A BILL FOR AN ACT

PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 9 OF THE HAWAII STATE CONSTITUTION, RELATING TO THE GENERAL FUND EXPENDITURE CEILING.

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 9, of the Hawaii Constitution to repeal the two-thirds vote requirement by which the general 3 fund expenditure ceiling can be circumvented. 4 5 SECTION 2. Article VII, Section 9, of the Constitution of the State of Hawaii is amended to read as follows: 6 7 "LEGISLATIVE APPROPRIATIONS; PROCEDURES; 8 EXPENDITURE CEILING 9 Section 9. In each regular session in an odd-numbered 10 year, the legislature shall transmit to the governor an 11 appropriation bill or bills providing for the anticipated total 12 expenditures of the State for the ensuing fiscal biennium. In such session, no appropriation bill, except bills recommended by 13 14 the governor for immediate passage, or to cover the expenses of 15 the legislature, shall be passed on final reading until the bill 16 authorizing operating expenditures for the ensuing fiscal



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biennium, to be known as the general appropriations bill, shall
have been transmitted to the governor.

3 In each regular session in an even-numbered year, at such 4 time as may be provided by law, the governor may submit to the 5 legislature a bill to amend any appropriation for operating 6 expenditures of the current fiscal biennium, to be known as the 7 supplemental appropriations bill, and bills to amend any 8 appropriations for capital expenditures of the current fiscal 9 biennium, and at the same time the governor shall submit a bill 10 or bills to provide for any added revenues or borrowings that 11 such amendments may require. In each regular session in an 12 even-numbered year, bills may be introduced in the legislature 13 to amend any appropriation act or bond authorization act of the 14 current fiscal biennium or prior fiscal periods. In any such 15 session in which the legislature submits to the governor a 16 supplemental appropriations bill, no other appropriation bill, 17 except bills recommended by the governor for immediate passage, 18 or to cover the expenses of the legislature, shall be passed on 19 final reading until such supplemental appropriations bill shall 20 have been transmitted to the governor.

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GENERAL FUND EXPENDITURE CEILING



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2 Notwithstanding any other provision to the contrary, the legislature shall establish a general fund expenditure ceiling 3 4 which shall limit the rate of growth of general fund 5 appropriations, excluding federal funds received by the general 6 fund, to the estimated rate of growth of the State's economy as 7 provided by law. No appropriations in excess of such ceiling 8 shall be authorized during any legislative session [unless the 9 legislature shall, by a-two-thirds vote of the members to which 10 each house of the legislature is entitled, set forth the dollar 11 amount and the rate by which the ceiling will be exceeded and 12 the-reasons therefor]." 13 SECTION 3. The guestion to be printed on the ballot shall 14 be as follows: 15 "Shall the legislature be prohibited from appropriating 16 general funds in excess of the general fund appropriation 17 ceiling?" SECTION 4. Constitutional material to be repealed is 18 19 bracketed and stricken. 20 SECTION 5. This amendment shall take effect upon 21 compliance with article XVII, section 3, of the Constitution of the State of Hawaii. 22

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Report Title:

Constitutional amendment; general fund expenditure ceiling

Description:

Proposes a constitutional amendment to Article VII, Section 9, of the Hawaii State Constitution to eliminate the ability to exceed the general fund expenditure ceiling.

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