

ACT 139

H.B. NO. 1231

A Bill for an Act Relating to Disaster Relief.

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

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

“§37-41.5 Department of education; carryover of funds. (a) The department of education may retain up to five per cent of any appropriation, except for appropriations to fund financing agreements entered into in accordance with chapter 37D, at the close of a fiscal year and the funds retained shall not lapse until June 30 of the first fiscal year of the next fiscal biennium. The department of education shall submit:

- (1) A report to the director of finance ninety days after the close of each fiscal year, which shall be prepared in the form prescribed by the director of finance and shall identify the total amount of funds that will carry over to the next fiscal year; and
- (2) A copy of this report to the legislature, as well as a report identifying the carryover of funds on a school-by-school basis, at least twenty days prior to the convening of the next regular session of the legislature.

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

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

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

“§127A-16 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 response to an emergency or disaster in any part of the State; provided that:

- (1) The governor has issued a proclamation of a state of emergency;
- (2) The governor may not expend in excess of \$5,000,000 for immediate relief as a result of any single emergency or disaster; and
- (3) In addition to the funds in paragraph (2), an additional \$5,000,000 may be made available solely for the purpose of matching federal disaster relief funds when these funds become available to the State following a presidential disaster declaration.

In expending the moneys, the governor may allot any portion thereof to any agency, office, or employee of the State or a county for the most efficient relief for the population. Notwithstanding this subsection, the only exception to para-

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graphs (1), (2), and (3) is that the director may use up to \$100,000 per year to support emergency reserve corps training.

(b) No later than one month after any allotment by the governor or the expenditure of any fund moneys, the director shall report to the legislature on the purpose of the allotment or expenditure.

(c) ~~Federal~~ Except as provided in subsection (d), 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 to the general fund.

(d) In cases in which the department of education expends the funds appropriated to the department for purposes deemed to be reimbursable by federal reimbursement moneys for disaster relief, the federal reimbursement moneys shall not lapse to the general fund and shall be credited directly to the department of education without regard to whether the original appropriation has lapsed. Such funds shall carryover in accordance with section 37-41.5(c)."

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

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

SECTION 5. This Act shall take effect on July 1, 2017.

(Approved July 10, 2017.)