

MAR 18 2009

SENATE RESOLUTION

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

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

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

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10 WHEREAS, the current economic situation has resulted in a
11 6.1 per cent unemployment rate in Hawaii as of January 2009, the
12 highest in over twenty five years; furthermore, the Department
13 of Business, Economic Development, and Tourism estimates visitor
14 arrivals to decline by 5.9 per cent for 2009, and the Chair of
15 the Hawaii Council on Revenues anticipates a 3.2 per cent
16 decline in construction in 2009; and

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

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

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

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1 BE IT FURTHER RESOLVED that the task force consist of the
2 following seventeen members appointed by the Senate President,
3 each having one vote:

- 4 (1) One member shall be a reputable contractor or
5 subcontractor to represent the construction industry;
- 6 (2) One member shall be a representative of labor unions;
- 7 (3) One member shall be a representative of the banking or
8 finance industry;
- 9 (4) One member shall be a tax law professional;
- 10 (5) Eight members shall be landowner representatives, with
11 one member representing each island of Hawaii, Maui,
12 Molokai, Kahoolawe, appointed by the Senate President,
13 and Oahu, Kauai, Lanai, and Niihau;
- 14 (6) One member shall be a hotel or development industry
15 representative who has expertise in hospitality or
16 timeshares; and
- 17 (7) Four members shall be representatives of federal,
18 state, and county governments who have expertise in
19 tax policy; and

20 BE IT FURTHER RESOLVED that the members of the task force
21 shall select a chairperson from among themselves, and the
22 chairperson is requested to convene task force meetings; and

23 BE IT FURTHER RESOLVED that the task force is requested to:

- 24 (1) Determine the economic value of the construction
25 industry in Hawaii, including both the direct economic
26 contributions of the industry to the local economy and
27 the industry's indirect economic benefits through
28 other industries, such as tourism and housing; and
- 29 (2) Propose and evaluate potential state actions, such as
30 tax credits for the renovation or construction of
31 hotels and other tourism-related facilities, including
32 the anticipated economic impact of those actions on
33 the State's economy; and



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2 BE IT FURTHER RESOLVED that the task force is requested to
3 submit a report of its findings, analyses, and recommendations,
4 including any proposed legislation to the Senate, not later than
5 twenty days prior to the convening of the Regular Session of
6 2010; and

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8 BE IT FURTHER RESOLVED that a certified copy of this
9 Resolution be transmitted to the Senate President.

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OFFERED BY: 

