
HOUSE RESOLUTION

REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND
TOURISM TO CONDUCT A STUDY ANALYZING THE IMPACTS OF RETAIL
ON HAWAII'S ECONOMY, WITH A FOCUS ON THE PURCHASE OF GOODS
THROUGH THE INTERNET.

1 WHEREAS, small businesses in Hawaii make up eighty percent
2 of Hawaii's economic landscape and many of these businesses are
3 part of the Hawaii retail industry, therefore understanding and
4 analyzing the impacts of retail on Hawaii is critical to the
5 State's overall economy; and
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7 WHEREAS, as one of the top three industries in the State,
8 currently the largest generator of general excise tax, and an
9 industry contributing to one in four jobs, retail has proven to
10 be a huge part of Hawaii's economic engine; and
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12 WHEREAS, Hawaii's retail sector is currently in the process
13 of revolutionary change in which new forms of retailing are
14 replacing old ones with the advance of the digital age and the
15 introduction of various platforms in which to purchase goods;
16 and
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18 WHEREAS, in looking at Hawaii's two parallel retailing
19 revolutions, one in the local consumer market and the other in
20 the tourism sector, there is one common change that must be
21 reviewed, which is commerce brought forth by the online
22 marketplace; and
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24 WHEREAS, the Internet now contributes billions of dollars
25 each year to the economy and many states have already
26 implemented e-fairness requirements, which allow states to tax
27 products sold and purchased online; and
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29 WHEREAS, an analysis of the State's retail economy,
30 including the impact of purchases of goods on the Internet and



determination of the specific amount of taxes that are lost to large online retail entities such as Amazon will assist the State's policymakers in formulating prudent economic policies in regards to the State's retail sector; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-eighth Legislature of the State of Hawaii, Regular Session of 2016, that the Department of Business, Economic Development and Tourism is requested to conduct a study reviewing developments in the retail sector that are projected for the next five to ten years and analyzing the economic impact of retail on the State's economy and workforce, including:

- (1) Current trends in tax policy related to retail sales, including the amount of tax revenue that the State loses annually to online retailers;
- (2) The overall impact of gross domestic product on the State in relation to retail;
- (3) An analysis of retail job activity in the State;
- (4) The structure and organization of Hawaii retailing;
- (5) Retail growth trends; and
- (6) The Hawaii consumer profile; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Director of Business, Economic Development and Tourism and the Director of Taxation.

OFFERED BY:



Handwritten signatures and initials:
 K. L. H.
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Handwritten signatures and initials:
 James S. King
 Tom B.
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