WHEREAS, while the United States is the wealthiest nation in the world, many families, individuals, and businesses in Hawaii have been struggling to keep pace with the increasing cost of living as economic inequality widens the gap between a few top earners and the middle and lower class, the latter of which has seen its overall share of income decline in recent decades; and

WHEREAS, efforts to increase wages, benefits, and working conditions are important steps to assist local families in the short-term, but a paradigm shift in policy will soon be necessary as automation, innovation, and disruption begin to rapidly worsen economic inequality by displacing significant numbers of jobs in Hawaii's transportation, food service, tourism, retail, medical, legal, insurance, and other sectors; and

WHEREAS, new companies have already begun to accelerate disruption, such as Airbnb, which has become the largest hotel company in the world despite not owning any hotels; and

WHEREAS, self-driving autonomous vehicles are already operating on streets in the United States and will displace millions of taxi and delivery drivers; and

WHEREAS, among human drivers, one accident occurs every sixty thousand miles; and
WHEREAS, in comparison, autonomous vehicles will likely see only one accident every six million miles, a significant difference that could disrupt the insurance industry; and

WHEREAS, self-checkout lines at retail stores are already rapidly expanding and replacing retail workers; and

WHEREAS, International Business Machines Corporation's Watson computer can provide basic legal advice faster and with more accuracy than human attorneys and is helping to diagnose cancer four times more accurately than human nurses; and

WHEREAS, numerous companies are building applications that turn smartphones into medical devices able to quickly analyze blood samples, breath, and retinas to identify medical conditions that will give millions of people access to instant, low-cost tools for medical analysis; and

WHEREAS, three-dimensional printers have dropped in price from more than $15,000 to less than $500 in just ten years, making it increasingly easy for people to purchase products online and instantly print them at home; and

WHEREAS, hundreds of thousands of Hawaii jobs may be replaced in the near future due to innovation, automation, and disruption; and

WHEREAS, to address rapidly growing income inequality and ensure economic survival in a post-automation economy, governments around the world are beginning to look at new options; and

WHEREAS, the governments of Finland, Uganda, and the Canadian province of Ontario, along with private sector partners in Oakland, California and non-profit partners in Kenya, have begun pilot projects that explore providing different types of universal basic income; and

WHEREAS, the concept of universal basic income is analogous to providing social security to every citizen at a level sufficient to cover their basic needs; and
WHEREAS, the availability of universal basic income would allow individuals seeking job retraining or working part-time to maintain a basic standard of living; and

WHEREAS, universal basic income would also allow more people to share part time work between the fewer number of jobs that may be available, while lifting burdens on businesses, and providing a more secure and substantial safety net for all people, ending extreme financial poverty, and providing for a more financially sustainable and equitable future for all citizens in spite of coming economic disruption; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-ninth Legislature of the State of Hawaii, Regular Session of 2017, the Senate concurring, that the Legislature declares that all families in Hawaii deserve basic financial security and that it is in the public interest to ensure economic sustainability for our people; and

BE IT FURTHER RESOLVED that the Legislature finds that Hawaii's heavy reliance on a service-based economy makes it more susceptible to economic disruption and job loss than other states, and work must begin now to address the rapid automation, innovation, and globalization that already is beginning to displace significant numbers of local jobs, resulting in worsening income inequality; and

BE IT FURTHER RESOLVED that the Department of Labor and Industrial Relations and the Department of Business, Economic Development, and Tourism are requested to convene a basic economic security working group to address the potential for significant economic disruption and ensure the economic sustainability of Hawaii's individuals and families in light of future automation, innovation, and disruption; and

BE IT FURTHER RESOLVED that the Department of Labor and Industrial Relations and the Department of Business, Economic Development, and Tourism are encouraged to include in the basic economic security working group:
(1) The chairperson of the Senate standing committee with primary jurisdiction over labor, as well as other interested senators;

(2) The chairperson of the House of Representatives standing committee with primary jurisdiction over labor, as well as other interested representatives;

(3) The Director of Human Services;

(4) The Executive Director of the University of Hawaii Economic Research Organization;

(5) Representatives from the Chamber of Commerce Hawaii, and other representatives of the business community as determined by the Director of Business, Economic Development, and Tourism;

(6) Representatives of the labor industry as determined by Hawaii State AFL-CIO; and

(7) Other experts with relevant knowledge; and

BE IT FURTHER RESOLVED that the basic economic security working group shall be co-chaired by the Director of the Labor and Industrial Relations and the Director of Business, Economic Development, and Tourism, or each director's respective designees; and

BE IT FURTHER RESOLVED that the basic economic security working group shall:

(1) Assess Hawaii's job market exposure to automation technologies, globalization, and disruptive innovation;

(2) Assess Hawaii's existing spending on social safety net programs and other relevant expenditures, as well as expected spending on those programs in light of anticipated automation technologies, globalization, disruptive innovation, and job losses;
(3) Identify and analyze options to ensure economic
security, including a partial universal basic income,
full universal basic income, and other mechanisms;

(4) Monitor studies, trials, and efforts in Hawaii and
other jurisdictions relevant to the basic economic
security working group; and

(5) Seek out partnerships to publish or fund relevant
trials or studies to evaluate options; and

BE IT FURTHER RESOLVED that the working group is requested
to submit a report of its findings and recommendations,
including any proposed legislation, to the Legislature no later
than twenty days prior to the convening of each Regular Session;
and

BE IT FURTHER RESOLVED that certified copies of this
Concurrent Resolution be transmitted to the Governor; the
Director of Labor and Industrial Relations; the Director of
Business, Economic Development, and Tourism; the Director of
Human Services; the Executive Director of the University of
Hawaii Economic Research Organization; the President and Chief
Executive Officer of the Chamber of Commerce Hawaii; and the
President of the Hawaii State AFL-CIO.

OFFERED BY:

[Signatures]

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