevent and minimize the impacts of natural hazards affecting the State. Appropriates funds. Effective 7/1/3000.

We **SUPPORT** this measure for the following reasons:

1. This bill supports local municipalities needing assistance with matching funds.
2. Large amounts of HMGP funding will be expected given the disasters – these matching funds will be critical given the many recovery and response expenses facing counties recovering from a disaster.

For the foregoing reasons, we **SUPPORT** this measure.

Council Chair
Alice L. Lee

Vice-Chair
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore
Tasha Kama

Councilmembers
Tom Cook
Gabe Johnson
Tamara Paltin
Keani N.W. Rawlins-Fernandez
Shane M. Sinenci
Nohelani U'u-Hodgins



Director of Council Services
David M. Raatz, Jr., Esq.


Deputy Director of Council Services
Richelle K. Kawasaki, Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

LATE

March 9, 2024

TO: The Honorable Glenn Wakai, Chair, and
Members of the Senate Committee on Public Safety and Intergovernmental
and Military Affairs

FROM: Alice L. Lee
Council Chair 

SUBJECT: **HEARING OF MARCH 11, 2024; TESTIMONY IN SUPPORT OF HB2610,
HD1, RELATING TO DISASTER RELIEF**

I **support** this measure to establish the Disaster Relief Match Special Fund, providing the local match for projects under the Federal Emergency Management Agency's Maui Wildfires Hazard Mitigation Grant Program.

I am providing this testimony in my capacity as an individual member of the Maui County Council.

I **support** this measure for the following reasons:

1. The estimated cost of rebuilding after the August 2023 Maui wildfires is billions of dollars. Collaboration between and funding from Federal, State, and County governments will be necessary to overcome this immense cost. This measure provides valuable funding for the rebuilding effort.
2. The establishment of the Disaster Relief Match Special Fund would alleviate the burden on local authorities and communities in securing the necessary funds to meet the required match amounts set by FEMA. This measure would enable the Hawaii Emergency Management Agency to access federal grants that might otherwise be out of reach.
3. This measure will make it more likely that our communities will be able to take advantage of FEMA's HMGP funding and will assist Maui County and the State in rebuilding safer, stronger, and smarter in creating a more resilient Hawaii by mitigating the impact of natural hazards.

Thank you for your consideration.



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

LATE

**HEARING BEFORE THE SENATE COMMITTEES ON
PUBLIC SAFETY AND INTERGOVERNMENTAL AND MILITARY AFFAIRS
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 225
Monday, March 11, 2024 AT 3:00 P.M.**

To The Honorable Senator Glenn Wakai, Chair
The Honorable Brandon J.C. Elefante, Vice Chair
Members of the Committee on Public Safety and Intergovernmental and Military Affairs

SUPPORT HB2610 HD1 RELATING TO DISASTER RELIEF

The Maui Chamber of Commerce **SUPPORTS HB2610 HD1**.

The Chamber supports the establishment of a disaster relief match special fund and appropriate funds to provide the local match requirements of the Maui wildfires hazard mitigation grant program.

We note that the bill proposes to fund this money from the general fund. We would like to suggest using the Emergency and Budget Reserve (EBR) fund and possibly the hurricane relief fund instead. We realize that it takes a two-thirds vote from both chambers to appropriate from the ERB fund. We feel this a very definite emergency that would qualify for use of these funds. We all must come together on solutions when dealing with catastrophic events.

We appreciate the forward thinking of this initiative. We hope that the state will continue to explore federal and other methods of funding for expediting protective measures in order to help lessen the impacts of future disasters.

The Chamber looks forward to continued discussions on this and other related bills to find the best possible solutions.

For these reasons we **SUPPORT HB2610 HD1** and respectfully ask that it be passed with our suggested amendment.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.