

JOSH GREEN M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR



GARY S. SUGANUMA  
DIRECTOR

KRISTEN M.R. SAKAMOTO  
DEPUTY DIRECTOR

STATE OF HAWAII  
**DEPARTMENT OF TAXATION**

Ka 'Oihana 'Auhau  
P.O. BOX 259

HONOLULU, HAWAII 96809  
PHONE NO: (808) 587-1540  
FAX NO: (808) 587-1560

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

**TESTIMONY ON THE FOLLOWING MEASURE:**

H.B. No. 2007, H.D.2, Relating to the Household and Dependent Care Services Tax Credit.

**BEFORE THE:**

House Committee on Finance

**DATE:** Tuesday, March 3, 2026  
**TIME:** 10:00 a.m.  
**LOCATION:** State Capitol, Conference Room 308

Chair Todd, Vice-Chair Takenouchi, and Members of the Committee:

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 2007, H.D.2, 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 the credit. The current applicable percentages, which range from 25 percent for taxpayers with adjusted gross income (AGI) of \$25,000 or less to 15 percent for taxpayers with AGI over \$50,000, would be increased to 50 percent for taxpayers with AGI of \$150,000, reduced by one percentage point for every \$3,000 (or fraction thereof) that the taxpayer's AGI exceeds the threshold amount of \$150,000, provided that the applicable percentage shall not be reduced below 25 percent.

The bill requires DOTAX to annually recompute the threshold amount using a new "cost-of-living adjustment factor," which is defined in section 2 of the bill as a factor 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 new subsection to section 235-55.6, HRS, disallowing the credit for 10 taxable years if there is an administrative or judicial decision that the taxpayer's claim was fraudulent, and two taxable years if there is an administrative or judicial decision that disallowed the taxpayer's claim for the credit.

Section 4 of the bill amends section 5 of Act 163, Session Laws of Hawaii 2023, to extend the sunset and reenactment date for the amendments to section 235-55.6(c), HRS, which increased the maximum employment-related expenses that may be claimed from \$2,400 to \$10,000 for one qualifying individual and from \$4,800 to \$20,000 for two or more qualifying individuals, from December 31, 2027, to June 30, 2030.

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 notes that it 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.



OFFICE OF HAWAIIAN AFFAIRS

‘Ōlelo Hō‘ike ‘Aha Kau Kānāwai

**TESTIMONY IN SUPPORT OF HOUSE BILL 2007 HD2**

RELATING TO THE HOUSEHOLD AND DEPENDENT CARE SERVICES TAX CREDIT

Ke Kōmike Hale o ka ‘Oihana ‘Imi Kālā  
(House Committee on Finance)

Ke Kapitala ‘o Hawai‘i  
(Hawai‘i State Capitol)

Malaki 3, 2026

10:00AM

Lumi 308

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Aloha e Chair Todd, Vice Chair Takenouchi , and Members of the Committee on Finance:

The Office of Hawaiian Affairs (OHA) **SUPPORTS HB2007 HD2**, which strengthens Hawai‘i’s household and dependent care services tax credit by increasing the percentage of employment-related expenses and indexing income thresholds to inflation. This credit supports care for qualifying dependents, including children under thirteen and dependents or spouses incapable of self-care. This measure better aligns tax policy with Hawai‘i’s high cost of living and supports multigenerational families caring for both keiki, kupuna, and disabled family members.

Hawai‘i families face some of the highest living costs in the nation, and this measure recognizes that full-time childcare costs exceed \$13,000 annually. Research from the University of Hawai‘i Economic Research Organization (UHERO) consistently finds that Hawai‘i households require substantially higher incomes than national averages to meet basic needs, particularly for housing, food and child care expenses.<sup>1</sup> ALICE (Asset Limited, Income Constrained, Employed) data show that a significant share of Hawai‘i households earn above the federal poverty level yet still cannot afford the basic cost of living.<sup>2</sup> Many are working parents and caregivers struggling to balance employment and rising dependent care costs. Native Hawaiian households are overrepresented among ALICE families and experience higher rates of poverty compared to statewide averages<sup>3</sup>;

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<sup>1</sup> Carl Bonham, Paul Brewbaker & Justin Tyndall, *Measuring the Cost of Living in Hawai‘i* (Univ. of Haw. Econ. Research Org. 2022).

<sup>2</sup> Aloha United Way, *ALICE in Hawai‘i: A Study of Financial Hardship* (2024 Update)

<sup>3</sup> Office of Hawaiian Affairs, *Native Hawaiian Data Book* (2022).

