
A BILL FOR AN ACT

PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 6, OF THE HAWAII
CONSTITUTION, RELATING TO THE TAX REBATE REQUIREMENT.

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 amend the requirement that excess general
4 fund revenues be returned to taxpayers of the State as a tax
5 refund and allow the legislature to deposit these excess
6 revenues into the emergency and budget reserve fund as an
7 alternative.

8 SECTION 2. Article VII, section 6, of the Constitution of
9 the State of Hawaii is amended to read as follows:

10 **"DISPOSITION OF EXCESS REVENUES**

11 **Section 6.** Whenever the state general fund balance at the
12 close of each of two successive fiscal years exceeds five
13 percent of general fund revenues for each of the two fiscal
14 years, the legislature in the next regular session shall provide
15 for a tax refund or tax credit to the taxpayers of the State, or
16 deposit the excess funds into the emergency and budget reserve
17 fund established by law, as provided by law."



1 SECTION 3. The question printed on the ballot shall be as
2 follows:

3 "Shall the legislature be provided with the authority to
4 determine, when the state general fund balance at the close
5 of two successive fiscal years exceeds five per cent of the
6 general fund revenues for each of the two fiscal years,
7 whether the excess revenues should be used to provide a tax
8 refund or tax credit to the taxpayers of the State, or
9 instead be deposited into the emergency and budget reserve
10 fund, which is a temporary supplemental source of funding
11 for the State in times of emergency, economic downturn, or
12 unforeseen reduction in revenues?"

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 Constitutional material to be repealed is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

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



Report Title:

Constitutional Amendment; Excess Revenues; Emergency and Budget Reserve Fund

Description:

Proposes a constitutional amendment to article VII, section 6 of the state constitution to authorize the legislature to determine whether excess funds should be used as tax refunds or tax credits to taxpayers of the State or diverted to the State's emergency and budget reserve fund. (SD2)

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