

STAND. COM. REP. NO.

2167

Honolulu, Hawaii

Feb. 16, 2006

RE: S.B. No. 3040

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Judiciary and Hawaiian Affairs, to which was referred S.B. No. 3040 entitled:

"A BILL FOR AN ACT PROPOSING AN AMENDMENT TO THE HAWAII CONSTITUTION RELATING TO EXCESS REVENUES,"

begs leave to report as follows:

The purpose of this measure is to propose a constitutional amendment to the Hawaii Constitution relating to excess revenue.

Comments were submitted by the Tax Foundation of Hawaii. Testimony in opposition was submitted by the Department of Budget and Finance.

Your Committee finds that this measure will provide the legislature with flexibility to dispose of excess revenue. This measure will give the legislature 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.

Your Committee conducted a legal review of this measure but notes that the subject matter of this bill is within the purview of the Committee on Ways and Means.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3040 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

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Respectfully submitted on
behalf of the members of the
Committee on Judiciary and
Hawaiian Affairs,



COLLEEN HANABUSA, Chair



