## SENATE RESOLUTION

REQUESTING THE SENATE PRESIDENT TO ESTABLISH A TASK FORCE TO DETERMINE THE ECONOMIC VALUE OF CONSTRUCTION IN HAWAII.

WHEREAS, tourism is Hawaii's principal industry, and visitor expenditures added over \$12,000,000,000 into the State's economy in 2007 and over \$11,000,000,000 in 2008; and

WHEREAS, the construction industry is also important to Hawaii's economy, contributing approximately \$3,400,000,000 to the State's economy and employing over six per cent of the State's workforce in 2008; and

WHEREAS, the current economic situation has resulted in a 6.1 per cent unemployment rate in Hawaii as of January 2009, the highest in over twenty-five years; furthermore, the Department of Business, Economic Development, and Tourism estimates visitor arrivals will decline by 5.9 per cent for 2009, and the Chair of the Hawaii Council on Revenues anticipates a 3.2 per cent decline in construction in 2009; and

WHEREAS, the decline of the housing and credit markets, and the related construction downturn, and high unemployment are significantly affecting Hawaii's economy; and

WHEREAS, state support to study the current and potential economic benefits of the construction industry is warranted, given that the tourism and construction industries are such important drivers of the local economy, and is further warranted as the combined robustness of the construction, housing, and tourism industries can ultimately navigate the State's economy through the current recession to recovery; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-fifth Legislature of the State of Hawaii, Regular Session of 2009, that the Senate President is requested to establish a task force to determine the economic contributions of the construction industry in Hawaii; and

BE IT FURTHER RESOLVED that the task force consist of the 1 following seventeen members, each appointed by the Senate 2 3 President and having one vote: 4 5 (1)One member shall be a reputable contractor or 6 subcontractor to represent the construction industry; 7 8 (2) One member shall be a representative of labor unions; 9 10 One member shall be a representative of the banking or (3) finance industry; 11 12 (4)One member shall be a tax law professional; 13 14 15 (5) Eight members shall be landowner representatives, with one member representing each of the following islands: 16 17 Hawaii, Maui, Molokai, Kahoolawe, Oahu, Kauai, Lanai, and Niihau; 18 19 20 (6) One member shall be a hotel or development industry representative who has expertise in hospitality or 21 22 timeshares; and 23 24 Four members shall be representatives of federal, state, and county governments who have expertise in 25 26 tax policy; and 27 28 BE IT FURTHER RESOLVED that the members of the task force 29 shall select a chairperson from among themselves, and the **30** chairperson is requested to convene task force meetings; and 31 32 BE IT FURTHER RESOLVED that the task force is requested to: 33 34 (1)Determine the value of the construction industry in 35 Hawaii, including both the direct contributions of the **36** industry to the local economy and the industry's economic benefits through other industries, such as 37 tourism and housing; and 38 39 Develop and propose state actions, for the purpose of 40 (2) 41 preserving and creating new jobs in the local

construction industry, that should include but are not

limited to incentives for the renovation or

construction of hotels and other tourism-related

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1 facilities, and to determine the anticipated impact of those actions on the State's economy; and 2 3 4 (3) Include a recommendation on the implementation of any proposed state actions developed by the task force, as 5 well as a timeline for the implementation of those 6 7 state actions; and 8 9 BE IT FURTHER RESOLVED that the task force is requested to submit a report of its findings, analyses, and recommendations, 10 including any proposed legislation, to the Senate no later than 11 12 twenty days prior to the convening of the Regular Session of 13 2010; and 14 15 BE IT FURTHER RESOLVED that a certified copy of this Resolution be transmitted to the Senate President. 16