A BILL FOR AN ACT

RELATING TO WILDFIRES.

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

- 1 SECTION 1. The legislature finds that as the risk of
- 2 catastrophic wildfires in Hawaii has increased, so has the
- 3 threat of property damage from such fires. Although most
- 4 property owners have insurance, some do not, and others'
- 5 insurance may not fully cover their losses.
- 6 The legislature further finds that when the cause of a
- 7 wildfire is uncertain or contested, costly and protracted
- 8 litigation ensues. Litigation regarding wildfire damages can
- 9 impose massive costs, including on the State, counties,
- 10 utilities, landowners, and other defendants that may be alleged
- 11 to have contributed to catastrophic wildfires. Such costs can
- 12 overwhelm these major institutions of the community, undermining
- 13 their ability to make investments that the State needs. Indeed,
- 14 even the possibility of litigation regarding a future
- 15 catastrophic wildfire can create a cloud of uncertainty that
- 16 threatens to impair the ability of these entities to attract
- 17 capital on reasonable terms--capital that is vital to make

- 1 investments in wildfire prevention, among other priorities.
- 2 Such an outcome harms everyone.
- 3 The legislature also finds that the risk of property damage
- 4 stemming from catastrophic wildfires may lead property insurers
- 5 to raise rates or refuse to provide coverage for certain losses,
- 6 or certain high-risk areas, of Hawaii--as occurred in the wake
- 7 of hurricane Iniki with respect to hurricanes.
- 8 The legislature additionally finds that it is in the public
- 9 interest to take steps to ensure that property insurance remains
- 10 available to cover losses associated with wildfires by providing
- 11 benefits to property insurers. Furthermore, the legislature
- 12 finds that it is in the public interest to ensure that the
- 13 threat of wildfires does not make investment in Hawaii's public
- 14 utilities so financially risky that it becomes too costly or
- 15 impossible for them to raise capital to implement vital plans,
- 16 including plans to mitigate wildfire risk, and to provide safe,
- 17 reliable, and affordable service to the people of the State.
- 18 Moreover, the legislature finds that it is in the public
- 19 interest to avoid the costs of litigation arising out of
- 20 catastrophic wildfires in order to protect Hawaii's economy and
- 21 encourage investment in the State. Therefore, the purpose of

- 1 this Act is to serve the public interest in the event of a
- 2 devastating wildfire by establishing a response to provide
- 3 compensation for property damage resulting from wildfires,
- 4 regardless of cause.
- 5 SECTION 2. The Hawaii Revised Statutes is amended by
- 6 adding a new chapter to be appropriately designated and to read
- 7 as follows:
- 8 "CHAPTER
- 9 WILDFIRE RELIEF FUND
- 10 § -1 Definitions. As used in this chapter:
- 11 "Administrator" means the wildfire relief fund
- 12 administrator appointed pursuant to section -5.
- 13 "Board" means the wildfire relief fund board of directors
- 14 created pursuant to section -4.
- "Catastrophic wildfire" means a wildfire occurring on or
- 16 after the effective date of this Act that damages or destroys
- 17 more than five hundred residential or commercial structures.
- 18 "Contributor" means any person who contributes to the
- 19 wildfire relief fund as provided in section -7.
- 20 "Corporation" means the wildfire relief fund corporation
- 21 established pursuant to section -3.

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- 1 "Electric utility" means a public utility that exists for
- 2 the furnishing of electrical power.
- 3 "Investor-owned utility" means a public utility that is
- 4 owned by shareholders and overseen by a board of directors
- 5 elected by shareholders.
- 6 "Other governmental entities" refers to governmental
- 7 entities, including county government agencies, other than state
- 8 government agencies.
- 9 "Public utility" has the same meaning as in section 269-1.
- 10 "Wildfire relief fund" means the wildfire relief fund
- 11 established pursuant to section -2.
- 12 § -2 Wildfire relief fund; establishment. (a) There
- 13 shall be established outside the state treasury a wildfire
- 14 relief fund and any accounts thereunder to carry out the
- 15 purposes of this chapter.
- 16 (b) The wildfire relief fund shall be placed within the
- 17 department of commerce and consumer affairs for administrative
- 18 purposes. The wildfire relief fund shall be a public body
- 19 corporate and politic.
- 20 (c) Moneys deposited in the wildfire relief fund and any
- 21 accounts thereunder shall be held by the wildfire relief fund,

- 1 as trustee, in a depository, as defined in section 38-1, or
- 2 according to a similar arrangement at the discretion of the
- 3 board.
- 4 (d) All moneys received by the corporation under this
- 5 chapter shall be paid immediately to the director of finance and
- 6 shall become a part of the wildfire relief fund.
- 7 (e) All payments authorized to be made by the corporation
- 8 by this chapter, including all payments for claims for
- 9 catastrophic wildfire damages, all salaries, and all other
- 10 expenses, shall be made from the wildfire relief fund.
- 11 (f) The moneys in the wildfire relief fund shall be
- 12 invested according to the same investment plans developed for
- 13 the Hawaii retirement savings special fund pursuant to chapter
- 14 389, and the earnings from the investments shall be credited to
- 15 the wildfire relief fund.
- 16 (g) All moneys in the wildfire relief fund shall be
- 17 appropriated and expended exclusively for the uses and purposes
- 18 set forth in this chapter; provided that this section shall not
- 19 be deemed to amend or impair the force or effect of any law of
- 20 this State specifically authorizing the investment of moneys
- 21 from the wildfire relief fund.

| 1 | (h) | The | wildfire | relief | fund | shall | not | be | subject | to |
|---|-----------|-----|----------|--------|------|-------|-----|----|---------|----|
| 2 | chapter 4 | 31. | | | | | | | | |

- 4 purposes; duties. (a) There shall be established the wildfire
- 5 relief fund corporation, which shall be an independent public
- 6 body and a body corporate and politic.
- 7 (b) The corporation shall be established within the
- 8 department of commerce and consumer affairs for administrative
- 9 purposes.
- 10 (c) The purpose of the corporation shall be to administer
- 11 the payment of:
- 12 (1) Eligible claims arising from catastrophic wildfires
- from the wildfire relief fund; and
- 14 (2) Contributions of contributors to the wildfire relief
- fund.
- 16 (d) The corporation shall:
- 17 (1) Receive, process, and determine payments for eligible
- 18 claims for property damage arising from catastrophic
- 19 wildfires from the wildfire relief fund;
- 20 (2) Determine and enforce the collection of contributions
- from contributors to the wildfire relief fund;

| 1 | (3) | Retain, employ, or contract with officers; experts; |
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| 2 | | employees; accountants; actuaries; financial |
| 3 | | professionals; and other advisers, consultants, |
| 4 | | attorneys, and professionals, as may be necessary in |
| 5 | | the administrator's judgment, for the efficient |
| 6 | | operation, management, and administration of the |
| 7 | | corporation; |
| 8 | (4) | Enter into contracts and other obligations related to |
| 9 | | the operation, management, and administration of the |
| 10 | | corporation; |
| 11 | (5) | Purchase insurance or take other actions to maximize |
| 12 | | the claims-paying resources of the wildfire relief |
| 13 | | fund; |
| 14 | (6) | Pay costs, expenses, and other obligations of the |
| 15 | | corporation from the wildfire relief fund's assets; |
| 16 | (7) | Take any actions necessary to collect any amounts owed |
| 17 | | to the wildfire relief fund; and |
| 18 | (8) | Undertake other activities related to the operation, |
| 19 | | management, and administration of the wildfire relief |
| 20 | | fund, as approved by the board. |

