

JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LIEUTENANT GOVERNOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

LUIS P. SALAVERIA  
DIRECTOR

SABRINA NASIR  
DEPUTY DIRECTOR

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
*Ka 'Oihana Mālama Mo'ohelu a Kālā*  
P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT

TESTIMONY BY LUIS P. SALAVERIA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE SENATE COMMITTEE ON PUBLIC SAFETY AND  
INTERGOVERNMENTAL AND MILITARY AFFAIRS  
ON  
SENATE BILL NO. 3068

**February 9, 2024**  
**3:01 p.m.**  
**Room 225 and Videoconference**

MAKING APPROPRIATIONS FOR WILDFIRE RECOVERY

The Department of Budget and Finance (B&F) supports Senate Bill (S.B.) No. 3068, with proposed amendments.

The original purpose of this bill was to display in a single legislative vehicle, all of the FY 25 Executive Supplemental Budget requests relating to the State's response and recovery from the August 8, 2023, wildfires. These appropriation items are already included in House Bill No. 1800 and the Senate counterpart, S.B. No. 2234.

Currently, the State's expenses for noncongregate housing and other expenses, including expenses for individuals impacted by the wildfires who have been classified as not eligible for Federal Emergency Management Agency (FEMA) assistance, are expected to exceed the \$199.1 million previously transferred to the Major Disaster Fund. Because the State executed the contracts for noncongregate housing and those other expenses, the State is responsible for making payment and will seek reimbursement from FEMA for eligible costs.

The State is working to maximize FEMA reimbursements, however, issues have arisen over what costs are FEMA eligible, and the timeline in which the State will be reimbursed for eligible costs is currently not clear. What is clear is that the State will require additional funds to cover these immediate expenses in FY 24, and we are proposing re-purposing this bill as the vehicle for an emergency appropriation for FY 24 wildfire expenses.

A proposed Senate Draft 1 is attached for the Committee's consideration.

Thank you for your consideration of our comments and requested amendments.

Attachment

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# A BILL FOR AN ACT

MAKING APPROPRIATIONS FOR WILDFIRE RECOVERY.

**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 Constitution of the State of Hawaii.

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 and  
8 displacement of thousands on the island of Maui. The disaster  
9 also destroyed nearly all of 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 \$164.1 million, after  
15 adjustments, from selected general fund operating appropriations  
16 from Act 164, Session Laws of Hawai'i 2023, originally intended  
17 for specific purposes and capital improvement projects, to the  
18 department of budget and finance. The department of budget and

1 finance subsequently transferred the \$164.1 million to the major  
2 disaster fund along with another \$30 million that the Governor  
3 authorized pursuant to section 5 of Act 164, Session Laws of  
4 Hawaii 2023. With the existing \$5 million major disaster fund  
5 appropriation, a total of \$199.1 million has been allocated to  
6 the major disaster fund for initial wildfire response and  
7 recovery, including the expected State's share of noncongregate  
8 housing and debris clean-up costs initially being paid by the  
9 Federal Emergency Management Agency (FEMA). These steps  
10 provided what was thought to be sufficient funding for the State  
11 to address the expected fiscal year 2023-24 response and  
12 recovery expenses as of the beginning of January 2024.

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

1 payment and will seek reimbursement from FEMA for eligible  
2 costs. Issues have recently arisen over what costs are eligible  
3 and the timeline in which the State will be reimbursed for  
4 eligible costs is currently not clear. The State will require  
5 additional funds to cover these immediate expenses in fiscal  
6 year 2023-2024.

7 The purpose of this Act is to make an emergency  
8 appropriation to cover the State's immediate expenses incurred  
9 in the Hawaii wildfires disaster response efforts.

