
A BILL FOR AN ACT

RELATING TO STATE BUDGET.

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

1 SECTION 1. This Act is recommended by the governor for
2 immediate passage in accordance with section 9 of article VII of
3 the Hawaii State Constitution.

4 SECTION 2. The legislature finds that the devastating
5 wildfires brought on by winds from Hurricane Dora on August 8,
6 2023, resulted in one of the worst natural disasters in the
7 State's history. The wildfires caused loss of life, displaced
8 thousands on the island of Maui, and destroyed nearly all of
9 Lahaina.

10 The legislature further finds that to support response and
11 recovery efforts and address immediate 2023 wildfire funding
12 needs, the governor, through the seventh emergency proclamation
13 relating to wildfires, dated September 8, 2023, and executive
14 memorandum no. 23-08, redirected \$164,100,000, after
15 adjustments, from selected general fund operating appropriations
16 from Act 164, Session Laws of Hawaii 2023 (Act 164), originally
17 intended for specific purposes and capital improvement projects,



1 to the department of budget and finance. The department of
2 budget and finance subsequently transferred the \$164,100,000 to
3 the major disaster fund along with another \$30,000,000 that the
4 governor authorized pursuant to section 5 of Act 164. With the
5 existing \$5,000,000 major disaster fund appropriation, a total
6 of \$199,100,000 has been allocated to the major disaster fund
7 for initial wildfire response and recovery, including the
8 expected State's share of noncongregate housing and debris
9 clean-up costs initially being paid by the Federal Emergency
10 Management Agency (FEMA). These steps provided what was thought
11 to be sufficient funding for the State to address the expected
12 fiscal year 2023-2024 response and recovery expenses as of the
13 beginning of January 2024.

14 The legislature further finds that FEMA executed the
15 contract for debris clean-up costs, and the State executed the
16 contracts for noncongregate housing and related expenses for
17 room and board of wildfire victims displaced from their homes.
18 The State's expenses for noncongregate housing and other
19 expenses, including expenses for individuals impacted by the
20 wildfires who have been classified as not eligible for FEMA
21 assistance, is expected to exceed the amounts previously



1 transferred to the major disaster fund. Because the State
2 executed these contracts, the State is responsible for making
3 payment and will seek reimbursement from FEMA for eligible
4 costs. Issues have recently arisen over what costs are eligible
5 and the timeline in which the State will be reimbursed for
6 eligible costs is currently not clear. The State will require
7 additional funds to cover these immediate expenses in fiscal
8 year 2024-2025.

9 Accordingly, the purpose of this Act is to make an
10 emergency appropriation to cover the State's immediate expenses
11 incurred in the Hawaii wildfires disaster response efforts.

12 SECTION 3. In accordance with section 9 of article VII of
13 the Hawaii State Constitution and sections 37-91 and 37-93,
14 Hawaii Revised Statutes, the legislature has determined that the
15 general fund expenditure ceiling for fiscal year 2023-2024 has
16 already been exceeded by \$1,005,342,735 or 9.4 per cent. The
17 appropriations contained in this Act will cause the State
18 general fund expenditure ceiling for fiscal year 2023-2024 to be
19 further exceeded by \$ or per cent. This
20 declaration takes into account the additional general fund
21 appropriations authorized for fiscal year 2023-2024 in this Act



1 only. The reasons for exceeding the general fund expenditure
2 ceiling are that:

3 (1) The appropriation made in this Act is necessary to
4 serve the public interest; and

5 (2) The appropriation made in this Act meets the needs
6 addressed by this Act.

7 SECTION 4. There is appropriated out of the general
8 revenues of the State of Hawaii the sum of \$ or so
9 much thereof as may be necessary for fiscal year 2023-2024 for
10 expenses related to noncongregate housing and other costs
11 relating to the provision of food, housing, or other assistance
12 for individuals affected by the Hawaii wildfires disaster that
13 began on August 8, 2023; provided that all moneys that are
14 unencumbered as of June 30, 2026, shall lapse as of that date;
15 provided further that any law to the contrary notwithstanding,
16 the governor may authorize the transfer of these funds to the
17 major disaster fund established by section 127A-16, Hawaii
18 Revised Statutes.

19 The sum appropriated shall be expended by the department of
20 budget and finance, departmental administration and budget
21 division (BUF101) for the purposes of this Act.



1 SECTION 5. This Act shall take effect upon its approval.



Report Title:

Wildfires; Expenditure Ceiling; Emergency Appropriation

Description:

Appropriates funds to support the State's response to the August 2023 wildfires that affected the county of Maui. Declares that the general fund expenditure ceiling is exceeded. (SD1)

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