
HOUSE RESOLUTION

URGING CONGRESS TO IMPOSE A ROBUST FINANCIAL TRANSACTIONS TAX ON
TRADING TRANSACTIONS.

1 WHEREAS, in April 2012, the United States Department of the
2 Treasury reported a total of \$19,200,000,000,000 in lost
3 household wealth due to the 2007 to 2009 financial crisis; and
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5 WHEREAS, the financial crisis was caused by banks and
6 financial services firms taking great financial risks without
7 disclosing those risks to investors or regulators and by failure
8 of regulators to adequately police the financial services
9 markets for crime, unfair or deceptive practices, fraud, lack of
10 transparency, and mismanagement; and
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12 WHEREAS, deceptive, illegal, and speculative financial
13 practices have harmed public confidence in the integrity and
14 fairness of many United States financial institutions and
15 threaten the basic strengths of the United States economic
16 system; and
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18 WHEREAS, American taxpayers provided the \$600,000,000,000
19 made available to 800 financial institutions, automakers, and
20 insurance companies to stabilize the financial sector; and
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22 WHEREAS, in addition to the global financial crisis, wars,
23 unabated and unaddressed climate change, and unsustainable tax
24 cuts will deprive a generation of a meaningful role in the
25 larger economy; and
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27 WHEREAS, nurses, teachers, public safety officers, and
28 other public sector workers are still facing drastic funding
29 cuts, which harm long-term public safety and prospects for
30 economic growth; and
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32 WHEREAS, extreme weather events rooted in climate change,
33 including flood, drought, fire, super storms like Sandy, and



1 slow-onset events like sea level rise, are wreaking havoc in the
2 United States and across the globe due to climate change impacts
3 that jeopardize the lives and livelihoods of Americans, cause
4 large-scale food and energy insecurity in developing countries,
5 and extract untold economic costs; and

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7 WHEREAS, a financial transactions tax has been implemented
8 in 40 nations and is endorsed by over a thousand economists; and

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10 WHEREAS, in January 2013, European Union finance ministers
11 signaled approval for 11 European countries to prepare a new
12 financial transactions tax; and

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14 WHEREAS, a financial transactions tax will help limit high
15 frequency trading, which may constitute as much as 70 percent of
16 the market and results in declining market stability through
17 extreme price volatility, distorted market prices, and
18 structural vulnerability to speculation far in excess of the
19 liquidity needs of commercial hedgers; and

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21 WHEREAS, from 1914 to 1966, the United States imposed a
22 transfer tax under the Revenue Act of 1914, which originally
23 levied a 0.2 percent tax on all sales or transfers of stock and
24 was later doubled in 1932 to help overcome budgetary challenges
25 during the Great Depression; and

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27 WHEREAS, a securities transfer tax would have a negligible
28 impact on the average investor; and

29
30 WHEREAS, according to economists, a small tax on the
31 transfer of ownership of every financial trade could generate
32 hundreds of billions of dollars in revenue annually, which may
33 be invested to provide urgently needed funding for programs to
34 combat climate change and address global health and development
35 issues; and

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37 WHEREAS, revenue generated by this tax will be available
38 to:

- 39
40 (1) Strengthen financial security and expand opportunity
41 for low- and moderate-income families, including by



strengthening the social safety net and expanding resources for child care, Social Security, and savings incentives;

- (2) Expand resources for state and federal investments that protect public health and the environment, provide water and wastewater infrastructure, rebuild infrastructure, and create well-paying jobs by:
- (A) Expanding and improving Medicare and Medicaid;
 - (B) Funding education, student debt relief, job training, public sector jobs, and green jobs;
 - (C) Providing housing assistance to low-income households;
 - (D) Developing transportation, including public mass transit, and an infrastructure bank that promotes environmentally responsible domestic manufacturing and construction industries; and
 - (E) Protecting the environment and building a clean energy economy, including efforts to combat climate change and build resilience to its effects in the United States and in developing countries; and
- (3) Fund international sustainable prosperity programs such as health care investments, acquired immune deficiency syndrome (AIDS) treatment, research and prevention programs, climate change adaptation and mitigation efforts for developing countries, and mutual international assistance; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-ninth Legislature of the State of Hawaii, Regular Session of 2018, that the United States Congress is urged to impose a robust financial transactions tax on trading transactions similar to that included in the proposed Inclusive Prosperity



H.R. NO. 166

1 Act of 2017, H.R. 1144; S. 805, currently pending in Congress;
2 and
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4 BE IT FURTHER RESOLVED that certified copies of this
5 Resolution be transmitted to the President of the United States,
6 Majority Leader and Minority Leader of the United States Senate,
7 Speaker and Minority Leader of the United States House of
8 Representatives, Chair of the Committee on Finance of the United
9 States Senate, Chair of the Committee on Ways and Means of the
10 United States House of Representatives, and each member of
11 Hawaii's Congressional delegation.
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OFFERED BY: _____



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