- 1 § -4 Wildfire relief fund corporation; board of
- 2 directors. (a) There shall be established a wildfire relief
- 3 fund board of directors, which shall consist of members
- 4 appointed by the governor in accordance with section 26-34. The
- 5 board shall be the policy-making body of the corporation. The
- 6 board shall be responsible for adopting policies for the
- 7 administration and operation of the wildfire relief fund and the
- 8 performance of other duties and functions assigned to the
- 9 wildfire relief fund, to the degree not specified in this
- 10 chapter.
- 11 (b) The members of the board shall serve staggered terms,
- 12 with one-half of the members' initial terms ending four years
- 13 after the initial appointment, and one-half of the members'
- 14 initial terms ending six years after the initial appointment.
- 15 Thereafter, each member shall serve four-year terms. Vacancies
- 16 shall be filled for the remainder of any unexpired term in the
- 17 same manner as the original appointments.
- 18 (c) The chairperson of the board shall be elected from
- 19 among the appointed members of the board. A majority of all
- 20 members currently appointed to the board shall constitute a
- 21 quorum to conduct business, and the concurrence of a majority of

- 1 all members currently appointed to the board shall be necessary
- 2 to make any action valid, unless otherwise specified in this
- 3 chapter.
- 4 (d) Members of the board shall be appointed to ensure:
- 5 (1) A broad and balanced representation, with proper
- judgment, character, expertise, skills, and knowledge
- 7 useful to the oversight of the corporation; and
- 8 (2) Diversity with regard to viewpoints, background, work
- 9 experience, and demographics.
- 10 The members of the board shall serve without compensation
- 11 but shall be reimbursed for actual and necessary expenses,
- 12 including travel expenses, incurred in the discharge of their
- 13 duties.
- (e) The board shall meet at least once every three months
- 15 at a time and place determined by the board. The board shall
- 16 meet at other times and places as determined by the call of the
- 17 chairperson or by a majority of the members of the board.
- 18 (f) No later than twenty days before the convening of each
- 19 regular session, the board shall submit to the legislature and
- 20 governor a report regarding the activities and operations of the

- 1 corporation during the preceding year. The report shall
- 2 include, at a minimum, a description of:
- 3 (1) The effectiveness of the wildfire relief fund's
- 4 claims-payment process; and
- 5 (2) The level of participation in the wildfire relief fund
- 6 by all eligible participants, including property
- owners, property insurers, and contributors.
- 8 (g) Each member of the board shall retain all immunities
- 9 and rights provided to a member pursuant to section 26-35.5.
- 10 § -5 Wildfire relief fund corporation; administrator.
- 11 (a) The board shall appoint an administrator and oversee the
- 12 administrator's management and administration of the
- 13 corporation.
- 14 (b) The administrator shall serve at the pleasure of the
- 15 board and shall be exempt from chapter 76.
- 16 (c) The administrator shall have powers as are necessary
- 17 to carry out the functions of the corporation, subject to the
- 18 policy direction of the board.
- 19 (d) The administrator may employ, terminate, and supervise
- 20 employees, including assistants, experts, field personnel, and

- 1 clerks, as may be necessary in the administration of the
- 2 corporation.
- 3 (e) The board may overturn any decision of the
- 4 administrator through a majority vote.
- 5 (f) At the direction of the board, the administrator shall
- 6 prepare and present for approval a plan of operations related to
- 7 the operations, management, and administration of the wildfire
- 8 relief fund on an annual basis. At least annually and at the
- 9 direction of the board, the administrator shall present the plan
- 10 of operations to the appropriate policy committees of the
- 11 legislature. The plan shall include but not be limited to
- 12 reporting on the wildfire relief fund's assets and projections
- 13 for the duration of the wildfire relief fund.
- 14 (g) At the direction of the board, the administrator shall
- 15 at least annually prepare and publish on the corporation's
- 16 website a public-facing report that describes the operations and
- 17 activities of the corporation and wildfire relief fund during
- 18 the preceding year, including a description of the financial
- 19 condition of the wildfire relief fund.
- 20 § -6 Wildfire relief fund and corporation; audit. (a)
- 21 The auditor shall conduct an annual audit of the corporation and

- 1 wildfire relief fund pursuant to chapter 23. As part of this
- 2 audit, the auditor may contract with a firm qualified to perform
- 3 an independent actuarial review.
- 4 (b) The auditor shall determine the scope of the review
- 5 required by this section, which shall include but not be limited
- 6 to:
- 7 (1) A review of the sources and uses of the moneys in the
- 8 wildfire relief fund;
- 9 (2) A reconciliation of changes in actuarial assumptions
- and reserve values from the preceding year;
- 11 (3) An examination of the development of claim reserve
- inadequacies or redundancies over time; and
- 13 (4) An assessment of the future financial viability of the
- 14 wildfire relief fund.
- 15 (c) The corporation shall cooperate with the actuarial
- 16 firm in all respects and shall permit the firm full access to
- 17 all information the firm deems necessary for a true and complete
- 18 review. Information provided to the actuarial firm conducting
- 19 the annual review shall be subject to the same limitations on
- 20 public inspections as are required for the records of the
- 21 corporation.

- 1 (d) The audit required by this section shall be conducted
- 2 using both generally accepted accounting principles and the
- 3 statutory accounting principles published by the National
- 4 Association of Insurance Commissioners.
- 5 (e) The cost of the audit required by this section shall
- 6 be paid by the corporation.
- 7 (f) The auditor shall issue an annual report to the
- 8 legislature and governor on the results of the audit and review.
- 9 The audit and report of the review performed by the independent
- 10 actuarial firm shall be available for public inspection, in
- 11 accordance with the auditor's established rules and procedures
- 12 governing public disclosure of audit documents.
- 13 §. -7 Wildfire relief fund; participation. (a) The
- 14 following entities may participate in the wildfire relief fund
- 15 as contributors:
- 16 (1) The State;
- 17 (2) Electric utilities;
- 18 (3) Public utilities that are not electric utilities that
- contribute to the risk of occurrence or severity of a
- 20 catastrophic wildfire, including but not limited to
- 21 public utilities for the production, conveyance,

| 1 | | transmission, delivery, or furnishing of gas and for |
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| 2 | • | the conveyance of telecommunications messages; |
| 3 | (4) | Other governmental entities; and |
| 4 | (5) | Private landowners who own, or whose affiliated |
| 5 | | persons or entities own in the aggregate, at |
| 6 | | least acres of land in Hawaii. |
| 7 | (þ) | To participate in the wildfire relief fund, an entity |
| 8 | shall: | |
| 9 | (1) | Notify the administrator that it intends to |
| 10 | | participate in the wildfire relief fund |
| 11 | | by in the year preceding the year in which |
| 12 | | the entity seeks to participate in the wildfire relief |
| 13 | | fund; and |
| 14 | (2) | Have made required contributions to the wildfire |
| 15 | | relief fund pursuant to section -8. |
| 16 | (ċ) | A contributor that is also a property owner in Hawaii |
| 17 | may make | a claim to the wildfire relief fund for compensation in |
| 18 | the same | manner provided for in section -13 as other property |
| 19 | owners; p | rovided that the contributor: |
| 20 | (1) | Shall retain all of the rights, privileges, and |
| 21 | | obligations of a contributor; and |

| 1 | (2) | Notwithstanding any other provisions of this chapter |
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| 2 | | and regardless of the existence of a depletion event |
| 3 | | under section $-16(c)$, shall be bound by the |
| 4 | | limitation on claims under section -18. |
| 5 | (d) | Any person or entity that poses a risk of causing or |
| 6 | exacerbat | ing the severity of a catastrophic wildfire that is not |
| 7 | eligible | to participate as a contributor in the wildfire relief |
| 8 | fund may | submit an application to the board for participation. |
| 9 | (e) | The board shall adopt rules pursuant to chapter 91 and |
| 10 | issue cri | teria for applications submitted under subsection (d). |
| 11 | (f) | The board shall include in its annual report to the |
| 12 | legislatu | re and governor under section -4 all applications |
| 13 | submitted | under subsection (d) and shall recommend to the |
| 14 | legislatu | re whether participation criteria for contributors |
| 15 | should be | broadened. |
| 16 | \$ | -8 Wildfire relief fund; funding. (a) Total |
| 17 | capitaliza | ation. The total capitalization amount of the wildfire |
| 18 | relief fu | nd shall be \$. Neither the board nor the |
| 19 | administra | ator may modify the total capitalization amount, except |

as otherwise expressly provided in this chapter.

