

Honolulu, Hawaii

, 2026

MAR 06

RE: H.B. No. 2195
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 Finance, to which was referred H.B. No. 2195, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require the Department of Transportation to assess a per passenger head infrastructure fee against cruise ships docking in the State's commercial harbors;
- (2) Establish the Cruise Ship Special Fund; and
- (3) Repeal existing law imposing the Transient Accommodations Tax on cruise ships, retroactively effective to January 1, 2026.

Your Committee received testimony in support of this measure from the Department of Transportation; Matson Navigation Company, Inc.; Hawai'i Harbors Users Group; Hawaii Tour Consultants; Hike Maui; Kilohana Plantation; Honolulu Ship Supply; Polynesian Adventure Tours; Norwegian Cruise Line Holdings Ltd.; The Maritime Group; Hawaii Pilots Association; and one individual. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure



from the Department of Taxation; Department of the Attorney General; Hawai'i Tourism Authority; Tax Foundation of Hawaii; Care for 'Āina Now Coalition Leadership Committee; and Hawaii Transportation Association.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2195, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



CHRIS TODD, Chair



