

JOSH GREEN M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR



STATE OF HAWAII  
**DEPARTMENT OF TAXATION**

Ka 'Oihana 'Auhau

P.O. BOX 259

HONOLULU, HAWAII 96809

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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. 2007, H.D.1, Relating to the Household and Dependent Care Services Tax Credit

**BEFORE THE:**

House Committee on Economic Development & Technology

**DATE:** Wednesday, February 18, 2026  
**TIME:** 9:30 a.m.  
**LOCATION:** State Capitol, Conference Room 423

Chair Ilagan, Vice-Chair Hussey, and Members of the Committee:

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 2007, H.D.1, for your consideration.

Section 3 of the bill amends the household and dependent care services tax credit under section 235-55.6, Hawaii Revised Statutes (HRS), by increasing the applicable percentage of employment-related expenses that may be claimed by taxpayers for credit purposes. The current applicable percentages based on income brackets would be replaced with a set percentage of fifty per cent, to be reduced by one percentage point for every \$3,000 (or fraction thereof) that the taxpayer's income exceeds the threshold amount of \$150,000, provided that the applicable percentage shall not be reduced below twenty-five percent.

The bill directs DOTAX to annually recompute the threshold amount using a new "cost-of-living adjustment factor." Section 2 of the bill adds a definition of that term to section 235-1, HRS. The new cost-of-living adjustment factor will be calculated by adding 1.0 to the quotient of the percent change in the Urban Hawaii Consumer Price Index for all items divided by 100, as published annually by the U.S. Department of Labor.

The bill also adds a provision to the credit, instituting disallowance periods of ten taxable years for an administrative or judicial decision that the taxpayer's claim was fraudulent, and two taxable years for an administrative or judicial decision to disallow the taxpayer's claim for credit.

Finally, section 4 of the bill amends Act 163, Session Laws of Hawaii 2023, section 5 by changing the sunset and reenactment date for the amendments to section 235- 55.6(c), HRS, from December 31, 2027, to June 30, 2030. This measure would apply to taxable years beginning after December 31, 2025, with sections 2 and 3 repealed June 30, 2030, by reenactment of section 235-55.6, HRS, in the form it read on the day prior to the effective date of this bill. Further, as amended by section 4 of this bill, section 235-55.6(c), HRS, will be reenacted in the form it read on the day prior to the effective date of Act 163, Session Laws of Hawaii 2023.

The bill has a defective effective date of July 1, 3000 and applies to taxable years beginning after December 31, 2025, with sections 2 and 3 of the bill being repealed on June 30, 2030.

DOTAX can implement the changes in this bill for taxable years beginning after December 31, 2025, but recommends that the repeal of sections 2 and 3 be amended to December 31 instead of June 30 to avoid changes during the middle of a tax year.

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



Hearing Date: Wednesday, February 18, 2026, 9:30 AM, Rm. 423

To: Committee on Economic Development and Technology  
Rep. Gragger Ilagan, Chair  
Rep. Ikaika Hussey, Vice Chair

Re: **TESTIMONY IN SUPPORT OF HB 2007, HD 1 Relating to the Household and Dependent Care Services Tax Credit**

Dear Chair Ilagan, Vice Chair Hussey, and the Members of the Committee,

Members of AAUW of Hawaii thank you for this opportunity to testify in **strong support of HB 2007, HD1** which will increase a taxpayer's applicable percentage of employment related expenses that is used to calculate the household and dependent care services tax credit.

The total tax credit amount for the Child Care and Dependent Tax Credit was raised in 2023. Unfortunately, the law currently also limits the tax credit by a percentage of child care expenses based on household income. This section needs to be updated to allow more working families to be able to access the full amount of the tax credit.

This bill provides a simple fix so families can claim their full tax credit.

Please pass this measure and mahalo for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Jean Evans".

Jean Evans  
Public Policy Committee, AAUW of Hawaii  
publicpolicy-hi@aauw.net

*The American Association of University Women (AAUW) of Hawaii is an all-volunteer, statewide chapter of a national organization and is made up of six branches: Hilo, Honolulu, Kaula'i, Kona, Maui, and Windward Oahu. AAUW's mission is to advance gender equity through research, education, and advocacy. Our goal is economic security for women and their families.*



# Protect Democracy Move Forward

[www.indivisiblehawaii.org](http://www.indivisiblehawaii.org)  
[info@indivisiblehawaii.org](mailto:info@indivisiblehawaii.org)

To: Hawai'i State House Committee on Economic Development and Technology  
Re: Testimony in STRONG SUPPORT of HB2007 HD1

Dear Chair Ilagan, Vice Chair Hussey, and the Members of Committee,

Members of Indivisible Hawai'i thank you for this opportunity to testify in strong support of HB2007 HD1 which would increase a taxpayer's applicable percentage of employment-related expenses that is used to calculate the household and dependent care services tax credit.

Hawai'i is a high-risk state for a family caregiver shortage, with an estimated 154,000 family caregivers residing in Hawai'i. Family caregivers spend about \$7,200 of their own money on average—about 26% of their income—on out-of-pocket caregiving expenses. With the average cost of preschool in Hawai'i over \$13,000 per year, our working families need more help with their child care expenses.

HB2007 HD1 would help many more families than Act 163, Session Laws of Hawaii 2023 by increasing a taxpayer's applicable percentage of employment-related expenses that is used to calculate the household and dependent care services tax credit. Act 163 intended to provide approximately \$47,000,000 of financial relief to working families but the Department of Taxation later estimated the cost of Act 163 to be only \$9,500,000.

This bill would help working families make ends meet and stay in Hawai'i.

Thank you for your consideration.

