
A BILL FOR AN ACT

RELATING TO A MAJOR DISASTER RESERVE TRUST FUND.

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

1 SECTION 1. The legislature finds that when a major
2 disaster occurs, the civil defense division of the state
3 department of defense advances payments for disaster relief out
4 of the major disaster fund, which in turn, uses moneys from the
5 general fund until it is reimbursed by the Federal Emergency
6 Management Agency. Reimbursements can take up to a year, at
7 best. During this time, state moneys deposited into the major
8 disaster fund are subject to lapsing. This situation could be
9 improved by the creation of a major disaster reserve trust fund
10 to hold federal fund reimbursements and that is not subject to
11 lapsing. Provisions to allow for investment and reinvestment of
12 the funds would allow the total fund to grow for future
13 emergency use.

14 The purpose of this Act is to establish a major disaster
15 reserve trust fund.

16 SECTION 2. Chapter 127, Hawaii Revised Statutes, is
17 amended by adding a new section to be appropriately designated
18 and to read as follows:

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1 "§127- Major disaster reserve trust fund. (a) The
2 director of finance shall establish outside the state treasury a
3 major disaster reserve trust fund and any accounts thereunder,
4 and any other trust fund or account necessary to carry out the
5 purposes of this chapter or chapter 128. Federal reimbursement
6 moneys for disaster relief shall be deposited into the major
7 disaster reserve trust fund or into trust or custodial accounts
8 that are held inside or outside the major disaster fund. Moneys
9 deposited in the major disaster reserve trust fund shall be held
10 in a depository as defined in section 38-1 and administered by
11 the director of civil defense. Moneys in the major disaster
12 reserve trust fund may be invested and reinvested in accordance
13 with a plan of operation to be developed by the director.

14 (b) Disbursements from the major disaster reserve trust
15 fund shall not be subject to chapter 103D and shall be made in
16 accordance with rules adopted by the director under chapter 91.

17 (c) Moneys in the major disaster reserve trust fund,
18 including principal and any income accrued thereon, may be
19 expended under the same circumstances and for the same purposes
20 as funds pursuant to section 127-11."

21 SECTION 3. New statutory material is underscored.

22 SECTION 4. This Act shall take effect on July 1, 2010.

Report Title:

Major Disaster Reserve Trust Fund

Description:

Establishes the major disaster reserve trust fund. Takes effect July 1, 2010. (SD1)