

JOSH GREEN M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR



STATE OF HAWAII  
**DEPARTMENT OF TAXATION**

Ka 'Oihana 'Auhau

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GARY S. SUGANUMA  
DIRECTOR

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DEPUTY DIRECTOR

**TESTIMONY OF  
GARY S. SUGANUMA, DIRECTOR OF TAXATION**

**TESTIMONY ON THE FOLLOWING MEASURE:**

H.B. No. 1611, H.D.1, Relating to Taxation.

**BEFORE THE:**

House Committee on Judiciary & Hawaiian Affairs

**DATE:** Wednesday, February 18, 2026  
**TIME:** 2:00 p.m.  
**LOCATION:** State Capitol, Conference Room 325

Chair Tarnas, Vice-Chair Poepoe, and Members of the Committee:

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 1611, H.D.1, for your consideration.

Beginning January 1, 2027, H.B. 1611, H.D.1, establishes a yearly reduction in the general excise tax (GET) rate on “groceries” and “nonprescription drugs” on a tiered schedule until January 1, 2034, after which, it provides a full GET exemption. Also, beginning on January 1, 2027, it prohibits the counties from imposing a county surcharge on groceries and nonprescription drugs. Beginning January 1, 2028, it provides a GET exemption on the wholesale sale of groceries and nonprescription drugs.

To accomplish this, section 2 of H.B. 1611, H.D.1, amends chapter 237, Hawaii Revised Statutes (HRS), by adding a new section that establishes the tiered GET rate on “groceries” and “nonprescription drugs.” The GET rates start at 3.5%, beginning January 1, 2027, and decrease by 0.5% each year until a full exemption applies, beginning January 1, 2034.

Section 3 of the bill amends section 237-1, HRS, by adding the following new definitions:

- “Groceries” is defined as “substances, whether in liquid, concentrated, solid, frozen, dried, or dehydrated form, that are sold for ingestion or chewing by humans and are consumed for their taste or nutritional value, including any food or food product for home consumption. ‘Groceries’ does not include alcoholic beverages, tobacco, and hot foods or hot food products prepared for immediate consumption.”
- “Nonprescription drug” incorporates the definition under section 328-1, HRS, regarding the Hawai’i Food, Drug, and Cosmetic Act, to mean “any packaged, bottled, or nonbulk chemical, drug, or medicine that may be lawfully sold without a practitioner’s order.”
- “Wholesale transaction” is defined as “a sale of groceries or nonprescription drugs for resale, including transactions between manufacturers, distributors, and retailers.”

Section 4 amends section 237-8.6, HRS, by preventing the counties from imposing a surcharge on gross proceeds or gross income from the wholesale sale of groceries or nonprescription drugs.

Section 5 amends section 237-13, HRS, by adding the above definitions to the overall list of transaction types that qualify for the reduced wholesale GET rate of 0.5 per cent under existing law.

The bill has a defective effective date of July 1, 3000.

DOTAX notes that the definitions of “groceries” and “nonprescription drugs” are very broad and will be difficult to administer for the purposes of a GET exemption. For example, the definition of “nonprescription drug” is not limited to drugs, as defined under section 328-1, HRS, but also includes any “nonbulk chemical” that is packaged or bottled and that may be lawfully sold without a practitioner’s order. This could include chemicals that are not intended or used to treat disease or illness. DOTAX recommends that these definitions be amended to provide more specificity, limiting the scope of the exemption to achieve the bill’s purpose and intent.

Additionally, DOTAX recommends that the prohibition on the counties from imposing the county surcharge on groceries and nonprescription drugs in section 4 of the bill be deleted, and that language excluding groceries and nonprescription drugs be instead added to section 237-8.6(d), HRS. Section 237-8.6(d), HRS, contains a list of

items excluded from the county surcharge, including gross income taxed at the 0.5 and 0.15 percent rates, and amounts exempt from GET.

Lastly, DOTAX notes that it can make the form, system, and instruction changes in the bill, with the first rate change beginning January 1, 2027 as proposed in section 2.

Thank you for the opportunity to provide comments on this measure.



February 13, 2026

Subject: Hawai'i Foodbank in Support of HB 1611 HD1

Aloha Chair Tarnas, Vice Chair Poepoe, and members of the committee,

On behalf of Hawai'i Foodbank, I express our support for HB 1611 HD1, Relating to Taxation. This bill would reduce the general excise tax on groceries and non-prescription drugs on a tiered schedule, eventually eliminating the general excise tax on these items.

Food insecurity is a growing crisis in Hawai'i, with one in three households—including families with children— struggling to access adequate food. One in five households have individuals who are skipping meals or going whole days without eating on a regular basis. In addition, an estimated 45% of Hawai'i's families are at the ALICE (asset-limited, income-constrained, employed) threshold or below—and nearly half of those below the ALICE threshold face food insecurity.

Taxing the sale of groceries disproportionately impacts our food insecure families, affecting not only the amount of food that these families can afford, but also the quality and diversity of their food choices. Food insecurity is inextricably linked to health, and food insecure individuals face higher rates of chronic disease, increased hospitalizations, and greater overall health care costs. Eliminating the general excise tax on groceries would allow our food insecure neighbors to afford more nutritious food each time they visit the grocery store. It would have a significant, positive impact on food insecurity rates and the health and well-being of our community.

For over 40 years, Hawai'i Foodbank has provided daily and emergency assistance to those facing food insecurity in Hawai'i, distributing food to families and individuals on O'ahu and Kaua'i through direct service programs as well as through our network of 266 agency partners and pantries. Last year, we served an average of over 160,000 people each month and distributed more than 22 million pounds of nutritious food, including more than 7.1 million pounds of fresh produce. In addition to addressing daily needs, our organization mobilizes during emergencies to provide immediate relief and aid long-term recovery efforts.

At Hawai'i Foodbank, we have seen first-hand the challenges that our food-insecure neighbors face on a daily basis, trying to put food on the table for their families and ensure their keiki and kūpuna have enough healthy food to eat. Reducing the amount of money families must spend to purchase healthy, adequate food is a critical step in the fight against hunger and we urge you to consider this important measure.

With aloha,

Amy Miller

President and CEO, Hawai'i Foodbank



**The Libertarian Party of Hawaii is in strong support of HB1611.**

This bill initiates a responsible, phased reduction of the general excise tax (GET) on groceries and nonprescription drugs, with annual tiered decreases leading to full exemption by January 1, 2034. It further exempts the wholesale sale of these items from the GET, and prohibits counties from imposing their own surcharges on groceries and nonprescription drugs.

Hawai'i's GET is among the most regressive broad-based taxes anywhere in the United States. It strikes hardest at working families, seniors on fixed incomes, and residents already struggling with one of the nation's highest costs of living. Taxing food and basic over-the-counter medicines people need to stay healthy is burdensome and fundamentally unjust. The government has no rightful claim to a portion of every loaf of bread, carton of milk, or bottle of pain reliever purchased to sustain life.

HB1611 avoids abrupt fiscal disruption by spreading relief over seven years. This gradual approach gives the Legislature and the Department of Taxation time to observe outcomes, pursue genuine spending efficiencies, and prevent knee-jerk revenue replacements. By also barring county surcharges and exempting wholesale transactions, the bill ensures consistent, meaningful relief that flows through the entire supply chain to reach consumers across all islands.

Individuals have an inherent right to the fruits of their labor and to spend their earnings freely. To withhold this right on the necessities required for survival and well-being is to withhold basic rights that should be afforded to all. The GET on essentials steals these fruits by forcing Hawai'i residents to pay the government before they can even feed their households or care for their health.