Sincerely,  
Younghee Overly  
Indivisible Hawai'i Working Families Team

*The mission of the 14-chapter Indivisible Hawai'i Statewide Network (IHSN) is to protect Hawai'i and democracy by defending civil rights, communities and values, most importantly, Hawai'i's Constitutionally protected spirit of Aloha. In October 2025, IHSN with other partners turned out over 22,000 residents on all major islands to say No Dictators! and to stand up for democracy. This call-to-action was part of Indivisible national's mobilization of more than 7 million across the country as the voice of the people, committed to election integrity and to evolving as a place of equity, opportunity and peace.*



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866-295-7282 | [aarp.org/hi](http://aarp.org/hi) | [hiaarp@aarp.org](mailto:hiaarp@aarp.org) |  
[Twitter.com/aarphawaii](https://twitter.com/aarphawaii) | [facebook.com/aarphawaii](https://facebook.com/aarphawaii)

**The State Legislature**  
**The House Committee on Economic Development and Technology**  
**Wednesday, February 18, 2026**  
**Conference Room 423, 9:30 a.m.**

TO: The Honorable Greggor Ilagan, Chair  
FROM: Keali'i S. López, State Director  
RE: Strong Support for H.B. 2007, HD1- HOUSEHOLD AND DEPENDENT CARE SERVICES TAX CREDIT

Aloha Chair Ilagan and Members of the Committee:

I am Keali'i Lopez, State Director for AARP Hawai'i. AARP is the nation's largest nonprofit, nonpartisan, social impact organization dedicated to empowering people fifty and older to choose how they live as they age. We advocate for the issues that matter most to older adults and their families: health and financial security, and personal fulfillment. On behalf of our 135,000 members in Hawai'i, thank you for the opportunity to testify.

AARP Hawai'i strongly supports HB 2007 HD1, which improves the Household and Dependent Care Services Tax Credit. This bill is essential for working families and the thousands of unpaid caregivers who support older adult dependents in their homes.

In 2023, lawmakers increased the maximum care expenses that families may claim but did not raise the percentage of expenses eligible for the credit. As a result, many families with children as well as those caring for aging parents—receive only a fraction of the intended benefit. For example, a family paying \$10,000 in care expenses can currently claim just \$1,500, far below actual costs

HB 2007, HD1 addresses this gap by increasing the cap on the percent of care expenses that can be claimed, allowing working families to get more badly-needed help with their child and dependent kūpuna care costs.

These changes directly support families with children and caregivers of older adults by helping offset the rising costs of adult day care, in-home support, and supervision—services that allow kupuna to age safely at home while caregivers remain in the workforce.

AARP urges the Legislature to pass HB 2007, HD1 to provide meaningful financial relief to Hawai'i caregivers and the families they support.



# TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME; Household and Dependent Care Services Tax Credit; Applicable Percentage; Employment-related Expenses

BILL NUMBER: HB 2007 HD1

INTRODUCED BY: HSH

EXECUTIVE SUMMARY: Increases a taxpayer's applicable percentage of employment-related expenses that is used to calculate the household and dependent care services tax credit. Extends the sunset date of the temporary increase in maximum employment-related expenses that are used to calculate the household and dependent care services tax credit, established by Act 163, SLH 2023, to 6/30/2030.

SYNOPSIS: Adds a definition to section 235-1, HRS, for “Cost-of-living adjustment factor”.

Amends the section 235-55.6(a)(2), HRS, definition of the applicable percentage to 50% reduced by one percentage point for each \$3,000, or fraction thereof, by which the taxpayer’s adjusted gross income exceeds the threshold amount; provided the applicable percentage shall not be reduced below 25%.

Adds section 235-55.6(a)(3) setting the threshold amount as \$150,000 for taxable years beginning after December 31, 2025 and recomputed by the director of taxation annually by the cost-of-living adjustment factor for taxable years beginning after December 31, 2026.

Adds section 235-55.6(f) to disallow credits during the disallowance period. The disallowance period is 1) ten taxable years after a final administrative or judicial decision that the credit claimed was due to fraud, and 2) two taxable years after a final administrative or judicial decision disallowing the taxpayer’s claim for credit.

Makes technical changes to Act 163, SLH 2023, to allow the enhanced version of this credit, which otherwise would expire on December 31, 2027, to last until June 30, 2030.

EFFECTIVE DATE: July 1, 3000; sunsets on June 30, 2030.

STAFF COMMENTS: We in Hawaii have several disparate programs and tax credits aimed at poverty relief. They include the EITC, the food/excise tax credit (HRS section 235-55.85), the household and dependent care credit (HRS section 235-55.6), and the credit for low-income household renters (HRS section 235-55.7). The credits have non-duplication provisions and strict time limits on when they may be claimed upon pain of credit forfeiture. Apparently, lawmakers of the past had many different ideas on how to address the problem of poverty in Paradise but couldn’t figure out which program to go with, so they adopted them all. The principal disadvantage of this is that people can and do get confused over which credits they can

and can't claim, and as a result could expose themselves to credit disallowance, penalties, and other undesirable consequences.

The bill's new formula certainly increases complexity, adding to the confusion. It is not a table lookup formula and will be trickier for taxpayers to understand and for the Department to administer.

This measure adds guardrails for fraudulent and judicial and administrative disallowance of the credit, which helps reduce the chances of abuse by bad actors.

Digested: 2/15/2026

*Hawai'i Children's Action Network Speaks! is a nonpartisan 501c4 nonprofit committed to advocating for children and their families. Our core issues are safety, health, and education.*

To: House Committee Economic Development & Technology  
 Re: **HB2007 HD1 – Relating to the Household and Dependent Care Services Tax Credit**  
 Hawai'i State Capitol & Via Videoconference  
 February 18, 2026, 9:30 AM

Aloha Chair Ilagan, Vice Chair Hussey, and members of the committee,

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in **SUPPORT of HB2007 HD1**. This bill increases a taxpayer's applicable percentage of employment-related expenses that may be claimed for the household and dependent care services tax credit as well as extends the sunset date of the prior increase in the maximum amount of expenses that may be claimed.

**This bill would help working families make ends meet and stay in Hawai'i.** A main source of financial hardship is the skyrocketing cost of child and dependent care in Hawai'i. With the median cost of preschool exceeding \$13,000 per year,<sup>1</sup> families need more support. The Child and Dependent Care Tax Credit (CDCTC) was created to provide such support. Please see the chart below, which shows how this bill would help different types of families in our state:

<b>HOW IMPROVING THE CDCTC COULD HELP HAWAI'I FAMILIES</b>				
Type of family	Single parent with 1 child	Single parent with 2 children	Married couple with 1 child	Married couple with 2 children
Income level	<b>Minimum wage</b>	<b>Median household income</b>	<b>2 minimum wage workers</b>	<b>ALICE survival budget</b>
Annual Income	\$33,280	\$100,389	\$66,560	\$110,112
Preschool tuition	\$13,842	\$27,684	\$13,842	\$27,684
Parents' co-pay	\$1,664	\$27,684	\$5,990	\$27,684
Current tax credit amount	\$383	\$3,000	\$899	\$3,000
<b>New tax credit amount</b>	<b>\$832</b>	<b>\$10,000</b>	<b>\$2,995</b>	<b>\$10,000</b>
<b>Difference</b>	<b>\$449</b>	<b>\$7,000</b>	<b>\$2,097</b>	<b>\$7,000</b>

As you can see, our state already provides subsidies for the lowest-income families, resulting in relatively low child care co-payments for those parents.<sup>2</sup> However, middle-income families, as well as those who are at the ALICE survival budget level, do not qualify for those subsidies, so the improvement of the CDCTC as proposed by this bill would especially help them.

**In 2023, you and your colleagues took an important first step to boost the CDCTC.** The maximum \*amount\* that taxpayers can claim for child and dependent care expenses was increased from \$2,400 to \$10,000 for one dependent, and from \$4,800 to \$20,000 for two or more dependents.

<sup>1</sup> <https://www.dol.gov/agencies/wb/topics/childcare/price-by-age-care-setting>

<sup>2</sup> <https://humanservices.hawaii.gov/bessd/files/2021/09/Child-Care-Gross-Income-Eligibility-Limits-and-Sliding-Fee-Scale.pdf>

**To allow more working families to benefit from the increase that you and your colleagues already passed, we also need to increase the \*percent\* of care expenses that can be claimed with the CDCTC.** The current cap limits the credit to 25% of care expenses for those earning less than \$25,000 per year, stepping down to to 15% for those earning more than \$50,000.<sup>3</sup>

**This bill would raise the cap to as much as 50% of care expenses for those with income up to \$150,000, stepping down to 25% for those earning \$225,000.** That would enable more families to access the new higher amounts of the credit that were passed in 2023.

If you would like to decrease the amount of relief that would go to higher-income families, **the table below highlights an alternative formula that would phase out the tax benefits more quickly** (and this spreadsheet shows other alternative formulas that you could adopt)<sup>4</sup>:

CHILD AND DEPENDENT CARE TAX CREDIT FORMULAS					
HB2007		Alternative		Current law	
threshold \$150K at 50%		threshold \$100K at 50%		threshold \$25K at 25%	
reduced by 1pp for each \$3K		reduced by 5pp for each \$10K		reduced by varied pp for each \$5K	
not below 25% (at \$225K)		not below 15% (at \$170K)		not below 15% (at \$50K)	
Income	Percent	Income	Percent	Income	Percent
150,000	50	100,000	50	25,000	25
165,000	45	110,000	45	30,000	24
180,000	40	120,000	40	35,000	23
195,000	35	130,000	35	40,000	22
210,000	30	140,000	30	45,000	21
225,000	25	150,000	25	50,000	20
		160,000	20	>50,000	15
		170,000	15		

Mahalo for the opportunity to provide this testimony. Please pass this bill.

Thank you,

Nicole Woo  
 Director of Research and Economic Policy

<sup>3</sup> <https://files.hawaii.gov/tax/geninfo/info/flyer-Child-and-Dependent-Care-May2024.pdf>

<sup>4</sup> <https://docs.google.com/spreadsheets/d/1qwRfEb0oMogHAb9P3l8iwUYS9cNxBS55KVtpxtOwJE/edit?usp=sharing>



## HIPHI Board

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Health

## HIPHI Initiatives

Coalition for a  
Tobacco-Free Hawai'i

Community-Based Research &  
Evaluation

Community Health  
Worker Initiatives

Environmental Health

Hawai'i Climate Change and Health  
Working Group

Hawai'i Drug & Alcohol-Free Coalitions

Hawai'i Immunization Coalition

Hawai'i Oral Health Coalition

Hawai'i Public Health Training Hui

Healthy Eating + Active Living

Kūpuna Collective/Healthy Aging &  
Community Living

Public Health Workforce Development

Date: February 15, 2026

To: Rep. Greggor Ilagan, Chair  
Rep. Ikaika Hussey, Vice Chair  
Members of the Committee on Economic Development & Technology

Re: Support for HB 2007 HD1, Relating to the Household and Dependent  
Care Services Tax Credit

Hrg: February 18, 2026 at 9:30 AM in Conference Room 423

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Hawai'i Public Health Institute (HIPHI)<sup>1</sup> **supports HB 2007 HD1**, relating to the Household and Dependent Care Services Tax Credit, which increases a taxpayer's applicable percentage of employment-related expenses that is used to calculate the Household and Dependent Care services Tax Credit.

## Rising Child Care Costs

Hawai'i families face some of the highest child care costs in the country, creating a major barrier to economic stability and child well-being. Recent national data show that the average annual cost of infant care in Hawai'i exceeds \$24,000, placing Hawai'i among the most expensive states in the country.<sup>2</sup> Even broader estimates show families in Hawai'i typically pay \$13,000 to \$14,500 per year for child care, with significantly higher costs for infants and toddlers.<sup>3</sup>

At the household level, families are paying \$1,200 to \$1,600 per month for infant care, and in some areas of Honolulu, full-time child care can exceed \$2,700 per month.<sup>4</sup> These costs place Hawai'i families under intense financial strain, with families spending about 13.5% of their household income on child care, the highest share in the nation.<sup>5</sup>

## A Public Health Concern

Child care is not just a workforce issue. It is a public health matter. When families cannot afford care, parents are often forced to reduce work hours, leave jobs, or delay employment entirely, which destabilizes household income and increases financial stress. These pressures make it harder for families to afford food, housing, and health care, increasing the risk of poor health outcomes for both

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

<sup>2</sup> [Child Care and Early Learning in Hawaii: 2025 Fact Sheet](#), First Five Years Fund, 2026.

<sup>3</sup> [How Much Childcare Costs by State in the USA in 2026](#), Illuminae, 2026.