Native Hawaiian kūpuna experience higher rates of poverty and economic vulnerability, and are therefore more likely to rely on extended family to assist with caregiving support.<sup>4</sup> Strengthening this refundable credit directly increases disposable income for Native Hawaiian and local families and helps offset regressive tax burdens on lower- and moderate-income households.<sup>5</sup>

**A refundable tax credit is particularly important for working families because it delivers support regardless of tax liability.** Lower- and moderate-income households often owe little in state income taxes due to existing deductions and exemptions, yet they face the highest relative cost burdens. A refundable credit ensures that eligible working families receive the full value of the benefit. Research consistently demonstrates that refundable tax credits tied to caregiving reduce poverty and improve long-term outcomes. A comprehensive 50-state analysis found that state-level child tax credits meaningfully reduce child poverty and narrow racial disparities.<sup>6</sup> Income supports have been linked to improved birth outcomes, higher educational attainment, and stronger lifetime earnings for children.<sup>7</sup> Income supports that offset caregiving costs reduce financial strain and support safer aging in place.

**Caregiving affordability directly affects workforce participation and economic outcomes.** When child care or dependent care costs exceed feasible household budgets, labor force participation declines—particularly among women and caregivers.<sup>8</sup> Research consistently finds that refundable credits such as the Earned Income Tax Credit and Child Tax Credit promote work participation and do not meaningfully reduce employment.<sup>9</sup>

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<sup>4</sup> U.S. Census Bureau, American Community Survey 5-Year Estimates (elder poverty rates in Hawai‘i).

<sup>5</sup> Inst. on Taxation & Econ. Policy, *Who Pays? A Distributional Analysis of the Tax Systems in All 50 States* (6th ed. 2018). <https://itep.sfo2.digitaloceanspaces.com/whopays-ITEP-2018.pdf> (Last accessed February 28, 2026)

<sup>6</sup> Sophie Collyer et al., *State Child Tax Credits and Child Poverty: A 50-State Analysis* (Ctr. on Poverty & Soc. Pol’y, Columbia Univ. 2022).

<sup>7</sup> Nat’l Acads. of Scis., Eng’g, & Med., *A Roadmap to Reducing Child Poverty* (2019); Andrew Barr et al., Investing in Infants: The Lasting Effects of Cash Transfers to New Families, 137 Q.J. Econ. 2539 (2022).

<sup>8</sup> Institute for Women’s Policy Research, *Gender and Racial Wage Gaps Persist as the Economy Recovers* (Sept. 2022).

<sup>9</sup> Natasha V. Pilkauskas, Katherine Micheltore, Nicole Kovski & H. Luke Shaefer, *The Effects of Income on the Economic Well-Being of Families with Low Incomes: Evidence from the 2021 Expanded Child Tax Credit*, NBER Working Paper No. 30533 (Oct. 2022). <https://www.nber.org/papers/w30533> (Last accessed February 28, 2026)

Families use refundable credits primarily for essential expenditures such as food, rent, utilities, transportation, and educational costs, circulating those dollars back into local economies.<sup>10</sup>

This measure recognizes supporting caregiving is essential to supporting families and workforce participation. By increasing eligible expenses and adjusting thresholds for inflation, this measure provides meaningful relief to working families caring for keiki and kupuna, particularly for Native Hawaiian households who face higher rates of economic hardship in Hawai‘i’s high cost of living.

For these reasons, OHA respectfully urges the Committee to **PASS HB2007 HD2**. Mahalo for the opportunity to testify.

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<sup>10</sup> Chuck Marr et al., *EITC and Child Tax Credit Promote Work, Reduce Poverty, and Support Children’s Development, Research Finds*, Center on Budget & Policy Priorities (Oct. 1, 2015).



## HIPHI Board

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Retired, Hawai'i State Department of  
Health

## HIPHI Initiatives

Coalition for a  
Tobacco-Free Hawai'i

Community-Based Research &  
Evaluation

Community Health  
Worker Initiatives

Environmental Health

Hawai'i Climate Change and Health  
Working Group

Hawai'i Drug & Alcohol-Free Coalitions

Hawai'i Immunization Coalition

Hawai'i Oral Health Coalition

Hawai'i Public Health Training Hui

Healthy Eating + Active Living

Kūpuna Collective/Healthy Aging &  
Community Living

Public Health Workforce Development

Date: February 27, 2026

To: Rep. Chris Todd, Chair  
Rep. Jenna Takenouchi, Vice Chair  
Members of the House Committee on Finance

Re: Support for HB 2007 HD2, Relating to the Household and Dependent  
Care Services Tax Credit

Hrg: March 3, 2026 at 10:00 AM in Conference Room 308

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Hawai'i Public Health Institute (HIPHI)<sup>1</sup> **supports HB 2007 HD2**, 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.

# 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 HD2

INTRODUCED BY: ECD

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: 3/1/2026



1001 Bishop Street #625 | Honolulu, HI 96813  
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 Finance  
Tuesday, March 3, 2026  
Conference Room 308, 10:00 a.m.**

TO: The Honorable Chris Todd, Chair  
FROM: Keali'i S. López, State Director  
RE: Strong Support for H.B. 2007, HD2- HOUSEHOLD AND DEPENDENT CARE SERVICES TAX CREDIT

Aloha Chair Todd 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 HD2, 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, HD2 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, HD2 to provide meaningful financial relief to Hawai'i caregivers and the families they support.