This legislation represents a much-needed step toward shrinking the scope of the government's grip on the average individual. It chooses affordability, personal autonomy, and economic liberty over perpetual revenue extraction.

The Libertarian Party of Hawaii urges this committee to **pass HB1611 without hesitation**. Enacting this measure would make Hawai'i more survivable for the people who call these islands home.

In liberty,

Abbra Green | LPHI Secretary | [LibertarianHawaii.com](http://LibertarianHawaii.com) | (808)824-LPHI



# HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai‘i Appleseed Center for Law and Economic Justice  
Support for HB 1611 – Relating to Taxation  
House Committee on Judiciary and Hawaiian Affairs  
Wednesday, February 18, 2026 at 2:00 PM

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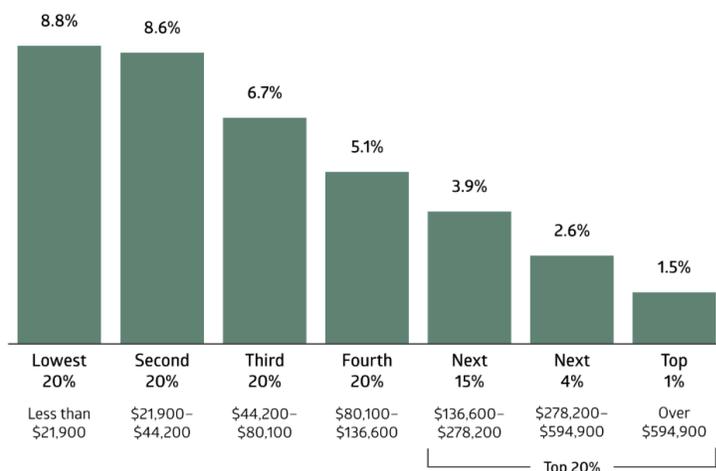
Dear Chair Tarnas, Vice Chair Poepoe, and members of the Committee:

Thank you for the opportunity to submit testimony in support for **HB 1611**, which would establish a yearly reduction in the general excise tax (GET) rate on groceries and nonprescription drugs on a tiered schedule until 2034, while also starting the GET exemption on wholesale in 2028.

We appreciate the intent behind this bill to reduce the cost of groceries and to address this regressive tax which places a disproportionate burden on low- and moderate-income families. Groceries are taxed under the GET at each stage of the supply chain, which contributes to higher overall food costs and makes this regressive tax harder on households with the least disposable income. In Hawai‘i where a family of 4 needs roughly \$110,000 annually to meet basic needs, it is critical these changes reduce the burden low-income households who are least able to absorb the state’s high cost of living.

Hawai‘i is one of only seven states that taxes groceries. The GET and sales taxes in general are widely regarded as regressive and unfair to low-income families. In Hawai‘i, the bottom fifth of households spend nearly 9 percent of their annual income on the GET, compared with the top fifth of households that spend less than 4 percent.<sup>1</sup>

**Figure 1. Share of Family Income Required to Pay GET by Income Quintile, Hawai‘i (2024)**



Hawai‘i’s heavy reliance on GET revenue is part of a larger systemic issue with our tax system that places a disproportionate burden on Hawai‘i’s lowest income residents. Total GET currently comprises nearly half of general fund receipts, with GET from grocery and nonprescription drugs contributing an

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<sup>1</sup> Institute for Tax and Economic Policy, *Who Pays? 7th Edition*. 2024.

estimated \$250 million per year.<sup>2</sup> This bill also eliminates the general excise tax on wholesale sales beginning in January 2028, which will result in an additional loss of state revenue that would need to be addressed. Because the state must continue to fund essential services that households rely on—including health care, education, and safety net programs—any proposal to reduce or eliminate this revenue should be paired with a credible plan to offset the loss.

**Should the legislature decide to proceed with this proposal, we highly recommend doing so in tandem with a proposal to fill the budget hole using progressive taxation options.** There are currently several viable proposals for this, such as taxing wealth at the same rate as earned income, closing the Real Estate Investment Tax loophole, taxing the sale of luxury homes, and most importantly, freezing the tax cuts passed in 2024. This last proposal alone would generate more than \$296 million per year—enough to make up for the loss of GET revenue on groceries and nonprescription drugs.<sup>3</sup>

Thank you for considering these comments in your deliberation of HB 1611.

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<sup>2</sup> Sukanuma, Gary, *Testimony on S.B. No. 1043, S.D. 1, Relating to Taxation*, Hawaii Department of Taxation, February 27 2025, p. 1-2.

[https://www.capitol.hawaii.gov/sessions/session2025/Testimony/SB1043\\_SD1\\_TESTIMONY\\_WAM\\_02-27-25\\_.PDF](https://www.capitol.hawaii.gov/sessions/session2025/Testimony/SB1043_SD1_TESTIMONY_WAM_02-27-25_.PDF)

<sup>3</sup> Hawai‘i Tax Fairness Coalition, “Revenue Options,” Hawai‘i Tax Fairness Coalition, 2026.

<https://www.hitaxfairness.org/wealth-taxes>



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February 16, 2026

To:  
The Honorable David A. Tarnas, Chair  
The Honorable Mahina Poepoe, Vice Chair  
House Committee on Judiciary and Hawaiian Affairs  
Hawai'i State Legislature

**Re: Support for HB1611 HD1 (Relating to Taxation)**

Aloha Chair Tarnas, Vice Chair Poepoe, and Members of the Committee,  
ABC Stores respectfully submits testimony in **support of HB1611 HD1**.

HB1611 HD1 takes a meaningful step toward addressing Hawai'i's high cost of living by phasing down and ultimately exempting groceries and nonprescription drugs from the General Excise Tax, providing relief on essential goods that disproportionately impact Hawai'i's households. The measure also exempts wholesale sales of these items and prohibits county surcharges, helping reduce tax pyramiding and promote consistent statewide treatment.

As a retailer operating throughout Hawai'i, ABC Stores supports policies that improve affordability for residents while providing clarity and predictability within the tax system. HB1611 HD1 advances these goals by addressing essential-goods taxation in a fair, transparent, and administratively sound manner.

For these reasons, ABC Stores respectfully urges the Committee to support HB1611 HD1.

Mahalo,

John Mark Mageo  
Employee Relations & Government Affairs Manager  
ABC Stores



## HIPHI Board

May Okihiro, MD, MS  
Chair  
John A. Burns School of Medicine,  
Department of Pediatrics

Jennifer José Lo, MD  
Vice Chair  
Hawai'i Health Partners

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Taase Law Office

Jonathan Ching  
Kaiser Permanente

Tammy Ho  
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Hale Makua Health Services

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University of Hawai'i at Hilo

Dina Shek, JD  
Medical-Legal Partnership  
For Children in Hawai'i

JoAnn Tsark, MPH  
John A. Burns School of Medicine, Native  
Hawaiian Research Office

Danette Wong Tomiyasu, MBA  
Retired, Hawai'i State Department of  
Health

## HIPHI Initiatives

Coalition for a  
Tobacco-Free Hawai'i

Community-Based Research &  
Evaluation

Community Health  
Worker Initiatives

Environmental Health

Hawai'i Climate Change and Health  
Working Group

Hawai'i Drug & Alcohol-Free Coalitions

Hawai'i Immunization Coalition

Hawai'i Oral Health Coalition

Hawai'i Public Health Training Hui

Healthy Eating + Active Living

Kūpuna Collective/Healthy Aging &  
Community Living

Public Health Workforce Development

Date: February 15, 2026

To: Representative David A. Tarnas, Chair  
Representative Mahina Poepoe, Vice Chair  
Members of the House Committee on Judiciary & Hawaiian Affairs

Re: Support for HB 1611 HD1, Relating to Taxation

Hrg: Wednesday, February 18, 2025, at 1:00 PM, Conference Room 325

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Hawai'i Public Health Institute (HIPHI)<sup>1</sup> is in **support of SB 2935**, which removes the general excise tax from groceries, drugs, feminine hygiene products, and diapers.