<sup>4</sup> [Cost of Childcare in Hawaii: What Parents Need to Know](#), Living Hawai'i Guide,

<sup>5</sup> [Mapped: Child Care Costs by U.S. State in 2025](#), Visual Capitalist, 2025.



parents and children. At the same time, children lose access to safe, developmentally appropriate early learning environments that are critical for social and cognitive development. National research shows that child care costs are rising faster than inflation and, in many cases, now exceed housing or college tuition costs, forcing families, especially mothers, out of the workforce.<sup>6</sup> In Hawai'i, where the cost of living is already among the highest in the nation, these pressures are even more severe.

### **Investing in Hawai'i's Future**

Investing in child care is one of the most effective strategies to strengthen the economic stability of Hawai'i's workforce. When families can afford care, they are more likely to obtain sustainable financial security and raise healthy keiki in stable homes.

Affordable access to child care has been consistently linked to better outcomes for both children and families. Children in quality early learning environments experience stronger developmental outcomes, better school readiness, and improved long-term educational and economic trajectories.

We urge you to pass this measure, so hardworking families can afford the necessary care to allow their children to reach their full potential.

Mahalo,

A handwritten signature in black ink that reads "Kris Coffield". The signature is written in a cursive, flowing style.

Kris Coffield  
Policy and Advocacy Associate

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<sup>6</sup> [As Childcare Costs Surpass Inflation, More Women Leave the Labor Market](#), Investopedia, January 2026.

**HB-2007-HD-1**

Submitted on: 2/14/2026 7:39:15 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kehaulani Coleman	Individual	Support	Written Testimony Only

Comments:

Thank you

**HB-2007-HD-1**

Submitted on: 2/14/2026 8:49:47 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kanani Kai	Individual	Support	Written Testimony Only

Comments:

I STRONGLY SUPPORT HB2007.

Mahalo.

Kanani Kai

Member Indivisible Hawaii

**HB-2007-HD-1**

Submitted on: 2/14/2026 9:33:56 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Tim Huycke	Individual	Support	Written Testimony Only

Comments:

I support HB2007.

**HB-2007-HD-1**

Submitted on: 2/14/2026 10:00:28 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
John Wassell	Individual	Support	Written Testimony Only

Comments:

**Hawai'i is a high-risk state for a family caregiver shortage, with an estimated 154,000 family caregivers residing in Hawai'i. Family caregivers spend about \$7,200 of their own money on average—about 26% of their income—on out-of-pocket caregiving expenses. Add in Hawai'i's high cost of living and that some caregivers may retire early or quit work to care for loved ones, the financial sacrifices family caregivers make can be overwhelming. AARP estimates that Hawai'i's family caregivers put in 144 million hours of unpaid care a year to loved ones in Hawai'i. If they were paid, the value of what they do for others would be \$2.6 billion.**

**JJ Wassell**

COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

Rep. Greggor Ilagan, Chair

Rep. Ikaika Hussey, Vice Chair

HEARING:

Wednesday, February 18, 2026 at 8:30 am

VIA VIDEOCONFERENCE

Conference Room 423

State Capitol

415 South Beretania Street

TESTIMONY IN SUPPORT - HB 2007, HI1, RELATING TO HOUSEHOLD AND DEPENDENT CARE SERVICES TAX CREDIT.

Chair Ilagan, Vice Chair Hussey, and Members of the Committee,

My name is Christine Andrews and I am a long-term resident of Wailuku, Maui. I write to you today in **strong support of HB 2007, HD1**, relating to the household and dependent care services tax credit. This bill increases a taxpayer's applicable percentage of employment-related expenses that is used to calculate the household and dependent care services tax credit. It also extends the sunset date of the temporary increase in maximum employment-related expenses that are used to calculate the household and dependent care services tax credit, established by Act 163, SLH 2023, to 6/30/2030.

Nearly half of children in Hawai'i live in households experiencing financial hardship. While almost 1 in 8 are in poverty, an additional 3-in-10 families in Hawaii aren't officially poor but still don't earn enough to afford the basic life essentials. Many working-age families are choosing to move to the mainland because of the high cost of living here. This is even more so the case on Maui, where the impacts of the devastating wildfires in Lahaina have not just driven up the cost of housing island-wide, but also had severe impacts on businesses and employment that we are still struggling to rebuild and recover from.

The cost of child and dependent care in Hawai'i has skyrocketed, and this is increasing costs and reducing the potential for workforce participation. With the average cost of child care in Hawai'i exceeding \$13,000 per year, families need more support. Tax credits can ease this burden by helping people keep more of their hard-earned money. When targeted for lower- to middle-income families, tax credits can help reduce financial hardship.

The Child and Dependent Care Tax Credit (CDCTC) is meant to help with child and dependent care expenses, but it currently is too limited to provide parents the amount of support they need. We need to make the CDCTC truly reflect the economic reality of working families. I am asking you to support HB2007, HD1 which is intended to accomplish this objective. HB2007 increases the percent of care expenses that can be claimed, allowing working families to get more badly-needed help with their child and dependent care costs.

In 2023, our lawmakers took an important first step to boost the CDCTC when they more than quadrupled the maximum amount that taxpayers can claim for child and dependent care expenses, from \$2,400 for one child/dependent to \$10,000 (and from \$4,800 for two or more dependents to

\$20,000). I thank those of you on this committee who helped make that possible. However, that legislation did not increase the maximum percent of care expenses that can be claimed, which is currently capped between 25% for those earning less than \$25,000 per year to 15% for those earning more than \$50,000.

Such a low cap makes it almost impossible for families to access the full amount of the credit. For example, if a family earns more than \$50,000 per year and has pre-K tuition of \$10,000, they can claim only \$1,500 under the current cap. To allow more working families to benefit from the increase that lawmakers passed in 2023, I am asking you to support HB2007, to raise the cap on the percent of care expenses that can be claimed with the CDCTC. We should raise the cap to 50% of care expenses for those earning up to \$150,000, stepping down to 25% for those earning at least \$225,000.

Helping families afford to enroll their keiki in child care programs also reaps benefits for their parents and our community in other ways:

- Full-time child care programs allow parents to obtain stable employment, which increases the economic well-being of the family as a whole.
- Research shows that expansions of the CDCTC lead to parents' increased labor force participation in both single-parent and married-couple households.
- Such labor force participation rises especially among younger mothers, which leads to positive effects on their future career prospects and wages.
- Providing \$1 of tax relief to a household via the CDCTC will almost certainly cost the state less than \$1 because of the resulting increases in labor force participation. Act 163 intended to provide approximately \$47,000,000 of financial relief to working families but the Department of Taxation later estimated the cost of Act 163 to be only \$9,500,000. What an amazing return on investment!

