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

12 SECTION 2. Article VII, section 6, of the Hawaii State
13 Constitution 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
17 percent of general fund revenues for each of the two fiscal



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

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

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



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.

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