

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION

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GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

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

TESTIMONY ON THE FOLLOWING MEASURE:

H.B. No. 1937, Relating to Taxes

BEFORE THE:

House Committee on Transportation

DATE: Tuesday, February 10, 2026

TIME: 9:30 a.m.

LOCATION: State Capitol, Room 430

Chair Kila, Vice-Chair Miyake, and Members of the Committee:

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 1937 for your consideration.

H.B. 1937 makes amendments to section 237-1, Hawaii Revised Statutes (HRS), to impose the retail general excise tax (GET) rate for purchases or imports of new motor vehicles by rental car companies. These amendments effectively result in the imposition of the 4.0% retail GET and use tax rate (plus applicable 0.5% county GET rate) on lessors importing or purchasing motor vehicles into Hawaii for use as a rental motor vehicle.

Section 1 of the bill adds two new definitions for this purpose as follows:

- “Lessor” has the same meaning as in section 251-1; and
- “Rental motor vehicle” has the same meaning as in section 251-1.

Section 2 of the bill amends section 237-4(a)(1), HRS, by adding modifying language stating that sales to a licensed retail merchant, jobber, or other licensed seller for purposes of resale, “shall not include the sale of a motor vehicle to a lessor of rental motor vehicles for use as a rental motor vehicle.”

New subsection 237-4(a)(1)(A) is added directing that between July 1, 2026, and June 30, 2030, the revenue resulting from this increase from the wholesale GET tax rate to the retail GET and use tax rates will be deposited into a new “Teacher Temporary Hazard Pay Special Fund” (TTHPSF) as described further below.

New subsection 237-4(a)(1)(B) is also added directing that beginning on July 1, 2030, the revenue appropriation to the new TTHPSF will stop and instead deposits will be made into the general fund.

Section 237-4, HRS is also modified by adding language stating that for sales to a licensed leasing company of capital goods that have a depreciable life, that are purchased by the leasing company for lease to its customers, and thereafter are leased to others, does not include “the sale of a motor vehicle to a lessor of rental motor vehicles for use as a rental motor vehicle.” New subsections 237-9(A)-(B) are added duplicating the language of 237-4(a)(1)(A)-(B) described in the two paragraphs immediately above.

Section 3 of H.B. 1937 amends section 238-1, HRS, by adding the same definitions of “Lessor” and “rental motor vehicle” as noted above under Section 1 of the bill.

Section 4 of the bill amends section 238-2(2)(A), HRS, adding language that retailers or other persons importing or purchasing for purposes of sale or resale “shall not include the importation or purchase of a motor vehicle by a lessor of rental motor vehicles for use as a rental motor vehicle.” New subsections 238-2(2)(A)(i)-(ii) are added allocating revenues to be deposited in the new TTHPSF, and subsequently into the general fund.

Section 5 of H.B. 1937 establishes the new TTHPSF, to be administered by the Department of Education (DOE) and further states that on July 1, 2030, the fund will be abolished, and any unencumbered remaining balances will lapse to the general fund. Prior to this lapse, the TTHPSF funds are to be paid to each eligible member of bargaining unit 5 for temporary hazard pay totaling \$20,000 per employee. The payments will be made in four equal installments of \$5,000 payable no later than June 30 of each of the years 2027, 2028, 2029, and 2030.

The measure is to take effect on July 1, 2026, provided that Section 5 will be repealed on July 1, 2030.

DOTAX notes that the provision requiring the allocation of revenues from the change in tax rate into the new TTHPSF would require a fundamental change in the way that DOTAX accounts for and reports on GET and use tax revenues. This bill would create administrative difficulties, as DOTAX will need to reconcile the amounts reported

from the additional tax imposed with actual amounts collected. Discrepancies will arise because the amount of tax collected often does not match the amount of tax reported for various reasons, including errors in payment or reporting or intentional underpayment. DOTAX therefore requests that the allocation of revenue to the special fund be replaced with an appropriation of a set dollar amount.

Finally, DOTAX requests that the amendments in Sections 1 through 4 of the bill be made effective on January 1, 2027, to allow time for form, instruction, and system changes, as well as informing taxpayers of the changes.

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



EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

House Committee on Transportation

Tuesday, February 10, 2026

9:30 a.m.

State Capitol, Conference Room 430, and Videoconference

In Support

H.B. No. 1937, H.D. 2, Relating to Taxes

Chair Kila, Vice Chair Miyake, and Members of the House Committee on Transportation:

The Office of the Governor **supports** H.B. No. 1937, relating to taxes. The measure identifies an additional revenue source by adjusting the application of the general excise tax to rental motor vehicles and directing the resulting revenues toward supporting Hawaii's public-school teachers represented by the Hawaii State Teachers Association (HSTA).

Hawaii continues to face significant challenges in recruiting and retaining teachers due to the high cost of living and increasing classroom demands. Addressing these issues requires sustained investment in educators and thoughtful identification of funding sources that minimize financial impacts on local families.

H.B. No. 1937 advances this goal by modifying how motor vehicle purchases for rental use are taxed, ensuring that these transactions are assessed at the appropriate general excise tax rate. This adjustment generates additional revenue in a manner that broadens the State's funding capacity without relying on increases to resident-based taxation.

The Office of the Governor supports the concept of leveraging these revenues to provide additional financial support for teachers and recognizes the value of establishing a stable funding stream linked to this tax adjustment. Consideration of how these funds are utilized will

Testimony of the Office of the Governor
H.B. No. 1937
February 10, 2026
Page 2

help ensure they contribute to long-term workforce stability and positive outcomes for students and schools statewide.

The Office of the Governor appreciates the Legislature's commitment to identifying creative funding solutions that align fiscal policy with education priorities and looks forward to ongoing collaboration on this measure.

Mahalo for the opportunity to provide testimony.



1200 Ala Kapuna Street • Honolulu, Hawai'i 96819
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Osa Tui, Jr.
President

Logan Okita
Vice President

Cheney Kaku
Secretary-Treasurer

Andrea Eshelman
Executive Director

TESTIMONY TO THE HAWAI'I HOUSE COMMITTEE ON TRANSPORTATION

Item: HB 1937 – Relating to Taxes

Position: Support

Hearing: Tuesday, February 10, 2026, 9:30 am, Room 430

Submitter: Osa Tui, Jr., President - Hawai'i State Teachers Association

Dear Chair Kila, Vice Chair Miyake, and members of the committee,

The Hawai'i State Teachers Association **strongly supports** H.B. 1937, which establishes a critical funding mechanism to provide long-overdue hazard pay compensation to our dedicated educators. This measure creates the Teacher Temporary Hazard Pay Special Fund to fulfill a \$20,000 hazard pay compensation for eligible members of bargaining unit 5 who served our keiki during the height of the pandemic between March 4, 2020, and March 25, 2022.

Our teachers faced unprecedented risks to ensure Hawai'i's keiki continued to learn during a global crisis. This legislation recognizes those unprecedented risks by providing compensation through four annual installments of \$5,000, ensuring our educators are made whole by June 30, 2030.

The proposed shift in tax classification for rental motor vehicles ensures that the state can generate the necessary revenue to support these payments without taxing our local, hardworking families. This adjustment focuses the tax responsibility on the visitor industry, specifically targeting rental fleet acquisitions rather than individual residents.

Based on estimates that Hawai'i has around 44,000 rental cars and an average purchase price of \$47,000, shifting these transactions to a standard 4% tax rate would generate approximately \$72.38 million in new annual revenue. This significant influx of revenue provides the resources to fulfill our promises to teachers over a four-year period.

For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are highly utilized, revenue-generating assets that rental agencies typically cycle through every 12 to 18 months. By the time these companies sell those vehicles, the cars have often depreciated significantly in value, yet the agencies have avoided the standard retail tax on the initial purchase that local families must pay.

H.B. 1937 rectifies this imbalance by ensuring these visitor-industry acquisitions are taxed at the standard retail rate and temporarily directing these funds toward public educators who held our community together during its most difficult time. This provides an immediate solution for teacher compensation while securing a stronger financial future for the State of Hawai'i.

By sunseting the special fund in 2030 and directing subsequent revenues to the general fund, the state ensures that this policy change benefits all residents in the long term. We urge the committee to pass this measure.

Mahalo.

HB-1937

Submitted on: 2/7/2026 8:29:02 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Sharon Saronitman	HSTA	Support	Written Testimony Only

Comments:

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Sharon Saronitman

Elsie H Wilcox Elementary, Kauai Chapter

HB-1937

Submitted on: 2/7/2026 11:17:42 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Erin Henderson	Hawaii Department of Education - HSTA	Support	Written Testimony Only

Comments:

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION RE: HB 1937 – RELATING TO TAXES

Tuesday, February 10, 2026, 9:30 a.m.

Aloha Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators, like myself, who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring we are finally made whole for our service during the global crisis. During the pandemic, I went to school every day and taught my students. I was riddled with anxiety and fear that I would bring COVID home to my then 81 year old mother who suffers from dementia and COPD. Had she contracted COVID-19 then, she would have most certainly died. I also feared that I was putting my own children, twin boys age 7 and 17 year old recently graduated senior awaiting US Navy service, at risk for contracting the disease. My nights were sleepless and my days anxiously long.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,
Erin Henderson

Kohala High School/HKPKP district

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I **strongly support** HB 1937 which provides unnecessarily long overdue compensation to public school teachers who put our very lives on the line, not to mention the lives of our loved ones, when we were prematurely forced back into the classrooms during the height of the pandemic, during a time when the numbers of COVID-19 positive cases and mortality rates were at their highest. This compensation acknowledges the fact that we risked our lives and the lives of those at home when we came back to the classroom under the most dangerous conditions. This compensation also acknowledges Article X.B.3 of our Collective Bargaining Agreement, which states “Teachers shall not be required to work under unsafe or hazardous conditions or perform tasks which imminently endanger their health or safety,” on page 47. This is an article of our contract which was blatantly violated that year in which we were forced back into our classrooms prematurely, putting us and our families at great risk. If we were so essential as to return to our duties, while in danger, then please treat us accordingly.

We are not asking to raise taxes on our hard working families. Instead, this tax would be procured from the tourism industry, arguably the most lucrative industry in our state. For example, vehicle rental companies have been taking advantage of tax loopholes, avoiding paying their fair share for far too long.

The aim of HB 1937 is to make sure that car rental companies pay their fair share of taxes, without contributing to the financial struggles experienced by hard working families. HB 1937 also provides an immediate economical solution to funding teacher hazard pay. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Richard Stange

Mililani Middle School / Central District



February 10, 2026

Chair Darius Kila & Committee Members
House Committee on Transportation
State House of Representatives

Hearing: Tuesday, February 10, 2026, 9:30 am, Room 430

HB1937 RELATING TO TAXES – IN OPPOSITION

The Hertz Corporation is one of the world’s largest mobility companies and operates the Hertz, Dollar, and Thrifty vehicle rental brands throughout Hawai‘i. For more than a century, Hertz has offered innovative, differentiated rental products including creating economic opportunities by renting vehicles to rideshare drivers through dedicated partnerships with Uber and Lyft. Hertz also sells vehicles to consumers at Hertz Car Sales locations throughout the United States making well-maintained, safe and affordable used vehicles available to consumers.

Hertz is opposed to HB1937 which would apply the retail or higher general excise tax or use tax rate to purchases or imports of new motor vehicles by rental car companies. Proceeds of the proposed tax revenues would be deposited into a Teacher Temporary Hazard Pay Special Fund to pay a temporary hazard pay bonus to certain eligible teachers.

Imposing a new and/or higher tax rate on vehicles purchased and placed into service exclusively for short-term motor vehicle rental by rent-a-car (RAC) operators violates long-standing economic and tax policy by taxing wholesale inputs while also taxing consumers at the retail level. Taxes are collected at the point of consumption when consumers rent our vehicles and thus, the state is getting significant tax revenue from the renting of vehicles by both out of state visitors and Hawai‘i residents.

Increased taxes will ultimately be passed on to the consumer in the form of higher rates, adversely impacting price-sensitive visitors who have many options to travel to other destinations throughout the globe. HB1937 will also harm Hawaii residents who rent cars to/from Oahu and throughout neighbor islands; local rideshare drivers who rent cars for income; and citizens who need rental cars for insurance replacement when their vehicles are being repaired.

Additionally, there is no sufficient legal nexus under HRS § 37-52.3 to justify using rental car sales tax revenue for temporary teacher hazard pay. The link between tax revenue source and program use does not appear to meet the statutory "clear link" requirement. Pursuant to HRS § 37-52.3(2), special funds require a clear link between the program and the sources of revenue, as opposed to serving primarily as a means to provide the program or users with an automatic means of support that is removed from the normal budget and appropriation process. Other transportation taxes like the Hawai‘i fuel tax are distributed for highway, boating, airports and other transportation purposes.

HB1937 also singles-out one specific economic activity to be taxed – rental motor vehicles. The Hawai‘i Tax Review Commission has been guided by its long-standing principles of equity, efficiency and adequacy. The Commission explains that “equity” is a measurement of how tax burdens are distributed. The Hawai‘i State

Legislature also enacted standards of review for the Commission in its evaluation of tax laws. Haw. Rev. Stat. §232E-3 states that the [Tax Review] commission shall conduct a systematic review of the State's tax structure, using such standards as *equity and efficiency*. Emphasis added.

The Tax Review Commission's principles of equity are violated since only the rental car industry is proposed to be taxed. Rental cars are a narrow component of "capital goods" that are small sub-category of the wholesale tax exemption. Other capital goods include construction equipment e.g., bulldozers, excavators, tower cranes, and concrete mixers used on job sites, and agricultural machinery e.g., tractors and harvesters leased for crop development purposes. Except for rental motor vehicles, construction, agricultural and all other capital goods remain untouched in the proposed legislation.

We respectfully oppose this legislation and urge the legislature to focus on pro-growth policies that support and enhance the state economy, rather than singling out one industry for a discriminatory tax. Hertz, along with our fellow car rental operators, would welcome the opportunity to speak with you to share our perspective on this important topic. Thank you for the opportunity to provide a comment on this matter.

Sincerely,

/s/ Seward Akahi

Seward Akahi
General Manager, Hawai'i
sakahi@hertz.com

HB-1937

Submitted on: 2/8/2026 8:38:17 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Cheryl Motoyama	Hawaii DOE	Support	Written Testimony Only

Comments:

I strongly support HB 1937 to honor public educators who stood on the front lines for our keiki during the COVID-19 pandemic. While the world shut down, we educators continued to serve, adapting overnight and putting our own health and families at risk to ensure students were safe, supported, and learning. To me hazard pay is not a bonus—it is recognition of the extraordinary sacrifice all of us educators made during one of the most difficult moments in our history.

Sincerely,

Cheryl Motoyama

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I **strongly support** HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Lori Inouye

Molokai Middle School



HOUSE BILL 1937, RELATING TO TAXES

FEBRUARY 10, 2026 · TRN HEARING

POSITION: Support.

RATIONALE: The Democratic Party of Hawai'i Education Caucus **supports** HB 1937, relating to taxes, which excludes the sale of a motor vehicle to a lessor of rental motor vehicles for use as a rental motor vehicle as a sale at wholesale. Imposes the maximum allowable excise tax on the use of tangible personal property in the State for the importation or purchase of a motor vehicle by a lessor of rental motor vehicles for use as a rental motor vehicle; establishes a Teacher Temporary Hazard Pay Special Fund to pay a temporary hazard pay bonus to certain eligible teachers; and beginning 7/1/2026 until 7/1/2030, deposits the additional tax revenue generated by this Act into the Teacher Temporary Hazard Pay Special Fund.

This measure rectifies a long-standing inequity in compensatory policy by ensuring that educators, who worked daily in environments where they faced elevated health and safety risks during the pandemic, receive equitable treatment compared with other state employees who previously received hazard pay.

During the COVID-19 pandemic, many Hawai'i public-sector workers received hazard pay for work performed under heightened risk conditions. According to the Legislature's 2021 hazard pay law for state employees, nurses, correctional officers, and other frontline workers were compensated for pandemic-era risk exposures above and beyond regular duties. Yet, teachers,

despite serving in person throughout the pandemic and undertaking significant additional risk and responsibility, were excluded from hazard pay provisions, creating an inequitable distinction among public workers. This exclusion contributed to morale challenges and exacerbated existing concerns about recruitment and retention in the teaching profession.

At the peak of the pandemic and in its aftermath, Hawai'i, like the rest of the nation, experienced a teacher workforce crisis marked by significant shortages, elevated turnover, and increasing difficulty filling positions in schools statewide. A 2025 analysis reported that the Hawai'i DOE had increased reliance on emergency hires (teachers working without full licensure) by nearly 80 percent compared with earlier years, even as overall vacancies declined. Teachers themselves have reported that the lack of equitable compensation for risk alongside other essential workers contributed to frustration and disillusionment.

Beyond workforce pressures, educators continued to serve in person through school closures, reopening cycles, and multiple waves of COVID-19. Research from the Centers for Disease Control and Prevention (CDC) clearly established that school settings—particularly before widespread vaccination—presented elevated risk of exposure to respiratory pathogens without proper mitigation. These risks were not hypothetical: in 2022, Hawai'i DOE confirmed dozens of school clusters of COVID-19 cases that affected students and adults alike, placing additional burdens on teachers and school staff to manage classroom continuity amid health threats.

HB 1937 addresses this inequity by authorizing hazard pay for educators under circumstances where they are required to perform duties that expose them to dangerous conditions. Teachers perform essential functions that are clearly comparable to those of other frontline public employees: they work in close proximity to large groups of people, provide care and instruction during emergency conditions, and undertake responsibilities beyond standard classroom duties, including supervision, contact tracing assistance, and crisis response.

The exclusion of teachers from hazard pay policies created an inequitable compensation framework for risks that were not qualitatively different in context or consequence from those other workers faced. This measure creates needed parity in how Hawai'i compensates public servants by acknowledging that when educators are required to work under dangerous conditions, they

deserve hazard pay commensurate with the risk they undertake. This sends an important message that the state values the safety and well-being of educators and is committed to fair treatment across public service professions.

Hawai'i's teacher workforce challenges continue; recruitment and retention remain a top concern for districts, schools, and communities. National research shows that competitive compensation—including hazard pay, bonuses, and targeted financial support—improves retention in high-need fields and supports workforce stability. Educators considering employment decisions weigh multiple factors, and equitable recognition for work performed under extraordinary conditions is among those factors. Providing hazard pay aligns with broader efforts to support teachers doing essential work in Hawai'i classrooms each day. It acknowledges both the risks educators face in and the value of their sustained commitment to student learning and school communities.

Contact: educationcaucusdph@gmail.com · 808-679-7454



SanHi

GOVERNMENT STRATEGIES
A LIMITED LIABILITY LAW PARTNERSHIP

DATE: February 10, 2026

TO: Representative Darius K. Kila
Chair, Committee on Transportation

FROM: Chris Delaunay / Tiffany Yajima

RE: **H.B. 1937 Relating to Taxes**
Hearing Date: Tuesday, February 10, 2026, at 9:30AM
Conference Room 430

Aloha Chair Kila, Vice Chair Miyake, and Members of the Committee on Transportation:

We submit this testimony in **strong opposition to H.B. 1937** on behalf of Enterprise Mobility, which includes Enterprise Rent-A-Car, Alamo Rent-A-Car, National Car Rental, and Enterprise Commute (Van Pool).

H.B. 1937 would impose the retail or higher general excise tax (GET) on the purchase or import of new motor vehicles by rental motor vehicle companies. This proposal overturns long-standing Hawai'i tax policy applicable to all leasing companies and selectively targets a single capital-intensive industry while dedicating the revenue to a program purpose unrelated to rental motor vehicle. For these reasons, we respectfully urge the Committee to defer this measure.

H.B. 1937 overturns long-standing and deliberate Hawaii tax law on leased capital goods. For decades, Hawai'i law has expressly provided wholesale tax treatment for purchases of capital goods by all licensed leasing companies, including rental car companies. This proposal would fundamentally change the way taxes are assessed on durable goods. In removing the wholesale tax treatment only for rental motor vehicle lessors, while leaving the same treatment in place for other leasing and capital-intensive industries, this measure targets a specific industry.

We are very concerned this measure could open the door to similar tax treatment of other durable goods and leased equipment which would have a profound effect on rental equipment for contractors, landscapers, and homeowners in the state, ultimately affecting cost of construction, housing and cost of living for residents.

The bill also creates tax pyramiding. Under current law, rental motor vehicle fleets are taxed at the wholesale rate at acquisition, and each rental transaction is separately taxed at the full retail GET rate when the vehicle is rented to a customer. Rental car companies collect and remit these taxes to the State on every rental transaction. H.B. 1937 would add a second layer of retail-level tax, at the time the vehicle is purchased, on top of the existing tax collected each time the vehicle is rented.

Under this measure, rental companies would be required to pay a retail-level GET or use tax when purchasing fleet vehicles and then pay retail GET again each time those vehicles are rented. This creates tax pyramiding by imposing tax on the same vehicle at acquisition and again each time it produces taxable rental income. Hawai'i's wholesale tax law is designed specifically to avoid this outcome and could significantly affect other equipment leasing businesses.

In addition, rental motor vehicles are not used only by tourists and visitors but are also regularly used by Hawai'i residents, local businesses, government contractors and service providers, and insurance replacements. Families who travel to the neighboring islands to attend special events, such as weddings, youth sports, family reunions, and funerals would be impacted by this bill. Higher fleet acquisition taxes will translate into higher car rental costs across the board. This will directly affect local households and businesses, not just tourists.

We recognize and respect the importance of supporting our teachers. However, we are concerned that H.B. 1937 establishes no policy or programmatic legal nexus between rental car fleet acquisition taxes and Teacher Temporary Hazard Pay.

For the reasons above we strongly oppose H.B. 1937 and respectfully urge the Committee to defer this bill.

Thank you for the opportunity to provide testimony.



February 10, 2026

The Honorable Darius Kila
Chair
House Committee on Transportation
Room 322, Hawaii State Capitol
415 South Beretania Street
Honolulu, HI 96813

The Honorable Tyson Miyake
Vice Chair
House Committee on Transportation
Room 421, Hawaii State Capitol
415 South Beretania Street
Honolulu, HI 96813

RE: Support HB 1937 -- "Relating to Taxes"

Dear Chair Kila, Vice Chair Miyake, and members of the Committee:

On behalf of Chamber of Progress, a tech industry coalition promoting technology's progressive future, **I respectfully urge you to support HB 1937**, which would close the rental car industry's general excise tax loophole by ending the preferential wholesale tax treatment for rental car fleet vehicle purchases and applying the maximum allowable use tax. This reform enhances tax fairness, promotes competition, and ends a carveout that overwhelmingly benefits a handful of large rental car companies. HB 1937 would also dedicate the resulting revenue to a Teacher Temporary Hazard Pay Special Fund to support Hawai'i's public school educators during a period of sustained economic and fiscal pressure.