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

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

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

5           SECTION 4. There is appropriated out of the general  
6 revenues of the State of Hawaii to the department of budget and  
7 finance, departmental administration and budget division  
8 (BUF101) the sum of \$           or so much thereof as may be  
9 necessary for fiscal year 2023-2024 for expenses related to  
10 noncongregate housing and other costs relating to the provision  
11 of food, housing or other assistance for individuals affected by  
12 the Hawaii wildfires disaster that began on August 8, 2023;  
13 provided that any unexpended or unencumbered balance shall lapse  
14 to the general fund on June 30, 2026; provided that any law to  
15 the contrary notwithstanding, the governor may authorize the  
16 transfer of these funds to the major disaster fund established  
17 by section 127A-16, Hawaii Revised Statutes.

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

**Report Title:**

Wildfires; Emergency Appropriation

**Description:**

Appropriates funds to support the State's response to the August 2023 wildfires that affected the county of Maui.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

**JOSH GREEN, M.D.**  
GOVERNOR  
KE KIA'ĀINA



**KENNETH S. HARA**  
DIRECTOR OF EMERGENCY  
MANAGEMENT

**JAMES DS. BARROS**  
ADMINISTRATOR OF  
EMERGENCY MANAGEMENT

STATE OF HAWAII  
KA MOKU'ĀINA O HAWAI'I  
**DEPARTMENT OF DEFENSE**  
**KA 'OIHANA PILI KAUA**  
**HAWAI'I EMERGENCY MANAGEMENT AGENCY**  
4204 DIAMOND HEAD ROAD  
HONOLULU, HAWAI'I 96816-4420

STATE OF HAWAI'I  
DEPARTMENT OF DEFENSE  
HAWAI'I EMERGENCY MANAGEMENT AGENCY

TESTIMONY ON SENATE BILL 3068,  
RELATING TO EMERGENCY MANAGEMENT

BEFORE THE SENATE COMMITTEE ON  
**PUBLIC SAFETY AND INTERGOVERNMENTAL AND MILITARY AFFAIRS**

BY

JAMES DS. BARROS  
ADMINISTRATOR  
HAWAI'I EMERGENCY MANAGEMENT AGENCY

FEBRUARY 9, 2024

Aloha Chair Wakai, Vice-Chair Elefante, and Members of the Committee:

Thank you for the opportunity to submit testimony to **SUPPORT** SB 3068.

The wildfires that occurred on August 8, 2023, were one of the most devastating natural disasters in the history of the State. These fires resulted in loss of life and forced thousands of people on the island of Maui to leave their homes. Additionally, the disaster caused extensive damage to the town of Lahaina.

In response to this tragedy, both the people of Hawai'i and the global community demonstrated great compassion by coming together to support the survivors through donation drives and relief efforts. Various federal, state, and county agencies collaborated with nonprofit organizations such as the American Red Cross, Hawai'i Community Foundation, and Maui United Way to coordinate emergency response and recovery initiatives.

Recognizing the urgent needs of the affected individuals on Maui, the Governor and legislature promptly took action by redirecting millions of dollars towards providing assistance to those most impacted by the disaster. HI-EMA fully **supports** SB3068 as it ensures the responsible allocation of funds necessary to sustain Hawai'i's ongoing efforts in responding to and recovering from the wildfires.

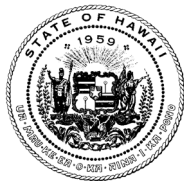


The appropriations outlined in this bill are carefully sourced from capital improvement projects authorized by this Act, ensuring that these programs will not expire at the end of the fiscal biennium for which the funds are allocated.

It is crucial that we stand together and provide the necessary resources to aid those who have suffered from this tragedy.

Thank you for the opportunity to provide testimony on Senate Bill 3068.

