

Honolulu, Hawaii

FEB 12 , 2026RE: H.B. No. 1947
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committees on Tourism and Water & Land, to which was
referred H.B. No. 1947 entitled:

"A BILL FOR AN ACT RELATING TO TOURISM,"

beg leave to report as follows:

The purpose of this measure is to:

- (1) Repeal the Hawaii Tourism Authority and transfer its functions relating to branding, marketing, and coordinating and promoting the State into an Office of Tourism to be established within the Department of Business, Economic Development, and Tourism;
- (2) Establish a Destination Management Division with the Department of Land and Natural Resources; and
- (3) Appropriate funds.

Your Committees received testimony in support of this measure from one individual. Your Committees received testimony in opposition to this measure from the Department of Business, Economic Development, and Tourism; Hawaii Tourism Authority; Office of Economic Development of the County of Kaua'i; and Activities and Attractions Association of Hawaii. Your Committees received comments on this measure from the Department of the



Attorney General; Department of Taxation; and Department of Land and Natural Resources.

Your Committees find that tourism is a vital component of the State's economy that requires effective governance and management of tourism-related programs to ensure the State's long-term economic, environmental, and community well-being. Your Committees further find that prior audits, reviews by independent public accounting firms, and a governance study commissioned by the Hawaii Tourism Authority have identified deficiencies in internal controls, organizational structure, and overall management within the Hawaii Tourism Authority, indicating a need for organizational and structural reform. Your Committees believe that transferring the tourism planning, marketing, and destination management functions to agencies possessing relevant subject-matter expertise may strengthen accountability and improve outcomes and promote transparency, ensure continuity of operations, and support effective implementation of statewide tourism and destination management strategies.

Your Committees recognize the concerns raised in testimony by the Department of Land and Natural Resources that the Department lacks the resources and expertise to expand its current efforts regarding destination management outside of its mission of enhancing, protecting, and conserving the State's unique and limited natural, cultural, and historic resources.

Accordingly, your Committees have amended this measure by:

- (1) Deleting language that would have established and appropriated funds for staff for a Destination Management Division within the Department of Land and Natural Resources and transferred the Hawaii Tourism Authority's functions relating to destination management to the Department of Land and Natural Resources;
- (2) Inserting a definition for "destination stewardship" and requiring the Office of Tourism to consider destination stewardship when developing the strategic tourism management plan;
- (3) Requiring the Director of Business, Economic Development, and Tourism to serve as the liaison to the Advisory Board on Tourism and removing references and

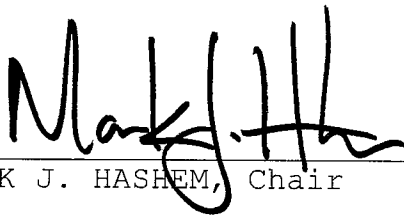


appropriations for a separate state tourism liaison position;

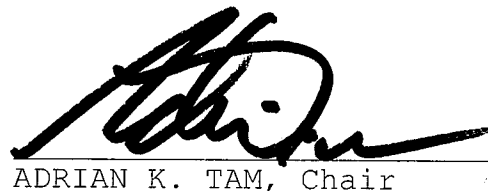
- (4) Deleting language authorizing the Advisory Board on Tourism to appoint or retain by contract private attorneys;
- (5) Inserting language requiring the Office of Tourism to conduct activities to meet the objectives of each county's destination management action plan; permitting state and county agencies to assist the Office of Tourism; and requiring the Office of Tourism to submit an annual report on its activities and expenditures to the Governor and Legislature;
- (6) Inserting a savings clause;
- (7) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Tourism and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1947, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1947, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.

Respectfully submitted on
behalf of the members of the
Committees on Tourism and Water
& Land,



MARK J. HASHEM, Chair



ADRIAN K. TAM, Chair



USCR 249-26

Bill/Resolution No.: HB 1947		Committee Referral: TOU/WAL, JHA, FIN		Date: 2-10-26
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
TOU Members	Ayes	Ayes (WR)	Nays	Excused
1. TAM, Adrian K. (C)	/			
2. TEMPLO, Shirley Ann (VC)	/			
3. HOLT, Daniel				/
4. HUSSEY, Ikaika	/			
5. ILAGAN, Greggor	/			
6. YAMASHITA, Kyle T.	/			
7. GEDEON, Joe		/		
TOTAL (7)	5	1		1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: _____				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				

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WAL Members		Ayes	Ayes (WR)	Nays	Excused
1. HASHEM, Mark J. (C)		✓			
2. MORIKAWA, Dee (VC)		✓			
3. BELATTI, Della Au		✓			
4. ICHIYAMA, Linda		✓			
5. IWAMOTO, Kim Coco			✓		
6. POEPOE, Mahina		✓			
7. WOODSON, Justin H.		✓			
8. SHIMIZU, Garner M.			✓		
9. SOUZA, Kanani			✓		
TOTAL (9)		6	3	Ø	Ø
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)					
Vice Chair's or designee's signature: _____ 					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					