HB 1937 would restore appropriate general excise and use tax treatment for rental car fleet purchases

Rental car companies – a highly profitable, multi-billion-dollar industry – currently pay just 0.5% in general excise tax on fleet vehicle purchases in Hawai'i under the classification of a "sale for resale." This classification is fundamentally flawed. Traditional wholesalers sell goods directly to retailers or customers, transferring both ownership and possession. Rental car companies, by contrast, retain the title and permanent ownership of their vehicles, generating revenue by temporarily renting them to consumers. These vehicles are not inventory in any traditional sense – they are revenue-generating assets.

Unlike construction equipment lessors or farm equipment companies, rental car companies are in the business of rapid asset depreciation. Their model relies on a cycle of high-volume usage and rapid disposal: by renting vehicles to a constant stream of

tourists, these companies put their fleets through accelerated wear and tear, causing the assets to depreciate quickly. Rental car companies then take the value of this vehicle depreciation and turn it into "full expensing," effectively using the depreciation to wipe out the taxes that would normally be paid on the profits from the rental itself.

HB 1937 corrects this inequity by clarifying that the sale of a motor vehicle to a rental car lessor does not qualify as a sale at wholesale and by subjecting those transactions to the maximum allowable use tax. This ensures that rental car companies contribute tax revenue in a manner more consistent with how other businesses are taxed when they acquire revenue-generating assets.

Hawai'i has an opportunity to support educators without burdening families

Hawai'i faces a projected mild recession in 2026, driven in part by the Trump administration's tariffs, which are expected to raise annual costs for a typical Hawai'i household by approximately \$1,400 and reduce visitor spending by an estimated \$1.6 billion.¹ At the same time, the federal government has withdrawn over \$3 billion from the state's economy through funding cuts, forcing the Governor to propose tax cut freezes and leaner budgets to maintain critical public services.²

Closing the rental car tax loophole is a responsible way to generate consistent revenue without increasing the burden on working families. Rental car companies currently pay an estimated \$2.2 million in GET at the discounted 0.5% wholesale rate on fleet vehicle purchases in Hawai'i. By applying the maximum allowable use tax to these purchases, HB 1937 could generate tens of millions of dollars annually in additional revenue, which the bill dedicates to the Teacher Temporary Hazard Pay Special Fund. **This funding would help stabilize Hawai'i's education workforce at a time when teachers are facing rising costs and increasing demands in the classroom.**³

Hawai'i can follow other states' lead in closing this loophole

Oregon, North Dakota, and Georgia have each repealed or narrowed their rental car tax exemptions.⁴ Maryland did the same through its Budget Reconciliation and Financing Act of 2025, imposing a 3.5% excise tax on rental vehicle purchases that had previously been

¹ University of Hawai'i Economic Research Organization (UHERO). *Fourth Quarter Forecast 2025*. Dec. 12, 2025. <https://www.hawaii.edu/news/2025/12/12/uhero-fourth-quarter-forecast-2025/>

² "Hawai'i Governor's Proposed State Budget Anticipates More Federal Cuts." *Honolulu Civil Beat*, Dec. 23, 2025. <https://www.civilbeat.org/2025/12/hawai%CA%BBi-governors-proposed-state-budget-anticipates-more-federal-cuts/>

³ University of Hawai'i System News. "Hawai'i Schools Facing Chronic Underfunding, Report Reveals." *UH News*, Jan. 29, 2025. <https://www.hawaii.edu/news/2025/01/29/underfunding-hawaii-public-schools/>

⁴ Steve DelBianco, 2025.

fully exempt,⁵ and expects roughly \$240 million in additional revenue as a result.⁶ These states have established a fairer tax system while redirecting recovered funds to essential public services. Hawai'i can and should follow their lead.

For these reasons, **I respectfully urge you to advance HB 1937**. This bill offers Hawai'i a practical way to close an unfair tax loophole, strengthen tax fairness, and direct new revenue toward supporting public school teachers without increasing taxes on local families.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Singleton". The signature is fluid and cursive, with the first name "Robert" being more prominent than the last name "Singleton".

Robert Singleton
Senior Director of Policy and Public Affairs, California and US West

⁵ Maryland Budget Reconciliation and Financing Act of 2025 (HB 352), imposing a 3.5% excise tax on rental vehicle purchases effective July 1, 2025.
<https://mva.maryland.gov/businesses/Documents/bulletins/2025/Bulletin-Rental-Excise-Tax-Loaner-Exemption-06272025.pdf>

⁶ Bryan P. Sears. "House, Senate quickly come to agreement on spending and tax plan." *Maryland Matters*, Apr. 4, 2025.
<https://marylandmatters.org/2025/04/04/house-senate-quickly-come-to-agreement-on-spending-and-tax-plan/>



UNITED PUBLIC WORKERS

AFSCME Local 646, AFL-CIO

HOUSE OF REPRESENTATIVES THE THIRTY-THIRD LEGISLATURE REGULAR SESSION OF 2026

COMMITTEE ON TRANSPORTATION

Rep. Darius K. Kila, Chair
Rep. Tyson K. Miyake, Vice Chair

Tuesday, February 10, 2026, 9:30 AM
Conference Room 430 & Videoconference

Re: Testimony on HB2034 – RELATING TO TAXES

Chair Kila, Vice Chair Miyake, and Members of the Committee:

The United Public Workers, AFSCME Local 646, AFL-CIO (“UPW”) is the exclusive bargaining representative for approximately 12,000 public employees, which includes blue collar, non-supervisory employees in Bargaining Unit 1 and institutional, health, and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties.

UPW **strongly opposes** HB1937, which excludes the sale of a motor vehicle to a lessor of rental motor vehicles for use as a rental motor vehicle as a sale at wholesale. This measure also imposes the maximum allowable excise tax on the use of tangible personal property in the State for the importation or purchase of a motor vehicle by a lessor of rental motor vehicles for use as a rental motor vehicle. Despite the lack of a clear nexus, this legislation also establishes a Teacher Temporary Hazard Pay Special Fund to pay a temporary hazard pay bonus to certain eligible teachers until 7/1/2030.

For the last four years, UPW has fought for the Temporary Hazard Pay (“THP”) our members earned, and are **contractually owed**, for performing their duties during the COVID-19 pandemic. Despite THP being a provision in our contracts, many of the employers argued that our members were not at risk despite clear indicators that they were likely exposed to the virus. This has resulted in UPW battling with employers in arbitration and the courts, which has required considerable time and financial resources simply to make our members whole.

While we have been able to resolve most of these grievances, the class grievances we filed on behalf of our Executive Branch and Department of Education (“DOE”) members have still not been resolved. Despite not having a provision in their contract, this bill could provide teachers with THP when some employers have still not met their contractual obligations. This bill, if passed, signals to UPW and its members that our contracts do not matter.

Mahalo for the opportunity to testify in opposition to this measure.

HEADQUARTERS

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Representative Darius Kila, Chair
Representative Tyson Miyake, Vice Chair
Committee on Transportation

Tuesday, February 10, 2026; 9:30 a.m.
Conference room 430

RE: HB 1937 – Relating to Taxes – In Opposition

Aloha Chair Kila, Vice Chair Miyake and members of the committee:

My name is Robert Muhs, Vice President, Government Affairs and Counsel for Avis Budget Car Rental, LLC (“ABCR”). We appreciate this opportunity to respectfully oppose HB 1937, which excludes the sale of a motor vehicle to a lessor of rental motor vehicles for use as a rental motor vehicle as a sale at wholesale and imposes the maximum allowable excise tax on the use of tangible personal property in the State for the importation or purchase of a motor vehicle by a lessor of rental motor vehicles for use as a rental motor vehicle. The bill also establishes a Teacher Temporary Hazard Pay Special Fund to pay a temporary hazard pay bonus to certain eligible teachers and deposits the additional tax revenue generated by this Act into the Teacher Temporary Hazard Pay Special Fund.

We believe there is not a sufficient legal nexus under HRS §37-52.3 to justify using rental car sales tax revenue for temporary teacher hazard pay. Pursuant to HRS §37-52.3(2), special funds require “a clear link between the program and the sources of revenue”.

Furthermore, based on Hawai'i tax law and regulations, there is a distinct, legislatively supported framework that allows rental car companies to treat fleet acquisitions as wholesale transactions while maintaining the imposition of the GET on the subsequent retail rental receipts. Following a 1971 Hawai'i Supreme Court decision, the Legislature amended HRS §237-4 to expressly include sales of capital goods to licensed leasing companies for lease as wholesale transactions. Subsequent Hawai'i case law confirmed that rental vehicles qualify as capital goods and that rental contracts are true leases, reinforcing the statutory basis for wholesale treatment at acquisition while preserving retail GET on rental receipts. Ultimately, this bill will result in higher car rental costs for residents, local businesses and visitors.

Finally, HB 1937 is discriminately targeted at one industry.

For these reasons, we urge the Committee to defer this bill. Thank you for the opportunity to express our concerns.



SERVCO PACIFIC INC.
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HONOLULU, HI 96819 USA

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SERVCO.COM

Representative Darius Kila, Chair
Representative Tyson Miyake, Vice Chair
Committee on Transportation

Tuesday, February 10, 2026; 9:30 a.m.
Conference room 430

RE: HB 1937 – Relating to Taxes – In Opposition

Aloha Chair Kila, Vice Chair Miyake and members of the committee:

Servco appreciates this opportunity to respectfully oppose HB 1937, which excludes the sale of a motor vehicle to a lessor of rental motor vehicles for use as a rental motor vehicle as a sale at wholesale and imposes the maximum allowable excise tax on the use of tangible personal property in the State for the importation or purchase of a motor vehicle by a lessor of rental motor vehicles for use as a rental motor vehicle. The bill also establishes a Teacher Temporary Hazard Pay Special Fund to pay a temporary hazard pay bonus to certain eligible teachers and deposits the additional tax revenue generated by this Act into the Teacher Temporary Hazard Pay Special Fund.

HB 1937 would cause the sales of vehicles to rental car and car sharing agencies to be subject to tax at the full retail GET rate instead of the 0.5% wholesale rate. This would be detrimental to rental car and car sharing agencies that are already operating on thin margins and would inevitably result in increased rental rates to customers. This would also result in pyramiding of retail GET, in that retail GET would be charged on the sale of the vehicle to the agency and then again on the rental of the vehicle to customers. The same concept would apply to use tax on vehicles imported into the state, in that rental car and car sharing agencies would have to pay use tax at the full retail GET rate instead of the 0.5% wholesale rate.

For these reasons, we ask that you hold this bill.

Peter Dames
President & CEO

HB-1937

Submitted on: 2/7/2026 8:59:15 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Anika Agerlie	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,
I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Anika Agerlie

Hōnaunau Elementary School

HB-1937

Submitted on: 2/7/2026 9:24:20 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jaylin	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee, I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Jaylin Petersen

Aiea High School, Central District

HB-1937

Submitted on: 2/7/2026 9:26:00 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Darice Carvalho	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,
I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Darice Carvalho

Waimea Elementary School

HB-1937

Submitted on: 2/7/2026 9:26:15 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Channa Uyetake	Individual	Support	Written Testimony Only

Comments:

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Channa Uyetake

Kua O Ka Lā PCS

HB-1937

Submitted on: 2/7/2026 9:26:19 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Alyssa Bailey	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,
Alyssa Bailey
'Aiea High School, Central District

HB-1937

Submitted on: 2/7/2026 9:26:43 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Susana Roman	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases. H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo nui loa for your support,
Susana Roman
Kailua Intermediate

HB-1937

Submitted on: 2/7/2026 9:27:08 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Wendy Nickl	Individual	Support	Written Testimony Only

Comments:

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Wendy Nickl

District 8

HB-1937

Submitted on: 2/7/2026 9:27:33 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Hope McKeen	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I am writing to express my strong support for HB 1937, which seeks to provide essential hazard pay compensation for public educators who served on the front lines during the COVID-19 pandemic. This measure is a vital step in acknowledging the health risks and professional sacrifices educators made to ensure the continuity of our students' education and well-being during a global crisis.

I specifically support the funding mechanism outlined in this bill. By addressing the current tax structure regarding rental car fleet acquisitions, we can secure the necessary funds without impacting the household budgets of local residents. Currently, rental car agencies benefit from a wholesale tax loophole on vehicles used for retail profit—assets that undergo high utilization and depreciation before being sold. Closing this loophole ensures that these corporate entities contribute at the standard retail rate, just as any local family would when purchasing a personal vehicle.

HB 1937 represents a dual solution: it restores equity to our tax code and provides long-overdue recognition of the sacrifice and dedication of our teaching workforce. I respectfully urge the committee to pass this measure to honor our educators and support the stability of our public school system.

Mahalo

Hope Pualani McKeen (Hilo)

HB-1937

Submitted on: 2/7/2026 9:28:13 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Cheney Kaku	Individual	Support	Written Testimony Only

Comments:

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Cheney Kaku

School district: Hilo-Waiakea

HB-1937

Submitted on: 2/7/2026 9:28:20 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Anna Crawford	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,
I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Name. Anna Crawford

School/District King Kekaulike High, Maui

HB-1937

Submitted on: 2/7/2026 9:28:51 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Alapai Kaulia	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,
I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis. The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases. H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.
Mahalo,

Alapa'i Kaulia
Ke Kula 'o 'Ehunuikaimalino/ West Hawaii

HB-1937

Submitted on: 2/7/2026 9:31:01 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Danny Lopez	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,
I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki in front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis. The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Danny Lopez

Maui Waena Intermediate School

Maui Baldwin Complex

HB-1937

Submitted on: 2/7/2026 9:34:46 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Laura Buller	Individual	Support	Written Testimony Only

Comments:

Aloha, I am writing in support of HB -1937 changing taxation for the purpose of HAZARD PAY FOR PUBLIC SCHOOL TEACHERS. I am a teacher at Molokai Hogh School.

Many teachers had direct contact with their students during the hight of the Covid Pandemic because of our special needs population. Exposing themselves to the covid virus. Exposure to covid continued when students and teachers all returned to the classroom.

I myself had to have my classroom sanitized two to three times per week when we all returned to school. I contracted the virus because of my exposure to the students, PPE was not as effective as we hoped it would be.

I hope to see HB1937 pass, I am in support of this bill.

Mahalo,

Laura Buller

Kualapuu, Molokai 96757

HB-1937

Submitted on: 2/7/2026 9:36:58 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Rae A Yamanaka	Individual	Support	Written Testimony Only

Comments:

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I am a retired teacher and I **strongly support** HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Rae A. Yamanaka

HSTA Retired HI District President

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I **strongly support** HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Shannon K. Garan

Linapuni Elementary School

HB-1937

Submitted on: 2/7/2026 9:46:15 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Katherine DeKemper	Individual	Support	Written Testimony Only

Comments:

February 7, 2026

RE: HB 1937 – Relating to Taxes

Chair Kila, Vice Chair Miyake, and Members of the Committee,

My name is Katherine DeKemper, and I submit this testimony in strong support of HB 1937. This measure is not merely a technical tax adjustment—it is a long-overdue correction of a serious injustice experienced by public educators who served on the front lines during the COVID-19 pandemic.

I was there. While many workers were able to remain safely behind screens, I reported to my classroom every single day. I taught rotating “A” and “B” student cohorts, fully masked, navigating constant uncertainty and heightened risk. Like my colleagues across the state, I showed up for our keiki with the persistent fear that I could contract—or unknowingly transmit—a potentially deadly virus.

Despite this reality, classroom teachers were excluded from hazard pay that was later granted to other public employees, including some with significantly less direct and sustained exposure to students. To compensate those with lower exposure risk while denying recognition to front-line educators is deeply inequitable. Teachers should not have to repeatedly plead for acknowledgment of the risks we assumed in service to our communities.

HB 1937 offers a clear and responsible path forward. It identifies a fair funding source by addressing a long-standing loophole that benefits large rental car corporations within the visitor industry. These companies currently classify their vehicle fleets—the primary generators of their retail revenue—as wholesale goods, allowing them to avoid taxes that local families must pay on their own personal vehicles.

Closing this loophole is not the creation of a new tax; it is the elimination of an unjust advantage. These vehicles are high-utilization, high-revenue assets, and taxing them at the standard rate ensures that multi-billion-dollar corporations contribute their fair share. Most importantly, this approach funds educator hazard pay without placing any additional financial burden on Hawai‘i’s local families.

Educators did not abandon their posts during a global crisis. We remained a constant source of academic instruction, stability, and emotional support for our students during an unprecedented period of disruption. Other public-sector unions were compensated for their service during this time. Educators deserve the same recognition and respect.

I urge this committee to pass HB 1937 without delay. It is time to stop prioritizing corporate tax loopholes over the people who keep our schools—and our communities—functioning.

Mahalo for the opportunity to provide testimony.

Thank you for your consideration,

Katherine DeKemper

Kea‘au Middle School

HB-1937

Submitted on: 2/7/2026 9:56:59 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Logan Okita	Individual	Support	Written Testimony Only

Comments:

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I **strongly support** HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Logan Okita, MEd, NBCT

Nimitz Elementary School/Central District

HB-1937

Submitted on: 2/7/2026 10:34:25 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Matthew McMullin	Individual	Support	Written Testimony Only

Comments:

Teachers deserve hazard pay just as much as others, they were face to face with children and the public.

I'm a firefighter on the big island and I got my hazard pay, why wouldn't teachers get it?

HB-1937

Submitted on: 2/7/2026 11:15:22 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Alan Isbell	Individual	Support	Written Testimony Only

Comments:

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

As a retired teacher, I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This

legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale taxloophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Alan Isbell

Maui

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON
TRANSPORTATION**

**RE: HB 1937 – RELATING TO TAXES Tuesday, February
10, 2026, 9:30 a.m.**

**Chair Kila, Vice Chair Miyake, and Members of the
Committee,**

I urge your **support** HB 1937, which provides hazard pay compensation to public school teachers during the COVID-19 pandemic. I'm tired of knowing that teachers continue to work in conditions that, honestly, discouraged people from pursuing education as a career. Instead of punishing them, why don't we reward them?

Respectfully,

A handwritten signature in black ink, appearing to read 'Tom Aitken', with a long, sweeping horizontal flourish extending to the right.

-Tom Aitken

Retired Teacher

HB-1937

Submitted on: 2/7/2026 12:38:45 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Darryl Munetake	HSTA retired	Support	Written Testimony Only

Comments:

Aloha,

I am in support for the Hazard pay for educators because we were in harms way dealing with our at risk students attending school during the COVID pandemic.

I was registrar at Lahaina Intermediate and was subjected to being exposed to the virus from our students who attended school just like the office staff, cafeteria workers, custodians and all the support staff.

We were all mandated to report to school so why are the educators the only group that hasn't been compensated for putting our lives at risk during the pandemic?

I'm hoping that there will be a lot of support for educators who made the sacrifice as well to educate our at risk students and we are treated equally as other employees who got their hazard pay. We deserve it for doing our job knowing the risks of contracting COVID was a real threat.

Mahalo

Darryl K Munetake

HB-1937

Submitted on: 2/7/2026 1:45:09 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Wray Jose	Individual	Support	Written Testimony Only

Comments:

Dear Sirs,

I am a retired teacher. I urge passage of HB1937, which will fund hazardous pay for public school teachers who served Hawaii's school children during the Covid-19 Pandemic. Thank you,

Sincerely,

Wray Jose

House District 22

HB-1937

Submitted on: 2/7/2026 2:33:07 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Alexandra Los	Individual	Support	Written Testimony Only

Comments:

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION
RE: HB 1937 – RELATING TO TAXES
Tuesday, February 10, 2026, 9:30 a.m.**

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who continued to serve Hawai‘i’s keiki during the COVID-19 pandemic. This measure recognizes the extraordinary circumstances educators worked under to ensure students remained safe, supported, and connected during an unprecedented global crisis.

I submit this testimony as a public school teacher, and on behalf of educators across our state who showed up every day focused on student well-being. During the pandemic, schools were more than places of learning—they were safe spaces, sources of stability, and lifelines for many children and families. Educators continued in-person instruction while navigating health risks, changing safety protocols, and significant uncertainty, all with the goal of making sure no child was left behind.

Teaching has always been a profession grounded in service, not expectation of special treatment. Educators stepped forward during COVID because our keiki needed us. We adapted, problem-solved, and extended ourselves well beyond our traditional roles to support students academically, socially, and emotionally during an extremely difficult period.

HB 1937 provides a fair and thoughtful way to acknowledge that service. Importantly, the bill does so without placing additional tax burdens on local families. Instead, it addresses a long-standing inequity in the visitor industry. Rental car companies have benefited from a wholesale tax loophole for vehicles that are central to their retail operations—high-use, revenue-generating assets that are later resold after significant depreciation, unlike vehicles purchased by local residents who pay full retail tax.

By applying the standard tax rate to rental fleet acquisitions, HB 1937 restores fairness and creates a responsible funding source for educator hazard pay. This approach ensures support for educators while protecting local households.

I respectfully urge the committee to pass HB 1937 in recognition of the collective effort educators made to care for Hawai'i's keiki during the COVID-19 pandemic, ensuring learning, safety, and stability in a time of crisis.

Mahalo for the opportunity to testify.

Alexandra Los
Innovations Public Charter School/HKKK

Subject: In Support of HB

Testimony By: Cindy Asato-Kochi

Date: February 7, 2026

My name is Cindy Asato-Kochi and I am a retired Hawaii DOE special education high school teacher. I am testifying today in strong support of providing temporary hazard pay for teachers who worked in person during the COVID-19 pandemic.

During the height of the pandemic, when the rest of the world was shutting down and staying home, teachers did not have that luxury. We were expected to show up to our classrooms to support our students and keep the public school system running. While few students were on campus during the initial outbreak, by August 2020 there students - most often those with disabilities - who were allowed to be taught in person.

These children were often unable to wear masks properly, and social distancing was impossible. Imagine the crushing anxiety felt every day, not just for my own health, but for the safety of my family at home. I, along with many of my colleagues, frequently felt unsafe, yet we returned to school without question, fulfilling our duty to our students. Furthermore, many of us had to spend our own money to purchase air purifiers, plexiglass shields, and additional sanitizing supplies to supplement what our school was not able to get quickly enough or in the quantities needed. Finally, new teaching methods using technology required a vast and quick learning curve that teachers often paid for out of pocket to expedite implementation rather than wait for the tediously long procurement and purchase order process.

It is fundamentally unfair that other employees working in our schools received hazard pay while teachers—who were exposed to the same, if not greater, risks—were left out. We were on the front lines, and it is time for the state to recognize that sacrifice. This compensation is not just a bonus; it is recognition of the physical and emotional risk we took to keep education moving during an unprecedented crisis. I urge you to

pass this measure to support those educators who truly feel uncompensated for their sacrifices.

Thank you.