In addition, early learning programs facilitate the academic and social development of young children and should be supported. Research on the benefits of quality early learning programs indicates that for every \$1 invested in quality learning programs, society saves \$4 to \$8 on remedial classes, special education, welfare programs, and criminal justice costs.

Based on the foregoing, I request you support Hawai'i families by voting in **support of HB2007, HD1.**

Mahalo for all you do for your constituents and for all Hawai'i families,

Christine L. Andrews, J.D.  
Wailuku, Maui

**HB-2007-HD-1**

Submitted on: 2/14/2026 6:43:43 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
john savino	Individual	Support	Written Testimony Only

Comments:

I support HB 2007

**HB-2007-HD-1**

Submitted on: 2/14/2026 6:50:30 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Lily Troy MD	Individual	Support	Written Testimony Only

Comments:

I support HB 2007

**HB-2007-HD-1**

Submitted on: 2/15/2026 9:21:41 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Rose Chismar	Individual	Support	Written Testimony Only

Comments:

Please support this important bill for families in Hawaii.

**HB-2007-HD-1**

Submitted on: 2/15/2026 10:41:16 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
William Caron	Individual	Support	Written Testimony Only

Comments:

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

I am testifying in strong support of HB2007, which strengthens the Child and Dependent Care Tax Credit (CDCTC) to provide meaningful financial relief to working families struggling with the crushing cost of child care in Hawai‘i. This bill builds on previous progress and takes the next essential step toward making the credit actually work for the families who need it most.

**The Cost of Care Is Unsustainable**

Child care in Hawai‘i is not just expensive; it is unaffordable by any reasonable measure. The average cost of preschool exceeds **\$13,000 per year**—more than in-state tuition at the University of Hawai‘i. For an infant, the cost is even higher. For a family with two young children, child care can easily consume more than a mortgage payment, leaving parents to wonder how they can possibly continue working and living in the state they call home.

This is not an abstract problem. Nearly half of Hawai‘i's children live in households experiencing financial hardship. While one in eight live in poverty, an additional three in 10 families are not officially poor but still cannot afford basic life essentials. These are working families—parents employed full-time, often in multiple jobs—who are doing everything right and still falling behind.

**The Exodus We Cannot Afford**

We are seeing the consequences in real time. Working-age families are choosing to leave Hawai‘i in growing numbers, driven out by the cumulative weight of housing costs, food prices, and child care expenses that outpace wages year after year. When a family calculates that they cannot afford both rent and child care, they do not stop needing child care; they start looking at mainland job listings. Every family that leaves diminishes our communities, our workforce, and our future.

**The CDCTC Can and Must Do More**

The Child and Dependent Care Tax Credit is designed to help families with exactly these expenses. In 2023, lawmakers took an important first step, more than quadrupling the maximum amount of expenses that could be claimed—from \$2,400 to \$10,000 for one child, and from

\$4,800 to \$20,000 for two or more. This was a recognition that child care costs had far outstripped the old limits.

But there was a critical omission. The **percentage of expenses** that can be claimed remained capped at 25% for families earning less than \$25,000, stepping down to just 15% for families earning more than \$50,000. This low cap means families cannot access the full value of the credit, even with the higher expense limit.

Consider a family earning more than \$50,000 per year with \$10,000 in preschool tuition. Under current law, they can claim only **\$1,500**—15% of their expenses. The credit helps, but it does not come close to reflecting the real burden they carry.

### **HB2007 Fixes This**

HB2007 raises the cap on the percentage of care expenses that can be claimed to:

- **50%** for families earning up to \$150,000
- Stepping down gradually to **25%** for families earning at least \$225,000

This is not a giveaway; it is a recalibration. It aligns the credit with economic reality, ensuring that the 2023 expansion of eligible expenses can actually be accessed by the families who need it. For the family with \$10,000 in tuition, the credit would rise from \$1,500 to as much as \$5,000—a difference that can cover months of groceries, a car payment, or the gap between staying in Hawai‘i and leaving.

### **Why This Matters**

Tax credits can mean the difference between a family that can afford child care and a parent forced to leave the workforce. They are the difference between staying in Hawai‘i and moving to the mainland. They are the difference between a child with access to quality early education and a child whose family simply cannot make the numbers work.

HB2007 targets relief to lower- and middle-income families—exactly where the need is greatest and the impact most profound. It helps working parents stay in the workforce, supports early childhood development, and makes Hawai‘i just a little more affordable for the families who keep our communities running.

### **A Necessary Investment**

Some will ask how we can afford this credit expansion. The better question is: how can we afford not to? Every family that leaves because they cannot afford child care represents a loss of talent, community, and future tax revenue. Every parent forced out of the workforce represents lost economic output and increased financial strain. Every child who misses out on quality early education represents lost potential that Hawai‘i can never recover.

Investing in child care affordability is not charity; it is economic development, workforce retention, and intergenerational investment rolled into one.

I urge you to pass HB2007 and send a clear message that Hawai'i values its working families and will fight to keep them here.

Mahalo for the opportunity to testify.

**HB-2007-HD-1**

Submitted on: 2/15/2026 11:18:16 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

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

Comments:

I support this bill. Thank you, Martha Nakajima, member of Indivisible

**HB-2007-HD-1**

Submitted on: 2/15/2026 11:39:19 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
David Ball	Individual	Support	Written Testimony Only

Comments:

I support this legislation.

David Ball

Waiialae-Kahala

**HB-2007-HD-1**

Submitted on: 2/15/2026 12:08:33 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Gail Morrison	Individual	Support	Written Testimony Only

Comments:

**I am writing in support of HB2007 both personally and as a member of the Indivisible Hawaii State Network (IHSN).** [HB2007/SB2683](#) would help many more families than Act 163, Session Laws of Hawaii 2023 by increasing a taxpayer's applicable percentage of employment-related expenses that is used to calculate the household and dependent care services tax credit. Act 163 intended to provide approximately \$47,000,000 of financial relief to working families but the Department of Taxation later estimated the cost of Act 163 to be only \$9,500,000.

