STAND. COM. REP. NO.)195 -10

Honolulu, Hawaii

April 1 , 2010

RE: S.B. No. 2807

S.D. 2 H.D. 2

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2807, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 6, OF THE HAWAII CONSTITUTION, RELATING TO THE TAX REBATE REQUIREMENT,"

begs leave to report as follows:

The purpose of this bill is to create a fiscal reserve to enable the State to meet its financial obligations during economic difficulties and other emergencies. This bill proposes an amendment to Article VII, section 6, of the Hawaii Constitution to amend the requirement that excess general fund revenues be returned to taxpayers of the State as a tax refund or tax credit by giving the Legislature the alternative of depositing these excess revenues into an emergency and budget reserve fund.

The Policy Advisory Board for Elder Affairs testified in support of this bill. The Office of the Governor, Department of Budget and Finance, and Tax Foundation of Hawaii offered comments.

Your Committee has amended this bill by:

(1) Simplifying the question to be printed on the ballot by deleting language that describes the purpose of the emergency and budget reserve funds; and

(2) Making technical, nonsubstantive amendments for consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2807, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2807, S.D. 2, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Finance,

MARCUS R. OSHIRO, Chair

## State of Hawaii House of Representatives The Twenty-fifth Legislature

## **Record of Votes of the Committee on Finance**

SB 2807, SD2, HD1	Committe  JUD	e Referral:	Dat	3/25	110
☐ The committee is reconsidering its previous decision on the measure.					
The recommendation is to:  Pass, unamended (as is)  Pass, with amendments (HD)  Pass short form bill with HD to recommit for future public hearing (recommit)					
FIN Members		Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)		-			
2. LEE, Marilyn B. (VC)		V			
3. AQUINO, Henry J.C.					
4. AWANA, Karen Leinani	NACISTALISM SACE AND STREET	V			
6. CHOY, Isaac W.					
7. COFFMAN, Denny					
8. HAR, Sharon E.	<u> </u>		1986 (1788 x 80.6 ddg. 24)		J. Baller Tay 27 Copy of the C
9. KEITH-AGARAN, Gilbert S.	<b>C.</b> 11.				
10. LEE, Chris 11. NISHIMOTO, Scott Y.	1151950455				
12. SAGUM, Roland D., III					
13. TOKIOKA, James Kunane					
14. WOOLEY, Jessica					
15. YAMASHITA, Kyle T.					
16. FINNEGAN, Lynn					
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TOTAL (17)		13	2	0	2
The recommendation is:  Adopted  Not Adopted  If joint referral,  did not support recommendation.  committee acronym(s)					
Vice Chair's or designee's signature: Marily 3/ee					
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO					