

Honolulu, Hawaii

FEB 20, 2026

RE: H.B. No. 2201
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. 2201 entitled:

"A BILL FOR AN ACT RELATING TO STATE ENTERPRISE ZONES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Expand the kinds of eligible business activities authorized for the purposes of qualifying for enterprise zone benefits to include the operation of a recycling facility and film production or operation of a film studio; and
- (2) Increase the number of enterprise zones the Governor is required to approve for designation in each county from six to eight.

Your Committee received testimony in support of this measure from the Business Development Support Division of the Department of Business, Economic Development, and Tourism; one member of the Honolulu City Council; Legacy Ventures; Stanford Carr Development, LLC; Maui Chamber of Commerce; and seven individuals. Your Committee received comments on this measure from the Tax Foundation of Hawaii.



Your Committee finds that the Enterprise Zone Program provides incentives that foster business growth and contribute to the State's overall economic stability and diversity. However, the existing limitations on eligible business activities and the number of zones available to each county restrict broader participation in the program. Your Committee further finds that recycling and film production are vital and growing sectors of the State's economy that warrant inclusion into the Enterprise Zone Program.

Your Committee has amended this measure by changing the effective date to July 1, 3000, to encourage further discussion.

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. 2201, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2201, 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



