

JAN 17 2007

A BILL FOR AN ACT

RELATING TO EMERGENCY SHELTERS.

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

1 PART I. DISASTER PREPAREDNESS - NEW STRUCTURES

2 SECTION 1. The purpose of this part is to:

- 3 (1) Require the department of accounting and general
4 services to adopt administrative rules to serve as a
5 uniform standard of construction for state buildings;
6 (2) Require developers of new residential developments to
7 design and construct community facilities to meet
8 hurricane resistant criteria and to install siren
9 warning systems; and
10 (3) Require developers of existing residential
11 developments to install siren warning systems.

12 SECTION 2. Chapter 107, Hawaii Revised Statutes, is
13 amended by adding a new section to be appropriately designated
14 and to read as follows:

15 "§107- State building design and construction. (a) The
16 department of accounting and general services shall adopt rules
17 pursuant to chapter 91 to provide a building code for



1 state-owned buildings, including but not limited to, public
2 school facilities. The building code shall include the latest
3 edition of:

4 (1) The International Building Code, published by the
5 International Code Council; and

6 (2) Code provisions based upon nationally published codes
7 or standards that include but are not limited to
8 residential and hurricane resistive standards for one-
9 and two-family residential construction, fire,
10 elevator, electrical, plumbing, mechanical, energy
11 conservation standards for building design and
12 construction, and private sewage disposal.

13 (b) Upon adoption of rules under subsection (a), the State
14 shall be exempted from county building codes for state-owned
15 buildings."

16 SECTION 3. Chapter 127, Hawaii Revised Statutes, is
17 amended by adding a new section to be appropriately designated
18 and to read as follows:

19 "§127- Residential development projects; civil defense
20 preparedness. (a) Beginning July 1, 2007, the developer of a
21 development or a residential project shall:



1 (1) Design and construct community facilities, if
2 community facilities are included in the development
3 or project, to meet, at a minimum, hurricane resistant
4 criteria; and

5 (2) Install emergency siren systems within the development
6 or residential project.

7 This subsection shall apply to a new development or a new
8 residential project constructed after July 1, 2007, as well as a
9 development or residential project in progress as of July 1,
10 2007.

11 (b) Beginning July 1, 2007, the developer of an existing
12 development or residential project shall install emergency siren
13 systems within the development or residential project.

14 (c) As used in this section:

15 "Community facilities" includes real and personal property,
16 and buildings, equipment, lands, and grounds for recreational or
17 social assemblies, for educational, health, or welfare purposes
18 and necessary or convenient utilities, when designed primarily
19 for the benefit and use of the occupants of the dwelling.

20 "Developer" and "development" shall have the same meaning
21 as in section 46-141.



1 "Hurricane resistant criteria" means design criteria for
 2 enhanced hurricane protection areas, capable of withstanding a
 3 five hundred-year hurricane event as developed by the department
 4 of defense for public shelter and residential safe room design
 5 criteria pursuant to Act 5, Special Session Laws of Hawaii 2005.

6 "Residential project" shall have the same meaning as in
 7 section 206E-2."

8 PART II. DISASTER PREPAREDNESS - EXISTING STRUCTURES

9 SECTION 4. The purpose of this part is to:

- 10 (1) Appropriate funds to retrofit existing structures to
 11 better withstand natural disasters;
- 12 (2) Establish that, prior to the dissolution of the Hawaii
 13 hurricane relief fund, and if the Hawaii hurricane
 14 relief fund has no policyholders, the annual net
 15 investment income earned from the principal in the
 16 hurricane reserve trust fund in fiscal years 2007-2008
 17 and 2008-2009 shall be deposited to the credit of the
 18 loss mitigation grant fund; and
- 19 (3) Provide an income tax credit for the installation of
 20 wind resistive devices.

21 SECTION 5. The director of finance is authorized to issue
 22 general obligation bonds in the sum of \$, or so much



1 thereof as may be necessary, and the same sum or so much thereof
2 as may be necessary, is appropriated for fiscal year 2007-2008,
3 to retrofit public school facilities to enable them to be used
4 for emergency shelters. The sum appropriated shall be expended
5 by the department of defense for the purposes of this section.

6 SECTION 6. The appropriation made for the capital
7 improvement projects authorized by section 5 of this Act shall
8 not lapse at the end of the fiscal year for which the
9 appropriation is made; provided that all moneys from the
10 appropriation unencumbered as of June 30, 2009, shall lapse as
11 of that date.

12 SECTION 7. The department of education and the department
13 of defense shall jointly determine which structures presently
14 being used for department of education operations have been
15 designated as emergency shelters but do not meet the department
16 of defense's design standards established pursuant to Act 5,
17 Special Session Laws of Hawaii 2005.

18 The department of education and the department of defense
19 shall also identify sites for new emergency shelters, located
20 within or on the grounds of facilities being used for department
21 of education operations, to be constructed according to the
22 current design standards.



1 The department of defense shall submit a report of any
 2 findings and recommendations, including any proposed
 3 legislation, to the governor and the legislature no later than
 4 twenty days prior to the convening of the regular session of
 5 2008.

6 SECTION 8. There is appropriated out of the general
 7 revenues of the State of Hawaii the sum of \$, or so
 8 much thereof as may be necessary for fiscal year 2007-2008, for
 9 the planning, design, construction, and equipment costs related
 10 to retrofitting existing structures presently being used for
 11 department of education operations that have been designated as
 12 emergency shelters, to comply with design standards established
 13 pursuant to Act 5, Special Session Laws of Hawaii 2005.

