



GOV. MSG. NO. 1364

EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

July 9, 2024

The Honorable Ronald D. Kouchi
President of the Senate,
and Members of the Senate
Thirty-Second State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki
Speaker, and Members of the
House of Representatives
Thirty-Second State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith SB3068, without my approval and with the statement of objections relating to the measure.

SB3068

MAKING APPROPRIATIONS FOR WILDFIRE
RECOVERY.

Sincerely,

Josh Green, M.D.
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 9, 2024

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 3068

Honorable Members
Thirty-Second Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, Senate Bill No. 3068, entitled "A Bill for an Act Making Appropriations for Wildfire Recovery."

The purpose of this bill is to appropriate funds to support the State's continued response to the August 2023 wildfires that affected the County of Maui.

This bill is objectionable because, while the bill appropriates funds to assist with the Maui wildfire recovery, the bill inadvertently zeroes out funding for the Hawaii Housing Finance and Development Corporation to be used for affordable housing. To prevent delays in building affordable housing units for Hawaii residents, this bill cannot be enacted. Housing is a top priority for my Administration, along with the Maui wildfire recovery efforts. I intend to fully support the Maui wildfire recovery appropriations made in this bill through the Major Disaster Fund. The Supplemental Appropriations Bill of 2024, House Bill No. 1800, has sufficient appropriations that can be transferred to the Major Disaster Fund to support the Maui wildfire recovery efforts outlined in this bill.

For the foregoing reasons, I am returning Senate Bill No. 3068 without my approval.

Respectfully,



JOSH GREEN, M.D.
Governor of Hawai'i

A BILL FOR AN ACT

MAKING APPROPRIATIONS FOR WILDFIRE RECOVERY.

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

1 SECTION 1. The legislature finds that the devastating
2 wildfires brought on by winds from Hurricane Dora on August 8,
3 2023, resulted in one of the worst natural disasters in the
4 State's history. The wildfires caused loss of life and
5 displacement of thousands on the island of Maui. The disaster
6 also destroyed nearly all of Lahaina.

7 The people of Hawaii and the world responded
8 compassionately by coming together with donation drives and
9 relief efforts to support those on Maui who had survived the
10 devastation. Federal, state, and county agencies worked
11 together with nonprofit organizations, including the American
12 Red Cross, Hawaii Community Foundation, Maui United Way, and
13 many others, on the emergency response and recovery efforts.

14 The legislature further finds that to support response and
15 recovery efforts and address immediate 2023 wildfire funding
16 needs, the governor, through the seventh emergency proclamation
17 relating to wildfires, dated September 8, 2023, and executive
18 memorandum no. 23-08, redirected \$164.1 million, after



1 adjustments, from selected general fund operating appropriations
2 from Act 164, Session Laws of Hawaii 2023, originally intended
3 for specific purposes and capital improvement projects, to the
4 department of budget and finance. The department of budget and
5 finance subsequently transferred \$65 million to the major
6 disaster fund and set aside the remaining \$99.1 million for the
7 State's share of noncongregate housing and debris clean-up costs
8 initially being paid by the Federal Emergency Management Agency.
9 These steps, among others, allowed the State to address response
10 and recovery expenses incurred thus far without cutting
11 positions and departmental base budgets.

12 The legislature notes that this Act is a vital component to
13 funding wildfire recovery. In addition to significant funding
14 in this Act, the Supplemental Appropriations Act of 2024
15 appropriates \$96,560,000 for various infrastructure projects on
16 Maui that include:

- 17 (1) \$4,560,000 for a final disposition site;
- 18 (2) \$11,000,000 for wastewater collection system repairs;
- 19 (3) \$9,000,000 for wastewater collection system laterals
20 and cleanouts;
- 21 (4) \$3,000,000 for traffic signal replacement;



- 1 (5) \$10,000,000 for fire flow improvements to water
2 systems;
- 3 (6) \$10,000,000 for water supply infrastructure repairs
4 and replacements;
- 5 (7) \$8,000,000 for storm drainage, flood control, and
6 water quality improvements;
- 7 (8) \$8,000,000 for roadway connectivity for disaster
8 evacuation; and
- 9 (9) \$33,000,000 for the repair and rehabilitation of
10 highways in Lahaina.