James Barros: [james.barros@hawaii.gov](mailto:james.barros@hawaii.gov); 808-733-4300



STATE OF HAWAII  
HAWAII STATE PUBLIC LIBRARY SYSTEM  
'OIHANA HALE WAIHONA PUKE AUPUNI O KA MOKU'ĀINA O HAWAII  
OFFICE OF THE STATE LIBRARIAN  
44 MERCHANT STREET  
HONOLULU, HAWAII 96813

**SENATE COMMITTEE ON GOVERNMENT OPERATIONS**

**Friday, February 9, 2024**

**3:01 p.m.**

**Conference Room 225**

**By Stacey A. Aldrich  
State Librarian**

**S.B. 3068 MAKING APPROPRIATIONS FOR WILDFIRE RECOVERY**

To: Sen. Glenn Wakai, Chair  
Sen. Brandon J.C. Elefante, Vice Chair  
Members of the Senate Committee on Public Safety and Intergovernmental and Military Affairs

The Hawaii State Public Library System (HSPLS) **strongly supports** S.B. 3068, which makes appropriations for wildfire recovery following the devastating wildfires brought on by winds from Hurricane Dora on August 8, 2023. The bill allocates \$125,000 for fiscal year 2024-2025 for temporary libraries located in Makawao and Lahaina, Maui.

The Hawaii State Public Library System's (HSPLS) Lahaina branch was destroyed in the wildfire. HSPLS is currently providing limited service to the people of West Maui through the Holoholo Bookmobile, but this cannot take the place of a public library. We are currently working with Maui County to identify a suitable location for a temporary library, and the funding in this bill would go toward making this a reality.

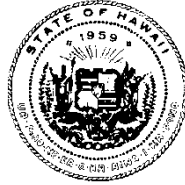
In addition, the Makawao Public Library is 55 years old and requires renovations and an expansion to meet contemporary needs. The \$125,000 funding in this bill will also allow us to continue to serve this community while the construction work.

Hawaii's public libraries support these Maui communities, and this funding will help us continue to connect people to information, stories and the technology they need to heal and move toward a positive future.

Thank you for the opportunity to submit supporting testimony for S.B. 3068.

JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR



DEAN MINAKAMI  
EXECUTIVE DIRECTOR

**STATE OF HAWAII**

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM  
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION  
677 QUEEN STREET, SUITE 300  
HONOLULU, HAWAII 96813  
FAX: (808) 587-0600

Statement of  
**DEAN MINAKAMI**  
Hawaii Housing Finance and Development Corporation  
Before the

**SENATE COMMITTEE ON PUBLIC SAFETY AND INTERGOVERNMENTAL &  
MILITARY AFFAIRS**

February 09, 2024 at 3:01 p.m.  
State Capitol, Room 225

In consideration of  
**S.B. 3068**  
**MAKING APPROPRIATIONS FOR WILDFIRE RECOVERY.**

HHFDC supports SB 3068, which appropriates funds to support the State's continued response to the August 2023 wildfires that affected the counties of Hawaii and Maui.

HHFDC supports this bill's amendments to the General Appropriations Act of 2023 by replacing general funds with general obligation bonds as the means of financing for the following Fiscal Year 2024-2025 infusions into HHFDC-administered funds.

- \$50 million into the Dwelling Unit Revolving Fund
- \$180 million into the Rental Housing Revolving Fund

However, we note that there appears to be a typographical error on Page 9, Line 15 of this bill. We believe that the amount "30,000,000" (as highlighted below) should read "230,000,000" and suggest that the committee amend the bill accordingly.

7	"24.	BED160 - HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION			
8		OPERATING	BED	150,000,000A	[230,000,000A]
9					A
10			BED	3,100,000N	3,100,000N
11				23.00*	23.00*
12				45.00#	45.00#
13			BED	13,533,889W	14,046,265W
14			BED	3,000,000P	3,000,000P
15		INVESTMENT CAPITAL	BED	45,000,000C	30,000,000C
16					

Thank you for the opportunity to testify on this bill.

Council Chair  
Alice L. Lee

Vice-Chair  
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore  
Tasha Kama

Councilmembers  
Tom Cook  
Gabe Johnson  
Tamara Paltin  
Keani N.W. Rawlins-Fernandez  
Shane M. Sinenci  
Nohelani U'u-Hodgins



Director of Council Services  
David M. Raatz, Jr., Esq.


Deputy Director of Council Services  
Richelle K. Kawasaki, Esq.