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- 1 (b) Actuarial study. The board shall commission an
- 2 actuarial study to be completed in 2024 to assess whether the
- 3 total capitalization amount should be increased or decreased
- 4 based on a holistic assessment of the risk of catastrophic
- 5 wildfires in Hawaii and the potential exposure of the wildfire
- $\mathbf{6}$ relief fund to claims arising out of such catastrophic
- 7 wildfires. The board shall include this assessment in the
- 8 annual report that it submits to the legislature and governor
- 9 under section -4.
- 10 (c) Time to total capitalization. The administrator shall
- 11 recommend to the board, and the board shall, by majority vote,
- 12 approve initial contribution amounts under \$ for
- 13 potential contributors, other than the State and electric
- 14 utilities, based on the actuarial factors identified in
- 15 subsection (b) and with the goal of, to the extent reasonably
- 16 possible, having the wildfire relief fund reach the total
- 17 capitalization amount within five years of the effective date of
- 18 this Act, taking into consideration reasonably expected
- 19 investment returns and assuming no payments will be made by the
- 20 wildfire relief fund during that time period.

| 1 | (d) Ca | pitalization | amounts. | With th | e exce | ption of | the |
|----|--------------|---------------|------------|----------|--------|----------|---------|
| 2 | contribution | made by the | State in | paragrap | h (4), | contrib | ution |
| 3 | amounts shal | l be divided | by the ad | ministra | tor in | to an in | itial |
| 4 | contribution | amount to be | made by | | , an | d annual | |
| 5 | contribution | amounts to b | e made ov | er a fiv | e-year | period, | subject |
| 6 | to the admin | istrator's ab | oility to | increase | payme | nts unde | r the |
| 7 | insufficient | funding prov | ision in | subsecti | on (g) | • | |
| 8 | The wil | dfire relief | fund shal | l be cap | italiz | ed by th | е |
| 9 | following co | ntributions: | | | | | |
| 10 | (1) Fr | om other gove | rnmental | entities | that | are elig | ible to |
| 11 | pa | rticipate in | the wildf | ire reli | ef fun | d, an am | ount |
| 12 | de | termined by t | he admini | strator | based | on an ac | tuarial |
| 13 | as | sessment of t | he risk o | f paymen | ts to | these en | tities |
| 14 | by | the wildfire | relief f | und resu | lting | from | |
| 15 | ca | tastrophic wi | ldfires c | reated b | y the | entities | , as |
| 16 | we | ll as the ris | k of pote | ntial pa | yments | made by | the |
| 17 | wi | ldfire relief | fund res | ulting f | rom ca | tastroph | ic |
| 18 | wi | ldfires creat | ed by the | se entit | ies; | | |
| 19 | (2) Fr | om public uti | lities ot | her than | elect | ric util | ities |
| 20 | an . | d private lan | downers th | hat are | in all | cases e | ligible |
| 21 | to | participate | in the wi | ldfire r | elief | fund, an | amount |

| 1 | | determined by the administrator based on an actuarial |
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| 2 | | assessment of the risk of potential payments by the |
| 3 | • | wildfire relief fund resulting from catastrophic |
| 4 | | wildfires created by these entities; |
| 5 | (3) | From electric utilities, \$; provided that |
| 6 | | there shall be different contribution amounts required |
| 7 | | by investor-owned utilities and non-investor owned |
| 8 | | utilities, taking into account the differences in |
| 9 | | revenues and assets between the ownership models; and |
| 10 | (4) | From the State, \$. |
| 11 | (e) | The board shall determine the contribution amounts of |
| 12 | eligible | contributors by ; provided that this date is |
| 13 | thirty day | ys before the date by which participants are required |
| 14 | to notify | the administrator of their intention to participate in |
| 15 | the wildf. | ire relief fund. If an eligible contributor declines |
| 16 | to notify | the administrator that the eligible contributor wishes |
| 17 | to partic | ipate in the wildfire relief fund and become a |
| 18 | contribut | or, the board shall reduce the total capitalization |
| 19 | amount by | subtracting the amount the board allocated to that |
| 20 | eligible (| contributor. |

- 1 (f) If an electric utility, public utility other than an
- 2 electric utility, other governmental entity, or private
- 3 landowner elects to become a contributor after the initial
- 4 capitalization of the wildfire relief fund, the electric
- 5 utility, public utility other than an electric utility, other
- 6 governmental entity, or private landowner shall provide,
- 7 by in the year before the year in which the electric
- 8 utility, public utility other than an electric utility, other
- 9 governmental entity, or private landowner seeks to become a
- 10 contributor, an initial contribution in an amount determined by
- 11 the board by a majority vote upon the administrator's
- 12 recommendation, based on an up-to-date consideration of the
- 13 factors identified in subsection (b), such that the previous and
- 14 present initial contributions by all contributors reflect their
- 15 relative contributions to the risk of future payments from the
- 16 wildfire relief fund.
- 17 If necessary to achieve such an allocation of initial
- 18 contributions, and if the election is made before the fifth year
- 19 of the wildfire relief fund's operation, the administrator shall
- 20 reduce the amount of annual contributions by one or more
- 21 contributors who previously made initial contributions until

- 1 such an allocation is reached. The administrator shall increase
- 2 the total capitalization amount of the wildfire relief fund by
- 3 the amount of the initial contribution of the new wildfire
- 4 relief fund contributor. The administrator may, in the
- 5 administrator's discretion, permit a new contributor under this
- 6 subsection to make payments over a five-year period.
- 7 (g) Insufficient funding. If the administrator determines
- 8 that payments made by the wildfire relief fund, and expected
- 9 future contributions by contributors and investment returns,
- 10 will result in the wildfire relief fund's: failing to reach the
- 11 total capitalization amount, as adjusted, as applicable, under
- 12 subsection (a), by the fifth year; or falling below the total
- 13 capitalization amount after the fifth year--including, in either
- 14 case, as a result of the legislature increasing the total
- 15 capitalization amount -- the administrator shall recommend that
- 16 the board establish a supplemental contribution to be
- 17 contributed to the wildfire relief fund. Responsibility among
- 18 contributors for the supplemental contribution shall be
- 19 allocated as follows:
- 20 (1) The administrator shall recommend to the board, and
- 21 the board shall determine by majority vote, the

| 1 | | respective portions of the supplemental contribution |
|----|-----------|---|
| 2 | | amount to be paid by each electric utility, public |
| 3 | | utility other than an electric utility, other |
| 4 | | governmental entity, and private landowner |
| 5 | • | contributor, based on an up-to-date assessment of the |
| 6 | | factors identified in subsection (b); and |
| 7 | (2) | The remaining amount of the supplemental contribution |
| 8 | | shall be paid by the State, subject to legislative |
| 9 | | appropriation. |
| 10 | ('n) | The administrator may allow contributors to pay |
| 11 | supplemen | tal contributions via annual contributions, or in part |
| 12 | via an in | itial contribution followed by annual contributions, |
| 13 | unless th | e administrator determines that this contribution |
| 14 | schedule | will create a material risk that the wildfire relief |
| 15 | fund will | not reach or return to its total capitalization amount |
| 16 | within a | reasonable period of time to perform the functions |
| 17 | identifie | d in this chapter. |
| 18 | (i) | If the board establishes a supplemental contribution |
| 19 | pursuant | to subsection (g), before the wildfire relief fund |
| 20 | receives | the supplemental contribution, the wildfire relief fund |
| 21 | may issue | revenue bonds up to the amount of the supplemental |