Thank you, Gail Morrison

**HB-2007-HD-1**

Submitted on: 2/15/2026 12:13:38 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ron Brown	Individual	Support	Written Testimony Only

Comments:

With the gutting of the social safety net in Hawaii by the Trump administration, efforts to support families in great need is especially important. As an individual and member of Indivisible I ask you to please support this sensible bill helping families with child-care expenses and dependent care expenses.

**HB-2007-HD-1**

Submitted on: 2/15/2026 2:06:48 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Krystal Baba	Individual	Support	Written Testimony Only

Comments:

SUPPORT

**HB-2007-HD-1**

Submitted on: 2/15/2026 2:09:10 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ryan Samonte	Individual	Support	Written Testimony Only

Comments:

Support HB2007

**HB-2007-HD-1**

Submitted on: 2/15/2026 2:26:59 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jessica Kuzmier	Individual	Support	Written Testimony Only

Comments:

Aloha, I am writing in support of HB2007 HD1 because I believe it will help families in Hawai'i, which I believe is very important. Mahalo for your consideration.

**HB-2007-HD-1**

Submitted on: 2/15/2026 2:28:22 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Cinzia Olter	Individual	Support	Written Testimony Only

Comments:

Aloha Chair and Committee Members,

I support HB2007 because child care costs in Hawai'i are extremely high. Strengthening the Child and Dependent Care Tax Credit would provide meaningful relief to working families and help make care more affordable.

Please do the right thing for our working families.

Mahalo,

Cinzia O.

**HB-2007-HD-1**

Submitted on: 2/15/2026 3:33:29 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Joell Edwards	Individual	Support	Written Testimony Only

Comments:

Aloha Chair and Committee Members,

My name is Joell Edwards. I am a Wainiha resident, small business owner, and community organizer on Kaua‘i. I am writing in strong support of HB2007.

Child care costs in Hawai‘i are extremely high, and for many families — especially in rural communities like mine — care is not only expensive, it is limited and hard to access. I work closely with families who are making impossible choices between paying for child care, groceries, rent, or gas just to get to work. When care falls through, parents miss work. When parents miss work, entire households feel the strain.

Strengthening the Child and Dependent Care Tax Credit would provide meaningful, direct relief to working families. It recognizes that child care is not a luxury — it is essential infrastructure that allows parents to participate in the workforce and support their keiki.

In communities like Wainiha and across rural Kaua‘i, where wages often do not match the cost of living, this support can make the difference between stability and crisis.

Please do the right thing for our working families and pass HB2007.

Mahalo for your consideration,

**HB-2007-HD-1**

Submitted on: 2/15/2026 8:49:19 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

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

Comments:

**[HB2007/SB2683](#)** would help many more families than Act 163, Session Laws of Hawaii 2023, by increasing a taxpayer’s applicable percentage of employment-related expenses that is used to calculate the household and dependent care services tax credit. Act 163 was intended to provide approximately \$47,000,000 in financial relief to working families, but the Department of Taxation later estimated its cost at only \$9,500,000.

**Why is the Dependent Care Service important in Hawaii?**

**Family Caregiver:** Hawai‘i is at high risk for a family caregiver shortage, with an estimated 154,000 family caregivers residing in Hawai‘i. Family caregivers spend an average of \$7,200 out of pocket—about 26% of their income—on caregiving expenses. Add in Hawai‘i’s high cost of living, and the fact that some caregivers may retire early or quit work to care for loved ones, the financial sacrifices family caregivers make can be overwhelming. AARP estimates that Hawai‘i’s family caregivers provide 144 million hours of unpaid care each year to loved ones. If they were paid, the value of their work for others would be \$2.6 billion.

(Source: <https://generations808.com/averting-hawaiis-caregiver-crisis/>)

**Childcare:** With the average cost of preschool in Hawai‘i over \$13,000 per year, our working families need more help with their child care expenses. This bill would help working families make ends meet and stay in Hawai‘i. Nearly half of the children in Hawai‘i live in households experiencing financial hardship. While almost 1 in 8 are in poverty, an additional 1 in 3 aren’t officially poor but still don’t earn enough to afford the basic life essentials. That’s where tax credits come in.

**HB-2007-HD-1**

Submitted on: 2/15/2026 9:00:48 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Tricia-Lee Lum Ho	Individual	Support	Written Testimony Only

Comments:

Aloha Chair and Committee Members,

I support HB2007 because child care costs in Hawai'i are extremely high. Strengthening the Child and Dependent Care Tax Credit would provide meaningful relief to working families and help make care more affordable.

Please do the right thing for our working families.

Mahalo,

Tricia-Lee Lum Ho

Wailuku, Maui

**HB-2007-HD-1**

Submitted on: 2/15/2026 11:19:21 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Chloe Pua'ena Vierra-Villanueva	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and Committee members,

I am testifying in strong support of HB 2007 because working families are struggling with the high cost of child care in Hawai'i. Please support this measure to help make care more affordable and improve the quality of life for our youngest keiki.

Me ka ha'aha'a,

Pua'ena Vierra-Villaneuva

**HB-2007-HD-1**

Submitted on: 2/16/2026 6:36:44 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
James E Raymond	Individual	Support	Written Testimony Only

Comments:

Thank you -- I am a member of Indivisible Windward.

**HB-2007-HD-1**

Submitted on: 2/16/2026 9:16:32 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Judith Mura	Individual	Support	Written Testimony Only

Comments:

I, Judith Mura. Strongly Support HB2007

**HB-2007-HD-1**

Submitted on: 2/16/2026 9:46:19 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Noelle Lindenmann	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and Committee Members,

I am writing in support of HB2007 today. Child care costs in Hawaii are extremely high and strengthening the Child and Dependent Care Tax Credit would provide meaningful relief to working families. This would help to make care more affordable for all of our families.

Please do the right thing for our families.

Mahalo for this opportunity to share testimony,

Noelle Lindenmann, Kailua-Kona

**HB-2007-HD-1**

Submitted on: 2/16/2026 11:40:17 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
pahnelopi mckenzie	Individual	Support	Written Testimony Only

Comments:

Aloha Chair and Committee Members,

I support HB2007 because child care costs in Hawai'i are extremely high. Strengthening the Child and Dependent Care Tax Credit would provide meaningful relief to working families and help make care more affordable.

Please do the right thing for our working families.