Removing the general excise tax (GET) from these essential items will help deliver some relief for working class families in Hawai'i, improve the regressivity of our tax structure and provide an opportunity for a more just economic system.

### Ending Poverty Needs to be a Priority

While 2 in 5 households in Hawai'i earn less than is needed to make ends meet, it's essential we do everything we can to make life more affordable for them.<sup>2</sup> Increased wages, affordable housing, increased social services and lowered cost of living can all help make this a reality. Removing the GET on groceries is a small part of this solution, but when struggling to make ends meet, every bit counts.

### Hawai'i Only "Blue" State With Sales Tax on Groceries

Just 9 states have sales tax on groceries in the nation, and Hawai'i is the only one that has a legislature consistently run by Democrats.<sup>3</sup> This bill provides Hawai'i the opportunity to join the other 41 states in eliminating sales tax on groceries.

### The General Excise Tax Burdens Low Income Residents the Most

Low income residents pay over 8% of their income in GET, with the top 1% of earners paying less than 2%.<sup>4</sup> This highly regressive model is not fair, and hurts those who need the most help.

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<sup>1</sup> Hawai'i Public Health Institute's mission is to advance health and wellness for the people and islands of Hawai'i. We do this through expanding our understanding of what creates health of people and place, fostering partnerships, and cultivating programs to improve policies, systems, and the environments where people live, learn, work, age, and play.

<sup>2</sup> [ALICE Report](#). Aloha United Way. January 2025.

<sup>3</sup> [Sales Tax on Food: A State-by-State Guide](#). Taxually. October 2025.

<sup>4</sup> [Hawai'i: Who Pays? 7th Edition](#). Institute on Taxation and Economic Policy



**Opportunity For a More Just Economic System**

By shifting away from the regressive GET, this opens the door for us to replace that lost revenue with a more progressive income tax on high earners. A fair system requires those with the greatest ability to pay to contribute the highest percentage, justly generating the revenue our state needs to serve everyone.

Mahalo,

A handwritten signature in black ink that reads 'Nate Hix'.

Nate Hix  
Director of Policy and Advocacy



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**Jill Tamura**, Tamura Super Market, *Secretary/Treas.*  
**Lauren Zirbel**, HFIA, *President and Executive Director*  
**Paul Kosasa**, ABC Stores, *Advisor*  
**Toby Taniguchi**, KTA Superstores, *Advisor*  
**Joe Carter**, Coca-Cola Bottling of Hawaii, Odom, *Advisor*  
**Eddie Asato**, Pint Size Hawaii, *Advisor*  
**Gary Okimoto**, Safeway, *Advisor*  
**Maile Miyashiro**, C&S Wholesale, *Immediate Past Chair*

TO: Committee on Judiciary and Hawaiian Affairs  
FROM: HAWAII FOOD INDUSTRY ASSOCIATION  
Lauren Zirbel, Executive Director

DATE: February 18, 2026

TIME: 2pm

RE: HB1611 HD1 Relating to Taxation

Position: Strong Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, manufacturers and distributors of food and beverage related products in the State of Hawaii.

Chair, Vice Chair, and Members of the Committee,

Thank you for hearing this vital measure.

HFIA is in strong support of this measure to fight food insecurity, make Hawaii more affordable, help local residents, and make our tax code less regressive by exempting groceries from the General Excise Tax (GET).

The cost of living in Hawai'i is among the highest in the nation, with many residents struggling to afford basic necessities such as food and medication. According to the Hawai'i Foodbank, nearly 30 percent of households were food insecure in 2023, including 19 percent experiencing very low food security.

Unlike most states, Hawai'i continues to fully tax groceries and nonprescription drugs. Only four states — Alabama, Mississippi, South Dakota, and Hawai'i — still tax groceries



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at the full general sales tax rate. Nearly all other states exempt these basic necessities or tax them at a reduced rate.

Taxes on food are regressive, because low- and middle-income families spend a larger share of their income on necessities. For example, under the USDA Thrifty Food Plan, a family of four in Hawai'i spends approximately \$1,432 per month on groceries (\$17,184 annually). At the 4.5 percent general excise tax rate, this family pays an additional \$773 each year in taxes just to feed their household.

The refundable Food/Excise Tax Credit provides little relief in practice. At the highest income bracket that qualifies (AGI \$50,000–\$60,000 for a family of four), the credit amounts to only \$100 annually. Many ALICE households — those earning up to 350% of the Federal Poverty Level (~\$111,125 for a family of four in 2024) — do not qualify at all, despite struggling with high living costs. Many low-income households also fail to file taxes, meaning they receive no credit.

Research confirms that taxing groceries worsens food insecurity. A peer-reviewed 2021 Cornell Food Policy study found that each 1% increase in grocery taxation increases food insecurity by 0.84%. With Hawai'i's 4.5% GET, this tax itself accounts for an estimated 3.78 percentage-point increase in food insecurity.

Other states have demonstrated that removing grocery taxes improves affordability and stimulates local economies. Kansas enacted a phased grocery tax repeal in 2022. Georgia's permanent grocery tax repeal in the 1990s continues to generate over \$1.45 billion in annual economic output and supporting economic activity and jobs

USDA's Food Expenditure Series shows that "food-at-home" (FAH) spending in Hawai'i, when multiplied by the population, matches closely with Thrifty Food Plan × population estimates, indicating that nearly all grocery purchases are by resident households, not tourists. Tourists spend the vast majority of their food dollars on "food-away-from-home" (restaurants, hotels). Thus, this exemption directly helps Hawai'i families — primarily low- and middle-income — rather than visitors.

Tourist spending on restaurant food can also be clearly seen in this chart from the USDA Food Expenditure Series. It shows how much higher Hawai'i's spending is on food



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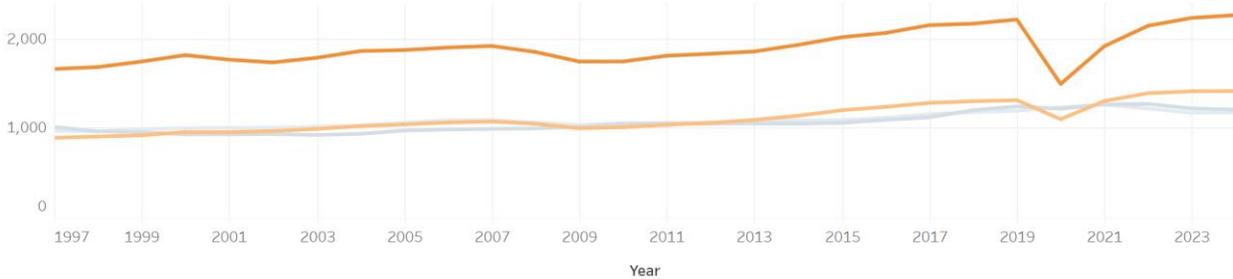
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away from home compared to the national average, and how it dramatically decreased in 2020 with the visitor shut down.