HB-1937

Submitted on: 2/7/2026 3:15:31 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Christine R Jarvis	Individual	Support	Written Testimony Only

Comments:

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION
RE: HB 1937 – RELATING TO TAXES**

Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,
I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis. I, myself, taught a classroom of 17 special education fourth grade students through the 2021-2022 school year and was exposed to and fell ill to COVID 19 twice during this time. I was fortunate to have a supportive team of teachers who showed up daily to continue the responsibilities of a special education classroom. At this time, I am grateful that all support staff and office teams have been compensated with hazard pay- however, I find it to be an injustice that the teachers leading these student have not been included in this compensation. H.B. 1937 creates fairness by ensuring rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families, which is of utmost importance to me. I urge the committee to pass this measure in support of our public educators, my teammates, who bravely worked during the COVID-19 pandemic.

Mahalo,
Christine Jarvis

Leeward District Autism Consulting Teacher

Formerly: Kanoelani Elementary School Special Education Teacher, Leeward District

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I **strongly support** HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Eunice Saito

HSTA-Retired

HB-1937

Submitted on: 2/7/2026 4:55:16 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Mike Landes	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families.

I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Mike Landes

Lahainaluna High School

Ku'u lei Arceo
Hilo High School
556 Waianuene Ave.
Hilo, HI 96720
808.381.9187
kumu66@gmail.com

Feb. 7, 2026

RE: HB 1937 – RELATING TO TAXES

Chair Kila, Vice Chair Miyake, and Members of the Committee,

My name is Ku'u lei Arceo, and I am submitting this testimony to seek your strong support for HB 1937. This measure is not just a policy adjustment; it is a long-overdue correction of a profound injustice against the public educators who served on the front lines of the COVID-19 pandemic.

I was there. While many stayed safe behind screens, I was in the classroom every single day. I managed "A" and "B" teams of students, all of us masked up and living in a constant state of high-alert. We showed up for our keiki, fueled by a fragile hope that we wouldn't pass a deadly virus to one another.

It is unacceptable and offensive that our government has already issued hazard pay to office workers and educational assistants who, in many cases, had far less direct contact with students than classroom teachers. To have those with lower exposure risks compensated while front-line teachers are forced to beg for recognition is a slap in the face. Our legislators must stop stalling and fulfill their moral obligation to make this right.

HB 1937 identifies the exact source needed to fund this compensation: the visitor industry. For too long, we have allowed a "wholesale" tax loophole to benefit multi-billion dollar rental car companies at the expense of our community.

- **Exploitative Loophole:** Rental agencies treat their vehicles—the primary drivers of their retail revenue—as wholesale goods. This allows them to avoid the retail taxes that every local family is forced to pay on their own vehicles.

Ku'uilei Arceo
Hilo High School
556 Waianuene Ave.
Hilo, HI 96720
808.381.9187
kumu66@gmail.com

- **Fair Share:** These are high-utilization, high-revenue assets. Taxing them at the standard rate isn't a "new tax"— it is the removal of an unfair advantage!
- **No Local Burden:** This solution provides the necessary funding for teacher hazard pay without placing a single cent of additional burden on Hawaii's local families.

Educators did not abandon their posts during the global crisis. Other unions were compensated for their service in our state's time of need; educators deserve that compensation too.. We were the backbone of the pandemic response, ensuring our keiki continued to learn and had strong emotional support, despite the risks to our own health.

I urge this committee to pass HB 1937 immediately. It is time to stop prioritizing corporate loopholes over the people who keep our schools running. Mahalo for the opportunity to weigh in on this matter.

With sincerest aloha,



Ku'uilei Arceo
Hilo High School

Sandra Sato
Waiākea Intermediate School
200 W. Puainako Street
Hilo, HI 96720
808.480.3000
sandrasewakesato@gmail.com

Feb. 7, 2026

RE: HB 1937 – RELATING TO TAXES

Chair Kila, Vice Chair Miyake, and Members of the Committee,

My name is Sandra Sato, and I am submitting this testimony to seek your strong support for HB 1937. This measure is not just a policy adjustment; it is a long-overdue correction of a profound injustice against the public educators who served on the front lines of the COVID-19 pandemic.

I was there. While many stayed safe behind screens, I was in the classroom every single day. I managed "A" and "B" teams of students, all of us masked up and living in a constant state of high-alert. We showed up for our keiki, fueled by a fragile hope that we wouldn't pass a deadly virus to one another.

It is unacceptable and offensive that our government has already issued hazard pay to office workers and educational assistants who, in many cases, had far less direct contact with students than classroom teachers. To have those with lower exposure risks compensated while front-line teachers are forced to beg for recognition is a slap in the face. Our legislators must stop stalling and fulfill their moral obligation to make this right.

HB 1937 identifies the exact source needed to fund this compensation: the visitor industry. For too long, we have allowed a "wholesale" tax loophole to benefit multi-billion dollar rental car companies at the expense of our community.

- ***Exploitative Loophole:*** Rental agencies treat their vehicles—the primary drivers of their retail revenue—as wholesale goods. This allows them to avoid the retail taxes that every local family is forced to pay on their own vehicles.

Sandra Sato
Waiākea Intermediate School
200 W. Puainako Street
Hilo, HI 96720
808.480.3000
sandrasewakesato@gmail.com

- **Fair Share:** These are high-utilization, high-revenue assets. Taxing them at the standard rate isn't a "new tax"— it is the removal of an unfair advantage!
- **No Local Burden:** This solution provides the necessary funding for teacher hazard pay without placing a single cent of additional burden on Hawaii's local families.

Educators did not abandon their posts during the global crisis. Other unions were compensated for their service in our state's time of need; educators deserve that compensation too.. We were the backbone of the pandemic response, ensuring our keiki continued to learn and had strong emotional support, despite the risks to our own health.

I urge this committee to pass HB 1937 immediately. It is time to stop prioritizing corporate loopholes over the people who keep our schools running. Mahalo for the opportunity to weigh in on this matter.

With sincerest aloha,



Sandra Sato

Waiākea Intermediate School

HB-1937

Submitted on: 2/7/2026 5:33:10 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jodi Beaty	Individual	Support	Written Testimony Only

Comments:

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I **strongly support** HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Jodi Beaty

Mokapu Elementary / Windward District

HB-1937

Submitted on: 2/7/2026 8:08:57 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Inga Park Okuna	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,
I am a retired DOE elementary teacher and school counselor. I was there during COVID. I strongly support HB 1937, providing hazard pay compensation to public educators who risked themselves to serve students during the COVID-19 pandemic. Before vaccines, when so many were dying or being impacted by long COVID and when so many others were staying home safely, these educators came to work to help our keiki. This legislation acknowledges the risks educators took at that time.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. Let's fix the loophole that has enabled them to profit unfairly. H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate source of funding for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic. I was there, I know how scared some of our teachers were, but they showed up!

Mahalo,

Inga Park Okuna

Retired Public School Educator

Aloha Chair and Committee Members,

I am writing in **strong support of HB 1937**. This bill represents a long-overdue act of equity for Hawaii's public school teachers who served on the front lines during the COVID-19 pandemic.

The Disparity of Hazard

During the pandemic, the definition of "hazard" was applied inconsistently. While Bargaining Unit 06 administrators and principals reportedly received hazard pay in upwards of \$20,000, teachers—who had the most direct contact with students—were excluded.

At Maui Waena Intermediate, the "hazard" was not just a theoretical risk; it was a daily reality. I would like to highlight a specific instance of the systemic disregard for teacher safety:

- **Denial of Safety Measures:** When our faculty requested on-campus COVID-19 testing, we were denied by administration.
- **The "Personnel" Excuse:** The official reason given was a lack of staff to run the program. However, the reality was that if teachers tested positive and were forced to quarantine, the school lacked the substitutes to cover classes.
- **The Human Cost:** To avoid the logistics of sending students to the cafeteria, we were essentially discouraged from testing. We were asked to prioritize the school's "operational status" over our own health and the safety of our families.

●

A Fair Funding Solution

I specifically support the funding mechanism proposed in **HB 1937**. By reclassifying the sale of motor vehicles to rental companies from wholesale to retail, this bill closes a corporate loophole and ensures that the visitor industry contributes its fair share.

- **No Burden on Local Families:** This tax reform targets large-scale corporate purchases by rental car companies, not the working families of Hawaii.
- **A Dedicated Fund:** Establishing the **Teacher Temporary Hazard Pay Special Fund** ensures that this revenue is used specifically to rectify the pay disparity between teachers and administrators.

Conclusion

The \$20,000 bonus proposed in this bill is not an "extra" benefit—it is the exact amount already deemed appropriate for administrators who, in many cases, worked from socially distanced offices. Teachers were in the classrooms, often without the safety of the very testing programs we begged for.

I urge this committee to pass **HB 1937**. It is time to treat teachers with the same professional respect and financial consideration shown to our administrators.

Mahalo for your time and consideration,

John Fitzpatrick

Kūlanihākoʻi Science Teacher



John Fitzpatrick <john.fitzpatrick@k12.hi.us>
to Melanie, Jamie, Jacquelyn ▾

Mon, Jan 3, 2022, 12:52 PM ☆ ↶ ⋮

Aloha Jacque,

Is there any way we might be able to sign up for the **testing** program here at Maui Waena Intermediate too? I am not sure how teachers are supposed to make it to Pomaikaʻi, get **tested**, and return during our 35 minute lunch because the **testing** window will be 11:00-1:30 PM on Fridays. I feel with one of the largest middle school student bodies in the state and faculties on the island that there should be a way we can get **testing** on our campus as well. I am encouraged that there will be rapid **testing** so we do not have to wait 2-3 days for results. Thank you Melanie for providing this **testing** opportunity to our teachers at MWIS, we appreciate all that you do for us.

Mahalo,
Fitz



Jacquelyn Mccandless <jacquelyn.mccandless@k12.hi.us>
to G-428-MWIS, John, Melanie, Jamie ▾

Mon, Jan 3, 2022, 1:07 PM ☆ ↶ ⋮

No John, we will not be taking on that responsibility here at Maui Waena. We do not have the personnel to conduct this.

Are you volunteering to conduct and manage this huge responsibility?



HB-1937

Submitted on: 2/8/2026 8:18:40 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Susan Cabral	Individual	Support	Written Testimony Only

Comments:

I am a retired teacher and strongly support HB137, which provides long overdue hazard pay compensation for public educators who served our children in the classroom during th Covid-19 pandemic. This legislation honors the risks educators took during the global crisis.

Funding for this compensation focuses on the visitor industry rather than local families. Rental car companies have utilized the wholesale tax loophole for their vehicles which are high-utilization, revenue-generating assets that the agencies cycle through then sell after the vehicles have significantly depreciated in value, thus avoiding the standard retail tax that residents are required to pay on their own vehicles.

HB 137 creates fairness by ensuring the rental fleet acquisitions are taxed at the standard rate and ensures an immediate solution for teacher hazard pay. I urge the committee to pass this measure in support of our educators who worked during the pandemic.

HB-1937

Submitted on: 2/8/2026 11:05:08 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
tammy kuwahara	Individual	Support	Written Testimony Only

Comments:

To Whom it May Concern-I am in support of HB1937. I strongly feel that some teachers were forgotten and not compensated for being an essential worker during the uncertainty of COVID. I teach at Pu'u Kukui Elementary School on Maui and we were told that a Special Education and General Education teacher had to report to school IN PERSON everyday to teach our grade level's SPED students. Not knowing what to expect or how my personal health was in jeopardy, I went to work with a face mask on, helped my students face to face, not being able to be 6 feet apart, while also conducting an online/virtual class for 20+ students. I think with that said and done-it would be greatly appreciated if the teachers that were reporting to school in person during COVID received some kind of compensation. It was a time of great uncertainty but we had to put our personal concerns and families off on the side to educate our students. Thank you for your support!