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- 1 contribution, which shall be backed by future contributions to
- 2 the wildfire relief fund.
- 3 (j) The board may order supplemental contributions under
- 4 this chapter even if an investigation under the replenishment
- 5 process under section -9 is ongoing. In the event that
- 6 payments are later made under that replenishment process, the
- 7 board, provided that other conditions of the refunds section are
- 8 met pursuant to section -11, may refund supplemental
- 9 contributions in whole or in part.
- 10 (k) Utility contribution. A public utility's
- 11 contributions to the wildfire relief fund, including initial and
- 12 supplemental contributions, shall not be recovered from its
- 13 customers in rates.
- 14 (1) If the total amount of payments that the administrator
- 15 determines should be paid in connection with a catastrophic
- 16 wildfire pursuant to sections -13, -14, and -15 exceeds
- 17 the current balance of the wildfire relief fund, the State may
- 18 provide a loan to the wildfire relief fund. The loan shall be
- 19 repaid over time through annual contributions by contributors.
- 20 § -9 Replenishment of the wildfire relief fund;
- 21 determination of prudence. (a) If the administrator, or an

- 1 agency of the State with responsibility for determining the
- 2 causes of wildfires or catastrophic wildfires, informs the
- 3 public utilities commission that a catastrophic wildfire may
- 4 have been ignited by the facilities of a public utility that is
- 5 a contributor, the public utilities commission shall initiate a
- 6 proceeding to review the public utility's conduct leading to the
- 7 catastrophic wildfire and make findings. The public utilities
- 8 commission may, even without formal notice from the
- 9 administrator or the agency, initiate this proceeding of its own
- 10 accord.
- 11 (b) The public utilities commission shall evaluate the
- 12 prudence of the conduct of the public utility in connection with
- 13 a catastrophic wildfire. The public utilities commission shall
- 14 determine whether the public utility acted prudently,
- 15 considering only acts that may have caused the ignition and
- 16 evaluating the public utility's actions in the context of the
- 17 public utility's overall systems, processes, and programs, such
- 18 that an error by a public utility employee would not be a basis
- 19 for a finding of imprudence, unless that error resulted from any
- 20 imprudent system, process, or program.

- 1 (c) In evaluating prudence under this section, the public
- 2 utilities commission shall determine whether the actions of the
- 3 public utility were consistent with actions that a reasonable
- 4 public utility would have undertaken in good faith under similar
- 5 circumstances, at the relevant point in time, and based on the
- 6 information available to the public utility at the relevant
- 7 point in time.
- 8 Reasonable conduct shall not be limited to the optimum
- 9 practice, method, or act to the exclusion of others, but rather
- 10 shall encompass a spectrum of possible practices, methods, or
- 11 acts consistent with utility system needs, the interest of
- 12 ratepayers, and the requirements of governmental agencies of
- 13 competent jurisdiction.
- 14 (d) If the public utilities commission determines that
- 15 imprudent conduct by the public utility caused the catastrophic
- 16 wildfire, the public utilities commission shall determine
- 17 whether to order the public utility to reimburse the wildfire
- 18 relief fund in whole or in part for payments from the wildfire
- 19 relief fund made in connection with the catastrophic wildfire.
- 20 In determining the amount of reimbursement, if any, the public
- 21 utilities commission shall consider the extent and severity of

- 1 the public utility's imprudence and factors within and beyond
- 2 the public utility's control that may have led to or exacerbated
- 3 the costs from the catastrophic wildfire, including but not
- 4 limited to humidity, temperature, winds, fuel, merged wildfires
- 5 with independent ignitions, third-party actions that affected
- 6 the spread of the wildfire, and fire suppression activities.
- 7 (e) The public utilities commission shall not order the
- 8 public utility to reimburse the wildfire relief fund in an
- 9 amount that exceeds the lesser of:
- 10 (1) The costs that the public utilities commission
- determines were due to the public utility's
- imprudence; or
- 13 (2) Twenty per cent of the public utility's transmission
- 14 and distribution equity rate base minus the amounts
- 15 the public utility has reimbursed, or is required to
- 16 reimburse, the wildfire relief fund during the period
- 17 of three consecutive calendar years ending on
- 18 December 31 of the year in which the calculation is
- being performed.
- 20 (f) If the public utilities commission orders the public
- 21 utility to reimburse the wildfire relief fund, the public

- 1 utility shall not recover the amount of the reimbursement in
- 2 rates charged to ratepayers.
- 3 (g) If the administrator, or an agency of the State with
- 4 responsibility for determining the causes of wildfires or
- 5 catastrophic wildfires, concludes that the conduct of an other
- 6 governmental entity or private landowner that is a contributor
- 7 may have caused the occurrence or contributed to the severity of
- $oldsymbol{8}$ a catastrophic wildfire, the administrator shall assess the
- 9 prudence of the contributor's conduct, applying the same
- 10 standard of prudence applied to public utilities pursuant to
- 11 subsection (c).
- 12 (h) If the administrator determines that the contributor
- 13 acted imprudently and that the imprudence caused or contributed
- 14 to the severity of the catastrophic wildfire, the administrator
- 15 shall recommend that the board require the contributor to
- 16 reimburse the wildfire relief fund in whole or in part for
- 17 payments that the wildfire relief fund made in connection with
- 18 the catastrophic wildfire, considering the factors set forth in
- 19 subsection (d), subject to a cap of ten per cent of the
- 20 contributor's assets within Hawaii, measured over a rolling
- 21 three-year period.

- 1 § -10 Failure to make contributions to wildfire relief
- 2 fund. (a) Contributors shall notify the administrator if they
- 3 will make, or fail to make, a required contribution, whether
- 4 initial, annual, or supplemental, to the wildfire relief fund at
- 5 least days before the contribution is due.
- 6 (b) If a contributor fails to make a required contribution
- 7 to the wildfire relief fund, that contributor will no longer be
- 8 a contributor as of the date that the contribution was due.
- 9 That entity may, however, rejoin the wildfire relief fund under
- 10 the process for joining the wildfire relief fund after initial
- 11 capitalization set forth in section -8.
- 12 (c) The administrator shall not refund to an entity that
- 13 fails to make a contribution any previous payments made to the
- 14 wildfire relief fund. However, the administrator shall credit
- 15 all previous contributions when determining the amount of
- 16 payment to be made if a participant rejoins the wildfire relief
- 17 fund under subsection (b).
- 18 § -11 Refunds. (a) In the event that the total amount
- 19 in the wildfire relief fund exceeds one hundred twenty per cent
- 20 of the total capitalization amount, the administrator may
- 21 recommend that the board authorize refunds to be made to the

- 1 contributors; provided that the refunds do not deplete the
- 2 wildfire relief fund below one hundred twenty per cent of the
- 3 total capitalization amount.
- 4 (b) Refunds shall be made in proportion to the total
- 5 amount contributed by the contributors to the wildfire relief
- 6 fund as of the date of the refund, excluding any payments made
- 7 under the replenishment provisions under section -9.
- 8 (c) The administrator has no obligation to recommend, and
- 9 the board has no obligation to authorize, a refund. The board
- 10 shall make a refund only if it takes into consideration all
- 11 relevant factors and circumstances and determines that making a
- 12 refund will be unlikely to result in the wildfire relief fund's
- 13 falling below one hundred twenty per cent of total
- 14 capitalization within three years after the refund.
- 15 (d) Any contributor may request that the board make a
- 16 refund whenever the conditions under this section are met.
- 17 (e) If the board elects to issue a refund or elects not to
- 18 do so after receiving a request under subsection (d), the
- 19 administrator shall issue an order explaining the board's
- 20 decision.

