

Honolulu, Hawaii

FEB 17, 2026

RE: H.B. No. 1612
H.D. 1

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

Madame:

Your Committee on Economic Development & Technology, to which was referred H.B. No. 1612 entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish a business competitiveness goal for the State to be nationally ranked in the top thirty states for business climate by 2045, with interim goals;
- (2) Require the Department of Business, Economic Development, and Tourism to submit annual progress reports regarding the business competitive goals; and
- (3) Appropriate funds.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Research and Economic Analysis Division of the Department of Business, Economic Development, and Tourism; Hawaii Food Industry Association; Activities & Attractions Association of Hawaii, Inc.; Hawai'i Farm Bureau; Chamber of Commerce Hawaii; Holomua Collaborative; Maui Chamber of Commerce; Mana Up; Title Guaranty of Hawai'i; and one individual.



Your Committee finds that Hawaii ranks among the least competitive states for business in national assessments. The Business Revitalization Task Force, established pursuant to Act 142, Session Laws of Hawaii 2024, recommended the creation of a permanent framework to advance business competitiveness in its November 2025 report. This measure seeks to implement the Task Force's recommendation by establishing competitive business goals for the State.

Your Committee has amended this measure by:

- (1) Changing the timeframe and interim goals for being nationally ranked in the top thirty states for business climate by 2050;
- (2) Specifying that the Department shall submit an annual report to the Legislature until 2050;
- (3) Removing the provision that requires the Legislature to deliberate on the Department's proposals submitted in their annual report;
- (4) Changing the appropriation to an unspecified amount;
- (5) Appropriating an unspecified amount for the establishment of an unspecified number of positions;
- (6) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider:

- (1) An appropriation amount of \$300,000 for the costs of independent research, staffing, travel, and other administrative expenses; and
- (2) The establishment of two full-time equivalent positions.



As affirmed by the record of votes of the members of your Committee on Economic Development & Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1612, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1612, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Technology,



GREGGOR ILAGAN, Chair