11 The legislature further finds that the status of Federal
12 Emergency Management Agency eligible and ineligible expenses
13 remains uncertain, making accurate appropriations an extreme
14 challenge.

15 The purpose of this Act is to appropriate additional moneys
16 to continue the State's recovery efforts in response to the Maui
17 wildfires and to accelerate statewide wildfire mitigation and
18 response capabilities.

19 SECTION 2. (a) In accordance with section 9 of article
20 VII of the Constitution of the State of Hawaii and sections 37-91
21 and 37-93, Hawaii Revised Statutes, the legislature has



1 determined that the appropriations contained in H.B. No. 40,
2 S.D. 1, C.D. 1, will cause the state general fund expenditure
3 ceiling for fiscal year 2024-2025 to be exceeded by \$323,323,869
4 or 3.1 per cent. In addition, the appropriations contained in
5 this Act will cause the general fund expenditure ceiling for
6 fiscal year 2024-2025 to be further exceeded by \$221,189,453 or
7 2.1 per cent. The combined total amount of general fund
8 appropriations contained in only these two Acts will cause the
9 state general fund expenditure ceiling for fiscal year 2024-2025
10 to be exceeded by \$544,513,322 or 5.2 per cent.

11 (b) In accordance with section 9 of article VII of the
12 Constitution of the State of Hawaii and sections 37-91 and
13 37-93, Hawaii Revised Statutes, the legislature has determined
14 that the appropriations contained in this Act will cause the
15 state general fund expenditure ceiling for fiscal year 2024-2025
16 to be exceeded by \$221,189,453 or 2.1 per cent.

17 (c) The reasons for exceeding the general fund expenditure
18 ceiling are that:

19 (1) The appropriations made in this Act are necessary to
20 serve the public interest; and



1 (2) The appropriations made in this Act meet the needs
2 addressed by this Act.

3 SECTION 3. There is appropriated out of the state risk
4 management revolving fund established by section 41D-4, Hawaii
5 Revised Statutes, the sum of \$200,000,000 or so much thereof as
6 may be necessary for fiscal year 2024-2025 for insurance claim
7 payments related to the Maui wildfires disaster that began on
8 August 8, 2023; provided that the department of accounting and
9 general services shall submit to the legislature, on the seventh
10 day of each month, the following information associated with the
11 Maui wildfires disaster that began on August 8, 2023:

- 12 (1) The date of insurance proceeds allocation;
13 (2) The amount of proceeds allocated;
14 (3) The date of each expenditure;
15 (4) The amount of each expenditure;
16 (5) The purpose of each expenditure;
17 (6) Any contracts executed for the expenditure of funds;
18 (7) All liquidation dates for contracts or liabilities;
19 and
20 (8) A detailed explanation of the public purposes served
21 by the expenditure of resources.



1 Notwithstanding any law to the contrary, the governor shall
2 submit to the legislature, no later than thirty days prior to
3 the convening of the regular session of 2025, a summary report
4 containing the aforementioned information for the previous
5 twelve-month period from December 1 to November 30.

6 The sum appropriated shall be expended by the department of
7 accounting and general services, state risk management and
8 insurance administration (AGS 203), for the purposes of this
9 section, with the approval of the comptroller.

10 SECTION 4. There is appropriated out of the general
11 revenues of the State of Hawaii the sum of \$186,160,000 or so
12 much thereof as may be necessary for fiscal year 2024-2025 as a
13 set-aside for recovery costs for the Maui wildfires disaster
14 that began on August 8, 2023; provided that notwithstanding any
15 law to the contrary the governor may authorize the transfer of
16 up to \$186,160,000 in general funds to other state agencies for
17 recovery costs for the Maui wildfires disaster that began on
18 August 8, 2023; provided further that the governor shall provide
19 notice to the legislature fourteen days prior to the date of any
20 transfer and submit a report to the legislature within five days
21 of each use of this authority; provided further that the report



1 shall include the date of transfer, the amount of the transfer,
2 the program ID to which funds were transferred, and an
3 explanation of the purpose of the transfer of resources.