Per capita food sales in Hawaii compared to the national average

Constant dollars (1988=100)



Note: Estimates are in nominal and constant dollars, as noted, and include taxes and tips. These estimates are for sales only and exclude food furnished, donated, and home produced. The base year for the constant dollar series is 1988=100 using the appropriate U.S. Department of Labor, Bureau of Labor Statistics' (BLS) Regional Consumer Price Index for food at home and food away from home. "Near U.S. average" is defined as within 10 percent of the national per capita spending for the selected outlet and year. Data are as of September 2025 and are subject to revision. Source: USDA, Economic Research Service, Food Expenditure Series.

- Statewide food at home
- Statewide food away from home
- U.S. food at home
- U.S. food away from home

Applying the State portion of GET's 4% retail rate to the 2024 food-at-home total without taxes (\$4.6B) shows the exemption would cost approximately \$183,880 million annually. The figure may end up lower because a lot of food-at-home is not SNAP eligible as the bill would require. This is lower than DOTAX's 2022 projection of \$268 million/year for exempting groceries.

Eliminating the GET on groceries and nonprescription drugs is fiscally responsible when phased in beginning January 1, 2027 (with no rate change during calendar year 2026).

In short, passing this measure is the right choice for our state; it will benefit all Hawaii residents, and provide the greatest relief to those who need it most, and it is financially feasible for our state budget.

We strongly encourage the Committee to pass this measure and we thank you for the opportunity to testify.

# TAX FOUNDATION OF HAWAII

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735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

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SUBJECT: GENERAL EXCISE, Reduce Rate on Groceries and Nonprescription Drugs

BILL NUMBER: HB 1611 HD1

INTRODUCED BY: ECD

EXECUTIVE SUMMARY: Beginning 1/1/2027, establishes a yearly reduction in the general excise tax rate on groceries and nonprescription drugs on a tiered schedule until 1/1/2034, when a full general excise tax exemption applies. Beginning 1/1/2027, prohibits the counties from imposing a county surcharge on groceries and nonprescription drugs. Beginning 1/1/2028, provides a general excise tax exemption on the wholesale sale of groceries and nonprescription drugs. Effective 7/1/3000. (HD1)

SYNOPSIS: Adds a new section to chapter 237, HRS, to phase out the GET rate on groceries and nonprescription drugs by 0.5% per year beginning January 1, 2027, and ending with a full exemption beginning January 1, 2034. Does not apply to a wholesaler under section 237-13(2)(A), HRS.

Amends section 237-1, HRS, by adding definitions:

"Groceries" means substances, whether in liquid, concentrated, solid, frozen, dried, or dehydrated form, that are sold for ingestion or chewing by humans and are consumed for their taste or nutritional value, including any food or food product for home consumption.

"Groceries" does not include alcoholic beverages, tobacco, and hot foods or hot food products prepared for immediate consumption.

"Nonprescription drug" has the same meaning as in section 328-1.

"Wholesale transaction" means a sale of groceries or nonprescription drugs for resale, including transactions between manufacturers, distributors, and retailers."

Amends section 237-8.6, HRS, to exempt such sales from county surcharge beginning January 1, 2027.

Makes a conforming amendment to section 237-13(2)(A), HRS.

EFFECTIVE DATE: July 1, 3000.

STAFF COMMENTS: This bill is intended to address the high cost of living in Hawaii by proposing an exemption from the general excise tax on products consumed in Hawaii on a daily basis.

As a technical matter, we suggest that the county surcharge exemption be put in section 237-8.6(d), which contains the surcharge exemptions.

We also think it strange that, when fully phased in, the retail sale of nonprescription drugs and groceries will not be taxed but wholesale sales would be taxed. That inversion would create an incentive for manufacturers and distributors of such products to get rid of resale documentation, complicating enforcement.

Digested: 2/15/2026



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February 18, 2026

HEARING BEFORE THE  
HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

**TESTIMONY ON HB 1611, HD1**  
RELATING TO TAXATION

Conference Room 325 & Videoconference  
2:00 PM

Aloha Chair Tarnas, Vice-Chair Poepoe, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

**The Hawai'i Farm Bureau supports HB 1611, HD1**, which establishes a phased reduction and eventual exemption of the General Excise Tax on groceries and nonprescription drugs.

Hawai'i consistently ranks as having the highest cost of living in the nation. Food prices are impacted by transportation costs, limited economies of scale, labor expenses, land costs, and supply chain constraints. While many of these cost drivers are outside of the State's control, the General Excise Tax is within the Legislature's authority.

Reducing and ultimately eliminating the GET on groceries is a direct way to provide cost relief to Hawai'i residents. Phasing in the exemption allows for a structured transition while still moving toward long-term affordability.

Hawai'i's farmers operate in a uniquely high-cost production environment, which can make locally grown food slightly more expensive than imported alternatives. Removing the GET from groceries helps narrow that price gap at the point of sale, making locally produced food more competitive and accessible to consumers. Supporting affordability at the retail level complements the State's ongoing efforts to strengthen local food production and food security.

Exempting groceries at both the retail and wholesale levels will help ensure that tax savings flow more effectively through the supply chain, and prohibiting the application of county surcharges further reinforces the intended consumer benefit.

Lowering the tax burden on essential goods such as food and nonprescription medicine supports Hawai'i families while aligning with broader efforts to build a more resilient local food system.

Thank you for the opportunity to testify in support of this measure.



CONSUMER  
HEALTHCARE  
PRODUCTS  
ASSOCIATION

Taking healthcare personally.

February 16, 2026

The Honorable Representative David Tarnas  
Chair, House Committee on Judiciary & Hawaiian Affairs  
Hawai'i State Capitol  
415 South Beretania Street  
Honolulu, HI 96813

**RE: Support for HB 1611 HD 1 – General Excise Tax Reduction for Nonprescription Drugs.**

Chair Tarnas,

On behalf of the Consumer Healthcare Products Association (CHPA), the national trade association representing the leading manufacturers of over-the-counter (OTC) medicines, dietary supplements, and OTC medical devices, I'd like to express support of HB 1611 HD 1, which establishes a phased reduction and eventual full exemption of the general excise tax (GET) on nonprescription drugs.

Nonprescription drugs are a cornerstone of safe and effective self-care and overall public health. They allow individuals and families to treat common illnesses, manage chronic conditions, and address minor injuries safely and efficiently, often preventing more costly visits to medical professionals. Exempting these essential products from the GET through a phased implementation process would help to reduce financial barriers, improve affordability, and ensure that all residents have timely and unfettered access to these products whenever needed.

HB 1611 HD 1 not only supports individual and family health but also strengthens public health statewide. OTC medications can often serve as the first and most accessible line of care for individuals, particularly for residents in rural or in underserved communities. Many families rely on these products as a critical, cost-effective way to address their minor health needs before they escalate into something more serious that would require costly professional attention.

We commend Representative Ilagan for introducing this important legislation and respectfully urge the Committee to support the passage of HB 1611 HD 1 while maintaining the GET exemption for nonprescription drugs. Removing this tax would provide meaningful financial relief, helping to ensure that all residents have access.

Thank you for your consideration, and please do not hesitate to contact me if I can provide additional information or perspective.

