

A Bill for an Act Relating to the Tax Review Commission.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The purpose of this Act is to implement provisions of Article VII, section 3, of the state constitution to provide for the tax review commission.

SECTION 2. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

**“CHAPTER  
TAX REVIEW COMMISSION**

**Sec. -1 Establishment of the commission.** There shall be a tax review commission, hereinafter called the commission. The commission shall consist of seven members who shall be appointed by the governor with the advice and consent of the senate and shall be in the department of taxation for administrative purposes. The commission shall elect its chairperson from one of its members. The members shall receive no compensation for their services, but shall be reimbursed for actual expenses incurred in the performance of their duties.

The commission may enter into contracts with consultants and engage employees necessary to perform its duties without regard to chapter 76 or 77. Departments of the state government shall make available to the commission such data and facilities as are necessary for it to perform its duties.

**Sec. -2 Term.** The commission shall be appointed on or before July 1, 1980 and every five years thereafter. It shall meet from time to time as necessary to execute its duties. Upon completion of its duties, the commission shall dissolve.

**Sec. -3 Duties.** The commission shall conduct a systematic review of the State’s tax structure, using such standards as equity and efficiency. One hundred twenty days prior to the convening of the second regular session of the legislature after the members of the commission have been appointed the commission shall submit to the legislature an evaluation of the State’s tax structure and recommend revenue and tax policy.”

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$40,000, or so much thereof as may be necessary, for the purposes of this Act.

SECTION 4. The sum appropriated shall be expended by the department of taxation for the purposes of this Act beginning on the date of approval of this Act. Any unexpended or unencumbered balance of any appropriation made by this Act as of the close of business on June 30, 1981 shall lapse into the general fund.

SECTION 5. This Act shall take effect upon its approval.

(Approved June 21, 1979.)