4 Notwithstanding any law to the contrary, the governor shall
5 submit to the legislature, no later than thirty days prior to
6 the convening of the regular sessions of 2025 and 2026, a
7 summary report containing the aforementioned information for
8 each use of this authority for the previous twelve-month period
9 from December 1 to November 30.

10 The sum appropriated shall be expended by the department of
11 budget and finance, departmental administration and budget
12 division (BUF 101), for the purposes of this Act.

13 SECTION 5. Notwithstanding any law to the contrary, the
14 department of budget and finance or any department or agency
15 receiving funds transferred by the governor under this Act shall
16 submit to the legislature, on the seventh day of each month, the
17 following information associated with the Maui wildfires
18 disaster that began on August 8, 2023:

- 19 (1) The date of each expenditure;
20 (2) The amount of each expenditure, for expenses that are
21 Federal Emergency Management Agency eligible; and



- 1 separately, for expenses that are Federal Emergency
2 Management Agency ineligible;
- 3 (3) The purpose of expenditures;
- 4 (4) Any contracts executed for the expenditure of funds;
- 5 (5) All liquidation dates for contracts or liabilities;
- 6 and
- 7 (6) A detailed explanation of the public purposes served
8 by the expenditure of resources.

9 Notwithstanding any law to the contrary, the governor shall
10 submit to the legislature, no later than thirty days prior to
11 the convening to the regular session of 2025, a summary report
12 containing the aforementioned information for the previous
13 twelve-month period from December 1 to November 30.

14 SECTION 6. There is appropriated out of the general
15 revenues of the State of Hawaii the sum of \$62,500 or so much
16 thereof as may be necessary for fiscal year 2024-2025 for a
17 temporary library located in Lahaina, Maui.

18 The sum appropriated shall be expended by the Hawaii state
19 public library system, public libraries (EDN 407) for the
20 purposes of this section.



1 SECTION 7. (a) The department of human services is
2 authorized to fund six full-time equivalent (6.0 FTE) temporary
3 positions to be funded by federal funds.

4 (b) There is appropriated out of the general revenues of
5 the State of Hawaii the sum of \$13,370,000 or so much thereof as
6 may be necessary for fiscal year 2024-2025, and the sum of
7 \$12,751,554 or so much thereof as may be necessary for fiscal
8 year 2024-2025 in federal funds for emergency management related
9 to the Maui wildfires that began on August 8, 2023.

10 (c) The sums appropriated shall be expended by the
11 department of human services, general administration - DHS
12 (HMS 904), for the purposes of this section.

13 SECTION 8. There is appropriated out of the conservation
14 and resources enforcement special fund established by section
15 199-1.5, Hawaii Revised Statutes, the sum of \$521,473 or so much
16 thereof as may be necessary for fiscal year 2024-2025 for the
17 department of land and natural resources, division of
18 conservation and resources enforcement, for Maui wildfire
19 recovery efforts.

20 The sum appropriated shall be expended by the department of
21 land and natural resources, division of conservation and



1 resources enforcement (LNR 405), for the purposes of this
2 section.

3 SECTION 9. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$424,344 or so much
5 thereof as may be necessary for fiscal year 2024-2025 to
6 establish six full-time equivalent (6.0 FTE) permanent positions
7 in the Hawaii emergency management agency for Maui wildfire
8 recovery and emergency support functions.

9 The sum appropriated shall be expended by the Hawaii
10 emergency management agency (DEF 118) for the purposes of this
11 section.

12 SECTION 10. There is appropriated out of the public
13 utilities commission special fund established by section 269-33,
14 Hawaii Revised Statutes, the sum of \$1,000,000 or so much
15 thereof as may be necessary for fiscal year 2024-2025 for
16 consultant contracts for utility dockets.

17 The sum appropriated shall be expended by the public
18 utilities commission (CCA 901) for the purposes of this section.

19 SECTION 11. There is appropriated or authorized for
20 expenditure out of federal moneys received by the State of
21 Hawaii the sum of \$20,000,000 or so much thereof as may be



1 necessary for fiscal year 2024-2025 for wildfire response,
2 recovery, and prevention measures.

