RELATING TO NATURAL DISASTERS.

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

SECTION 1. The legislature finds that state assistance is needed for relief, recovery, mitigation, and remediation from the Presidential-declared Kilauea eruption major disaster in the county of Hawai‘i. The disaster permanently altered large portions of the landscape, communities, and the economy with losses tallying in the hundreds of millions of dollars. Unlike floods or hurricanes, after which affected residents could possibly return to their homes, the Kilauea eruption caused permanent displacement that involves complex recovery and mitigation planning to assess whether to rebuild or relocate.

Although the eruption has paused, the Hawai‘i volcanoes observatory's alert level is "advisory" rather than "normal", reflecting the uncertainty that the eruption is over. The hazards persist with high subsurface temperatures, sporadic sulfur dioxide or hydrogen sulfide gas release, ground cracks, and potential to resume eruption - requiring additional
resources to monitor and respond, while concurrently initiating recovery.

The impacts and losses resulting from the eruption are extensive. Over eight thousand acres were inundated by lava tens of feet thick, covering entire neighborhoods, farms, a school, cultural sites, recreational destinations, roadways, water systems, and large portions of the electrical grid. The eruption was centered in the heart of the most socio-economically vulnerable communities, pushing many households deeper into poverty and destroying what little wealth had been accumulated. More than seven hundred homes were destroyed, totaling over $100,000,000 in property losses. Over three thousand parcels were destroyed or made inaccessible, translating into $4,000,000 in annual county real property tax revenue losses. A thirty-eight megawatt geothermal plant shut down and was isolated, resulting in the loss of one-third of the county's power production and half of its renewable energy portfolio. Economic impacts are in the hundreds of millions of dollars, including an unprecedented one hundred thirty-four-day closure of Hawai‘i Volcanoes National Park, the county's largest tourist attraction and economic engine, and an estimated
$27,900,000 in lost papaya, nursery, orchid, vegetable, and tree crops.

The legislature further finds that the scale of the relief, recovery, mitigation, and remediation exceeds the county of Hawai‘i's capacity. As a rural county with the lowest average per capita income in the State, the county of Hawai‘i's $500,000,000 annual operating budget has been stretched to its limit with the $4,000,000 annual revenue loss from the inundated properties, depletion of disaster response reserves for overtime and expenses incurred to respond to the disaster, and looming bargaining unit salary and benefit increases beyond the county's control. Even with federal disaster assistance, the county of Hawai‘i will need assistance to provide the local match to federal funding and to address recovery, mitigation, and remediation needs beyond what federal programs cover.

The purpose of this Act is to appropriate funds to meet the needs for relief, recovery, mitigation, and remediation activities in the county of Hawai‘i, including:

1. Loans to cover the local cost share of various federal programs, such as the twenty-five per cent cost share for the Federal Emergency Management Agency's public
assistance and hazard mitigation programs as required by the Robert T. Stafford Disaster Relief and Emergency Assistance Act, and other federal programs that may become available from the Department of Housing and Urban Development and other agencies; and (2) The costs of necessary housing assistance that may or may not be covered by federal programs.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of $50,000,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 to provide relief, recovery, mitigation, and remediation assistance from disaster damage, losses, and suffering caused by the extensive damage of the Kilauea eruption in the county of Hawai‘i, as follows:

(1) $20,000,000 for housing assistance; and

(2) $30,000,000 in loans, not to be used to match other state funding.

The sums appropriated shall be expended by the county of Hawai‘i for the purposes of this Act.
SECTION 3. This Act shall take effect on July 1, 2019.

INTRODUCED BY:

[Signatures]

JAN 23 2019
Report Title:
State Budget; Disaster Relief; Kilauea Eruption; County of Hawai'i; Appropriation

Description:
Appropriates funds for disaster relief, recovery, mitigation, and remediation activities for the county of Hawai'i.

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