Respectfully submitted,



Carlos I. Gutiérrez  
Vice President, State & Local Government Affairs  
Consumer Healthcare Products Association  
cgutierrez@chpa.org | 202-429-3521

Cc: House Judiciary & Hawaiian Affairs Committee  
The Honorable Representative Mahina Poepoe, Vice Chair  
The Honorable Representative Greggor Ilagan

Feb. 18, 2026, 2 p.m.  
Hawaii State Capitol  
Conference Room 325 and Videoconference

**To: House Committee on Judiciary & Hawaiian Affairs**  
**Rep. David A. Tarnas, Chair**  
**Rep. Mahina Poepoe, Vice Chair**

**From: Grassroot Institute of Hawaii**  
**Ted Kefalas, Director of Strategic Campaigns**

TESTIMONY IN SUPPORT OF HB1611 HD1 — RELATING TO TAXATION

Aloha chair, vice chair and other committee members,

The Grassroot Institute of Hawaii **supports** [HB1611 HD1](#), which would gradually phase out the state general excise tax rate for groceries and non-prescription medications by 2034.

This is a practical way to address Hawaii's high cost of living. Research shows that taxes on groceries contribute to less spending on meals at home<sup>1</sup> and higher food insecurity,<sup>2</sup> so exempting groceries would help make Hawaii more affordable for struggling residents.

Additionally, the state's GET is regressive, so it hits low- and middle-income individuals and families the hardest.

This proposal also has the potential to grow the economy. In Georgia, for example, the state auditor estimated that Georgia's sales tax exemption for groceries created more than 5,000 jobs and an additional \$807 million in economic output.<sup>3</sup>

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<sup>1</sup> Diansheng Dong and Hayden Stewart, "[Food Taxes and Their Impacts on Food Spending](#)," U.S. Department of Agriculture, Economic Research Service, September 2021, p. 7.

<sup>2</sup> Jianqiang Zhao, "[Putting Grocery Food Taxes on the Table: Evidence for Food Security Policy-Makers](#)," Master's thesis, Cornell University, August 2020, p. iii.

<sup>3</sup> "[Tax Incentive Evaluation: Grocery Sales Tax Exemption](#)," Georgia Department of Audits and Accounts, Dec. 13, 2022.

Regarding nonprescription medications and medical equipment and supplies, a GET exemption for these products would simply be in keeping with the logic behind the state’s existing exemption for prescription drugs and prosthetics.<sup>4</sup>

If this bill is enacted, nonprescription medicines such as Tylenol and Advil would cost less, making it easier for many individuals suffering from everyday health conditions to find relief and save money.

The best action lawmakers could take to lower the cost of living for Hawaii residents is to focus on reducing taxes — and keeping them low. This bill could make a real and immediate difference for the many residents of Hawaii who count every penny and live paycheck to paycheck.

Thank you for the opportunity to testify.

Ted Kefalas  
Director of Strategic Campaigns  
Grassroot Institute of Hawaii

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<sup>4</sup> [“Hawaii General Excise & Use Tax Exemptions: Tax Year 2021,”](#) Hawaii Department of Taxation, Nov. 2022, p. 6.



# holomua

COLLABORATIVE

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## OUR MISSION

To support and advance public policies that make Hawai'i affordable for all working families.

## OUR VISION

Collaborative, sustainable, and evidence-based public policies that create a diverse and sustainable Hawai'i economy, an abundance of quality job opportunities, and a future where all working families living in Hawai'i can thrive.

---

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---

827 Fort Street Mall, 2<sup>nd</sup> Floor  
Honolulu, Hawai'i 96813

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info@holomuacollaborative.org

HolomuaCollaborative.org

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Page 1 of 2

**Committee:** House Committee on Judiciary & Hawaiian Affairs  
**Bill Number:** HB 1611 HD1, Relating to Taxation  
**Hearing Date and Time:** February 18, 2026, at 2:00pm (Room 325)  
**Re:** Testimony of Holomua Collaborative- Support

Aloha Chair Tarnas, Vice Chair Poepoe, and Committee Members:

The purpose of HB 1611 HD1 is to provide financial support to local families by gradually reducing the general excise tax rate on groceries and nonprescription drugs on a tiered schedule. This would continue until January 1, 2034, when a full general excise tax exemption would apply.

Holomua Collaborative's mission is to support public policies that make Hawai'i affordable for all working families. For too long, the regressive nature of taxing basic necessities such as food and over-the-counter medications has placed an undue burden on local residents. This is particularly true for those already struggling to survive in a state with one of the nation's highest cost-of-living rates.

The findings from the Holomua Collective 2025 Affordability Survey reinforce this struggle.<sup>1</sup> This survey of 3,200 local workers paints a stark picture of a worsening cost-of-living crisis. A staggering 75% of respondents indicated they will, or are unsure if they will, relocate to a less expensive state in the coming years, an increase from 70% just one year ago. This "exodus" is driven by a landscape where:

- 42% of residents find it "very difficult" to save money from their paychecks, up from 34% in 2024;
- 37% of respondents worry "frequently" or "almost all the time" about being unable to pay their monthly bills; and
- Taxes and food costs were the third most significant factors affecting the cost of living in 2025 and 2024, respectively, after housing and wages.

HB 1611 HD1 correctly identifies that grocery taxes are regressive because low- and middle-income families spend a larger share of their income on these necessities. While visitors to Hawai'i spend the majority of their food dollars at restaurants and hotels, nearly all grocery purchases are made by resident households. The testimony from local residents in the survey highlights the desperate measures families are taking to stretch their dollars:

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<sup>1</sup> 2025 Hawai'i Affordability Survey. <https://holomuacollective.org/survey-25/>

- Residents report skipping meals or eating canned food to ensure their children have fresh vegetables.
- Families are utilizing credit cards for basic groceries, digging themselves into “depressing” debt just to eat.
- Even middle-income earners (households earning over \$100,000) report living paycheck to paycheck, stating they can “barely afford food” and that they do not qualify for state assistance.

We are one of only four states left in the country, alongside Alabama, Mississippi, and South Dakota, that still taxes groceries and nonprescription drugs with the full general sales tax rate. While almost every other state has recognized that taxing rice, milk, and aspirin hurts families, Hawai‘i continues to treat these necessities as discretionary spending.

This setup is fundamentally regressive because the less money a family makes, the larger the percentage of their paycheck goes toward just staying fed and medicated. To put it in perspective, a typical family of four here spending around \$1,400 a month on groceries pays over \$700 in taxes on their food alone. For a household already struggling with the cost of living, this is a significant annual hit to an essential human need.

By exempting essential groceries and nonprescription drugs, this legislature can provide direct, tangible relief to the 14% of residents who currently skip or reduce paying bills to cover other essential expenses. It is an investment in the hope that our working families can stay.

We respectfully urge the committee to pass HB 1611 HD1 to help reduce the financial strain on Hawai‘i’s workforce and protect our local communities.

Sincerely,

Matthew Prellberg  
Policy and Communications Director



**Testimony to  
House Committee on Judiciary & Hawaiian Affairs  
February 18, 2026  
2:00pm  
Conference Room 325 & VIA videoconference  
Hawai'i State Capitol  
HB 1611 HD1**

Aloha Chair Tarnas, Vice Chair Poepoe, and members of the Committee,

We write in support of HB 1611 HD1, which, beginning 1/1/2027, establishes a yearly reduction in the general excise tax rate on groceries and nonprescription drugs on a tiered schedule, until 1/1/2034, and thereafter, when a full general excise tax exemption applies. Beginning 1/1/2028, provides a general excise tax exemption on the wholesale sale of groceries and nonprescription drugs. Beginning 1/1/2027, prohibits the counties from imposing a county surcharge on groceries and nonprescription drugs.