- 1 § -12 Processing of claims. (a) With the approval of
- 2 the board, the administrator shall establish and approve
- 3 procedures for the review, approval, and timely payment of
- 4 claims for reimbursement from the wildfire relief fund. The
- 5 procedures may be revised from time to time by the administrator
- 6 with the approval of the board.
- 7 (b) In the event of a catastrophic wildfire within the
- 8 State, the administrator shall process claims made for
- 9 compensation against the wildfire relief fund related to the
- 10 catastrophic wildfire, consistent with the requirements of this
- 11 chapter.
- 12 § -13 Claims by property owners. (a) To be eligible
- 13 for compensation from the wildfire relief fund for damage to
- 14 property from a catastrophic wildfire, a property owner shall
- 15 not have opted out from participation in the wildfire relief
- 16 fund before the occurrence of the catastrophic wildfire.
- 17 (b) County tax assessors shall include, with each real
- 18 property tax assessment sent to a property owner in the State, a
- 19 prominent notice regarding participation in the wildfire relief
- 20 fund. The notice shall be in a form prescribed by the
- 21 administrator and shall clearly explain the property owner's

- 1 right to opt out of participation in the wildfire relief fund by
- 2 submitting a request to opt out to the administrator within a
- 3 specific time. A property owner who does not submit a timely
- 4 request to opt out shall be deemed to participate in the
- 5 wildfire relief fund as of the deadline for submitting a request
- 6 to opt out.
- 7 (c) Any costs of administering the process described in
- 8 subsection (b) shall be reimbursed by the wildfire relief fund.
- 9 (d) In order to opt out of participation in the wildfire
- 10 relief fund with regard to property either in areas within the
- 11 State that have been assigned extreme, high, and moderate
- 12 wildfire risk classes by , a property owner shall
- 13 submit documentation of insurance coverage for the property
- 14 along with the property owner's request to opt out of the
- 15 wildfire relief fund, and the administrator shall approve the
- 16 documentation as adequate evidence of insurance for the
- 17 applicable property.
- 18 (e) Following a catastrophic wildfire, to make a claim for
- 19 compensation from the wildfire relief fund for damage to
- 20 property from the catastrophic wildfire, a property owner shall
- 21 submit to the administrator documentation establishing:

| 1 | (1) | That the catastrophic wildfire damaged the owner's |
|----|------------|--|
| 2 | | property; |
| 3 | (2) | The extent of the losses to the owner's property |
| 4 | | caused by that catastrophic wildfire; and |
| 5 | (3) | Any insurance policy providing coverage for those |
| 6 | | losses. |
| 7 | (f) | Within ninety days after a property owner submits a |
| 8 | claim for | compensation from the wildfire relief fund, including |
| 9 | the docume | entation required in this section, the administrator |
| 10 | shall det | ermine whether the documentation is adequate and, if |
| 11 | so, the a | ppropriate amount of the payment to the property owner |
| 12 | from the | wildfire relief fund. If the administrator determines |
| 13 | that the p | property owner has not submitted sufficient |
| 14 | documenta | tion for the administrator to evaluate the claim, the |
| 15 | administra | ator may request additional documentation from the |
| 16 | property | owner and may set a date by which the additional |
| 17 | informatio | on shall be provided by the property owner. |

(g) If no insurance policy provides coverage for the

losses for which a property owner seeks compensation from the

wildfire relief fund, the property owner shall be eligible to

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- 1 receive as compensation from the wildfire relief fund a maximum
- 2 of \$
- 3 (h) If an insurance policy provides coverage for the
- 4 losses for which a property owner seeks compensation from the
- 5 wildfire relief fund, the property owner shall be eligible to
- 6 receive as compensation from the wildfire relief fund an amount
- 7 up to the lesser of:
- 8 (1) per cent of the amount by which the property
- 9 owner's losses exceed the amount of insurance coverage
- for the losses; or
- 11 (2) per cent of the property owner's insurance
- 12 coverage applicable to the losses;
- 13 provided that the property owner submits adequate documentation
- 14 of those losses, as required by this section.
- 15 § -14 Claims by property insurers. (a) To be eligible
- 16 for compensation from the wildfire relief fund, a property
- 17 insurer shall have elected to participate in the fund before the
- 18 annual policy period in which the catastrophic wildfire
- 19 occurred. The administrator shall establish a process for
- 20 property insurers to annually submit an election to participate

- 1 in the wildfire relief fund to the administrator within a
- 2 specified time.
- 3 (b) All property insurers who elect to participate in the
- 4 wildfire relief fund shall be eliqible to receive as
- 5 compensation from the wildfire relief fund per cent of
- 6 their total payments for property damage claims in Hawaii as a
- 7 result of a catastrophic wildfire.
- 8 (c) Following a catastrophic wildfire, to make a claim for
- 9 compensation from the wildfire relief fund based on claims
- 10 resulting from the catastrophic wildfire, an eligible property
- 11 insurer shall submit to the administrator documentation
- 12 establishing the number, nature, and total value of insurance
- 13 claims that the property insurer paid pursuant to its policies
- 14 for damage resulting from the catastrophic wildfire as well as
- 15 documentation sufficient to assess the reasonableness of the
- 16 property insurer's payment of the claims.
- 17 (d) After receipt of a property insurer's claim for
- 18 compensation from the wildfire relief fund, including the
- 19 documentation required in this section, the administrator shall:

| • | (1) Neview via an expedited procedure the property |
|----|--|
| 2 | insurer's claim for compensation from the wildfire |
| 3 | relief fund; and |
| 4 | (2) Determine: |
| 5 | (A) Whether the documentation provided is adequate; |
| 6 | and |
| 7 | (B) The appropriate amount of the payment to the |
| 8 | property insurer from the wildfire relief fund. |
| 9 | § -15 Claims by the State and other governmental |
| 10 | entities. (a) The State may submit claims for compensation |
| 11 | from the wildfire relief fund for damages it incurred resulting |
| 12 | from a catastrophic wildfire, including damage to infrastructure |
| 13 | or other property, costs of fire suppression, and natural |
| 14 | resource damages, to the extent recovery of the losses is |
| 15 | authorized by law. |
| 16 | (b) Other governmental entities may submit claims for |
| 17 | compensation from the wildfire relief fund for damages they |
| 18 | incurred resulting from a catastrophic wildfire, including |
| 19 | damage to infrastructure or other property and other losses, to |
| 20 | the extent recovery of the losses is authorized by law; provided |
| 21 | that to be eligible for compensation from the wildfire relief |

