

JAN 25 2006

S.B. NO. 3040

A BILL FOR AN ACT

PROPOSING AN AMENDMENT TO THE HAWAII CONSTITUTION RELATING TO
EXCESS REVENUES.

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

1 SECTION 1. The purpose of this Act is to propose an
2 amendment to article VII, section 6, of the Constitution of the
3 State of Hawaii to provide the legislature with the flexibility
4 to dispose of excess revenues.

5 SECTION 2. Article 7, section 6, of the Constitution of
6 the State of Hawaii is amended to read as follows:

7 "**Section 6.** Whenever the state general fund balance at the
8 close of each of two successive fiscal years exceeds five
9 percent of general fund revenues for each of the two fiscal
10 years, the legislature in the next regular session shall provide
11 for [a]:

12 (1) A tax refund or a tax credit to the taxpayers of the
13 State[~~r~~]; or

14 (2) An appropriation and deposit, into the emergency and
15 budget reserve fund established under section 328L-3,
16 Hawaii Revised Statutes, of the amount that would have



1 otherwise been refunded or credited under paragraph
 2 (1);
 3 as provided by law."

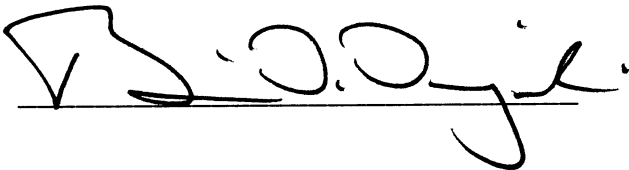
4 SECTION 3. The question to be printed on the ballot shall
 5 be as follows:

6 "Shall the legislature, whenever the state general fund
 7 balance, at the close of each of two successive fiscal
 8 years, exceeds five per cent of general fund revenues for
 9 each of the two fiscal years have the authority to decide
 10 whether the excess revenues should be deposited into the
 11 emergency and budget reserve fund?"

12 SECTION 4. Constitutional material to be repealed is
 13 bracketed and stricken. New constitutional material is
 14 underscored.

15 SECTION 5. This amendment shall take effect upon
 16 compliance with article XVII, section 3, of the Constitution of
 17 the State of Hawaii.

18

INTRODUCED BY: 

Report Title:

Excess Revenues; Disposition; Constitutional Amendment

SB. NO. 3040

Description:

Proposes an amendment to article VII, section 6, of the Constitution of the State of Hawaii, that would empower the legislature with the authority to select between: providing a tax credit or refund; and depositing the money into the emergency and budget reserve fund, when certain budget surplus criteria are met.