3 The sum appropriated shall be expended by the department of
4 Hawaiian home lands, administration and operating support
5 (HHL 625), for the purposes of this section.

6 SECTION 12. There is appropriated out of the general
7 revenues of the State of Hawaii the sum of \$7,425,000 or so much
8 thereof as may be necessary for fiscal year 2024-2025 for fire
9 response and rehabilitation and wildfire fuels reduction
10 contracts for the department of land and natural resources,
11 division of forestry and wildlife.

12 The sum appropriated shall be expended by the department of
13 land and natural resources, native resources and fire protection
14 program (LNR 402), for the purposes of this section.

15 SECTION 13. There is appropriated out of the general
16 revenues of the State of Hawaii the sum of \$1,412,928 or so much
17 thereof as may be necessary for fiscal year 2024-2025 for
18 twenty-two full-time equivalent (22.0 FTE) positions within the
19 native resources and fire protection program of the department
20 of land and natural resources.



1 The sum appropriated shall be expended by the department of
2 land and natural resources, native resources and fire protection
3 program (LNR 402), for the purposes of this section.

4 SECTION 14. There is appropriated out of the general
5 revenues of the State of Hawaii the sum of \$10,000,000 or so
6 much thereof as may be necessary for fiscal year 2024-2025 for
7 fire and emergency response equipment.

8 The sum appropriated shall be expended by the department of
9 land and natural resources, native resources and fire protection
10 program (LNR 402), for the purposes of this section.

11 SECTION 15. There is appropriated or authorized for
12 expenditure out of federal moneys received by the State of
13 Hawaii the sum of \$3,549,000 or so much thereof as may be
14 necessary for fiscal year 2024-2025 for fire and emergency
15 response equipment.

16 The sum appropriated shall be expended by the department of
17 land and natural resources, native resources and fire protection
18 program (LNR 402), for the purposes of this section.

19 SECTION 16. There is appropriated out of the public
20 utilities commission special fund established under
21 section 269-33, Hawaii Revised Statutes, the sum of \$900,000 or



1 so much thereof as may be necessary for fiscal year 2024-2025
 2 for consultant contracts for utility dockets.

3 The sum appropriated shall be expended by the division of
 4 consumer advocacy (CCA 103) for the purposes of this section.

5 SECTION 17. Act 164, Session Laws of Hawaii 2023, as
 6 amended by House Bill 1800, H.D. 1, S.D. 1, C.D. 1, passed by
 7 the legislature during the regular session of 2024, is amended
 8 as follows:

9 1. By amending Part II, section 3, item A-24 to read:

10	"24. BED160 - HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION			
11	OPERATING	BED	150,000,000A	[230,000,000A]
12				<u>A</u>
13		BED	3,100,000N	3,100,000N
14			23.00*	23.00*
15			45.00#	45.00#
16		BED	13,533,889W	14,046,265W
17		BED	3,000,000P	3,000,000P
18	INVESTMENT CAPITAL	BED	45,000,000C	C"

19 2. By adding two new sections to Part III to read:

20 "SECTION . Provided that of the general fund
 21 appropriation for the Hawaii association of conservation
 22 districts (LNR141), the sum of \$400,000 or so much thereof as is
 23 necessary for fiscal year 2024-2025 shall be expended in
 24 accordance with chapter 180, Hawaii Revised Statutes, in areas
 25 affected by Hurricane Dora in 2023; provided further that:



1 (1) The moneys shall be used to match extramural funding
2 for stormwater management for drought resiliency and
3 reducing wildfire risk;

4 (2) No later than thirty days prior to the convening of
5 the regular session of 2025, the department of land
6 and natural resources shall submit a report to the
7 legislature accounting for the usage of funds; and

8 (3) These funds are deemed necessary to qualify for
9 federal aid financing or reimbursement.

10 SECTION . Provided that of the general fund
11 appropriation for amelioration of natural disasters (DEF110),
12 the sum of \$194,000 or so much thereof as is necessary for
13 fiscal year 2024-2025 shall be expended for civilian auxiliary
14 aviation services, which may include search and rescue efforts,
15 damage assessments, aerial photography of impacted areas, alerts
16 and notifications, and transportation of supplies."

