STAND. COM. REP. NO. 3309

Honolulu, Hawaii

MAR 30 2026

RE: H.B. No. 1943
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committees on Economic Development and Tourism and Water, Land, Culture and the Arts, to which was referred H.B. No. 1943, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT,"

beg leave to report as follows:

The purpose and intent of this measure is to:

(1) Expand the purposes of the establishment and operation of out-of-state offices to include collaboration with tourism agencies and stakeholders to execute tourism strategies;

(2) Require, and appropriate funds for, the Department of Business, Economic Development, and Tourism to establish an out-of-state office in Seoul, Republic of Korea; and

(3) Appropriate funds for the Department of Business, Economic Development, and Tourism's Beijing, Philippines, and Taipei offices to promote "Made in Hawaii" branded products and increase the export of Hawaii products.

Your Committees received testimony in support of this measure from the Retail Merchants of Hawai'i, Chamber of Commerce Hawaii, The Maritime Group, and Maui Chamber of Commerce.

Your Committees received comments on this measure from the Business Development and Support Division of the Department of Business, Economic Development, and Tourism.

Your Committees find that many Hawaii-based businesses operate in a high-cost environment, and access to Asia-Pacific markets can provide essential opportunities for scale, revenue diversification, and long-term business stability. Due to the close link between tourism and product demand, coordinated tourism and trade promotion is a viable strategy to extend the economic impact of the visitor industry by attracting international money and investment incentives into the State. This measure will expand regional tourism strategies to accelerate export growth and leverage international partnerships for the benefit of the State.

Your Committees note that, although this measure appropriates funds for the promotion of "Made in Hawaii" branded products by the Department of Business, Economic Development, and Tourism's Philippines office, such office does not exist, as previous legislation requiring its establishment was not enacted. Therefore, amendments to this measure are necessary to address this matter.

Accordingly, your Committees have amended this measure by:

(1) Inserting language that requires the Department of Business, Economic Development, and Tourism to establish an out-of-state office in Laoag, Ilocos Norte, Republic of the Philippines;

(2) Appropriating funds to the Department of Business, Economic Development, and Tourism for the establishment of an out-of-state office in Laoag, Ilocos Norte, Republic of the Philippines, rather than for continued promotional efforts at that office;

(3) Amending section 1 to reflect its amended purpose;

(4) Inserting an effective date of July 1, 3050, to encourage further discussion; and

(5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development and Tourism and Water, Land, Culture and the Arts that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1943, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1943, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Economic Development and Tourism and Water, Land, Culture and the Arts,

CHRIS LEE, Chair

LYNN DECOITE, Chair

The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Economic Development and Tourism
EDT

Bill / Resolution No.:*	Committee Referral:	Date:
HB 1943, HD1	EDT/WLA, WAM	03/23/26

☐ The Committee is reconsidering its previous decision on this measure.

If so, then the previous decision was to: _____

The Recommendation is:

☐ Pass, unamended 2312 ☑ Pass, with amendments 2311 ☐ Hold 2310 ☐ Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
DECOITE, Lynn (C)	✓			
WAKAI, Glenn (VC)	✓			
FUKUNAGA, Carol	✓			
KIM, Donna Mercado				✓
FEVELLA, Kurt				✓
TOTAL	3	Ø	Ø	2

Recommendation: ☑ Adopted ☐ Not Adopted

Chair's or Designee's Signature:

Distribution: Original — File with Committee Report; Yellow — Committee; Pink — Drafting Agency

*Only one measure per Record of Votes

Revised: 01/02/26

The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Water, Land, Culture and the Arts
WLA

Bill / Resolution No.:*	Committee Referral:	Date:
HB 1943 HD1	EDT/WLA, WAM	3-23-2026

☐ The Committee is reconsidering its previous decision on this measure.

If so, then the previous decision was to: _____

The Recommendation is:

☐ Pass, unamended 2312 ☑ Pass, with amendments 2311 ☐ Hold 2310 ☐ Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
LEE, Chris (C)	✓			
INOUYE, Lorraine R. (VC)	✓			
CHANG, Stanley	✓			
LAMOSAO, Rachele				✓
DECORTE, Samantha				✓
TOTAL	3			2

Recommendation: ☑ Adopted ☐ Not Adopted

Chair's or Designee's Signature:

Lorraine R. Inouye

Distribution: Original — File with Committee Report; Yellow — Committee; Pink — Drafting Agency

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Revised: 01/21/26