

STAND. COM. REP. NO.

2473

Honolulu, Hawaii

FEB 19 2026

RE: S.B. No. 2258
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committees on Government Operations and Commerce and Consumer Protection, to which was referred S.B. No. 2258 entitled:

"A BILL FOR AN ACT RELATING TO LOCAL PURCHASING PREFERENCE,"

beg leave to report as follows:

The purpose and intent of this measure is to gradually require that, by 2032, thirty percent of the natural landscaping materials purchased by the Department of Education, Department of Health, Department of Corrections and Rehabilitation, Department of Defense, Department of Accounting and General Services, and University of Hawaii System be locally-sourced, meaning fifty percent of the wholesale value is added by manufacture, processing, production, or harvesting in the State.

Your Committees received testimony in support of this measure from two individuals.

Your Committees received comments on this measure from the Department of Education.

Your Committees find that the State was recently ranked the worst place to do business, citing high costs from uncontrollable factors, such as geographical isolation and the impacts of COVID-19, and controllable factors, including taxes, regulations, and social policies. Your Committees recognize that purchasing preferences are one tool state governments can use to promote



local businesses and invest in self-sustainability. This measure will support local businesses and strengthen the local economy by promoting greater opportunities for locally sourced materials in state purchasing.

Your Committees note the concerns raised by the Department of Education that the requirement to source specified percentages of local natural landscaping materials proposed in this measure may present implementation challenges, including limited availability of qualifying products, potential increased costs, and conflicts with existing procurement requirements. Your Committees also note the discussion held during the hearing on this measure regarding whether calculating the Department of Education's compliance based on the school year, rather than the calendar year, would complicate timing and reporting requirements, potentially interfere with school operations and budgeting, and affect the Department's ability to meet the target goals proposed in this measure. Your Committees find that these operational and fiscal concerns merit further consideration and respectfully request that your Committee on Ways and Means examine the issues, including the definition of "year" for the Department of Education and the fiscal impacts of this measure.

Your Committees have amended this measure by:

- (1) Inserting an effective date of January 1, 2525, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Government Operations and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2258, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2258, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committees on Government
Operations and Commerce and
Consumer Protection,



JARRETT KEOHOKALOLE, Chair



ANGUS L.K. MCKELVEY, Chair



The Senate
 Thirty-Third Legislature
 State of Hawai'i

Record of Votes
Committee on Government Operations
GVO

Bill / Resolution No.:* SB2258	Committee Referral: GVO/CPN, WAM	Date: 2/11/2026
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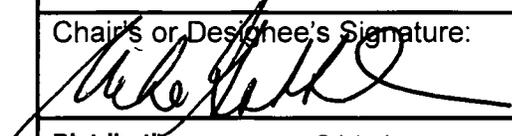
The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
MCKELVEY, Angus L.K. (C)	✓			
GABBARD, Mike (VC)	✓			
HASHIMOTO, Troy N.	✓			
MORIWAKI, Sharon Y.	✓			
AWA, Brenton	✓			
TOTAL	5	—	—	—

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature:


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*Only one measure per Record of Votes

