



1 legislature in appropriating funds and enacting revenue  
 2 measures. The governor and the legislature shall use the latest  
 3 estimates prepared by the council as base estimates against  
 4 which their revenue estimates shall be compared. All revenue  
 5 estimates submitted by the council to the governor and the  
 6 legislature shall be made public. If the legislature in  
 7 appropriating funds and enacting revenue measures, or if the  
 8 governor in preparing the budget or recommending appropriations,  
 9 exceeds estimated current revenues and unencumbered cash  
 10 balances due to proposed expenditures, this fact shall be made  
 11 public including the reasons therefor."

12 SECTION 3. Article VII, section 9, of the Constitution of  
 13 the State of Hawaii is amended to read as follows:

14 "LEGISLATIVE APPROPRIATIONS; PROCEDURES;

15 EXPENDITURE CEILING; STANDING

16 Section 9. In each regular session in an odd-numbered  
 17 year, the legislature shall transmit to the governor an  
 18 appropriation bill or bills providing for the anticipated total  
 19 expenditures of the State for the ensuing fiscal biennium. No  
 20 general appropriation bill or other bill appropriating money for  
 21 any purpose shall be enacted if the appropriations contained  
 22 therein, together with all other appropriations made for each



1 fiscal year in the biennium, exceed current estimated revenues  
2 and unencumbered cash balances available to meet such  
3 appropriations during such fiscal period. In such session, no  
4 appropriation bill, except bills recommended by the governor for  
5 immediate passage, or to cover the expenses of the legislature,  
6 shall be passed on final reading until the bill authorizing  
7 operating expenditures for the ensuing fiscal biennium, to be  
8 known as the general appropriations bill, shall have been  
9 transmitted to the governor.

10 In each regular session in an even-numbered year, at such  
11 time as may be provided by law, the governor may submit to the  
12 legislature a bill to amend any appropriation for operating  
13 expenditures of the current fiscal biennium, to be known as the  
14 supplemental appropriations bill, and bills to amend any  
15 appropriations for capital expenditures of the current fiscal  
16 biennium, and at the same time the governor shall submit a bill  
17 or bills to provide for any added revenues or borrowings that  
18 such amendments may require. In each regular session in an  
19 even-numbered year, bills may be introduced in the legislature  
20 to amend any appropriation act or bond authorization act of the  
21 current fiscal biennium or prior fiscal periods. No bill  
22 appropriating money for any purpose shall be enacted if the



1 appropriations contained therein, together with all other  
2 appropriations made for each fiscal year of the same fiscal  
3 period, exceed current estimated revenues and unencumbered cash  
4 balances available to meet such appropriations during such  
5 fiscal period. In any such session in which the legislature  
6 submits to the governor a supplemental appropriations bill, no  
7 other appropriation bill, except bills recommended by the  
8 governor for immediate passage, or to cover the expenses of the  
9 legislature, shall be passed on final reading until such  
10 supplemental appropriations bill shall have been transmitted to  
11 the governor. Any member of the legislature, the Governor or  
12 the Attorney General of the State shall have standing and a  
13 cause of action to seek judicial enforcement of this section.

14 **GENERAL FUND EXPENDITURE CEILING**

15 Notwithstanding any other provision to the contrary, the  
16 legislature shall establish a general fund expenditure ceiling  
17 which shall limit the rate of growth of general fund  
18 appropriations, excluding federal funds received by the general  
19 fund, to the estimated rate of growth of the State's economy as  
20 provided by law. No appropriations in excess of such ceiling  
21 shall be authorized during any legislative session unless the  
22 legislature shall, by a two-thirds vote of the members to which



1 each house of the legislature is entitled, set forth the dollar  
2 amount and the rate by which the ceiling will be exceeded and  
3 the reasons therefor."

4 SECTION 4. The question to be printed on the ballot shall  
5 be as follows:

6 "Shall the Legislature be required to enact a balanced  
7 budget using the latest council on revenues estimates and be  
8 subject to enforcement actions of the court if it fails to  
9 do so?"

10 SECTION 5. Statutory material to be repealed is bracketed  
11 and stricken. New statutory material is underscored.

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

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INTRODUCED BY:

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*Anil y de*  
*[Handwritten signature]*



# S.B. NO. 796

**Report Title:**

Constitutional Amendment to Article VII for Balanced Budget

**Description:**

Proposes a constitutional amendment to clarify that the Legislature is required to comply with balanced budget requirements and use the latest Council on Revenues estimates to enact a balanced budget; grants standing to specific officials to seek judicial enforcement.

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

