

Honolulu, Hawaii

FEB 06 , 2026

RE: H.B. No. 2118  
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 Culture & Arts, to which was referred H.B. No. 2118 entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Transfer the State Foundation on Culture and the Arts and King Kamehameha Celebration Commission from the Department of Accounting and General Services to the Department of Business, Economic Development, and Tourism;
- (2) Transfer certain authority and responsibilities held by the Comptroller regarding the Works of Art Special Fund to the Director of Business, Economic Development, and Tourism; and
- (3) Appropriate funds for positions within the Department of Business, Economic Development, and Tourism.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services; State Foundation on Culture and the Arts; and Ke One O Kākuhihewa. Your



Committee received comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that the administrative placement of the King Kamehameha Celebration Commission and State Foundation on Culture and the Arts within the Department of Accounting and General Services has limited their ability to operate in alignment with broader cultural and economic initiatives. These state entities are deeply rooted in the preservation and promotion of Hawaiian culture and the arts, areas that closely intersect with the mission of the Department of Business, Economic Development, and Tourism. By transferring administrative oversight to that department, this measure seeks to streamline operations, enhance programmatic support, and better integrate cultural advancement with statewide economic and community development efforts.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes the concerns of the State Foundation on Culture and the Arts regarding whether an additional year may be necessary to facilitate a smooth transition and ensure any administrative changes.

As affirmed by the record of votes of the members of your Committee on Culture & Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2118, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2118, H.D. 1, and be referred to your Committees on Economic Development & Technology and Labor.



Respectfully submitted on  
behalf of the members of the  
Committee on Culture & Arts,

  
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JEANNE KAPELA, Chair