Established in 1904, Hawai'i Gas serves over 70,000 customers on all islands through its utility pipeline infrastructure and propane business. Our customers depend on us for safe, reliable, and affordable gas for water heating, cooking, drying, and a wide range of residential, commercial, and industrial uses. The company employs approximately 350 professionals across the islands, more than 75 percent of whom are covered by collective bargaining agreements.

The stability of our local workforce is directly tied to local families' ability to afford daily life in Hawai'i. While housing costs remain a major concern, rising prices for basic necessities such as groceries and over-the-counter medications place additional strain on household budgets and make it harder for essential workers to remain in the state. The company relies on a dedicated workforce of technicians and support staff to ensure that the energy services we provide are safe and dependable. When families struggle to cover everyday expenses, workforce retention becomes increasingly difficult for employers across critical infrastructure.

HB 1611 HD1 proposes a phased approach by the state and county for cost-of-living relief. This approach helps stabilize household finances and supports the long-term retention of the Island's most vulnerable.

HB 1611 HD1 is an investment in Hawai'i's workforce and economically disadvantaged communities. We respectfully urge your support of HB 1611 HD1.

Thank you for the opportunity to testify.



## Testimony in Support of HB 1611 HD1, Relating to Taxation

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Aloha Chair Tarnas, Vice Chair Poepoe, and members of the Committee,

We write in strong support of HB 1611 HD1, which reduces and ultimately eliminates the general excise tax on groceries and nonprescription drugs to help address Hawai'i's high cost of living.

aio is a locally owned company with holdings across a broad range of industries. Our companies are purpose-driven and firmly rooted in local values. At aio, Hawai'i is at our core, and through our products, services, and investments, we work to strengthen local communities and improve the quality of life for future generations.

Hawai'i continues to face significant affordability challenges, and rising costs of essential goods are placing increasing pressure on working families. Our employees are our greatest asset, yet taxes on essentials such as groceries and over-the-counter medicine make it harder for them to remain financially stable, save for the future, and continue building their lives in Hawai'i. This bill will help to lower costs throughout the supply chain and ensure relief reaches households.

Mahalo for the opportunity to submit testimony in support of HB 1611 HD1.

A handwritten signature in dark purple ink that reads "Brandon Kurisu".

Brandon Kurisu  
aio Family of Companies





TITLE GUARANTY  
HAWAII

February 18, 2026

**Testimony in support of HB 1611 HD1, Relating to Taxation**

Aloha Chair Tarnas, Vice Chair Poepoe, and Members of the Committee,

We write in support of HB 1611 HD1, which reduces and ultimately eliminates the general excise tax on groceries and nonprescription drugs to help address Hawai'i's high cost of living.

Title Guaranty of Hawai'i is the oldest and largest title company in the state. We have been owned and operated by a kama'āina family since 1896, and we are proud to employ over 250 residents across our branches statewide. As an organization that has worked for over a century to help families achieve stability through homeownership, we know how severely basic household costs, especially food and medicine, strain budgets and make it harder for local working families to stay in and survive in Hawai'i.

Hawai'i is currently in a very small group of only four states that still fully tax groceries at the full general excise tax rate. While nearly all other states recognize that food and medicine are basic necessities rather than luxury goods, our residents are still forced to pay a premium just to feed their households. These taxes are inherently regressive because low- and middle-income families spend a much larger share of their income on necessities. This money should go toward a mortgage, an emergency fund, or a child's education.

HB 1611 HD1 is a practical solution to reduce the cost of basic necessities for local households. By easing everyday expenses, this measure can also support longer-term housing stability for residents working to remain in Hawai'i. Title Guaranty respectfully supports HB 1611 HD1.

Sincerely,

Mike B. Pietsch  
President and Chief Operating Officer  
Title Guaranty of Hawai'i





**ALOHA CARE**

To: The Honorable David A. Tarnas, Chair  
The Honorable Mahina Poepoe, Vice Chair  
House Committee on Judiciary & Hawaiian Affairs

From: Paula Arcena, External Affairs Vice President  
Mike Nguyen, Director of Public Policy  
Maria Rallojaj, Public Policy Specialist

Hearing: Wednesday, February 18, 2026, 2:00pm, Conference Room 325

RE: **HB1611 HD1 Relating to Taxation**

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AlohaCare appreciates the opportunity to provide testimony in **support of HB1611 HD1**. This measure would (1) establish a yearly reduction in general excise tax rate on groceries and nonprescription drugs on a tiered schedule, until 1/1/2034 and thereafter, when a full general excise tax exemption begins 1/1/2027; (2) provide a general excise tax exemption on the wholesale sale of groceries and nonprescription drugs beginning 1/1/2028; and (3) prohibit the counties from imposing a county surcharge on groceries and nonprescription drugs beginning 1/1/2027.

AlohaCare is a community-rooted, non-profit health plan founded by Hawai'i's Community Health Centers and the Queen Emma Clinics. We serve over 66,000 Medicaid and Medicaid-Medicare dual-eligible residents on all islands. Since 1994, AlohaCare has partnered with providers, government entities, and community-based organizations to meet the evolving needs of our safety net community as Hawai'i's only health plan focused solely on Medicaid-eligible individuals. Our mission is to serve individuals and communities in the true spirit of aloha by ensuring and advocating for equitable access to quality, whole-person care for all.

AlohaCare is committed to whole-person care by addressing key social determinants of health like housing, economic stability, and nutrition. Affordability is a healthcare issue. Hawai'i's cost of living is among the highest in the country, and many families are struggling to afford their basic needs like food and medication. When households have less money after paying for their basic essentials, they are more likely to delay care, skip recommended follow-up visits, or face difficult choices between food, over-the-counter medications, and other health-related expenses. Stable access to nutritious food is also important in managing chronic conditions that are prevalent in our communities and sensitive to diet. As such, AlohaCare supports this measure in making everyday necessities more affordable by reducing financial barriers that directly affect whether families can stay healthy.

Mahalo for this opportunity to testify in **support of HB1611 HD1**.

1357 Kapi'olani Blvd., Suite G101, Honolulu, Hawai'i 96814  
Call: 808-973-0712 • Toll-free: 1-877-973-0712 • Fax: 808-973-0726 • [www.AlohaCare.org](http://www.AlohaCare.org)



## 2026 Network Members

Aloha Harvest  
Aloha United Way  
Chef Hui  
City and County of Honolulu  
County of Hawai'i  
Hawai'i Alliance for  
Progressive Action (HAPA)  
Hawai'i Appleseed  
Hawai'i Children's Action  
Network  
Hawai'i Dept. of Agriculture  
Hawai'i Dept. of Health  
Hawai'i Food Bank  
Hawai'i Food Bank - Kaua'i  
Branch  
Hawai'i Good Food Alliance  
Hawai'i Public Health Institute  
Kōkua Kalihi Valley  
Lanakila Pacific  
Mālama Kaua'i  
Maui Department of  
Agriculture  
Maui Food Bank  
Parents and Children  
Together  
Supersistence  
The Food Basket  
The Pantry, by Feeding  
Hawai'i Together  
Wai'anae Coast  
Comprehensive Health  
Center

[hawaiihungeraction.org](http://hawaiihungeraction.org)

# House Committee on Judiciary and Hawaiian Affairs

Wednesday, February 18, 2026, at 2:00PM

## **RE: Support for HB 1611, Relating to Taxation**

Dear Chair Tarnas, Vice Chair Poepoe, and members of the Committee,

The Hawai'i Hunger Action Network, a coalition of more than twenty local organizations with the mission to advocate for food security for Hawai'i households, would like to express support for HB 1611. This bill would reduce the GET on groceries and nonprescription drugs on a scheduled timeline through 2034 and implement a wholesale exemption starting in 2028.