Tammy Kuwahara

Grade 4 Teacher

Puu Kukui Elementary

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

Aloha,

I am a proud teacher who strongly supports **HB 1937**. I have been teaching in Hawaii since 2014 and feel that it is a duty and responsibility to teach our children. However, I feel that my efforts to teach my students during the pandemic have been belittled and not recognized. I taught face to face with students up-close when we were back in school during the pandemic. I and other teachers put our own health in jeopardy to make sure that our children continued their education.

I **strongly support** HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Marie C.K. Lindsey

Marie C.K. Lindsey, M.Ed.

CTE Engineering Technology and Marine Sciences

Kalaheo High School, Windward District

HB-1937

Submitted on: 2/8/2026 11:43:18 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Micah Pregitzer	Individual	Support	Written Testimony Only

Comments:

Please support HB1937. This bill will help to provide overdue funding for hawaii's education system. Improve our schools, don't weaken them further by cutting more from their budgets!

HB-1937

Submitted on: 2/8/2026 12:33:16 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jacquelyn Hashimoto	Individual	Support	Written Testimony Only

Comments:

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Aloha e Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

During the pandemic and school campuses closing down, I continued to run on-campus class daily for students within the Special Education department. It was to ensure these students continued to get the accommodations they needed in the educational setting. Not only was my health at risk, but the health of my family as well. It was a very difficult time for all of us. It was not only physically demanding, but mentally straining. I remember how difficult it was to run lessons with students on campus and students online at the same time. The Wifi wasn't up for the challenge, students weren't up for the challenge and support from parents were minimum. During this time, I was receiving treatment for a medical condition that I continue to live with today. I should have taken time off but couldn't considering my husband had lost his job during the pandemic and our sole income for a family of 5 rested on myself. Bottom line, I continued to teach in person classes through the pandemic along with all the risks. I, along with many, deserve the hazard pay for compensation.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,
Jacquelyn Hashimoto
Kīpapa Elementary / Central District

HB-1937

Submitted on: 2/8/2026 12:41:10 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Tara Gumapac	Individual	Support	Written Testimony Only

Comments:

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

As a mother of 3 disabled people, 2 who are children and immunocompromised due to premature birth, I put myself at risk at my job as a teacher. I love my job as a teacher, but I applied to continue remote work from home but was denied. I put myself and my family at risk on a daily basis. Once returning home daily, I often showered and tried to decontaminate myself before seeing my children in our home for fear or risk of contracting any trace of COVID. What made the situation more difficult, was the notification that someone had contracted COVID and was at my place of work. And because confidentiality had to be honored, the dread and fear that I was in the same space as the person who was ill was imminent. I was afraid I was going to make my children sick and we were going to be in the PICU at the hospital. My history of the hospital is long standing because both my children were in the hospital for over 6 months in the NICU and as a mother, I had done everything in my power to keep them healthy. COVID and my job as a teacher put me at risk for putting my immunocompromised children in the hospital again.

Teachers deserve hazard pay for being exposed to over 20 people (students and staff) on a daily basis at their jobsite during the global pandemic.

Mahalo,

Tara Gumapac

Mother and Teacher

Kalāheo High School, Kailua-Kalāheo District

HB-1937

Submitted on: 2/8/2026 12:49:22 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Justine M Miyashiro	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,
I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Justine Miyashiro

Ewa Makai Middle School/Leeward District

HB-1937

Submitted on: 2/8/2026 12:56:57 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Rexann Dubiel	Individual	Support	Written Testimony Only

Comments:

I wholeheartedly support HB 1937. It is only fair and right to compensate teachers with Hazard Pay because they worked during Covid just like the HGEA workers did.

Only right and fair!

HB-1937

Submitted on: 2/8/2026 1:24:07 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Erich Smith	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Thank you,

Erich Smith

Kalaheo High School

HB-1937

Submitted on: 2/8/2026 2:04:09 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Alysha M Arase	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles central to their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,
Alysha Arase
Alvah Scott Elementary School/Central District

HB-1937

Submitted on: 2/8/2026 2:13:29 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Chieko Idemoto	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay to public educators who served our keiki on the front lines during COVID-19. This legislation honors the risks they took and ensures they are finally compensated for their service.

The funding comes from the visitor industry, not local families. For too long, rental car companies have avoided standard retail taxes on high-use vehicles essential to their business, while residents pay these taxes on their own purchases. HB 1937 corrects this unfair loophole by taxing rental fleet acquisitions at the standard rate.

This solution delivers immediate support for teacher hazard pay without burdening Hawaii families. I urge the committee to pass HB 1937 and stand behind the educators who bravely served during the pandemic.

HB-1937

Submitted on: 2/8/2026 2:31:36 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Delmy Zambrano	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles central to their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,
Delmy Zambrano
Iliahi Elementary/LMW

Please stay safe!

Central Chapter Executive Board

HB-1937

Submitted on: 2/8/2026 3:01:20 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Catherine Dichner	Individual	Support	Written Testimony Only

Comments:

Aloha,

I strongly support HB1937 which will give hazard pay to educators who worked during the COVID pandemic. All other employees in the Department of Education have been given hazard pay, with the exception of the educators who were had the greatest exposure at thw time. As an educator I personally had to work with students who would often refuse to wear a mask or stay home even when they were sick. Despite this, I was mandated to be at work even though there was a risk to myself, and as a result to my husband and young children. This is the very definition of hazardous front line employment during the Covid-19 pandemic. Funding hazard pay to educators with HB1937 will make us whole in relation to other front line workers.

Hawaii's hard working voters will not bear this financial responsibility. As it's written HB1937 will fund this hazard pay compensation through a wholesale tax loophole that the rental car industry currently takes advantage of.

Currently, rental car companies do not pay a standard retail tax that all residents are required to pay when they purchase a vehicle. HB1937 would ensure rental fleet acquisitions are taxed at the standard rate. Passing this bill would close that loophole and fund the hazard pay for teachers who were also front line workers during the Covid-19 pandemic. Closing this loophole would further add revenue to the general fund in the future assisting with meeting future budget needs.

Mahalo,

Cat Dichner, Teacher

Kalāheo High School

HB-1937

Submitted on: 2/8/2026 3:17:42 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Kori Oros	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support H.B. 1937, which provides long-overdue hazard pay for educators who served Hawai'i's keiki on the front lines during the COVID-19 pandemic. This bill appropriately recognizes the risks teachers including myself and my husband, took and ensures they are finally compensated for their service.

H.B. 1937 also identifies a fair funding source by closing a long-standing tax loophole in the rental car industry, rather than placing additional burdens on local families. Rental vehicles are high-use, revenue-generating assets, yet have avoided the standard retail tax paid by residents on personal vehicle purchases.

By taxing rental fleet acquisitions at the standard rate, this measure creates fairness while funding teacher hazard pay without impacting local households. I urge the committee to pass H.B. 1937 in support of our public educators.

Mahalo,
Kori Oros

HSTA Central Chapter President
Kipapa Elementary - Central District

HB-1937

Submitted on: 2/8/2026 3:51:33 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Denise Low-Liu	Individual	Support	Written Testimony Only

Comments:

To the Honorable Chair and Members of the Committee,

My name is Denise, and I am a public school educator and a mother of two. I am writing in strong support of HB 1937 to provide temporary hazard pay for the educators who served our communities during the unprecedented challenges of the COVID-19 pandemic.

During the pandemic, I served as a 1st-grade teacher while also raising my own children, who were 5 and 7 at the time. My experience was a constant balancing act of professional duty and parental responsibility. I had to make sure my own children were able to get to grandparents homes while I went to work to support the keiki in my school.

Transitioning from online instruction to hybrid learning required more than just technical skills, it required constant outside the box thinking to keep 6-year-olds engaged through a screen.

The stress was multifaceted:

- Emotional Labor: Ensuring my students were socially and emotionally stable during a global crisis while my own children faced the same fears.
- Logistical Strain: Navigating the health risks of returning to in-person instruction to ensure our *keiki* didn't fall behind academically.
- Parental Partnership: Working around the clock to support parents who were also struggling to navigate this new educational landscape. At times parents were frustrated with us educators because they were frustrated with the pandemic situation.

We showed up for Hawaii's families when they needed us most. Funding this hazard pay by closing tax loopholes for rental car companies is a fair and common-sense way to recognize the extraordinary sacrifices made by public educators.

My own children's teachers ensured that my children were taken cared of and today, they are doing academically great with no loss of learning.

I respectfully urge the committee to PASS HB 1937

HB-1937

Submitted on: 2/8/2026 4:09:30 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Elisabeth Yuen	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee, I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

During the COVID-19 pandemic, educators were required to fundamentally transform how we taught, often overnight and without adequate training or resources. We had to learn entirely new platforms, redesign lessons for online delivery, and modify instruction to meet students' academic, social, and emotional needs through a screen. This was not simply a change in location—it was a complete reinvention of teaching practice while navigating constantly shifting directives, limited technology access for students, and heightened accountability for learning outcomes. At the same time, we were responsible for maintaining student engagement, tracking progress, and providing individualized support, all while managing our own fear, uncertainty, and concern for our health and the health of our families.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles central to their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic

HB-1937

Submitted on: 2/8/2026 4:12:27 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Ryann Kurahara	Individual	Support	Written Testimony Only

Comments:

I agree with the testimony.

HB-1937

Submitted on: 2/8/2026 5:09:15 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Cassandra Kahele	Individual	Support	Written Testimony Only

Comments:

Aloha e,

My name is Cassandra Kahele, and I am an Elementary school teacher here in the State of Hawai‘i. I am writing in **strong support of HB 1937**, which will provide temporary hazard pay for us educators who worked during the COVID-19 pandemic.

Teaching during the COVID-19 pandemic was one of the most difficult and demanding periods in public education. We were asked to immediately transform how we teach, often with little guidance, limited resources, and no additional compensation. Overnight, we became online instructors to children who could barely use the computer, technology troubleshooters, counselors, and frontline essential workers—while still being held accountable for our haumana’s learning and outcomes.

We worked long, long hours (outside of our contractual hours) adapting lesson plans for virtual platforms, learning new technologies on our own time, and ensuring haumana remained engaged despite unstable internet access, lack of devices, and challenging home environments. Many of us taught both in-person and online simultaneously, often switching formats with little notice. We did this while navigating our own fears for our health and the health of our families. I had my own children, one being a Kindergartener that I had to try to find care for or help with online teaching. I had to leave my children at home with hopes they would be able to stay on task and learn in this new way of learning. We were scared to get sick, scared to leave our children, but we did every single day for our haumana!!

When we went to teaching in-person we faced daily exposure risks, enforced safety protocols, managed quarantines, and supported haumana dealing with trauma, anxiety, and loss. We showed up even when conditions were uncertain, protections were evolving, and expectations kept changing. Unlike many professions, educators could not work remotely full-time or step away—our haumana depended on us. I would be responsible for creating 10 days worth of work for all of my haumana who had covid or were exposed! But I had to keep coming every day putting myself and possibly my family at risk.

Throughout the pandemic, we remained committed to Hawai‘i keiki. We ensured continuity of education, maintained stability for families, and supported our haumana’s emotional and mental well-being during a global crisis. This work came at a significant personal and professional cost, including burnout, stress, and health risks.

HB 1937 recognizes that educators were essential workers who endured hazardous conditions to serve our communities. Temporary hazard pay is not only fair—it is an acknowledgment of the sacrifices made and the extraordinary efforts required during an unprecedented time.