## COUNTY COUNCIL

COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.MauiCounty.us](http://www.MauiCounty.us)

February 7, 2024

TO: The Honorable Glenn Wakai, Chair, and  
Members of the House Committee on Public Safety and Intergovernmental  
and Military Affairs

FROM: Alice L. Lee  
Council Chair 

SUBJECT: **HEARING OF FEBRUARY 9, 2024; TESTIMONY IN SUPPORT OF  
SB3068, RELATING TO MAKING APPROPRIATIONS FOR WILDFIRE  
RECOVERY**

I **support** this measure to appropriate funds to support the State's continued response to the August 2023 wildfires.

I am providing this testimony in my capacity as an individual member of the Maui County Council.

I **support** this measure for the following reasons:

1. As well stated in this measure, Federal, State, and County agencies have worked together with nonprofit organizations, including the American Red Cross, Hawaii Community Foundation, Maui United Way, and many others, on emergency response and recovery since the August 2023 wildfires. Further support is needed to address ongoing response and recovery efforts.
2. This measure provides much-needed help to Maui County's people at this critical time in our history.

Thank you for your consideration.

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## TESTIMONY FROM THE DEMOCRATIC PARTY OF HAWAII

### SENATE COMMITTEE ON PUBLIC SAFETY AND INTERGOVERNMENTAL AND MILITARY AFFAIRS

FEBRUARY 9, 2024

### SB 3068, MAKING APPROPRIATIONS FOR WILDFIRE RECOVERY

#### POSITION: SUPPORT

The Democratic Party of Hawaii **supports** SB 3068, making appropriations for wildfire recovery. Pursuant to the “Public Safety and Disaster and Emergency Preparedness” section of the Democratic Party of Hawaii platform, the party supports “policy that protects the people of Hawaii and their property against natural and man-made disasters,” and “believes that climate change is real, affirms human activity as its primary cause and main driver, and supports emergency preparedness and planning efforts to mitigate its impacts.”

Last year, we witnessed the impact of the climate emergency on our shores. On August 8, 2023, wildfires swept across Maui and killed at least 100 people, making it one of the nation's deadliest natural disasters. The spread of the fires has been attributed to climate change conditions, such as unusually dry landscapes and the confluence of a strong high-pressure system to the north and Hurricane Dora to the south.

The wildfires destroyed over 2,200 structures, including numerous residential buildings, historic landmarks, and school facilities. In September

2023, a report from the United States Department of Commerce estimated the total economic damage of the wildfires to be roughly \$5.5 billion. According to a report issued by the University of Hawaii Economic Research Organization on September 22, 2023, the unemployment rate on Maui was expected to soar above 11 percent by the end of 2023 and remain above 4 percent through 2026. A total of 10,448 new claims for unemployment in Maui County were filed in the four weeks following the wildfires, about 9,900 more than the preceding four weeks. Displaced families and workers who lost their jobs are still attempting to recover from the disaster, with a full recovery expected to take many years to achieve.

**Accordingly, we must do all we can to prevent tragedies like this from recurring on our shores and appropriate funds to help mitigate future emergencies.** The Hawai'i Emergency Management Agency released an updated State Hazard Mitigation Plan last November, in which the state's wildfire risk level soared 74 percent to 6.6 from its prior level of 3.8 in the 2018 draft of the report.

The updated hazard mitigation plan contains statistics on how many people by county are at risk from wildfire hazards. For Honolulu, 427,293 people could potentially be affected by wildfires, which was listed as the highest risk with a risk factor of 5.7. Maui County also has wildfires as its highest emergency risk with a score of 5.8 and 81,424 people at risk. On Kaua'i, wildfires carry a 5.6 risk level and threaten 27,604 people. Hawai'i Island has a wildfire risk score of 4.6 and 32,080 people at risk.

Wildfires are now designated as the top hazard in the state according to the updated HIEMA report. It is incumbent upon policymakers to respond with urgency to keep our communities safe.

Mahalo nui loa,

**Kris Coffield**

*Co-Chair, Legislative Committee*  
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**Abby Simmons**

*Co-Chair, Legislative Committee*  
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abbyalana808@gmail.com