As Hawai'i families face some of the highest food costs in the nation, many are struggling to keep up. Because the GET applies to everyday necessities like groceries, it directly increases the cost of putting food on the table. Food is not a luxury—it is a basic need—and reducing the tax on groceries would provide meaningful relief to households across the state.

Phasing down and ultimately removing the GET on groceries would help working families, kūpuna, individuals with disabilities, and others living on limited incomes stretch their budgets further each month. It would also strengthen the impact of programs like SNAP by allowing benefits to go further at the checkout line.

Mahalo for your leadership and your consideration of HB 1611. Hawai'i is one of only seven states that taxes groceries. Taking steps to reduce and eliminate this tax would be an important move toward making food more affordable and improving food security statewide.

With aloha,  
Hawai'i Hunger Action Network membership



**GORDON M. ARAKAKI**

Attorney at Law, LLLC  
94-1176 Polinahe Place  
Waipahu, Hawaii 96797  
Cell: (808) 542-1542  
E-mail: gordonarakaki@hawaiiantel.net

February 17, 2026

Hearing Date: Wednesday, February 18, 2026

Time: 2:00 PM

Place: Conference Room 325

The Honorable David A. Tarnas, Chair  
The Honorable Mahina Poepoe, Vice Chair  
House Committee on Judiciary & Hawaiian Affairs

Re: Comments on HB 1611, HD 1 – Relating to Taxation  
(Written Testimony Only)

Aloha Chair Tarnas, Vice Chair Poepoe, and Members of the House Committee on Judiciary & Hawaiian Affairs:

I am Gordon M. Arakaki, providing written comments as an individual (who served as the Chief of Staff/Committee Clerk for the Senate Committee on Ways and Means for three years ... many years ago) regarding HB 1611, HD 1. The bill would establish a yearly reduction in the general excise tax rate on groceries and nonprescription drugs on a tiered schedule beginning 1/1/2027 until 1/1/2034, when a full general excise tax exemption would apply.

Proponents of HB 1611, HD1 have said that it is intended to provide relief to households struggling with Hawaii's high cost of living. This is a laudable goal, but I am not sure that exempting groceries and nonprescription drugs from the general excise tax ("GET") is the best way to achieve this goal.

Because the GET is a tax on the total revenues of the businesses—*not* a sales tax—businesses pay Hawaii's GET and the businesses then try to pass the GET onto their customers. There is nothing to prevent a business from keeping its prices for groceries and nonprescription drugs at their current levels (including the GET). They could also split the difference and round up because their customers are used to a particular price point. I'm curious if estimates on exempting groceries and nonprescription drugs from the GET take this into account.

In addition, please note that a portion of Hawaii's GET on groceries and nonprescription drugs is exported to tourists.

It would seem that expanding the number of Hawaii residents who qualify for the existing income tax credits for food and medicine (and making sure they're refundable) would make sure that the money is put back in the pockets of Hawaii residents. If filling out the form is a barrier, perhaps a simple checkoff for automatic refunds of varying amounts depending on income levels

Comments on HB 1611, HD 1 – Relating to Taxation

House Committee on Judiciary & Hawaiian Affairs

Hearing Date: Wednesday, February 18, 2026

Page 2

is possible. (Just thinking out loud here.) This would have the added benefit of allowing for more accurate estimations of impact on GET and general fund revenues.

Finally, as a good example of how the GET works, please note that by federal law, Medicare/Medicaid/TRICARE providers are not fully compensated for such taxes. That is why the Hawaii Legislature exempted their services from the GET in 2024. [*See*, Act 47 (SLH 2024).] It was not to provide relief for Medicare/Medicaid/TRICARE patients.

Thank you for your time and consideration of my comments regarding HB 1611, HD 1. Best wishes as you tackle this important issue.

Sincerely,

Gordon M. Arakaki



# MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

**HEARING BEFORE THE HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS  
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 325  
WEDNESDAY, FEBRUARY 18, 2026 AT 2:00 P.M.**

To The Honorable Representative David A. Tarnas, Chair  
The Honorable Representative Mahina Poepoe, Vice Chair  
Members of the Committee on Judiciary & Hawaiian Affairs

### **SUPPORT HB1611 HD1 RELATING TO TAXATION**

The Maui Chamber of Commerce recognizes the significant impact that the general excise tax (GET) has on both residents and businesses and have long supported bills to exempt groceries. HB1611, which phases in a reduced GET rate on groceries and nonprescription drugs, culminating in a full exemption, directly addresses a critical cost-of-living concern and aligns with our mission to support a thriving, resilient economy.

Reducing and ultimately eliminating the GET on essential goods such as groceries and nonprescription drugs will provide meaningful relief to families and individuals, especially those struggling with high living expenses. By also exempting wholesale transactions and prohibiting county surcharges on these items, the bill helps ensure that savings are passed through the supply chain, ultimately benefiting consumers at the checkout counter. This approach not only supports household budgets but also encourages consumer spending, which can stimulate local businesses and contribute to broader economic recovery.

From a business perspective, lowering the tax burden on essential goods can help stabilize demand for retailers and wholesalers, supporting job retention and local entrepreneurship. By lessening the cumulative tax load, Hawai'i becomes a more attractive place for both existing and prospective businesses, supporting our goals of economic diversification and sustainable growth.

Mahalo for the opportunity to provide testimony on HB1611 and ask that you move this bill forward.

Sincerely,

Pamela Tumpap  
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.



**HB-1611-HD-1**

Submitted on: 2/13/2026 1:48:23 PM

Testimony for JHA on 2/18/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Emma Waters	Individual	Support	Written Testimony Only

Comments:

Writing in strong support of this important bill that will help to lower the extremely high cost of living here in our beloved Hawaii nei. Mahalo.

**HB-1611-HD-1**

Submitted on: 2/13/2026 1:51:08 PM

Testimony for JHA on 2/18/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Michelle K.	Individual	Support	Written Testimony Only

Comments:

Aloha Committee Members,

I STRONGLY SUPPORT passing this bill into law. Hawaii residents are paying some of the highest taxes in this country and eliminating taxes on groceries would significantly benefit the lower and middle income earners. We know the tax is regressive and unfair so eliminating it as soon as possible is a step in the right direction. Everyone would benefit from the savings that could go towards purchase of healthy foods. Instead, higher taxes on bad habits like cigarettes can be considered. Thank you for voting on behalf of the majority!

Sincerely,  
Michelle

**HB-1611-HD-1**

Submitted on: 2/13/2026 3:02:46 PM

Testimony for JHA on 2/18/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Lynn Murakami Akatsuka	Individual	Support	Written Testimony Only

Comments:

I am in strong support of HB 1611, HD 1 passage this session. "This measure seeks to alleviate this financial burden by phasing out essential groceries and nonprescription drugs from the tax base, which will directly reduce household food costs, particularly for low- and moderate income residents, while reducing the tax burden on necessities more fairly." This says it all and all Hawaii residents need this tax break now!

Thank you for the opportunity to testify in strong support of HB 1611, HD 1.

