

ACT 87

S.B. NO. 2702

A Bill for an Act Relating to a Major Disaster Trust Account.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. During a disaster, the state civil defense division of the department of defense advances payments for disaster relief out of the major disaster fund, which is usually supplemented by department of defense operating funds and general fund moneys, until the moneys are reimbursed by the Federal Emergency Management Agency. However, reimbursements can take up to a year or more. Moreover, federal reimbursements received after June 30 are lapsed into the general fund of the State, which places further strain on the department's already tight budget.

Allowing federal reimbursements to be held in a trust account would ensure that those funds do not lapse at the end of the fiscal year, which means the department would no longer have to use operating funds for emergency disaster relief.

The purpose of this Act is to allow federal reimbursement moneys for disaster relief to be deposited into a trust account for disaster relief.

SECTION 2. Section 127-11, Hawaii Revised Statutes, is amended to read as follows:

“§127-11 Major disaster fund. (a) The director shall submit requests to the legislature to appropriate from the general revenues of the State sufficient moneys as may be necessary for expenditure by or under the direction of the governor for immediate relief in the event of the occurrence of any major disaster in any part of the State; provided that:

- (1) The governor may not expend in excess of \$2,000,000 for immediate relief of any single major disaster or emergency; and
- (2) In addition to the funds in paragraph (1), an additional \$2,000,000 shall be available solely for the purpose of matching federal disaster relief funds when these funds become available following a presidential disaster declaration.

In expending the moneys, the governor may allot any portion thereof to any agency, office, or employee, federal, state, or county, for the more speedy and efficient relief of the conditions created by the disasters. The governor may determine whether a major disaster contemplated by this section has occurred.

(b) Federal reimbursement moneys for disaster relief shall be deemed to be trust moneys and may be deposited into a trust account with and under the control of the department of defense. These moneys and any interest earned thereon shall be used for the purpose identified in subsection (a) and shall not lapse into the general fund."

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved May 10, 2010.)