Mahalo, Pahnelopi McKenzie

**HB-2007-HD-1**

Submitted on: 2/16/2026 1:03:40 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Janet Teare	Individual	Support	Written Testimony Only

Comments:

Please pass this bill. Thank you for your support for Hawaiian families.  
Im a member of East Hawaii Indivisible

**HB-2007-HD-1**

Submitted on: 2/16/2026 2:02:52 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Doris Segal Matsunaga	Individual	Support	Written Testimony Only

Comments:

As a grandmother living in Waimea on Hawaii Island I support this tax credit to help our young families stay in Hawaii and manage the high cost of living.

**HB-2007-HD-1**

Submitted on: 2/16/2026 3:20:14 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
J. Kehau Lucas	Individual	Support	Written Testimony Only

Comments:

Chair and Members of the Committee,

Thank you for the opportunity to testify **in strong support of HB 2007**, which strengthens Hawai‘i’s Child Tax Credit and provides meaningful financial relief to working families facing rapidly rising childcare costs.

## **I. Childcare Costs in Hawai‘i Are Among the Highest in the Nation**

Multiple independent analyses consistently show that Hawai‘i families face some of the most burdensome childcare expenses in the United States:

- The U.S. Department of Labor has identified Hawai‘i as one of the states where childcare costs consume a disproportionately high share of household income.
- According to the Economic Policy Institute, the average annual cost of infant care in Hawai‘i exceeds many families’ mortgage payments and rivals in-state university tuition.
- Local studies have shown that childcare expenses routinely exceed **\$800–\$1,200 per month**, depending on age and location.

These figures are not abstract—they reflect the lived reality of families across the islands.

## **II. Personal Impact: Childcare Costs Are Outpacing Family Budgets**

As a working parent, I currently pay **\$850 per month** for childcare. Next year, that amount will increase to **\$1,000 per month**. This rise comes on top of all other living expenses, including a mortgage, utilities, food, and transportation.

This is not a luxury expense. It is a basic requirement for me to remain employed and provide stability for my family. Without meaningful tax relief, these escalating costs will continue to strain household budgets and limit families’ ability to save, invest, or meet essential needs.

HB 2007 directly addresses this gap.

### **III. Strengthening the Child Tax Credit Is an Evidence-Based Strategy**

Research from multiple nonpartisan institutions—including the Urban Institute, Columbia University’s Center on Poverty and Social Policy, and the National Academies of Sciences—has consistently found that:

- Strengthened child tax credits reduce child poverty.
- Families overwhelmingly use the credit for essential expenses such as childcare, housing, food, and transportation.
- Tax credits are one of the most efficient and administratively simple ways to support working families.
- Every dollar provided through a refundable child tax credit generates measurable economic activity in local communities.

HB 2007 aligns with these findings by making the credit more accessible and more impactful for families who need it most.

### **IV. HB 2007 Supports Workforce Participation and Economic Stability**

Childcare affordability is directly tied to Hawai‘i’s workforce and economic health:

- When childcare costs rise faster than wages, parents—especially mothers—are more likely to reduce work hours or leave the workforce entirely.
- Employers face higher turnover, reduced productivity, and increased hiring costs.
- Strengthening the Child Tax Credit helps families stay employed, which stabilizes the broader economy.

HB 2007 is not just a family policy—it is an economic policy.

### **V. The Bill Provides Predictable, Targeted Relief Without Creating New Bureaucracy**

One of the strengths of HB 2007 is that it leverages an existing tax mechanism. This means:

- No new administrative structures are required.
- Relief is delivered directly to families.
- The credit is simple, transparent, and easy to verify.
- The state can track its fiscal impact through established reporting systems.

This is a fiscally responsible approach that maximizes impact while minimizing administrative cost.

## Conclusion

HB 2007 offers a practical, evidence-based solution to one of the most pressing financial challenges facing Hawai'i families. Strengthening the Child Tax Credit will:

- Reduce the burden of rising childcare costs
- Support working parents
- Improve economic stability
- Benefit children during their most critical developmental years

For these reasons, I respectfully urge the Committee to **pass HB 2007**.

Thank you for the opportunity to testify.

Aloha 'āina,

J. Kēhau Lucas

**HB-2007-HD-1**

Submitted on: 2/16/2026 3:50:26 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kristy Arias	Individual	Support	Written Testimony Only

Comments:

I remember in the early 2000 when my daughter attended ywca preschool. The amount of money we paid so that we could work was pretty high. Fast forward to now and the cost of preschool/daycare for one child, two children or twins. Then the decision becomes harder for both parents to work, or one stay home. It's terrifying. Please support this bill, HB2007 and let's ease some of our parents worries by giving them tax credit! It's all positive, it's needed!! Mahalo!!

**HB-2007-HD-1**

Submitted on: 2/16/2026 6:33:45 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
irene kloepfer	Individual	Oppose	Written Testimony Only

Comments:

Please do not throw the people under the bus for the developers, yet again. Please do not pass this bill. Mahalo

To: Committee on Economic Development & Technology

From: Laverne Moore, Retired Educator

Date: February 18, 2026

Re: **Support for [HB2007 HD1](#), Relating to the Household and Dependent Care Services Tax Credit**

Chair ILagan, Vice-Chair Hussey, and Members of the Committee,

My name is Laverne Moore, a retired teacher with 54 years of experience in Hawaii's public schools. I am writing today in **strong support of HB2007 HD1**, which seeks to provide meaningful financial relief to working families by strengthening the Household and Dependent Care Services Tax Credit.

Throughout my career, I saw firsthand that a child's success in the classroom is inextricably linked to the stability of their home. I cannot count the number of times bright, capable students missed school, fell behind on assignments, or dropped out of extracurriculars because they were acting as primary caregivers.

I have sat in parent-teacher conferences where:

- **High schoolers** missed first period—or entire days—because they had to stay home with a sick younger sibling because their parents couldn't afford a single day of missed wages or a last-minute sitter.
- **Middle schoolers** were exhausted in class because they spent their evenings caring for elderly grandparents while their parents worked second or third jobs to cover the astronomical cost of living in Hawaii.

When child care costs exceed **\$13,000 a year**, it isn't just a "family issue"—it is an education issue. When families are forced to choose between professional child care and their child's attendance in school, the child's future is the first thing sacrificed.

