STAND. COM. REP. NO. 1074-26

Honolulu, Hawaii
MAR 06 , 2026

RE: H.B. No. 2007
H.D. 3

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Finance, to which was referred H.B. No. 2007, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE HOUSEHOLD AND DEPENDENT CARE SERVICES TAX CREDIT,"

begs leave to report as follows:

The purpose of this measure is to increase a taxpayer's applicable percentage of employment-related expenses that may be claimed for the Household and Dependent Care Services Tax Credit.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs; Hawai'i Public Health Institute; AARP Hawai'i; AAUW of Hawaii; Hawai'i Children's Action Network Speaks!; Indivisible Hawai'i; AlohaCare; Nurture Mental Health; Hawaii Appleseed Center for Law & Economic Justice; and numerous individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee has amended this measure by:

(1) Removing the application of the cost-of-living adjustment factor;

(2) Replacing the formula for calculating the applicable percentage with a table of applicable percentage based on adjusted gross income brackets; and

(3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2007, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2007, H.D. 3.

Respectfully submitted on behalf of the members of the Committee on Finance,

Committee on Finance,

CHRIS TODD, Chair

State of Hawaii
House of Representatives
The Thirty-third Legislature HSCR 1074-26

Record of Votes of the Committee on Finance

Bill/Resolution No.:	Committee Referral:	Date:
HB2007, HD2	HSH, ECD, FIN	3/4/24

☐ The committee is reconsidering its previous decision on the measure.

The recommendation is to: ☐ Pass, unamended (as is) ☑ Pass, with amendments (HD) ☐ Hold
☐ Pass short form bill with HD to recommit for future public hearing (recommit)

FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. TODD, Chris (C)	✓			
2. TAKENOUCHI, Jenna (VC)	✓			
3. HARTSFIELD, Daisy	✓			
4.				
5. HUSSEY, Ikaika	✓			
6. KEOHOKAPU-LEE LOY, Sue L.	✓			
7. KITAGAWA, Lisa	✓			
8. KUSCH, Matthias	✓			
9. LEE, Mike	✓			
10. MIYAKE, Tyson K.	✓			
11. MORIKAWA, Dee	✓			
12. PERRUSO, Amy A.	✓			
13. TEMPLO, Shirley Ann	✓			
14. YAMASHITA, Kyle T.	✓			
15. ALCOS III, David		✓		
16. GEDEON, Joe	✓			
17. REYES ODA, Julie		✓		
TOTAL ~~17~~ 16	14	2	0	0

The recommendation is: ☑ Adopted ☐ Not Adopted
If joint referral, _____ did not support recommendation.
committee acronym(s)

Vice Chair's or designee's signature: _____

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