H.B. NO. <sup>1296</sup> H.D. 1 S.D. 1 C.D. 1

## A BILL FOR AN ACT

RELATING TO THE MAJOR DISASTER FUND.

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

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

7 The legislature further finds that to support response and 8 recovery efforts and address immediate 2023 Maui wildfire 9 funding needs, the governor, through several emergency 10 proclamations relating to wildfires and other executive powers, 11 has redirected appropriations from selected general fund 12 operating appropriations originally intended for specific 13 purposes and capital improvement projects, to the department of 14 budget and finance. The department of budget and finance 15 subsequently transferred funds to the major disaster fund. With 16 the veto of S.B. No. 3068, C.D. 2 (2024), and in light of the 17 provisions of S.B. No. 582, C.D. 1 (2024), provisions regarding



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transparency and accountability for the use of appropriations
 redirected no longer exist in statute.

3 The legislature believes that full transparency and 4 accountability requires a full accounting of all appropriations 5 transferred and deposited into the major disaster fund, and all 6 reimbursements of Federal Emergency Management Agency funds 7 received by the major disaster fund. In addition, assessing the 8 impacts to departments of the transfers made from various 9 appropriations is vital to ensuring that programs from which 10 funding was transferred remain effective.

11 Accordingly, the purpose of this Act is to establish timely notice and reporting requirements to the legislature regarding 12 13 the transfer of appropriations to the major disaster fund. 14 SECTION 2. Section 127A-16, Hawaii Revised Statutes, is 15 amended by amending subsection (b) to read as follows: 16 "(b) No later than [sixty] thirty days after any allotment 17 or transfer by the governor or the expenditure of any fund 18 moneys, the administrator shall report to the legislature on the purpose of the allotment, transfer, or expenditure. The report 19 20 shall:

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1	(1)	Desc	ribe the allotment, subsequent use of the	
2		transferred funds, or the expenditure; and		
3	(2)	Include an accounting for Federal Emergency Management		
4		Agency eligible and ineligible expenses that specify:		
5		(A)	The date of allotment, transfer, or expenditure;	
6		<u>(B)</u>	The amount of allotment, transfer, or	
7			expenditure;	
8		(C)	The program identification number from which	
9			funds were transferred or expended;	
10		(D)	The program identification number to which funds	
11			were transferred;	
12		<u>(E)</u>	The impact on the program identification number	
13			from which funds are transferred or expended; and	
14		(F)	A detailed explanation of:	
15			(i) The uses of the resources transferred or	
16			expended; and	
17		-	(ii) The public purposes served by the transfer	
18			of the resources."	
19	SECT	ION 3	. No later than October 1, 2025, the governor and	
20	administra	ator	of the Hawaii emergency management agency shall	
21	submit to	the	legislature a summary report containing the	



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information specified in section 2 of this Act for the previous
 fiscal year.

3 SECTION 4. This Act shall take effect on July 1, 2025, and
4 shall be repealed on July 1, 2026; provided that section 127A5 16(b), Hawaii Revised Statutes, shall be repealed and reenacted
6 in the form in which it read prior to the effective date of this
7 Act.



### Report Title:

Governor; Major Disaster Fund; Notice Requirement; Reporting Requirement

#### Description:

Establishes timely notice and reporting requirements to the Legislature by the Governor regarding the transfer of appropriations to the Major Disaster Fund. Effective 7/1/2025. Sunsets 7/1/2026. (CD1)

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

