



STATE OF HAWAII  
DEPARTMENT OF EDUCATION  
P.O. BOX 2360  
HONOLULU, HAWAII 96804

**Date:** 02/16/2021

**Time:** 02:00 PM

**Location:** 309 Via Videoconference

**Committee:** House Education

**Department:** Education

**Person Testifying:** Dr. Christina M. Kishimoto, Superintendent of Education

**Title of Bill:** HB 0574, HD1 RELATING TO DISASTER RELIEF.

**Purpose of Bill:** Repeals language authorizing the DOE to retain federal disaster relief funds. Amends the major disaster fund to be a special fund. Requires federal disaster relief funds to lapse to the general fund if not expended within five years. Shortens the time for reporting the purpose of any allotment or expenditure of fund moneys. Repeals language requiring unspent funds to be rolled over. Requires annual reports to the legislature on federal disaster relief funds. Effective 7/1/2050. (HD1)

**Department's Position:**

The Hawaii State Department of Education (Department) respectfully submits comments to express concerns with portions of HB 574, HD1.

Sections 1 and 2 of this measure seeks to delete §37-41.5(c) and §127A-16(d), which together allow the Department to retain federal disaster relief funds when federal disaster relief reimbursements are issued to the Department. These sections are needed to allow the Department to receive and retain federal disaster relief reimbursements for expenditures made by the Department in instances when, as often the case, it takes several years for the federal reimbursements to be issued. Without these sections, if the appropriation used by the Department to pay for the disaster relief has since lapsed by the time federal reimbursements are issued (as is often the case), under current accounting practice the reimbursement would simply go to the State Treasury. These sections only apply when the Department is required to expend funds appropriated for other purposes in order to respond to a disaster via paying for disaster relief.

Under ideal conditions, all State expenditures for disaster relief would be made from a source such as the Major Disaster Special Fund, and Departments would not need to redirect funds

appropriated for other purposes. However, the amounts set aside by the State are not always sufficient to pay for disaster relief required by State agencies. Out of necessity, the Department expends appropriations made for other purposes, such as lump sum Capital Improvement Program funds, to provide disaster relief. If this situation were to arise and the Department were to undertake the considerable additional administrative workload required to maximize federal reimbursements, the Department would appreciate being able to continue to retain and use those federal reimbursements for the original intended purpose.

The Department would welcome an opportunity to continue dialogue on improving reliability and predictability of financing disaster relief.

Thank you for the opportunity provide testimony on this measure.

The Hawai'i State Department of Education is committed to delivering on our promises to students, providing an equitable, excellent, and innovative learning environment in every school to engage and elevate our communities. This is achieved through targeted work around three impact strategies: school design, student voice, and teacher collaboration. Detailed information is available at [www.hawaiipublicschools.org](http://www.hawaiipublicschools.org).



**STATE OF HAWAII**  
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STATE OF HAWAII  
DEPARTMENT OF DEFENSE  
HAWAII EMERGENCY MANAGEMENT AGENCY

**TESTIMONY ON HOUSE BILL 574 HD1,**  
**RELATING TO DISASTER RELIEF**

Before the House Committee on  
**EDUCATION**

By

Luke P. Meyers  
Administrator, Hawaii Emergency Management Agency (HI-EMA)

Aloha Chair Woodson, Vice-Chair Kapela and Members of the Committee:

House Bill 574 repeals language authorizing the DOE to retain federal disaster relief funds. Amends the major disaster fund to be a special fund. Requires federal disaster relief funds to lapse to the general fund if not expended within five years. Shortens the time for reporting the purpose of any allotment or expenditure of fund moneys. Repeals language requiring unspent funds to be rolled over. Requires annual reports to the legislature on federal disaster relief funds. Effective 7/1/2050. (HD1)

The Hawaii Emergency Management Agency **opposes** House Bill 574.

During disasters, operations, and related expenses take time to implement, formulate, and track. The recommended thirty-day timeframe for a report based on the allotment will be difficult to provide a clear and value-added summary. The original sixty-day language allows for more time to provide a complete assessment at the time.

The change of the reimbursement funding being placed into a trust account creates challenges. The trust account for HI-EMA and the State is important to show how the funds are being reimbursed for the State's grant management expenses. This is further complicated by the change of the funds lapsing after five years back to the general fund.

The striking of unspent funding under \$2,500,000 appears to be incorporated with the change identified above, but the intent of the original legislation was to have an emergency and/or disaster

relief fund that could be used immediately after an incident. This is based on experience that not each incident will reach thresholds for various types of Federal Disaster Assistance.

The additional reporting requirements by the Administrator of Federal funds received during a disaster is unrealistic due to the uncertain lengths of different types of disasters as well as the myriad of sources from which Federal funds originate. HI-EMA does produce reports and summaries on a routine basis for Federal Funds as we work through the response, recovery, and mitigation functions. We are willing and committed to sharing these with the community and our stakeholders. HI-EMA currently is managing response, recovery, and mitigation functions dating back to 2006 for over ten open disasters.

Thank you.

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