A BILL FOR AN ACT

RELATING TO DISASTER RELIEF.

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

1	SECTION 1. Section 37-41.5, Hawaii Revised Statutes, is
2	amended to read as follows:
3	"§37-41.5 Department of education; carryover of funds.
4	(a) The department of education may retain up to five per cent
5	of any appropriation, except for appropriations to fund
6	financing agreements entered into in accordance with chapter
7	37D, at the close of a fiscal year and the funds retained shall
8	not lapse until June 30 of the first fiscal year of the next
9	fiscal biennium. The department of education shall submit:
10	(1) A report to the director of finance ninety days after
11	the close of each fiscal year, which shall be prepared
12	in the form prescribed by the director of finance and
13	shall identify the total amount of funds that will
14	carry over to the next fiscal year; and
15	(2) A copy of this report to the legislature, as well as a
16	report identifying the carryover of funds on a school-
17	by-school basis, at least twenty days prior to the

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              convening of the next regular session of the
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              legislature.
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         (b) Appropriations allocated to the schools shall remain
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    within the budget of the school to which they were originally
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    allocated; provided that the retention of an appropriation shall
    not be used by the department as a basis for reducing a school's
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    future budget requirements.
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         [(c) In addition to the five per cent retainage under
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    subsection (a), the department of education may retain any
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    appropriation received pursuant to section 127A-16(a) or as
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    reimbursement for disaster relief pursuant to section 127A-16(d)
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    at the close of the fiscal year in which the appropriation or
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    reimbursement was received and the funds retained shall not
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    lapse until June 30 of the first fiscal year of the next fiscal
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    biennium. Such funds shall be considered as separate and
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    distinct from the funds the department of education is
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    authorized to retain pursuant to subsection (a).]"
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         SECTION 2. Section 127A-16, Hawaii Revised Statutes, is
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    amended to read as follows:
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1	"\$127A-16 Major disaster special fund. (a) There is
2	established within the state treasury the major disaster special
3	fund, which shall consist of:
4	(1) Moneys appropriated to the fund by the legislature;
5	(2) Federal reimbursement moneys for disaster relief; and
6	(3) All interest attributable to investment of money
7	deposited in the fund.
8	Moneys in the major disaster special fund shall be used for
9	purposes identified in subsection (b) and shall lapse to the
10	general fund if not expended within five years after receipt.
11	$[\frac{a}{a}]$ <u>(b)</u> The administrator shall submit requests to the
12	legislature to appropriate from the general revenues of the
13	State sufficient moneys as may be necessary for expenditure by
14	or under the direction of the governor for immediate relief in
15	response to an emergency or disaster in any part of the State;
16	provided that:
17	(1) The governor has issued a proclamation of a state of
18	emergency;
19	(2) The governor $[may]$ shall not expend in excess of
20	\$10,000,000 for immediate relief as a result of any
21	single emergency or disaster; and

1	(3) In addition to the funds in paragraph (2), an
2	additional \$5,000,000 may be made available solely for
3	the purpose of matching federal disaster relief funds
4	when these funds become available to the State
5	following a presidential disaster declaration.
6	In expending the moneys, the governor may allot any portion
7	thereof to any agency, office, or employee of the State or a
8	county for the most efficient relief for the population.
9	Notwithstanding this subsection, the only exception to
10	paragraphs (1) , (2) , and (3) is that the administrator may use
11	up to \$250,000 per year to support the emergency management
12	reserve corps.
13	[(b)] <u>(c)</u> No later than [sixty] <u>thirty</u> days after any
14	allotment by the governor or the expenditure of any fund moneys,
15	the administrator shall report to the legislature on the purpose
16	of the allotment or expenditure.
17	[(c) Except as provided in subsection (d), federal
18	reimbursement moneys for disaster relief shall be deemed to be
19	trust moneys and may be deposited into a trust account with and
20	under the control of the Hawaii emergency management agency.
21	These moneys and any interest earned thereon shall be used for

1	the purpose identified in subsection (a) and shall not lapse to	
2	the general fund.	
3	(d) In cases in which the department of education expends	
4	the funds appropriated to the department for purposes deemed to	
5	be reimbursable by federal reimbursement moneys for disaster	
6	relief, the federal reimbursement moneys shall not lapse to the	
7	general fund and shall be credited directly to the department of	
8	education without regard to whether the original appropriation	
9	has lapsed. Such funds shall carry over in accordance with	
10	section 37-41.5(c).	
11	(e) Any unspent funding under \$2,500,000 shall be rolled	
12	over to the next fiscal year to support future emergencies and	
13	disasters.]	
14	(d) The administrator shall submit an annual report to the	
15	legislature no later than September 1 of each year on the	
16	following:	
17	(1) The amount of federal reimbursement moneys for	
18	disaster relief that the State or any county could	
19	have applied for during the prior fiscal year, broken	
20	down by department, agency, and county;	

1	(2)	The amount of federal fermoursement moneys for
2		disaster relief that the State or any county applied
3		for and the amount received during the prior fiscal
4		year, broken down by department, agency, and county;
5	(3)	The justification for any difference in the amount of
6		federal reimbursement moneys for disaster relief that
7		the State or county was eligible for and the amount
8		the State or county applied for;
9	(4)	The average amount of time between the submittal of an
10		application for a Federal Emergency Management Agency
11		reimbursement and receipt of the funds; and
12	(5)	The number of disaster accounts opened for the prior
13		fiscal year."
14	SECT	ION 3. If any part of this Act is found to be in
15	conflict v	with federal requirements that are a prescribed
16	condition	for the allocation of federal funds to the State, the
17	conflictin	ng part of this Act is inoperative solely to the extent
18	of the cor	nflict and with respect to the agencies directly
19	affected,	and this finding does not affect the operation of the
20	remainder	of this Act in its application to the agencies
21	concerned	. The rules under this Act shall meet federal

- 1 requirements that are a necessary condition to the receipt of
- 2 federal funds by the State.
- 3 SECTION 4. Statutory material to be repealed is bracketed
- 4 and stricken. New statutory material is underscored.
- 5 SECTION 5. This Act shall take effect on July 1, 2050.

Report Title:

Major Disaster Fund; Special Fund Federal Reimbursements; Reports

Description:

Repeals language authorizing the DOE to retain federal disaster relief funds. Amends the major disaster fund to be a special fund. Requires federal disaster relief funds to lapse to the general fund if not expended within five years. Shortens the time for reporting the purpose of any allotment or expenditure of fund moneys. Repeals language requiring unspent funds to be rolled over. Requires annual reports to the legislature on federal disaster relief funds. Effective 7/1/2050. (HD1)

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