

Honolulu, Hawaii
, 2026

FEB 06

RE: H.B. No. 2438
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. 2438 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII CULTURAL TRUST,"

begs leave to report as follows:

The purpose of this measure is to establish:

- (1) The Hawaii Cultural Trust and trust account within the state treasury and a Hawaii Cultural Trust Coordinator and Advisory Group within the Department of Business, Economic Development, and Tourism;
- (2) An income tax credit for contributions made to the Hawaii Cultural Trust; and
- (3) A special number plate for motor vehicles to support the Hawaii Cultural Trust.

Your Committee received testimony in support of this measure from the State Foundation on Culture and the Arts 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 Business, Economic Development, and Tourism; and Tax Foundation of Hawaii.



Your Committee finds that Hawaii's cultural and arts organizations are essential to preserving Hawaii's unique heritage, strengthening community identity, and expanding opportunities for education and expression. However, many of these organizations face financial instability and inconsistent support, which limits their ability to sustain and grow their impact. This measure establishes the Hawaii Cultural Trust to provide long-term, stable funding for arts and cultural programs across the State by creating a dedicated trust account, offering an income tax credit for eligible contributions, and authorizing special license plates to generate additional revenue. Together, these mechanisms are designed to encourage charitable giving and ensure the continued vitality of Hawaii's cultural sector.

Your Committee has amended this measure by:

- (1) Clarifying the purpose and allowable uses of the funds in the Hawaii Cultural Trust account;
- (2) Clarifying the membership of the Hawaii Cultural Trust Advisory Committee, including an unspecified maximum number of members and voting powers;
- (3) Clarifying the income tax credit amount allowed to be claimed for contributions made to the Hawaii Cultural Trust account and qualified Hawaii cultural organizations;
- (4) Requiring the State Foundation on Culture and the Arts and Office of Hawaiian Affairs to post a list of qualified Hawaii cultural organizations on their respective official websites and update the list annually; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 2438, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2438, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.



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


JEANNE KAPELA, Chair