14 The sum appropriated shall be expended by the department of
 15 education for the purposes of this section.

16 SECTION 9. Chapter 235, Hawaii Revised Statutes, is
 17 amended by adding a new section to be appropriately designated
 18 and to read as follows:

19 "§235- Wind resistive devices tax credit. (a) There
 20 shall be allowed to each taxpayer, subject to the tax imposed by
 21 this chapter, an income tax credit for the installation in the
 22 State of a wind resistive device, as defined in section



1 431:22-101, that qualifies for a grant under section 431:22-104.
2 The wind resistive devices tax credit shall be in addition to
3 any grant awarded to the taxpayer under chapter 431:22. The tax
4 credit shall be deductible from the taxpayer's net income tax
5 liability, if any, imposed by this chapter for the taxable year
6 in which the tax credit is properly claimed.

7 (b) The tax credit shall apply as follows, for:

8 (1) Single-family residential property: _____ per cent of
9 the actual cost or \$ _____, whichever is less; or

10 (2) Multi-family residential property: _____ per cent of
11 the actual cost or \$ _____ per unit, whichever is
12 less;

13 provided that multiple owners of a residential property shall be
14 entitled to a single tax credit; and provided further that the
15 tax credit shall be apportioned between the owners in proportion
16 to their contribution to the cost of the wind resistive device.

17 For the purpose of this section, "actual cost" means costs
18 related to the acquisition and installation of the wind
19 resistive device under subsection (a) but does not include the
20 cost of any consumer incentive premiums offered with the sale of
21 the device and costs for which another credit is claimed under
22 this chapter.



1 (c) If the tax credit allowed under subsection (a) exceeds
2 the taxpayer's net income tax liability, the excess of credit
3 over liability shall be refunded to the taxpayer; provided that
4 no refunds or payment on account of the tax credit allowed by
5 this section shall be made for amounts less than \$1.

6 (d) In the case of a partnership, S corporation, estate,
7 trust, or association of apartment owners, the tax credit
8 allowable is for expenses incurred and paid for by the entity
9 for the taxable year. The cost upon which the tax credit is
10 computed shall be determined at the entity level. Distribution
11 and share of credit shall be determined pursuant to section
12 235-110.7(a).

13 (e) If a deduction is taken under section 179 (with
14 respect to election to expense certain depreciable business
15 assets) of the Internal Revenue Code, no tax credit shall be
16 allowed for that portion of the expenses for which the deduction
17 is taken.

18 The basis of eligible property for depreciation or
19 accelerated cost recovery system purposes for state income taxes
20 shall be reduced by the amount of credit allowable and claimed.
21 In the alternative, the taxpayer shall treat the amount of the
22 credit allowable and claimed as a taxable income item for the



1 taxable year in which it is properly recognized under the method
2 of accounting used to compute taxable income.

3 (f) No taxpayer that claims the tax credit under this
4 section shall claim any other credit for the same losses or
5 other expenses or costs.

6 (g) All claims for tax credits under this section,
7 including any amended claims, shall be filed on or before the
8 end of the twelfth month following the close of the taxable year
9 for which the credits may be claimed. Failure to comply with
10 the foregoing provision shall constitute a waiver of the right
11 to claim the credit.

12 (h) Application for the hurricane resistant devices tax
13 credit shall be upon forms provided by the department of
14 taxation."

15 SECTION 10. Section 431:22-102, Hawaii Revised Statutes,
16 is amended by amending subsection (a) to read as follows:

17 "(a) There is established a special fund to be designated
18 as the loss mitigation grant fund. Moneys [~~transferred~~]
19 deposited to the loss mitigation grant fund may be expended by
20 the commissioner to carry out the commissioner's duties and
21 obligations under this article. Disbursements from the loss



1 mitigation grant fund shall not be subject to chapter 42F or
2 91."

3 SECTION 11. Section 431P-16, Hawaii Revised Statutes, is
4 amended by amending subsection (i) to read as follows:

5 "(i) Moneys in the hurricane reserve trust fund may be:

6 (1) Disbursed upon dissolution of the Hawaii hurricane
7 relief fund; provided that:

8 (A) The net moneys in the hurricane reserve trust
9 fund shall revert to the state general fund after
10 payments by the fund on behalf of licensed
11 property and casualty insurers or the State that
12 are required to be made pursuant to any federal
13 disaster insurance program enacted to provide
14 insurance or reinsurance for hurricane risks are
15 completed; and

16 (B) If such moneys are paid on behalf of licensed
17 property and casualty insurers, payment shall be
18 made in proportion to the premiums from policies
19 of hurricane property insurance serviced by the
20 insurers in the twelve months prior to
21 dissolution of the fund; or



Report Title:

School Buildings; Emergency Shelters; Disaster Preparedness

Description:

Establishes hurricane resistant building code for state buildings. Requires developers to install siren warning devices in developments. Authorizes the issuance of general obligation bonds to fund retrofit of public school buildings for use as emergency shelters. Appropriates funds to retrofit existing and construct new emergency shelters. Transfers investment earnings of the Hawaii hurricane relief fund to the loss mitigation grant fund for two fiscal years. Provides an income tax credit for the installation of wind resistive devices.