17 3. By adding a new section to Part V to read:

18 "SECTION . Provided that the sums appropriated to the
19 county of Maui (SUB401) for wildfire recovery projects in this
20 act denoted in section 7 as items K-18.1, K-18.2, K-18.3,
21 K-18.4, K-18.5, K-18.6, K-18.7, and K-18.8 shall be expended by



1 the county of Maui for the purposes of this Act; provided
2 further that the county of Maui shall reimburse the State for
3 all debt service including principal, interest, and any other
4 debt-related costs for the reimbursable general obligation
5 bonds; provided further that any debt service reimbursements
6 received by the State may be paid from tax revenue or any other
7 source received by the county of Maui, and from reimbursements
8 to the county of Maui by the Federal Emergency Management Agency
9 as allowed by law."

10 SECTION 18. There is appropriated out of the general
11 revenues of the State of Hawaii the sum of \$2,334,681 or so much
12 thereof as may be necessary for fiscal year 2024-2025 for the
13 university of Hawaii economic research organization, which shall
14 be allocated as follows:

- 15 (1) \$1,500,000 to conduct a multiethnic cohort study on
16 the health effects of the August 2023 Maui wildfires;
17 and
- 18 (2) \$834,681 to develop and maintain a registry of those
19 affected by the wildfires to assess their long-term
20 health and well-being and the impacts on communities.



1 The sum appropriated shall be expended by the university of
2 Hawaii for the purposes of this Act.

3 SECTION 19. Act 257, Session Laws of Hawaii 2022, as
4 amended by Act 175, Session Laws of Hawaii 2023, is amended by
5 amending sections 1 and 2 to read as follows:

6 "SECTION 1. [~~There is appropriated out of the general~~
7 ~~revenues of the State of Hawaii the sum of \$200,000,000 or so~~
8 ~~much thereof as may be necessary for fiscal year 2023-2024 to be~~
9 ~~deposited into the school facilities special fund.] Repealed.~~

10 SECTION 2. [~~There is appropriated out of the school~~
11 ~~facilities special fund the sum of \$200,000,000 or so much~~
12 ~~thereof as may be necessary for fiscal year 2023-2024 for the~~
13 ~~school facilities authority to expand access to pre-kindergarten~~
14 ~~to eligible children of the State. The school facilities~~
15 ~~authority may expend the moneys appropriated in this section on:~~

- 16 ~~(1) The construction of new school facilities;~~
17 ~~(2) The renovation, improvement, and expansion of existing~~
18 ~~school facilities to increase pre-kindergarten student~~
19 ~~capacity; and~~



1 ~~(3) Any other costs the school facilities authority deems~~
2 ~~appropriate to increase pre-kindergarten student~~
3 ~~capacity within the State.~~

4 ~~The sum appropriated shall be expended by the school~~
5 ~~facilities authority for the purposes of this Act; provided that~~
6 ~~the appropriation authorized by this Act shall not lapse at the~~
7 ~~end of the fiscal biennium for which the appropriation is made;~~
8 ~~provided further that the appropriation authorized by this Act~~
9 ~~shall lapse on June 30, 2024.] Repealed."~~

10 SECTION 20. Any law to the contrary notwithstanding, the
11 appropriations authorized by this Act that are unencumbered as
12 of June 30, 2025, shall lapse as of that date.

13 SECTION 21. Statutory material to be repealed is bracketed
14 and stricken. New statutory material is underscored.

15 SECTION 22. This Act shall take effect on July 1, 2024.



S.B. NO. 3068
S.D. 1
H.D. 1
C.D. 2


APPROVED this day of , 2024


GOVERNOR OF THE STATE OF HAWAII

THE SENATE OF THE STATE OF HAWAI'I

Date: May 3, 2024
Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Second Legislature of the State of Hawai'i, Regular Session of 2024.


President of the Senate


Clerk of the Senate

SB No. 3068, SD 1, HD 1, CD 2

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 3, 2024
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Second Legislature of the State of Hawaii, Regular Session of 2024.



Scott K. Saiki
Speaker
House of Representatives



Brian L. Takeshita
Chief Clerk
House of Representatives