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# A BILL FOR AN ACT

RELATING TO A MAJOR DISASTER TRUST ACCOUNT.

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

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

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

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

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

3 **"§127-11 Major disaster fund.** (a) The director shall  
4 submit requests to the legislature to appropriate from the  
5 general revenues of the State sufficient moneys as may be  
6 necessary for expenditure by or under the direction of the  
7 governor for immediate relief in the event of the occurrence of  
8 any major disaster in any part of the State; provided that:

9 (1) The governor may not expend in excess of \$2,000,000  
10 for immediate relief of any single major disaster or  
11 emergency; and

12 (2) In addition to the funds in paragraph (1), an  
13 additional \$2,000,000 shall be available solely for  
14 the purpose of matching federal disaster relief funds  
15 when these funds become available following a  
16 presidential disaster declaration.

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

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

7       SECTION 3. There is appropriated out of the general  
8 revenues of the State of Hawaii the sum of \$500,000 or so much  
9 thereof as may be necessary for fiscal year 2010-2011 for  
10 deposit into the trust account established under section 2 of  
11 this Act.

12       The sum appropriated shall be expended by the department of  
13 defense for the purposes of this Act.

14       SECTION 4. New statutory material is underscored.

15       SECTION 5. This Act shall take effect on July 1, 2010.

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**Report Title:**

Major Disaster Trust Account; Federal Reimbursements

**Description:**

Allows federal reimbursement moneys for disaster relief to be deposited into a trust account for future disaster relief. Prohibits lapsing into general fund. (SD1)

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