- 1 fund related to a catastrophic wildfire, the other governmental
- 2 entity shall elect to be a contributor and shall have satisfied
- 3 contribution obligations pursuant to section -8 before the
- 4 occurrence of the catastrophic wildfire.
- 5 (c) To make a claim under this section, the State or other
- 6 governmental entity shall submit to the administrator
- 7 documentation establishing:
- 8 (1) That the catastrophic wildfire caused the damages;
- 9 (2) The extent of the damages caused by the catastrophic
- wildfire; and
- 11 (3) Any other documentation necessary to establish the
- 12 State's or other governmental entity's right to
- recover the losses pursuant to law.
- 14 (d) After receipt of a claim for compensation from the
- 15 wildfire relief fund pursuant to this section, the administrator
- 16 shall determine whether the State or other governmental entity
- 17 is authorized to recover damages under applicable law and, if
- 18 so, the appropriate amount of the payment.
- 19 § -16 Fund depletion. (a) Within thirty days of a
- 20 catastrophic wildfire, the administrator shall assess whether
- 21 the total payments that the wildfire relief fund is projected to

- 1 make to eligible property owners, property insurers, the State,
- 2 and other governmental entities under sections -13, -14,
- 3 and -15, respectively, are expected to exceed seventy-five
- 4 per cent of the total available money in the wildfire relief
- 5 fund. The board shall adopt rules pursuant to chapter 91
- 6 regarding the performance of this assessment.
- 7 (b) If the administrator assesses pursuant to subsection
- 8 (a) that the total payments that the wildfire relief fund is
- 9 projected to make to eligible property owners, property
- 10 insurers, the State, and other governmental entities under
- 11 sections -13, -14, and -15, respectively, are expected
- 12 to exceed seventy-five per cent of the total available money in
- 13 the wildfire relief fund, the administrator shall seek to
- 14 increase the total amount of money in the wildfire relief fund
- 15 using all available methods under this chapter.
- 16 (c) Depletion event. If the administrator is unable,
- 17 despite taking the steps under subsection (b), to secure
- 18 sufficient additional funding for the wildlife relief fund,
- 19 including credible pledges for future funding, to reverse the
- 20 administrator's assessment under subsection (a) within forty-

- 1 five days, the administrator shall declare the existence of a
- 2 depletion event.
- 3 (d) Depletion percentage. If the administrator declares
- 4 the existence of a depletion event, the administrator shall
- 5 determine what percentage of total eligible payments the
- 6 wildlife relief fund can make without the likelihood that the
- 7 payments will exceed seventy-five per cent of the total
- 8 available money in the wildlife relief fund. This percentage
- 9 shall be deemed the depletion percentage.
- 10 (e) Depletion payment. The administrator shall thereafter
- 11 offer all property owners, property insurers, the State, and
- 12 other governmental entities that submit claims for compensation
- 13 from the wildfire relief fund and would otherwise, under
- 14 sections -13, -14, and -15, respectively, be entitled
- 15 to a particular payment amount, that amount multiplied by the
- 16 depletion percentage. This amount shall be deemed the depletion
- 17 payment.
- 18 (f) All claimants that are offered the depletion payment
- 19 may choose to accept or decline the payment. Any property owner
- 20 or property insurer, other than a contributor, that declines to
- 21 accept the depletion payment shall:

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| (1) | Be ineligible for any payments by the wildfire relief |
|-----------|---|
| | fund with respect to the catastrophic wildfire for |
| | which the claim was made; and |
| (2) | Not be bound by the limitation on claims under |
| | section -18 with respect to only that catastrophic |
| | wildfire. |
| (g) | After the payments to all claimants who accepted the |
| depletion | payment have been made, the administrator may |
| recommend | to the board, and the board may decide, in its |
| discretio | n, to make a further payment to all claimants who |
| accepted | the depletion payment. The board shall adopt rules |
| pursuant | to chapter 91 for the making of this decision. |
| (h) | Multiple catastrophic events. The board shall adopt |
| rules pur | suant to chapter 91 regarding how to pay claims in the |
| event tha | t one or more catastrophic wildfires occur while the |
| corporati | on is in the process of assessing, receiving, |
| determini | ng, or paying claims from an earlier catastrophic |
| wildfire. | |
| \$ | -17 Hearings and appeals of determinations. (a) |
| | (g) depletion recommend discretio accepted pursuant (h) rules pur event tha corporati determini wildfire. |

Within thirty days after the administrator's determination of

the amount of payment due to any claimant from the wildfire

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- 1 relief fund pursuant to sections -13, -14, and -15,
- 2 respectively, or the board's determination of a contributor's
- 3 allocation for any contribution, the affected person or entity
- 4 may request a contested case hearing on that determination
- 5 before the department of commerce and consumer affairs pursuant
- 6 to chapter 91.
- 7 (b) Upon receipt of a request for a hearing on the
- 8 administrator or board's determination, the office of
- 9 administrative hearings shall schedule a hearing date no later
- 10 than days after its receipt of the request for a hearing.
- 11 (c) Following the conclusion of any hearing or before the
- 12 conclusion of the hearing, with the concurrence of the parties,
- 13 the office of administrative hearings shall promptly, and no
- 14 later than days after the hearing, decide the matter and
- 15 issue findings of fact, conclusions of law, and a decision in
- 16 accordance with the hearings officer's determination.
- 17 (d) Within days after the date on which a copy of the
- 18 office of administrative hearings' order is mailed to the
- 19 parties, a party may seek judicial review of the order by filing
- 20 a petition for review in the applicable circuit court, with a
- 21 right of appeal as allowed by law. If no petition is timely

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| 1 | filed, th | e orde: | r of the office of administrative hearings shall |
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| 2 | be final. | | |
| 3 | § | -18 L: | imitations on claims. (a) No suit, claim, or |
| 4 | other civ | il lega | al action may be instituted or maintained against |
| 5 | contribut | ors or | their affiliates, employees, agents, or |
| 6 | insurers: | | |
| 7 | (1) | For re | ecovery of losses or damages of a type for which |
| 8 | | comper | nsation may be sought from the wildfire relief |
| 9 | · | fund; | and |
| 10 | (2) | By pe | rsons or entities who: |
| 11 | | (A) A | Are contributors, property owners who do not opt |
| 12 | | C | out of the wildfire relief fund, or property |
| 13 | | - | insurers who elect to participate in the wildfire |
| 14 | | 1 | relief fund; or |
| 15 | | (B) S | Seek indemnity or contribution for amounts paid, |
| 16 | | C | or that may be paid, to contributors, property |
| 17 | | C | owners who do not opt out of the wildfire relief |
| 18 | | Í | fund, or property insurers who elect to |
| 19 | | F | participate in the wildfire relief fund. |
| 20 | (d) | Person | ns or entities who are eligible to seek |
| 21 | compensat | ion fro | om the wildfire relief fund for property damage |

- 1 arising from a catastrophic wildfire may not seek to recover for
- 2 the damage from electric utilities, public utilities other than
- 3 electric utilities, the State, or private landowners who are
- 4 contributors, notwithstanding that the claimed property damage
- 5 may exceed the amount of payment by the wildfire relief fund for
- 6 the damage.
- 7 (c) The wildfire relief fund shall be subrogated to the
- 8 rights of the contributors, property owners who do not opt out
- 9 of the wildfire relief fund, and property insurers who elect to
- 10 participate in the wildfire relief fund, to the extent of any
- 11 payment made by the wildfire relief fund to such person or
- 12 entity, such that the wildfire relief fund may pursue claims
- 13 against a person or an entity that is not a contributor for
- 14 damages resulting from the catastrophic wildfire."
- 15 SECTION 3. Section 76-16, Hawaii Revised Statutes, is
- 16 amended by amending subsection (b) to read as follows:
- "(b) The civil service to which this chapter applies shall
- 18 comprise all positions in the State now existing or hereafter
- 19 established and embrace all personal services performed for the
- 20 State, except the following:

