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## A BILL FOR AN ACT

PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 6, OF THE HAWAII  
CONSTITUTION, RELATING TO THE DISPOSITION OF 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 amend the requirement that excess general  
4 fund revenues be returned to taxpayers of the State as a tax  
5 refund or be deposited into one or more funds to serve as a  
6 temporary supplemental source of funding in times of a  
7 emergency, economic downturn, or an unforeseen reduction in  
8 revenue and allow the legislature to deposit excess general fund  
9 revenues into one or more funds to reduce unfunded liabilities  
10 for pension benefits and other post-employment benefits for  
11 state employees.

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

14                               **"DISPOSITION OF EXCESS REVENUES**

15           **Section 6.** Whenever the state general fund balance at the  
16 close of each of two successive fiscal years exceeds five



1 percent of general fund revenues for each of the two fiscal  
2 years, the legislature in the next regular session shall provide  
3 for a tax refund or tax credit to the taxpayers of the State, or  
4 make a deposit into one or more funds, as provided by law, which  
5 shall serve as temporary supplemental sources of funding for the  
6 State in times of an emergency, economic downturn, or unforeseen  
7 reduction in revenue, as provided by law[7]; provided that if  
8 general fund revenues in any one fiscal year are projected to  
9 exceed general fund revenues in the previous fiscal year by  
10 seven percent or more, the legislature shall deposit an amount  
11 equal to the excess general fund revenues into one or more  
12 funds, as provided by law, to reduce unfunded liabilities for  
13 pension benefits and other post-employment benefits for  
14 employees of the State."

15 SECTION 3. The question printed on the ballot shall be as  
16 follows:

17 "Whenever general fund revenues in any one fiscal year are  
18 projected to exceed general fund revenues in the previous  
19 fiscal year by seven percent or more, shall the legislature  
20 be required to deposit an amount equal to the excess  
21 general fund revenues into one or more funds, as provided  
22 by law, to reduce unfunded liabilities for pension benefits



1 and other post-employment benefits for employees of the  
2 State?"

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

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

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INTRODUCED BY:

Kal Hood

JAN 24 2011



**Report Title:**

Constitutional Amendment; Excess Revenues; Retirement Benefits

**Description:**

Proposes a constitutional amendment to article VII, section 6 of the state constitution to authorize the legislature to deposit excess general fund revenues into a fund to fund pension benefits and other post-employment benefits for State employees.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

