

STAND. COM. REP. NO.

1084

Honolulu, Hawaii

MAR 27 2009

RE: H.B. No. 993  
H.D. 2

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2009  
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 993, H.D. 2, entitled:

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

begs leave to report as follows:

The purpose of this measure is to propose a constitutional amendment concerning the disposition of projected excess state revenues.

Specifically, the measure requires that in any regular session of the Legislature during which the Council on Revenues estimates that for a second consecutive year, the general fund revenues in the current fiscal year will exceed the general fund revenues collected in the prior fiscal year by at least seven per cent, the Legislature shall set aside:

- (1) One per cent of general fund revenues collected in the prior fiscal year as a tax credit or tax refund for state taxpayers; and
- (2) Moneys in excess of the seven per cent of the amount by which the current fiscal year revenues are estimated to exceed revenues from the prior fiscal year, and deposit the revenues into the emergency and budget reserve fund, subject to certain conditions.



Your Committee received testimony from one organization that supported the purpose and intent of the measure. One state department opposed the measure, and one state department and one organization submitted comments. The testimony may be reviewed on the Legislature's website.

Your Committee finds that the current state and national economy illustrates the wisdom of establishing a financial reserve during a strong economy. While your Committee agrees that an increase in general revenues should be shared with taxpayers, your Committee also believes it is prudent to set aside a portion of the estimated increase to meet state obligations when the State's financial situation is not as prosperous.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 993, H.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Government Operations.

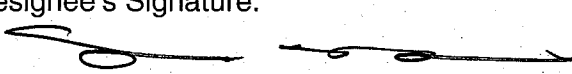
Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONNA MERCADO KIM, Chair



The Senate  
Twenty-Fifth Legislature  
State of Hawaii

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 993, HD 2	WAM, JGO	3/27/09		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input checked="" type="checkbox"/> Pass, unamended 2312	<input type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani				/
FUKUNAGA, Carol	/			
GALUTERIA, Brickwood	/			
HEE, Clayton				/
HOOSER, Gary L.	/			
KIDANI, Michelle N.	/			
KOKUBUN, Russell S.	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred				/
<b>TOTAL</b>	9			3
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

\*Only one measure per Record of Votes