I respectfully urge you to **pass HB 1937** and honor the dedication and resilience of Hawai‘i’s public educators. We will do anything for our haumana,

Mahalo nui loa for the opportunity to submit testimony and for your continued support of public education in Hawai‘i.

Mahalo nui loa,
Cassandra Kahele

HB-1937

Submitted on: 2/8/2026 6:03:32 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Evelyn Ibonia	Individual	Support	Written Testimony Only

Comments:

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION
RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked and put their lives along with the lives of their families on the line during the COVID-19 pandemic.

Mahalo,
Evelyn Ibonia
Kihei Elementary School/Maui District

HB-1937

Submitted on: 2/8/2026 7:32:18 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Verona Holder	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during a global crisis.

During the pandemic, I continued my role as a 5th grade teacher while also carrying the responsibility of keeping my students safe during an unprecedented and constantly shifting time. I implemented every state initiative as it came, adjusted instruction repeatedly, and presented a calm and reassuring presence for my students—even when uncertainty was the norm. We stayed informed about current events, followed evolving safety protocols, and I did everything in my power to help students protect themselves while maintaining a sense of stability and normalcy in the classroom.

I did this while quietly carrying my own concerns. I have been managing an autoimmune disorder for the past 15 years, and exposure to a novel virus posed serious and unknown risks to my personal health. Each day I welcomed students learning in person under updated mandates, knowing that I was increasing my own vulnerability. Still, I did not miss a day. I showed up consistently because my students needed me, and because educators understand that our presence matters—especially in times of crisis.

Like many teachers, I placed the needs of my students and community above my own fears. We were asked to adapt quickly, assume health risks, and provide not only instruction but reassurance, safety, and emotional support. HB 1937 acknowledges that sacrifice and affirms that the State of Hawai‘i values the educators who showed up when it mattered most. I hope the State will now show up for teachers in the same way.

The funding mechanism for this compensation appropriately focuses on the visitor industry rather than placing additional strain on local families. For too long, rental car companies have benefited from a wholesale tax loophole for vehicles that are central to their retail business model. These high-utilization, revenue-generating assets are cycled through and sold after significant depreciation, yet they have avoided the standard retail tax that residents pay on their own vehicle purchases.

HB 1937 corrects this inequity by ensuring rental fleet acquisitions are taxed at the standard rate, creating a fair and sustainable funding source for teacher hazard pay. This approach delivers justice for educators without adding financial burden to Hawai'i's local families.

I respectfully urge the committee to pass HB 1937 in support of our public educators who bravely served throughout the COVID-19 pandemic.

Thank you for your time and consideration.

Verona Holder

Mililani Waena Elementary

Central Chapter Executive Board Member

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated, while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Thank you,

Sincerely,

Juliana R. Romero

Central District Office

HB-1937

Submitted on: 2/8/2026 8:14:05 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Arianna Shultz	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

During the crisis I worked as a teacher, while being a mom to two young children. When the crisis started I had only one child he was 15 months when the world shutdown and my spouse was deployed. Therefore I was the sole parent for my child, hoping that neither of us got sick and that we could reunite with dad upon his return. Later, my second child was born and I returned to the classroom when she was just four months old. Again, healthy was a big safety concern first and foremost within my family unit.

On the work front I served as an EL/Special Education teacher. There were so many things that were not "normal" at school. Teachers and students were facing so many new ways of learning, trying to overcome and adapt, stay healthy and show up each day. Working with these populations (EL/Special Education) was challenging in ways they never were before; after working with students in many different settings I suddenly found myself feeling like a new teacher faced with many new challenges; personally and professionally.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles central to their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,
Arianna Shultz

Hickam Elementary School/Central District

HB-1937

Submitted on: 2/8/2026 8:38:36 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Lori Sasan	Individual	Support	Written Testimony Only

Comments:

I am a retired teacher with 40 years of teaching experience with the majority of those years in the state of Hawai'i. I was working at Kalaheo Elementary School during the start of the Covid pandemic through July of 2021. It was a difficult and traumatic experience for our families, children, and the teachers.

I strongly support HB 1937, which provides long overdue hazard pay compensation to public educators who served on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

I appreciate that the funding for this compensation correctly focuses on the visitor industry rather than taxing our local families. HB 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing additional burden on local families. I strongly urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Lori Sasan

Kalaheo Elementary, Kauai District

HB-1937

Submitted on: 2/8/2026 8:40:42 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Steffany Pacheco	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I am writing today in **strong support** of HB1937. When I moved from out of state in 2022, I realized that my new colleagues were required to do more work in person than I did up until that point. Many of them are still dealing with COVID's long term impact. They deserve the same compensation as their fellow educators (administration, educational assistants, etc.) for their service during the COVID-19 pandemic.

HB 1937 is a creative solution that supports our educators without placing the financial burden on our local families. Rental car companies have been benefitting from a wholesale tax loophole for a long time. By asking rental car companies to pay standard retail taxes, we are asking them to equitably contribute support for the people of Hawai'i.

If the committee were to pass HB 1937, it would support educators in the short term. But it is also important because it will allow the State of Hawai'i to better serve its citizens in the long term. Please support educators and all people of Hawai'i by passing this measure.

Mahalo,

Steffany Pacheco

Educator, Mililani Middle School / Central District

HB-1937

Submitted on: 2/8/2026 8:49:28 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Mary Dudoit	Individual	Support	Written Testimony Only

Comments:

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Mary Dudoit

Molokai Middle School, Molokai, Hawaii

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I **strongly support** HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

I was one of the first educators asked back to campus being that I am a Special Education teacher of a Fully Self Contained classroom. Hearing that my colleagues from other unions had gotten this HAZARD PAY, and not teachers, infuriates me. While many of those colleagues were working, they could do so in their own way with no one around or behind plexiglass. I, in turn, was face to face with students helping and assisting. Even though we were asked not to clean, we also did the jobs of custodians in order to keep ourselves safe, as well as our students. We educators deserve this HAZARD PAY like our colleagues from the other unions. By not doing so, you are showing us exactly what you think of us. Show us educators that we are important by giving us what you gave others...HAZARD PAY for being on the front line.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Brad Silva

Keaau Middle School / Hawaii District

HB-1937

Submitted on: 2/8/2026 9:28:51 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Cody Fisichelli	University Laboratory School	Support	Written Testimony Only

Comments:

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Cody Fisichelli

University Laboratory School

HB-1937

Submitted on: 2/8/2026 9:38:11 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Shari Evans	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

I taught first grade throughout the COVID-19 pandemic, a time when teachers were required to provide daily, in-person instruction. At this grade level, students are very young and still developing foundational skills such as reading, writing, and social interaction. They need to be physically close to their teacher to learn effectively—something that was nearly impossible to avoid despite safety precautions.

As a result, teachers were placed in a hazardous situation, not only risking their own health but also the health of their families. Many of us were especially concerned about bringing the virus home to elderly parents and other vulnerable family members. Teachers were on the front lines every day, consistently exposed to COVID while continuing to show up for our students.

My fellow teachers demonstrated extraordinary dedication and sacrifice during this time. I respectfully urge you to support HB 1937 in recognition of the risks educators took to ensure students continued to learn during an unprecedented public health crisis. Thank you for the opportunity to share my experience and for considering this testimony.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles central to their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing

any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Thank you,

Shari Evans

Barbers Point Elementary School

Campbell District

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I **strongly support** HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Jane T. Inouye

Retired DOE Teacher, Kilohana Elementary School, Molokai

HB-1937

Submitted on: 2/8/2026 10:17:43 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Aurene Padilla	Individual	Support	Written Testimony Only

Comments:

My name is Aurene Padilla and I am a 29 year veteran of the Department of Education. I am submitting testimony in SUPPORT of House Bill 1937.

I currently work as a Mentor Teacher for Leilehua, Mililani, Waialua Complex Area, where I support beginning teachers in their first three years of teaching. During the Covid Pandemic, the teachers in my complex area taught in schools with students while other teachers were working from home. As a mentor teacher, I spent my days in the classrooms of my beginning teachers, supporting them while they taught both face-to-face and online in a hybrid model. After our complex area returned to in-person learning, I supported schools by substitute teaching in classrooms. During one such instance, I was asked to substitute for a teacher who had just contacted Covid and was out ill. A few days after substituting for this teacher, I too fell ill and tested positive for Covid. I live with and care for my elderly parents and my children, who have asthma, and I put them all at risk.

Throughout the pandemic, I served on the front line in spite of the dangers I faced.

Teachers should receive hazard pay for their work just as the other bargaining units did.

Aurene Padilla

HB-1937

Submitted on: 2/8/2026 10:19:46 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Cindy Deuz	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,
I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles central to their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,
Cindy Deuz

Red Hill Elementary/Central District

HB-1937

Submitted on: 2/8/2026 11:47:50 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
dorese greene	Individual	Support	Written Testimony Only

Comments:

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Name: Dorese Greene

School/District: Nanakuli High and Intermediate

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

February 8, 2026

SUBJECT: HB 1937 – RELATING TO TAXES – Tuesday, February 10, 2026, 9:30 a.m.

Dear Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which ensures adequate hazard pay for those who continued serving our keiki during the COVID-19 pandemic. This measure appropriately recognizes teachers' service and honors their commitment to educating students by fairly compensating them for the risks undertaken during an unprecedented global crisis.

I believe this compensation is appropriately funded through the visitor industry rather than placing additional tax burdens on local families. It is my understanding that rental car companies have benefited from a tax loophole for vehicles that are central to their businesses. As a result, these companies have avoided the retail taxes that residents are required to pay on personal vehicle purchases.

H.B. 1937 promotes fairness by taxing rental fleet vehicle purchases at the standard rate. It provides an immediate funding solution for teacher hazard pay without imposing more financial strain on Hawai'i families. I respectfully urge the committee to pass this measure in support of our public educators who served during the COVID-19 pandemic with a focus on prioritizing what was in the best interest of our keiki.

Mahalo,

Laree Mowat
Molokai Middle School

HB-1937

Submitted on: 2/9/2026 2:29:28 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Iolani Kuoha	Individual	Support	Written Testimony Only

Comments:

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Iolani Kuoha,

Maui District, CANOE Complex

Cash Helman from Kea`au Middle School
16-565 Kea`au Paho Road, Kea`au, HI 96749
cwhelman@gmail.com

Feb. 7, 2026

RE: HB 1937 – RELATING TO TAXES

Chair Kila, Vice Chair Miyake, and Members of the Committee,

My name is Cash Helman, and I strongly support SB 2394. This measure is not just a policy adjustment; it is a long-overdue correction of a profound injustice against the public educators who served on the front lines of the COVID-19 pandemic.

I was there. I completed my student teaching in 2020 as the world shut down around me. When I began my teaching career in July 2021, the pandemic was still raging. While many worked safely from home, I walked into my classroom every single day, managing masked students, navigating hybrid learning, and living in constant fear of infection. That fear became reality when I contracted COVID-19 and brought it home to my own family. This was the price so many of us paid for showing up for our keiki.

It is unacceptable that our government has already issued hazard pay to office workers and educational assistants who had far less direct contact with students than classroom teachers. To have those with lower exposure risks compensated while front-line teachers are forced to beg for recognition is a slap in the face. Our legislators must stop stalling and fulfill their moral obligation to make this right.

SB 2394 identifies the right funding source: the visitor industry. For too long, rental car companies have exploited a wholesale tax loophole, treating their high-revenue vehicles as wholesale goods to avoid the retail taxes that every local family pays. Closing this loophole isn't a new tax; it's removing an unfair corporate advantage. And it funds teacher hazard pay without burdening Hawaii's local families.

