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## A BILL FOR AN ACT

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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 Hawaii Constitution  
3 to amend the requirement that excess general fund revenues be  
4 returned to taxpayers of the State as a tax refund or tax credit  
5 and allow the legislature to deposit these excess revenues into  
6 one or more funds, as provided by law, to serve as temporary  
7 sources of funding for the State in times of an emergency,  
8 economic downturn, or unforeseen reduction in revenue.

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

11               "DISPOSITION OF EXCESS REVENUES

12       Section 6. Whenever the state general fund balance at the  
13 close of each of two successive fiscal years exceeds five  
14 percent of general fund revenues for each of the two fiscal  
15 years, the legislature in the next regular session shall provide  
16 for a tax refund or tax credit to the taxpayers of the State, or  
17 make a deposit into one or more funds, as provided by law, which



1 shall serve as temporary supplemental sources of funding for the  
2 State in times of an emergency, economic downturn, or unforeseen  
3 reduction in revenue, as provided by law."

4 SECTION 3. The question printed on the ballot shall be as  
5 follows:

6 "Shall the legislature be provided with the choice, when  
7 the state general fund balance at the close of each of two  
8 successive fiscal years exceeds five per cent of the  
9 general fund revenues for each of the two fiscal years, to  
10 provide a tax refund or tax credit to the taxpayers of the  
11 State, or to make a deposit into one or more funds, as  
12 provided by law, which shall serve as temporary  
13 supplemental sources of funding for the State in times of  
14 an emergency, economic downturn, or unforeseen reduction in  
15 revenue?"

16 SECTION 4. New constitutional material is underscored.

17 SECTION 5. This amendment shall take effect upon  
18 compliance with article XVII, section 3, of the Hawaii  
19 Constitution.



**Report Title:**

Constitutional Amendment; Excess Revenues; Temporary  
Supplemental Source of Funding

**Description:**

Proposes a constitutional amendment to article VII, section 6, of the Hawaii 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 one or more funds to serve as temporary supplemental sources of funding for the State in times of an emergency, economic downturn, or unforeseen reduction in revenue. (SB2807 CD1)

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

