

STAND. COM. REP. NO.

2627

Honolulu, Hawaii

FEB 20 2026

RE: S.B. No. 2781
S.D. 1

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

Sir:

Your Committee on Government Operations, to which was referred S.B. No. 2781 entitled:

"A BILL FOR AN ACT RELATING TO LEI,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require and establish benchmarks for each state executive agency to ensure that a certain percentage of lei purchased by that executive agency consists of lei made entirely of natural objects and plant materials grown, harvested, and assembled in the State; and
- (2) Establish labeling requirements for lei and lei materials.

Your Committee received testimony in support of this measure from the Department of Agriculture and Biosecurity, O'ahu Council of Association of Hawaiian Civil Clubs, Hawaiian Council, Hawai'i Farm Bureau, The Gay Agenda Collective, Haus of Puas, Tropical Flowers Express, and one individual.

Your Committee received testimony in opposition to this measure from the State Procurement Office.



Your Committee finds that lei are a deeply rooted cultural expression in Hawaii representing aloha, celebration, remembrance, and connection to the land. Your Committee finds, however, that the growing commercialization of lei and lei materials has led to increased use of imported plant materials and manufactured components misleadingly marketed as locally grown, harvested, and assembled in Hawaii, undermining the local floriculture industry, local lei makers, and cultural practitioners. This measure supports locally grown and assembled lei and their producers, protects the local floriculture industry, and promotes transparency and accountability in the sourcing and labeling of lei and lei materials.

Your Committee acknowledges the concerns raised in testimony by the State Procurement Office regarding the measure's lack of clear guidance on how agencies would document compliance and track progress toward the procurement benchmarks and enforcement mechanisms that are fair, transparent, and supported by clear regulatory guidance. Your Committee also acknowledges testimony by the Department of Agriculture and Biosecurity and Hawaii Farm Bureau noting that the measure does not adequately account for whether benchmark percentages are reasonably attainable or consider production capacity, seasonality, labor availability, and enforcement resources. Your Committee finds that, in light of the significant public concern expressed and the numerous logistical issues raised, advancing the measure further at this time would likely create complications that could undermine enactment of this important public policy. Accordingly, your Committee believes the issue should be carefully developed in collaboration with affected stakeholders, who should be tasked with preparing a report to the Legislature that identifies a practical path forward, addresses the concerns raised during the hearing, and ensures any proposed protocol is workable for the State's industry conditions and consistent with relevant market realities.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its substantive provisions and replacing them with language establishing a working group to be comprised of the following:
 - (A) Chairperson of the Board of Agriculture and Biosecurity, or the chairperson's designee;



- (B) Dean of the College of Tropical Agriculture and Human Resilience at the University of Hawaii at Manoa, or the dean's designee;
 - (C) Executive Director of the Hawaii Farm Bureau, or the Executive Director's designee;
 - (D) President of the Hawaii Floriculture and Nursery Association, or the President's designee;
 - (E) One member of the State's florist industry, who shall be invited by the Speaker of the House of Representatives; and
 - (F) One member from the State's lei maker and producer industry, who shall be invited by the President of the Senate;
- (2) Amending section 1 to reflect its amended purpose;
 - (3) Inserting an effective date of January 1, 2525, to encourage further discussion; and
 - (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2781, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2781, S.D. 1, and be referred to your Committees on Commerce and Consumer Protection and Ways and Means.



Respectfully submitted on
behalf of the members of the
Committee on Government
Operations,



ANGUS L.K. MCKELVEY, Chair



