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## RESOLUTION

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URGING THE UNITED STATES CONGRESS TO ESTABLISH THE STATE OF HAWAII AS A FREE-TRADE ZONE.

WHEREAS, in 1994, Asia Pacific Economic Cooperation ("APEC") leaders adopted the Bogor (Indonesia) Goals that aim for free trade and investment in the region by the year 2010 for developed countries and 2020 for developing countries; and

WHEREAS, from November 7<sup>th</sup> through the 13<sup>th</sup> of this year, APEC leaders will summit in Honolulu, Hawaii; and

WHEREAS, with the world spotlight on APEC, Hawaii has the opportunity to position itself for a greater role in the global economy where the State could not only serve as the gateway to the Asia-Pacific region, but could also be a living laboratory for trade liberalization; and

WHEREAS, the designation of Hawaii as a statewide, free trade port would create a true statewide free-trade zone ("FTZ") with maximum benefits and minimal or no trade restrictions, duties, or tariffs on imports, exports and sales; and

WHEREAS, although Hawaii already has elements of this idea in place with the establishment of foreign-trade zones where no duties are paid for foreign goods imported into the various zones under certain circumstances, the benefits are limited by federal regulation and restraints; and

WHEREAS, Hawaii, as the only island state in the U.S. is a natural choice for a statewide FTZ because of our close proximity to Asia and other nations of the Pacific Region, and because our geographic isolation allows for more effective monitoring of goods coming in from and going to foreign countries; and

WHEREAS, the establishment of the entire State of Hawaii as an FTZ would create a free trade environment that would result in lower prices to Hawaii consumers, increased business and trade activities, and higher levels of employment, and thereby enhance the position of Hawaii as a center for international commerce and finance; and

WHEREAS, Hawaii, in order to be designated and established as a statewide FTZ, would need to be granted special tariff treatment by the federal government that only the authority of the U.S. Congress can permit; and

WHEREAS, at a minimum, in order to establish a statewide FTZ for Hawaii, the U.S. Congress would need to pass legislation that amends U.S. Customs territory,



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which, in turn, would allow affected federal agencies to change their rules and regulations to accommodate this statewide FTZ; and

WHEREAS, the Council finds that the future economies of Hawaii, the United States and the Asia Pacific Regions compels innovative and bold action, and that the timing of APEC's summit in Honolulu is a unique stage for action; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it urges the United States Congress to establish the State of Hawaii as a Free-Trade Zone; and

BE IT FINALLY RESOLVED that copies of this Resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of Hawaii's delegation to the Congress of the United States.

INTRODUCED BY:

Tom Bessa

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DATE OF INTRODUCTION:

OCT 24 2011  
Honolulu, Hawaii

Councilmembers