



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
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Statement of
JENNIFER CHUN
ACTING ADMINISTRATOR
Research and Economic Analysis Division
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

Friday, March 27, 2026
9:30 AM
State Capitol, Conference Room 423

In consideration of
HCR66 / HR60
**REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT,
AND TOURISM TO CONDUCT A STUDY ON THE EFFECT OF STATE AND
COUNTY TAX STRUCTURES AND PROGRAMS ON THE LONG-TERM ECONOMIC
GROWTH OF THE STATE OF HAWAII.**

Chair Ilagan, Vice Chair Hussey, and members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) offers comments regarding HCR66 / HR60, which requests a comprehensive study of Hawai'i's state and county tax structures to determine how new and existing state and county programs can be most equitably and efficiently paid for in order to foster the long-term growth of the State's economy.

Per Act 142 of Session Laws of Hawai'i 2024, DBEDT convened the Business Revitalization Task Force that examined the cost of doing business in the state and offered recommendations.¹ Taxation was one of the issues addressed by the Task Force. However, DBEDT does not have access to detailed tax data at the state and each respective county level that would be required to do the comprehensive study outlined in this resolution.

Additionally, we would recommend the study examine equity and efficiency from both a resident and business perspective. This would require two surveys: (1) Resident Survey, (2) Business Survey. We estimate a cost of \$240,000 to hire a research firm to conduct the surveys and prepare the report. Thank you for the opportunity to testify.

¹ 2025. DBEDT. Business Revitalization Task Force Final Report. Pp 135
https://dbedt.hawaii.gov/economic/files/2025/12/Business-Revitaliztion-Final-Report-12_4.pdf