Educators did not abandon their posts during the global crisis. Other unions were compensated for their service; educators deserve that same recognition. We were the backbone of the pandemic response, ensuring our keiki continued to learn despite the risks to our own health and families.

I urge this committee to pass SB 2394 immediately. It is time to stop prioritizing corporate loopholes over the people who keep our schools running. Mahalo for the opportunity to testify.

All the best,

Cash William Helman, Kea`au Middle School

HB-1937

Submitted on: 2/9/2026 8:14:38 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
ashley monden	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I am a special education teacher, and I was among the first educators asked to return to in-person instruction during the COVID-19 pandemic. I strongly support H.B. 1937 because it recognizes the sacrifices educators made while continuing to serve our keiki during an incredibly frightening and uncertain time.

As a special education teacher, remote learning was not an option for many of my students. I returned to the classroom early, working face-to-face with students who required hands-on support while simultaneously delivering instruction to students learning from home. Each day required constant adjustment—balancing safety concerns, rapidly changing expectations, and the responsibility of meeting every student’s needs in two completely different learning environments at once.

During this time, educators were asked to take on extraordinary risk and responsibility simply to keep students connected, supported, and learning. H.B. 1937 is not about a bonus; it is about fairness and being made whole after answering that call to serve.

This bill does so without burdening local families by closing a long-standing tax loophole in the visitor industry. I respectfully urge the committee to pass H.B. 1937 in recognition of the educators who carried our students through one of the most difficult chapters in our state’s history.

mahalo,

Ashley Monden

Mililani Mauka elementary school

central district

HB-1937

Submitted on: 2/9/2026 8:14:47 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jonathan Gillentine	HSTA-Retired	Support	Written Testimony Only

Comments:

Dear Chair Kila, Vice Chair Miyake, and Committee Members,

I am writing in support of HB1937 particularly in relation to the issuance of long-overdue hazard pay for Hawai‘i’s educators for their work during the COVID pandemic.

I retired over nearly nine years ago, but I still remember watching compliance videos at the start of each school year, especially the video cautioning teachers about the danger of blood-borne pathogens. Clearly, the expectation was that sometimes children and youth need care from their teachers that is personal and requires close proximity. While COVID is not transmitted through exposure to blood, during the pandemic the danger remained for teachers while they carried out their duties.

When you consider how often teachers provide personal care to their students (providing first aid to an injured student according to DOE guidelines or comforting a crying child), you understand how often teachers were at-risk for contracting COVID from a student. I recall how, during my 20 years as a preschool teacher caring for three- and four-year olds with developmental delays, I helped keiki by wiping their nose and changing their diapers or assisting them in using the toilet. There simply isn’t any way to avoid close contact with young children to do these tasks.

I know how our teachers bravely served our keiki throughout the COVID-19 pandemic. Please recognize them for their work. Thank you for the opportunity to offer this testimony.

Mahalo piha,

Jonathan Gillentine, PhD, NBCT

President, HSTA-Retired

HB-1937

Submitted on: 2/9/2026 8:21:48 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Frederick Sasan	Individual	Support	Written Testimony Only

Comments:

I am a retired teacher with 40 years of teaching experience with 33 of those years in the State of Hawaii. I was a seventh grade science teacher at Chiefess Kamakahahei Middle School on Kauai during the COVID-19 pandemic until my retirement in July 2021. It was a difficult experience for my family our students and teachers.

I strongly support HB 1937, which provides long overdue hazard pay compensation to public educators. This legislation honors the risks educators took by ensuring they are fully made whole for their service during the global crisis.

I understand that the funding for this compensation correctly focuses on the visitor industry rather than taxing our local families. HB 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing an additional financial burden on local families. I strongly urge the committee to pass this measure in support of our public educators who boldly labored during the COVID-19 pandemic.

Mahalo,

Frederick Sasan

Chiefess Kamakahahei Middle School, Kauai District

HB-1937

Submitted on: 2/9/2026 8:27:47 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Margaret Pearlman	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,
I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

Everyday, I would report to work, while I cared for my 93 year old mother at home. I worried about bringing home the virus as a result of coming to work and cautiously stayed away from my mother during this time, giving her food, taking care of her all with a mask and gloves on. It was a very hard time and stressful.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles central to their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Sincerely,

Margaret Pearlman

Central District Resource Teacher

HB-1937

Submitted on: 2/9/2026 8:33:48 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Sydney Teslow	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Sydney Teslow

University Laboratory School

HB-1937

Submitted on: 2/9/2026 8:44:43 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Cole Oxe	Individual	Support	Written Testimony Only

Comments:

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION
RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.
Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our children on the front lines during the COVID-19 pandemic. This legislation honors the risk that teachers took throughout the pandemic and ensures that they are justly compensated.

Moreover, the funding for this legislation focuses on the visitor industry rather than taxing local hardworking families. Rental car companies have utilized a tax loophole for vehicles for far too long. These cars create significant revenue for these companies, and are consistently used in high-capacity. They then sell these vehicles after significant depreciation in value, while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 ensures these rental fleet acquisitions are taxed at the standard rate, ensuring these businesses do not get special treatment over our local residents. This supports our teachers without placing a burden on our local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Cole Oxé

HB-1937

Submitted on: 2/9/2026 8:46:16 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Javen	Individual	Support	Written Testimony Only

Comments:

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles central to their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Hazard pay isn't about greed. It's about acknowledgment. It's about recognizing that teachers are asked to absorb danger so learning can happen. We are expected to act as first responders, counselors, social workers, and security—often with no training and no backup. We work in environments where lockdown drills are real, where threats aren't abstract, and where emotional volatility is constant.

When a construction worker is paid extra to work in unsafe conditions, no one questions it. When healthcare workers face exposure, hazard pay is discussed. Yet teachers are expected to stand between chaos and children every day, smiling, grading papers at night, and buying supplies with our own money—without any recognition that the job has become physically and emotionally dangerous.

I still love teaching. I still love my students. That's why I show up. But love should not require silent sacrifice. Passion should not replace protection.

Hazard pay wouldn't fix everything. But it would say, "We see what you're carrying." It would say that the risks teachers take are real and valued. It would say that keeping schools running safely matters enough to invest in the people doing the work.

HB-1937

Submitted on: 2/9/2026 9:10:09 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Lynne LeClaire	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and members of the committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis. The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases. H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic. As a 2nd-grade teacher in Kaneohe during the pandemic, I worked tirelessly through the night without compensation. I had to be face-to-face with my class and risk my health in the COVID conditions. I did not receive any compensation, and I would wholeheartedly be honored to receive the fair compensation that other unions received. I truly believe the state can honor the classroom teachers for the painstaking sacrifices they endured during the pandemic. Please Please Please support this bill!

Mahalo!!

Lynne LeClaire

Kapunahala Elementary/Windward District

HB-1937

Submitted on: 2/9/2026 9:15:44 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Kristin Bajo	Individual	Support	Written Testimony Only

Comments:

TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

RE: HB 1937 – RELATING TO TAXES Tuesday, February 10, 2026, 9:30 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators (like myself) who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,
Kristin Bajo
Kea'au Middle School/ KKP Complex Area

HB-1937

Submitted on: 2/9/2026 9:18:51 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Bonnie MacLeod Kakinami	Individual	Support	Written Testimony Only

Comments:

I a a retired teacher with 27 years in the classroom and taught in Hawaii exclusively.

I taught first grade and cannot imagine being in the classroom.

I strongly support HB1937 as I feel that the teachers were in a war zone having to teach children on computers who don't know. how to use them. Further they had to teach the parents to teach the students. And then the teachers were held responsible for the standards and test scores.

This is not what they signed up for and yet stayed in the classsroom to do everything in their power to teach.

Families have already been deeply affected please do not ask them to fund this bill. This money should ome from the rental fleet acquisition being taxted at the standard rate.

I strongly urge the committe to pass this measure in support of our public educators who stayed the course and worked during the pandemic.

Thank you

Bonie Kakinami

Kalaheo Elementary

Kauai District.

HB-1937

Submitted on: 2/9/2026 10:01:57 AM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Kareen Takushi	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee,

I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

I am currently a Special Education teacher and was one of the many teachers who provided services to our keiki during the COVID-19 pandemic. I attended school everyday and made sure that my students received the services they needed. Because of the dedication to my students, I put them first and whilst putting my own family in a vulnerable situation. I also volunteered with passing out lunches to the families in need and visited a couple of my students who weren't able to attend school because they had COVID. Teachers tend to put their students first without even thinking of themselves which shows the ultimate love for our keiki and their families.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Me ka Mahalo Nui,
Kareen (Kalina) Takushi
Kīpapa Elementary School/Central District

HB-1937

Submitted on: 2/9/2026 1:13:13 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Brittney Hedlund	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Kila, Vice Chair Miyake, and Members of the Committee,
I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis. The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles that are the core of their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,
Brittney Kehaulani Hedlund

Kohala Complex, West Hawai‘i, Hawai‘i Island

HB-1937

Submitted on: 2/9/2026 2:16:53 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Chrystie Isaacs	Individual	Support	Written Testimony Only

Comments:

Chair Kila, Vice Chair Miyake, and Members of the Committee, I strongly support HB 1937, which provides long-overdue hazard pay compensation to public educators who served our keiki on the front lines during the COVID-19 pandemic. This legislation honors the risks educators took by ensuring they are finally made whole for their service during the global crisis.

During the COVID-19 pandemic, I contracted COVID-19 three times while continuing to fulfill my responsibilities as an educator. I worked extensive hours to ensure that all of my students continued learning, both virtually and in person. At the same time, I was required to design and deliver a meaningful online instructional experience while teaching half of my class in person—an unprecedented and extremely challenging task. Despite the significant risks to my personal health, I remained committed to my students’ academic and emotional well-being. This period was extraordinarily stressful and demanded far more than the normal expectations of the profession. The restoration of teacher hazard pay is a necessary acknowledgment of the risks educators assumed and the critical role they played in maintaining stability and learning during a public health crisis.

The funding for this compensation correctly focuses on the visitor industry rather than taxing our hardworking local families. For too long, rental car companies have utilized a wholesale tax loophole for vehicles central to their retail business. These cars are high-utilization, revenue-generating assets that agencies cycle through and sell after they have significantly depreciated in value while avoiding the standard retail tax that residents are required to pay on their own vehicle purchases.

H.B. 1937 creates fairness by ensuring these rental fleet acquisitions are taxed at the standard rate. This provides an immediate solution for teacher hazard pay without placing any additional burden on local families. I urge the committee to pass this measure in support of our public educators who bravely worked during the COVID-19 pandemic.

Mahalo,

Chrystie Isaacs
Moanalua Elementary School/Central District

HB-1937

Submitted on: 2/9/2026 3:42:04 PM

Testimony for TRN on 2/10/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael Press	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Kila, Vice Chair Miyake, and Members of the Committee,

Speaking as an individual, I strongly support HB 1937, a measure that formally recognizes the extraordinary conditions under which Hawai‘i’s public school teachers served students during the COVID-19 pandemic. Educators were asked to rapidly redesign instruction, maintain learning continuity, and provide social and emotional support for students—often while facing health risks, staffing shortages, and constantly evolving safety expectations.

I appreciate that this bill takes a fair and reasonable funding approach and does not ask local families or schools to shoulder the cost. HB 1937 closes a tax loophole and directs the resulting revenue toward providing temporary hazard pay for teachers. This approach is both fair and thoughtful. The bill honors the work educators did during an extraordinary moment and reinforces Hawai‘i’s value for teachers and the stability of our public schools.

I respectfully urge your support of HB 1937.

Mahalo.

Michael Press