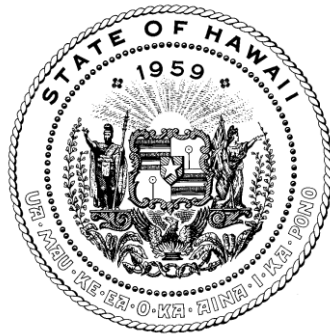


Report to the Thirty-Second Legislature
2023 Regular Session

**ACCOUNTING FOR THE USAGE OF FUNDS FOR THE
HAWAII ASSOCIATION OF CONSERVATION DISTRICTS
FISCAL YEAR 2023**



Prepared by the

Department of Land and Natural Resources
State of Hawaii

In response to
Section 6.3 of Act 248, Session Laws of Hawaii 2022

October 2022

**ACCOUNTING FOR THE USAGE OF FUNDS FOR THE
HAWAII ASSOCIATION OF CONSERVATION DISTRICTS
FISCAL YEAR 2023**

This report covers the period of July 1, 2022 through June 30, 2023, and is prepared pursuant to Section 6.3 of Act 248, Session Laws of Hawaii 2022, which states:

SECTION 6.3. Provided that of the general fund appropriation for the Hawaii Association of Conservation Districts (LNR141), the sum of \$500,000 for fiscal year 2022-2023 shall be expended in accordance with chapter 180, Hawaii Revised Statutes; provided further that the department shall submit a report accounting for the usage of funds to the legislature no later than thirty days prior to the convening of the regular session of 2023; provided further that these funds are deemed necessary to qualify for federal aid financing and/or reimbursement.

BACKGROUND

The Soil and Water Conservation District (SWCD) program is authorized by Hawaii Revised Statutes (HRS) Chapter 180 and has been administratively attached to Department of Land and Natural Resources (DLNR) since 1967. There are sixteen (16) Districts statewide, and each is governed by a board consisting of five (5) volunteer directors.

Functions of the SWCDs include but are not limited to: assisting farmers/ranchers to prepare conservation plans for their operations (a conservation plan approved by a SWCD is recognized by the respective counties in lieu of a grading permit); participation in flood control or prevention projects; assisting in engineering surveys, investigation and research; and conducting community outreach. To perform their functions or projects, the Districts may partner with various Federal, State, County and/or non-profit agencies for funding and to achieve mutual goals.

The Hawaii Association of Conservation Districts (HACD) is an umbrella organization formed by the sixteen Districts to promote the broad conservation agenda and policies of the program. HACD is managed by an Executive Board elected from SWCD District representatives and employs an Executive Director. HACD also employs four (4) conservation specialists to assist the Districts with conservation planning and further promote local agriculture and watershed stewardship throughout the community.

State funding to support the administrative costs of the SWCD program has historically been appropriated to the Department of Land and Natural Resources (DLNR) through the LNR 141 (Water and Land Development) program for distribution to HACD and the 16 SWCDs. A breakdown for the distribution of available funding is annually provided by the HACD Executive Director, in consultation with the HACD Executive Board. Based on the breakdown provided, quarterly allotments are distributed to HACD and the SWCDs throughout the fiscal year.

FISCAL YEAR 2023 HACD/SWCD PROGRAM FUNDING AND USAGE

The Supplemental Appropriations Act of 2022 (Act 248, SLH 2022) appropriated \$500,000 in general funds for the SWCD/HACD program for Fiscal Year 2023. By means of the *FY23 Budget Execution Policies* (Executive Memorandum No. 22-03), the Governor imposed a 5 percent hard restriction and 5 percent contingency restriction on general-funded program appropriations. Due to the imposed restrictions, a total of \$450,000 was available for distribution to HACD and 16 SWCDs.

The breakdown of the State FY 2023 HACD/SWCD funding to be distributed is as follows:

Description	FY23 Budgeted Amount
HACD Executive Board, Executive Director, and related operating expenses	\$87,000
National Association of Conservation District dues	\$1,600
Conservation Specialists (4) and related operating expenses	\$281,400
Soil and Water Conservation Districts (16 x \$5,000 each)	\$80,000
Total	\$450,000

In FY 2023, the various Districts will receive a total of approximately \$1,050,000 in federal funds for their operations and projects. Additionally, efforts of the Districts helped to deliver approximately \$9,500,000 and \$10,875,800 in federal funds to the farmers and ranchers that they support in Federal Fiscal Year (FFY) 2022 and FFY 2023, respectively.