[HB2007 HD1](#) addresses the "missing piece" of previous legislation by increasing the **applicable percentage** of expenses that can be claimed. By raising the threshold and the credit amount, we are telling working families that they shouldn't have to choose between their jobs and their children's education.

By lowering the financial barrier to professional care, we return our students to the classroom where they belong. We allow them to be students again, rather than unpaid childcare providers.

Mahalo for the opportunity to testify, Laverne Moore, Retired Educator

**HB-2007-HD-1**

Submitted on: 2/16/2026 9:28:28 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Malia Kealoha	Individual	Support	Written Testimony Only

Comments:

Please support this tax credit for working families.

**HB-2007-HD-1**

Submitted on: 2/16/2026 9:35:07 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Maya Maxym	Individual	Support	Written Testimony Only

Comments:

I strongly support this change, which would help to mitigate the effects of extremely high childcare costs on hard working families.

**HB-2007-HD-1**

Submitted on: 2/17/2026 5:34:31 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

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

Comments:

Aloha Chair and Members,

My name is Leilani Kailiawa. I am a parent and community leader.

I am in STRONG support of this bill,

Please pass it

Mahalo nui loa for your consideration

Leilani Kailaiwa

**HB-2007-HD-1**

Submitted on: 2/17/2026 9:38:49 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Rachel Ebert	Nurture Mental Health	Support	Written Testimony Only

Comments:

Aloha Chair and Committee Members,

I support HB2007 because child care costs in Hawai'i are extremely high. Strengthening the Child and Dependent Care Tax Credit would provide meaningful relief to working families and help make care more affordable.

Please do the right thing for our working families.

Mahalo,

**HB-2007-HD-1**

Submitted on: 2/17/2026 10:17:07 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Anamalia Su'esu'e	Individual	Support	Written Testimony Only

Comments:

Aloha Chair and Members,

I am writing in strong support of HB2007. Child care costs in our state are incredibly high, and too many working families are struggling just to make ends meet. When my family was living on a single income with two children under the age of four, we simply could not afford child care or preschool for both of them, and I had to stay home until our oldest reached elementary school. That choice wasn't about preference, it was about affordability.

Families in Hawai'i need more support to access early learning programs and preschool, which are proven to benefit our keiki and strengthen families as a whole. Strengthening the Child and Dependent Care Tax Credit would provide meaningful relief for Hawai'i 'ohana, help parents remain in the workforce, and make quality child care more attainable. I urge you to pass HB2007 and invest in Hawai'i's families and future.

Mahalo,  
Ana Su'esu'e  
Volcano, 96785

**HB-2007-HD-1**

Submitted on: 2/17/2026 11:34:56 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Marcela Montalto	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill

**HB-2007-HD-1**

Submitted on: 2/17/2026 12:22:51 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ashlie McGuire	Individual	Support	Written Testimony Only

Comments:

I support Hawaii's working families!

Aloha Chair Ilagan, Vice Chair Hussey, and Economic Development & Technology Committee Members,

**I strongly support HB 2007** because child care costs in Hawai'i are extremely high. Strengthening the Child and Dependent Care Tax Credit (CDCTC) would provide meaningful relief to working families and help make care more affordable. It is currently so limited that it can't provide the amount of support that parents need. HB 2007 would increase the percent of care expenses that can be claimed, allowing working families much needed help with their child and dependent care costs.

In 2023, you and your fellow legislators took an important first step to boost the CDCTC, by **increasing the maximum amount** that taxpayers can claim for child and dependent care expenses. However, the **maximum percent of care expenses can be claimed was not increased**, which is currently capped between 25% for those earning less than \$25,000 per year to 15% for those earning more than \$50,000. **This low cap makes it almost impossible for families to access the full amount of the credit.**

For example, my family earns more than \$50,000 per year and we pay \$17,400 per year for preschool tuition, but right now, we can only claim \$1,500 under the current cap, which is the equivalent of one month of tuition.

To allow more working families to benefit from the increase that lawmakers passed in 2023, **we need to raise the cap on the percent of care expenses that can be claimed with the CDCTC.** We should raise the cap to 50% of care expenses for those earning up to \$150,000, stepping down to 25% for those earning at least \$225,000. This would greatly improve affordability for working families like our own.

**Please do the right thing for our working families and support HB 2007.**

Mahalo,  
Maka Gibson  
Kāne'ohe, HI

**HB-2007-HD-1**

Submitted on: 2/17/2026 3:45:19 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
cheryl hendrickson	Individual	Support	Written Testimony Only

Comments:

This bill allows more working families to benefit from the tax credit. Essentially helping families offset child care costs

**HB-2007-HD-1**

Submitted on: 2/17/2026 5:33:32 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Shelly Tokunaga May	Individual	Support	Written Testimony Only

Comments:

Aloha Chair and Committee members

I am in support of HB2007. Hawai'i consistently ranks among the most expensive states in the nation for childcare. Strengthening the Child and Dependent Care Tax Credit would be vital to working families who feel the burden of our high cost of living while trying to pay for affordable childcare. Any support to our families would help in keeping a strong workforce and relieving the financial stress on families.

Mahalo for your consideration,

Shelly Tokunaga May, EdD, LSW

**HB-2007-HD-1**

Submitted on: 2/17/2026 9:40:09 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kelsey Mapa	Individual	Support	Written Testimony Only

Comments:

Aloha,

I often hear older Americans, economists, politicians, and others complaining about the declining birth rates in the United States and, as a millennial who always dreamed of having a large family, it seems like common sense to me that more legislation like this bill - which provides working families with much needed tax credits/resources to support their children - is the answer. Let's do more of this with our taxes and less of funding Israel's genocide in Gaza! Please support this bill. Mahalo!

**HB-2007-HD-1**

Submitted on: 2/17/2026 10:12:48 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
D. Dianne Bowen-Coleman	Individual	Support	Written Testimony Only

Comments:

Aloha Chair and Committee Members,

I support HB2007 because child care costs in Hawai'i are extremely high. Strengthening the Child and Dependent Care Tax Credit would provide meaningful relief to working families and help make care more affordable.

My daughter and son-in-law both work and make good money, yet they still cannot afford childcare.

Please do the right thing for our working families.

Mahalo,

D. Dianne Bowen-coleman