**HB-1611-HD-1**

Submitted on: 2/13/2026 8:55:14 PM

Testimony for JHA on 2/18/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Johnnie-Mae L. Perry	Individual	Oppose	Written Testimony Only

Comments:

I, Johnnie-Mae L. Perry, OPPOSE for these reason

Thousands of people depend on the food credit - tax filing benefit

GET helps fund Skyline, although I don't support Skyline

1611 HB RELATING TO TAXATION.

**HB-1611-HD-1**

Submitted on: 2/13/2026 9:39:56 PM

Testimony for JHA on 2/18/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Michael A. Cobb Jr	Individual	Support	Written Testimony Only

Comments:

I support removing taxes from groceries and over the counter medications.

Do not raise taxes elsewhere, there is enough money floating around in the government.

**HB-1611-HD-1**

Submitted on: 2/14/2026 12:58:06 AM

Testimony for JHA on 2/18/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Debra Bringman	Individual	Support	Written Testimony Only

Comments:

I am in support of this bill. The cost of living here is high. Any reduction in our taxes would be greatly appreciated. Thank you for your kind consideration.

**HB-1611-HD-1**

Submitted on: 2/15/2026 3:50:14 PM

Testimony for JHA on 2/18/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Nancy D Moser	Individual	Support	Written Testimony Only

Comments:

In support

**HB-1611-HD-1**

Submitted on: 2/15/2026 9:55:00 PM

Testimony for JHA on 2/18/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
M. Leilani DeMello	Individual	Support	Written Testimony Only

Comments:

Aloha,

I KĀKO‘O this bill. We carry more than enough of the tax burden, food and medicine should not be included in that.

Mahalo,

M. Leilani DeMello

‘Ōla‘a, Puna, Hawai‘i

**HB-1611-HD-1**

Submitted on: 2/16/2026 8:34:11 AM

Testimony for JHA on 2/18/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Glen Kagamida	Individual	Support	Written Testimony Only

Comments:

SUPPORT

**HB-1611-HD-1**

Submitted on: 2/16/2026 7:40:28 PM

Testimony for JHA on 2/18/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Shannon Rudolph	Individual	Support	Written Testimony Only

Comments:

Support

**HB-1611-HD-1**

Submitted on: 2/16/2026 8:50:05 PM

Testimony for JHA on 2/18/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
jeanne wheeler	Individual	Support	Written Testimony Only

Comments:

Aloha: I write in strong support for this bill - please pass it.... Mahalo, JW

**HB-1611-HD-1**

Submitted on: 2/16/2026 10:20:35 PM

Testimony for JHA on 2/18/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Nicholas Zehr	Individual	Support	Written Testimony Only

Comments:

Chair, Vice Chair, and Members of the Committee:

I strongly support HB1611 because it delivers targeted, evidence-based relief to households struggling with Hawai‘i’s cost of living, while doing so in a fiscally responsible and administrable way.

Taxes on groceries and nonprescription drugs are among the most regressive taxes a state can impose. Families must purchase food and basic medicine regardless of income, and lower- and middle-income households spend a larger share of their earnings on these necessities. As the findings note, Hawai‘i’s refundable food/excise tax credit provides limited relief, excludes many ALICE households, and fails to reach residents who do not file income tax returns. HB1611 corrects these shortcomings by reducing prices at the point of sale, where relief is immediate and universal.

The bill is also grounded in data. Research linking grocery taxes to higher food insecurity underscores that this tax is not merely a revenue tool, but a policy choice with real human consequences. Phasing out the general excise tax on groceries and nonprescription drugs directly addresses food hardship without expanding bureaucracy or creating new eligibility determinations.

HB1611 is fiscally prudent. The gradual, tiered reduction gives the State and counties ample time to plan, adjust, and prioritize spending. The wholesale exemption and county surcharge prohibition prevent tax pyramiding and ensure that savings flow through the supply chain to consumers, rather than being absorbed by compliance costs.

Finally, this measure improves tax fairness and economic efficiency. Most grocery purchases are made by residents, not visitors, so exempting groceries ensures that essential household consumption is not taxed at the same rate as discretionary spending. This aligns Hawai‘i with the overwhelming majority of states and modernizes an outdated aspect of our tax code.

For these reasons, HB1611 represents a thoughtful, compassionate, and responsible approach to easing the cost of living while maintaining long-term fiscal stability. I respectfully urge your support.

**HB-1611-HD-1**

Submitted on: 2/17/2026 7:23:03 AM

Testimony for JHA on 2/18/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Anne Leake	Individual	Support	Written Testimony Only

Comments:

Dear Committee Chair, Co-chair and Committee Members:

My name is Anne Leake and I am a retired nurse practitioner residing in Kaneohe. I practiced in Hawaii for 30 years in federally funded community health centers. Most of my patients were insured by Medicaid or uninsured. I've seen first hand the impact of poverty on the lives of people. I am originally from Massachusetts where there is no sales tax on food, and was surprised by the GET when I moved to Hawaii. This is such a regressive tax.

HB1611 would this this inequity by establishing a yearly reduction in the general excise tax rate on groceries and nonprescription drugs on a tiered schedule until 1/1/2034, when a full general excise tax exemption applies. Beginning 1/1/2027, counties would be prohibited from imposing a county surcharge on groceries and nonprescription drugs. Beginning 1/1/2028, a general excise tax exemption on the wholesale sale of groceries and nonprescription drugs would begin. All of these will benefit the lowest income earners who can least afford these taxes. Please give HB1611 your favorable consideration. Mahalo.

**HB-1611-HD-1**

Submitted on: 2/17/2026 4:41:23 PM

Testimony for JHA on 2/18/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Daniel Treas	Individual	Support	Written Testimony Only

Comments:

Chair, Vice Chair, and Members of the Committee,

Thank you for the opportunity to testify. I am writing in strong support of HB1611. This measure represents a practical and meaningful step toward easing the financial burden on hawaii residents, many of whom continue to struggle with h high cost of living.

HB 1611 addresses a real need in our communities by promoting greater affordability and helping families keep more of their hard-earned income. Policies like this strengthen local households, support economic stability, and contribute to a healthier, more resilient Hawaii.

I respectfully urge the Committee to pass HB 1611.

Thank you for your consideration.

Sincerely,

Daniel Treas

**HB-1611-HD-1**

Submitted on: 2/17/2026 6:15:14 PM

Testimony for JHA on 2/18/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Martha Morishige	Individual	Support	Written Testimony Only

Comments:

2026 has started out with severe and harmful messages from the Governor about not extending the 2025 tax decreases. The Governor ran on a platform promising to end the excise tax on food and instead he's now clawing back last year's tax deductions. The average Hawaii family is struggling and its pititul that the government still taxes on food, the basic need of life. Please look hard at programs that can be reduced and streamlined so we can pass the bill to end excise tax on groceries.

**HB-1611-HD-1**

Submitted on: 2/17/2026 8:19:10 PM

Testimony for JHA on 2/18/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Marcella Alohalani Boido	Individual	Support	Written Testimony Only

Comments:

Thank you for hearing this bill. It is a moderate, gradual form of relief that is much needed.

Please pass it.

Thank you.

*Marcella Alohalani Boido, M.A.*

Moili'ili, Honolulu, Hawaii 96826

**HB-1611-HD-1**

Submitted on: 2/18/2026 3:21:25 AM

Testimony for JHA on 2/18/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Shani Hough	Individual	Support	Written Testimony Only

Comments:

I Support NO TAX ON GROCERIES!