

Honolulu, Hawaii

FEB 19 , 2026

RE: H.B. No. 2391
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. 2391, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to establish a state general excise tax holiday for school supplies sold in the State prior to the beginning of the school year, subject to certain conditions.

Your Committee received testimony in support of this measure from five individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that many Hawaii families face a significant financial burden when purchasing essential school supplies, particularly given the State's high cost of living. Your Committee further finds that consumer groups estimate that families with students between grades K-12 spend an average of \$800 on back-to-school necessities. Your Committee recognizes that several other states have adopted state sales tax holidays in order to offset financial burdens on residents, and in recognition that back-to-school costs are necessities — not discretionary purchases. This measure seeks to reduce the financial strain on



families by providing meaningful, targeted relief during a time of year when families with children need it most.

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. 2391, H.D. 1, and recommends that it be referred to your Committee on Finance.

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



GREGGOR ILAGAN, Chair