| | (±) | commitssioned and entisted personner of the nawair |
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| 2 | | National Guard as such, and positions in the Hawaii |
| 3 | | National Guard that are required by state or federal |
| 4 | | laws or regulations or orders of the National Guard to |
| 5 | | be filled from those commissioned or enlisted |
| 6 | | personnel; |
| 7 | (2) | Positions filled by persons employed by contract where |
| 8 | | the director of human resources development has |
| 9 | | certified that the service is special or unique or is |
| 10 | | essential to the public interest and that, because of |
| 11 | • | circumstances surrounding its fulfillment, personnel |
| 12 | | to perform the service cannot be obtained through |
| 13 | | normal civil service recruitment procedures. Any such |
| 14 | • | contract may be for any period not exceeding one year; |
| 15 | (3) | Positions that must be filled without delay to comply |
| 16 | | with a court order or decree if the director |
| 17 | | determines that recruitment through normal recruitment |
| 18 | | civil service procedures would result in delay or |
| 19 | | noncompliance, such as the Felix-Cayetano consent |
| 20 | | decree; |

| 1 | (4) | Positions filled by the legislature or by either house |
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| 2 | | or any committee thereof; |
| 3 | (5) | Employees in the office of the governor and office of |
| 4 | | the lieutenant governor, and household employees at |
| 5 | | Washington Place; |
| 6 | (6) | Positions filled by popular vote; |
| 7 | (7) | Department heads, officers, and members of any board, |
| 8 | | commission, or other state agency whose appointments |
| 9 | | are made by the governor or are required by law to be |
| 10 | ٠ | confirmed by the senate; |
| 11 | (8) | Judges, referees, receivers, masters, jurors, notaries |
| 12 | | public, land court examiners, court commissioners, and |
| 13 | | attorneys appointed by a state court for a special |
| 14 | | temporary service; |
| 15 | (9) | One bailiff for the chief justice of the supreme court |
| 16 | | who shall have the powers and duties of a court |
| 17 | | officer and bailiff under section 606-14; one |
| 18 | | secretary or clerk for each justice of the supreme |
| 19 | | court, each judge of the intermediate appellate court, |
| 20 | | and each judge of the circuit court; one secretary for |
| 21 | | the judicial council; one deputy administrative |

| 1 | director of the courts; three law clerks for the chief |
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| 2 | justice of the supreme court, two law clerks for each |
| 3 . | associate justice of the supreme court and each judge |
| 4 | of the intermediate appellate court, one law clerk for |
| 5 | each judge of the circuit court, two additional law |
| 6 | clerks for the civil administrative judge of the |
| 7 | circuit court of the first circuit, two additional law |
| 8 | clerks for the criminal administrative judge of the |
| 9 | circuit court of the first circuit, one additional law |
| 10 | clerk for the senior judge of the family court of the |
| 11 | first circuit, two additional law clerks for the civil |
| 12 | motions judge of the circuit court of the first |
| 13 | circuit, two additional law clerks for the criminal |
| 14 | motions judge of the circuit court of the first |
| 15 | circuit, and two law clerks for the administrative |
| 16 | judge of the district court of the first circuit; and |
| 17 | one private secretary for the administrative director |
| 18 | of the courts, the deputy administrative director of |
| 19 | the courts, each department head, each deputy or first |
| 20 | assistant, and each additional deputy, or assistant |
| 21 | deputy, or assistant defined in paragraph (16); |

| 1 | (10) | Firs | st deputy and deputy attorneys general, the |
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| 2 | | admi | nistrative services manager of the department of |
| 3 | | the | attorney general, one secretary for the |
| 4 | | admi | nistrative services manager, an administrator and |
| 5 | | any | support staff for the criminal and juvenile |
| 6 | | just | ice resources coordination functions, and law |
| 7 | | cler | ks; |
| 8 | (11) | (A) | Teachers, principals, vice-principals, complex |
| 9 | | | area superintendents, deputy and assistant |
| 10 | | | superintendents, other certificated personnel, |
| 11 | | | and no more than twenty noncertificated |
| 12 | • | | administrative, professional, and technical |
| 13 | | | personnel not engaged in instructional work; |
| 14 | | (B) | Effective July 1, 2003, teaching assistants, |
| 15 | ٠ | | educational assistants, bilingual/bicultural |
| 16 | | | school-home assistants, school psychologists, |
| 17 | | | psychological examiners, speech pathologists, |
| 18 | · | | athletic health care trainers, alternative school |
| 19 | | | work study assistants, alternative school |
| 20 | | | educational/supportive services specialists, |
| 21 | | | alternative school project coordinators, and |

| 1 | | | communications aides in the department of |
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| 2 | | | education; |
| 3 | | (C) | The special assistant to the state librarian and |
| 4 | | | one secretary for the special assistant to the |
| 5 | | | state librarian; and |
| 6 | | (D) | Members of the faculty of the University of |
| 7 | | | Hawaii, including research workers, extension |
| 8 | | | agents, personnel engaged in instructional work, |
| 9 | | | and administrative, professional, and technical |
| 10 | | | personnel of the university; |
| 11 | (12) | Empl | oyees engaged in special, research, or |
| 12 | | demo | nstration projects approved by the governor; |
| 13 | (13) | (A) | Positions filled by inmates, patients of state |
| 14 | | | institutions, <u>and</u> persons with severe physical or |
| 15 | | | mental disabilities participating in the work |
| 16 | | | experience training programs; |
| 17 | • | (B) | Positions filled with students in accordance with |
| 18 | | | guidelines for established state employment |
| 19 | | | programs; and |
| 20 | • | (C) | Positions that provide work experience training |
| 21 | | | or temporary public service employment that are |

| 1 | | filled by persons entering the workforce or |
|----|------|--|
| 2 | • | persons transitioning into other careers under |
| 3 | | programs such as the federal Workforce Investment |
| 4 | | Act of 1998, as amended, or the Senior Community |
| 5 | | Service Employment Program of the Employment and |
| 6 | | Training Administration of the United States |
| 7 | | Department of Labor, or under other similar state |
| 8 | | programs; |
| 9 | (14) | A custodian or guide at Iolani Palace, the Royal |
| 10 | | Mausoleum, and Hulihee Palace; |
| 11 | (15) | Positions filled by persons employed on a fee, |
| 12 | | contract, or piecework basis, who may lawfully perform |
| 13 | | their duties concurrently with their private business |
| 14 | | or profession or other private employment and whose |
| 15 | | duties require only a portion of their time, if it is |
| 16 | | impracticable to ascertain or anticipate the portion |
| 17 | | of time to be devoted to the service of the State; |
| 18 | (16) | Positions of first deputies or first assistants of |
| 19 | | each department head appointed under or in the manner |
| 20 | | provided in section 6, article V, of the Hawaii State |
| 21 | | Constitution; three additional deputies or assistants |

| 1 | either in charge of the highways, harbors, and |
|----|--|
| 2 | airports divisions or other functions within the |
| 3 | department of transportation as may be assigned by the |
| 4 | director of transportation, with the approval of the |
| 5 | governor; one additional deputy in the department of |
| 6 | human services either in charge of welfare or other |
| 7 | functions within the department as may be assigned by |
| 8 | the director of human services; four additional |
| 9 | deputies in the department of health, each in charge |
| 10 | of one of the following: behavioral health, |
| 11 | environmental health, hospitals, and health resources |
| 12 | administration, including other functions within the |
| 13 | department as may be assigned by the director of |
| 14 | health, with the approval of the governor; two |
| 15 | additional deputies in charge of the law enforcement |
| 16 | programs, administration, or other functions within |
| 17 | the department of law enforcement as may be assigned |
| 18 | by the director of law enforcement, with the approval |
| 19 | of the governor; three additional deputies each in |
| 20 | charge of the correctional institutions, |
| 21 | rehabilitation services and programs, and |

