

JAN 17 2007

A BILL FOR AN ACT

RELATING TO EMERGENCY RELIEF FOR NATURAL DISASTERS.

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

1 SECTION 1. Residents and businesses of the State are often
2 twice victimized when natural disasters strike. First, the
3 damage caused by a natural disaster is often extensive and
4 repair or replacement costs are prohibitive. Second, the
5 emergency relief from governmental agencies to meet the
6 immediate needs of victims is often delayed or unavailable for
7 extended periods. For some victims of natural disasters, the
8 delay in receiving emergency assistance can mean a total loss of
9 their homes or businesses. The legislature finds that there is
10 an urgent need to provide victims with prompt emergency relief
11 during or immediately after a natural disaster.

12 The purpose of this Act is to allow the governor, upon the
13 declaration of an emergency, to release up to ten per cent of
14 the moneys appropriated from the emergency and budget reserve
15 fund to provide assistance to residents and businesses that have
16 sustained damage during or immediately after a natural disaster.



1 SECTION 2. Chapter 128, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§128- _____ **Emergency and budget reserve fund expenditures.**

5 Upon the declaration by the governor of an emergency due to a
6 natural disaster, the governor, by executive order, may
7 authorize the release and expenditure of moneys appropriated
8 from the emergency and budget reserve fund to provide emergency
9 assistance to residents or businesses of the State for damages
10 sustained from a natural disaster, during or immediately after
11 the natural disaster, pursuant to section 328L-3(e)."

12 SECTION 3. Section 328L-3, Hawaii Revised Statutes, is
13 amended to read as follows:

14 "**§328L-3 Emergency and budget reserve fund.** (a) There is
15 established in the state treasury the emergency and budget
16 reserve fund, which shall be a special fund administered by the
17 director of finance, into which shall be deposited:

18 (1) Twenty-four and one-half per cent of the moneys
19 received from the tobacco settlement moneys under
20 section 328L-2(b)(1); and

21 (2) Appropriations made by the legislature to the fund.



1 (b) All interest earned from moneys in the emergency and
2 budget reserve fund shall be credited to the general fund.

3 (c) Expenditures from the emergency and budget reserve
4 fund shall be a temporary supplemental source of funding for the
5 State during times of emergency, economic downturn, or
6 unforeseen reduction in revenues. No expenditures shall be made
7 from the emergency and budget reserve fund except pursuant to
8 appropriations[-] or as provided in subsection (e). The general
9 appropriations bill or the supplemental appropriations bill, as
10 defined in section 9 of article VII of the Constitution of the
11 State of Hawaii, shall not be used to appropriate moneys from
12 the emergency and budget reserve fund. The governor, through an
13 appropriations bill, may recommend expenditures from the
14 emergency and budget reserve fund by setting forth the purposes
15 of the expenditures consistent with subsection (d), the amounts,
16 and the reasons justifying the necessity for the appropriations.

17 (d) The legislature may make appropriations from the fund
18 for the following purposes:

19 (1) To maintain levels of programs determined to be
20 essential to public health, safety, welfare, and
21 education;



- 1 (2) To provide for counter cyclical economic and
2 employment programs in periods of economic downturn;
- 3 (3) To restore facilities destroyed or damaged or services
4 disrupted by disaster in any county; and
- 5 (4) To meet other emergencies when declared by the
6 governor or determined to be urgent by the
7 legislature.

8 Any act making appropriations from the emergency and budget
9 reserve fund shall include a declaration of findings and
10 purposes setting forth the purposes, the amounts, and the
11 reasons why the appropriations are necessary and shall require a
12 two-thirds majority vote of each house of the legislature.

13 (e) Upon the declaration by the governor of an emergency
14 due to a natural disaster, the governor, by executive order, may
15 authorize the release and expenditure of moneys from the fund to
16 provide emergency assistance to residents or businesses of the
17 State for damages sustained from a natural disaster, during or
18 immediately after the natural disaster, subject to the following
19 requirements:

- 20 (1) The governor shall determine the amount of moneys to
21 be released based upon the recommendations of state
22 and county civil defense agencies; provided that the



1 amount expended shall not exceed ten per cent of the
2 interest earned on principal from moneys in the fund
3 at the time of the expenditure;

4 (2) Within seventy-two hours after issuing the executive
5 order, the governor shall provide written notice to
6 the president of the senate and the speaker of the
7 house of representatives describing the intended use
8 of the moneys; and

9 (3) The governor shall submit a report to the legislature
10 not later than twenty days prior to the convening of
11 the regular session or any special session immediately
12 following the occurrence of the natural disaster,
13 regarding the release and expenditure of moneys from
14 the fund under this subsection; provided that if the
15 natural disaster occurs in the period between thirty
16 days prior to the convening of a regular session or
17 the closing of the regular session, the governor shall
18 submit the report not later than thirty days after
19 issuing the executive order. At a minimum the report
20 shall:

21 (A) State the amounts released;



1 (B) Describe the purposes under subsection (d) for
2 which the funds were released;

3 (C) Explain the factors that necessitated the use of
4 moneys in the fund; and

5 (D) Provide recommendations for replacing the
6 expended moneys from the fund.

7 ~~(e)~~ (f) Appropriations for the following purposes from
8 the emergency and budget reserve fund are specifically
9 prohibited:

10 (1) To meet expenses of the legislature;

11 (2) To provide for salary adjustments for officials
12 appointed pursuant to article V, section 6, or article
13 VI, section 3, of the Constitution of the State of
14 Hawaii and for others whose salaries are directly
15 related to salaries of these officials; and

16 (3) To fund cost items in any collective bargaining
17 contract."

18 SECTION 4. Statutory material to be repealed is bracketed
19 and stricken. New statutory material is underscored.

20 SECTION 5. This Act shall take effect on July 1, 2006.

21

INTRODUCED BY: Norman Sakuma

June
Gov. L. Abernethy



Report Title:

Natural Disasters; Rainy Day Fund

Description:

Authorizes the governor to order the release of up to ten per cent of moneys appropriated from interest earnings in the emergency and budget reserve fund for emergency assistance to residents and businesses sustaining damage from natural disasters. Also appropriates funds for emergency assistance.

