
HOUSE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND
TOURISM TO COMPILE A SHORT LIST OF FORTUNE 500 COMPANIES
THAT ARE SUITABLE TO RELOCATE TO HAWAII AND IDENTIFY MEANS
AND INCENTIVES TO ENTICE THESE COMPANIES TO RELOCATE.

1 WHEREAS, business activity and a strong economy are vital
2 to the public's health, safety, and welfare; and

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4 WHEREAS, the economy of the State is largely dependent on
5 the tourism industry; and

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7 WHEREAS, the effects of the coronavirus disease 2019
8 (COVID-19) pandemic and resulting job losses in the tourism
9 sector of the economy have demonstrated the urgent need for
10 business diversification in the State; and

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12 WHEREAS, the COVID-19 pandemic has shown that many jobs and
13 businesses can be done from virtually anywhere with an internet
14 connection; and

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16 WHEREAS, business leaders must consider economic
17 development opportunities, business climate, tax friendliness,
18 and quality of life in determining the location for their
19 operations; and

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21 WHEREAS, the State consistently ranks among the top states
22 in the country for clean air quality, happiness of its citizens,
23 life expectancy, good weather, and overall quality of life; and

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25 WHEREAS, given the advances in technology and the way
26 business is conducted in the modern age, there are more reasons
27 for a company to relocate to Hawaii than ever before; and

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29 WHEREAS, the following states have used incentives to
30 entice companies to relocate:



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- (1) Florida offers discretionary grant funding so long as fifty jobs are created in a three-year period and an investment of at least \$50,000,000 is made;
- (2) Indiana offers a credit against corporate income tax liability where the credit can be up to fifty percent of a corporation's approved costs in relocating to Indiana; provided that \$50,000,000 in new investment and seventy-five new employees are required;
- (3) Kentucky provides income tax credits to both regional and national headquarter firms that can offset up to one hundred percent of corporate income tax liability;
- (4) Louisiana provides a rebate of up to twenty-five percent of facilities and relocation costs over five years;
- (5) Mississippi offers incentives for national and regional relocation of headquarters between \$500 and \$2,000 per new job for a period of up to five years;
- (6) South Carolina has a twenty percent credit against corporate income tax liability, based on the cost of the portion of the facility dedicated to headquarters operation or direct lease costs for the first five years of operation;
- (7) Tennessee provides a refundable tax credit for relocation expenses resulting from a move where the credit can be used to offset franchise or excise tax liability in the year earned; provided that if the tax liability is less than the credit, the difference is refunded in cash;
- (8) West Virginia offers a credit of up to ten percent of the company's qualified investment to offset corporate income and business franchise tax liability for up to thirteen years; and
- (9) Wisconsin provides a refundable business tax credit based upon a percentage of wages paid to eligible headquarter employees and, in addition to



1 reimbursement of up to fifty percent of training
2 costs, the company can earn credits for up to three
3 percent of capital investment in personal property and
4 up to five percent of investment in real property;
5 provided that a new investment of \$1,000,000 is
6 required; and
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8 WHEREAS, the State should explore all possible incentives
9 to lure well-paying jobs and investment to Hawaii; now,
10 therefore,
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12 BE IT RESOLVED by the House of Representatives of the
13 Thirty-first Legislature of the State of Hawaii, Regular Session
14 of 2021, the Senate concurring, that the Department of Business,
15 Economic Development, and Tourism is requested to compile a
16 short list of Fortune 500 companies that could potentially
17 relocated to the State; and
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19 BE IT FURTHER RESOLVED that the Department is requested to
20 also identify the means and incentives that might be attractive
21 to entice the companies on the list to relocate to the State;
22 and
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24 BE IT FURTHER RESOLVED that the Department of Business,
25 Economic Development, and Tourism is requested to submit a
26 report of its findings and recommendations, including any
27 proposed legislation, to the Legislature no later than twenty
28 days prior to the convening of the Regular Session of 2022; and
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30 BE IT FURTHER RESOLVED that a certified copy of this
31 Concurrent Resolution be transmitted to the Director of
32 Business, Economic Development, and Tourism.
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