| 1 | | administration or other functions within the |
|----|------|--|
| 2 | | department of corrections and rehabilitation as may be |
| 3 | | assigned by the director $\left[\frac{\Theta \mathbf{r}}{2}\right]$ of corrections and |
| 4 | • | rehabilitation, with the approval of the governor; an |
| 5 | | administrative assistant to the state librarian; and |
| 6 | | an administrative assistant to the superintendent of |
| 7 | | education; |
| 8 | (17) | Positions specifically exempted from this part by any |
| 9 | | other law; provided that: |
| 10 | | (A) Any exemption created after July 1, 2014, shall |
| 11 | | expire three years after its enactment unless |
| 12 | | affirmatively extended by an act of the |
| 13 | | legislature; and |
| 14 | | (B) All of the positions defined by paragraph (9) |
| 15 | | shall be included in the position classification |
| 16 | | plan; |
| 17 | (18) | Positions in the state foster grandparent program and |
| 18 | , | positions for temporary employment of senior citizens |
| 19 | | in occupations in which there is a severe personnel |
| 20 | | shortage or in special projects; |

| 1 | (19) | Household employees at the official residence of the |
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| 2 | | president of the University of Hawaii; |
| 3 | (20) | Employees in the department of education engaged in |
| 4 | | the supervision of students during meal periods in the |
| 5 | | distribution, collection, and counting of meal |
| 6 | | tickets, and in the cleaning of classrooms after |
| 7 | | school hours on a less than half-time basis; |
| 8 | (21) | Employees hired under the tenant hire program of the |
| 9 | | Hawaii public housing authority; provided that [not] |
| 10 | | no more than twenty-six per cent of the authority's |
| 11 | • | workforce in any housing project maintained or |
| 12 | | operated by the authority shall be hired under the |
| 13 | | tenant hire program; |
| 14 | (22) | Positions of the federally funded expanded food and |
| 15 | | nutrition program of the University of Hawaii that |
| 16 | | require the hiring of nutrition program assistants who |
| 17 | | live in the areas they serve; |
| 18 | (23) | Positions filled by persons with severe disabilities |
| 19 | | who are certified by the state vocational |
| 20 | | rehabilitation office that they are able to perform |
| 21 | | safely the duties of the positions; |

| 1 | (24) | The sheriff; |
|----|------|--|
| 2 | (25) | A gender and other fairness coordinator hired by the |
| 3 | | judiciary; |
| 4 | (26) | Positions in the Hawaii National Guard youth and adult |
| 5 | | education programs; |
| 6 | (27) | In the state energy office in the department of |
| 7 | | business, economic development, and tourism, all |
| 8 | | energy program managers, energy program specialists, |
| 9 | | energy program assistants, and energy analysts; |
| 10 | (28) | Administrative appeals hearing officers in the |
| 11 | · | department of human services; |
| 12 | (29) | In the Med-QUEST division of the department of human |
| 13 | | services, the division administrator, finance officer, |
| 14 | | health care services branch administrator, medical |
| 15 | | director, and clinical standards administrator; |
| 16 | (30) | In the director's office of the department of human |
| 17 | | services, the enterprise officer, information security |
| 18 | | and privacy compliance officer, security and privacy |
| 19 | | compliance engineer, security and privacy compliance |
| 20 | | analyst, information technology implementation |
| 21 | | manager, assistant information technology |

| 1 | • | implementation manager, resource manager, |
|----|------|---|
| 2 | | community/project development director, policy |
| 3 | | director, special assistant to the director, and |
| 4 | | limited English proficiency project |
| 5 | | manager/coordinator; |
| 6 | (31) | The Alzheimer's disease and related dementia services |
| 7 | ٠ | coordinator in the executive office on aging; |
| 8 | (32) | In the Hawaii emergency management agency, the |
| 9 | | executive officer, public information officer, civil |
| 10 | • | defense administrative officer, branch chiefs, and |
| 11 | | emergency operations center state warning point |
| 12 | | personnel; provided that for state warning point |
| 13 | | personnel, the director shall determine that |
| 14 | | recruitment through normal civil service recruitment |
| 15 | | procedures would result in delay or noncompliance; |
| 16 | (33) | The executive director and seven full-time |
| 17 | | administrative positions of the school facilities |
| 18 | | authority; |
| 19 | (34) | Positions in the Mauna Kea stewardship and oversight |
| 20 | | authority; |

| 1 | (35) In the office of homeland security of the department | | |
|----|---|--|--|
| 2 | of law enforcement, the statewide interoperable | | |
| 3 | communications coordinator; [and] | | |
| 4 | (36) In the social services division of the department of | | |
| 5 | human services, the business technology analyst $[\cdot]$: | | |
| 6 | and and | | |
| 7 | (37) The wildfire relief fund administrator. | | |
| 8 | The director shall determine the applicability of this | | |
| 9 | section to specific positions. | | |
| 10 | Nothing in this section shall be deemed to affect the civil | | |
| 11 | service status of any incumbent as it existed on July 1, 1955." | | |
| 12 | SECTION 4. There is appropriated out of the general | | |
| 13 | revenues of the State of Hawaii the sum of \$ or so | | |
| 14 | much thereof as may be necessary for fiscal year 2024-2025 for | | |
| 15 | deposit into the wildfire relief fund. | | |
| 16 | SECTION 5. There is appropriated out of the general | | |
| 17 | revenues of the State of Hawaii the sum of \$ or so | | |
| 18 | much thereof as may be necessary for fiscal year 2024-2025 for | | |
| 19 | the establishment of one full-time equivalent (1.0 FTE) | | |
| 20 | administrator position, who shall be exempt from chapter 76, | | |
| 21 | Hawaii Revised Statutes, to support the Hawaii wildfire relief | | |

H.B. NO. H.D. 2

- 1 fund corporation; provided that in all subsequent fiscal years,
- 2 all funding for the administrator position shall be paid from
- 3 the wildfire relief fund.
- 4 The sum appropriated shall be expended by the department of
- 5 commerce and consumer affairs for the purposes of this Act.
- 6 SECTION 6. In accordance with section 9 of article VII of
- 7 the Hawaii State Constitution and sections 37-91 and 37-93,
- 8 Hawaii Revised Statutes, the legislature has determined that the
- 9 appropriations contained in H.B. No. , will cause the state
- 10 general fund expenditure ceiling for fiscal year 2024-2025 to be
- 11 exceeded by \$ or per cent. In addition, the
- 12 appropriation contained in this Act will cause the general fund
- 13 expenditure ceiling for fiscal year 2024-2025 to be further
- 14 exceeded by \$ or per cent. The combined total
- 15 amount of general fund appropriations contained in only these
- 16 two Acts will cause the state general fund expenditure ceiling
- 17 for fiscal year 2024-2025 to be exceeded by
- 18 \$ or per cent. The reasons for exceeding the
- 19 general fund expenditure ceiling are that:
- 20 (1) The appropriation made in this Act is necessary to
- 21 serve the public interest; and

- (2) The appropriation made in this Act meets the needs
 addressed by this Act.
- 3 SECTION 7. This Act shall take effect on July 1, 3000.

Report Title:

Hawaii Wildfire Relief Fund and Corporation; Public Utilities Commission; Catastrophic Wildfire; Appropriation; Expenditure Ceiling

Description:

Establishes the Hawaii Wildfire Relief Fund and Corporation to provide compensation for property damage resulting from catastrophic wildfires in the State. Appropriates funds. Effective 7/1/3000. (HD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.