Hearing Date: Tuesday, March 3, 2026, 10:00 AM, Rm. 308

To: Committee on Finance  
Rep. Chris Todd, Chair  
Rep. Jenna Takenouchi, Vice Chair

Re: **TESTIMONY IN SUPPORT OF HB 2007, HD 2 Relating to the Household and Dependent Care Services Tax Credit**

Dear Chair Todd, Vice Chair Takenouchi, and the Members of the Committee,

Members of AAUW of Hawaii thank you for this opportunity to testify in **strong support of HB 2007, HD2** 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.*

*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 on Finance  
 Re: **HB2007 HD1 – Relating to the Household and Dependent Care Services Tax Credit**  
 Hawai'i State Capitol & Via Videoconference  
 March 3, 2026, 10:00 AM

Dear Chair Todd, Vice Chair Takenouchi, and Committee Members,

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in **SUPPORT of HB2007 HD2**. 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	Minimum wage	Median household income	2 minimum wage workers	ALICE survival budget
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>



# 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 Finance  
Re: Testimony in STRONG SUPPORT of HB2007 HD2

Dear Chair Todd, Vice Chair Takenouchi, and the Members of Committees,

Members of Indivisible Hawai'i thank you for this opportunity to testify in strong support of HB2007 HD2 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 HD2 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.*



ALOHA CARE

To: The Honorable Chris Todd, Chair  
The Honorable Jenna Takenouchi, Vice Chair  
House Committee on Finance

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

Hearing: Tuesday, March 3, 2026, 10:00am, Conference Room 308

RE: **HB2007 HD2 Relating to the Household and Dependent Care Services Tax Credit**

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AlohaCare appreciates the opportunity to provide testimony in **support of HB2007 HD2**. This measure would: (1) increase a taxpayer's applicable percentage of employment-related expenses that is used to calculate the household and dependent care services tax credit; and (2) extend 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.

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

AlohaCare is committed to whole-person care by addressing key social determinants of health like economic stability. Affordable childcare and dependent care is closely tied to health, economic stability, and family well-being. The bill itself recognizes that the average cost of full-time childcare in Hawai'i exceeds \$13,000 per year. For AlohaCare, this issue is especially important because more than one-third of our members are children, meaning policies that help families afford care can have a direct and meaningful impact on the health, stability, and development of a large share of the population we serve. For these families, the cost of care can determine whether a parent can keep a job, attend school or training, maintain health coverage, or consistently bring a child or dependent family member to needed medical appointments. As such, AlohaCare supports this measure to strengthen economic stability for families with caregiving responsibilities.

Mahalo for this opportunity to testify in **support of HB2007 HD2**.

**HB-2007-HD-2**

Submitted on: 3/2/2026 9:32:35 AM

Testimony for FIN on 3/3/2026 10:00:00 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,



**HAWAII APPLESEED**  
CENTER FOR LAW & ECONOMIC JUSTICE

Dear Chair Todd, Vice Chair Takeouchi, and Members of the Committee,

Hawai‘i Appleseed Center for Law and Economic Justice strongly supports House Bill 2007, which increases the applicable percentage used to calculate the Household and Dependent Care Services Tax Credit and extends the enhanced credit under Act 163 (2023) through June 30, 2030. This bill is essential to making child and dependent care more affordable, at a time when this kind of care has become too expensive for Hawai‘i’s parents and caregivers to manage.

Act 163 raised the maximum expenses that families can claim for the Household and Dependent Care Services Tax Credit, but it did not increase the percentage of reimbursement that could be claimed for those expenses. As a result, the credit currently delivers less relief than the Legislature intended—about \$9.5 million instead of the stated goal of \$47 million.

HB 2007 fixes this by raising the applicable percentage to fifty percent of eligible expenses and phasing it down gradually by income, ensuring that low- and moderate-income families receive the greatest benefit while still providing meaningful assistance to middle-income households. The bill also sets a more generous income threshold of \$150,000 and indexes it to inflation using Hawai‘i’s cost-of-living adjustment. This prevents the value of the credit from automatically decreasing over time.

By strengthening this tax credit, HB 2007 helps parents remain in the workforce, supports caregivers of older adults and people with disabilities, and provides an added measure of stability for the care sector through 2030. For these reasons, Hawai‘i Appleseed urges you to pass HB 2007.

Mahalo for your time.

**HB-2007-HD-2**

Submitted on: 2/28/2026 10:53:03 AM

Testimony for FIN on 3/3/2026 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Larry Smith	Individual	Support	Written Testimony Only

Comments:

Aloha,

Please support this Bill. Endorsed by the Kupuna Caucus of the DPH.

Larry Smith

Chair, Kupuna Caucus, DPH

Member, Indivisible

**HB-2007-HD-2**

Submitted on: 2/28/2026 3:05:28 PM

Testimony for FIN on 3/3/2026 10:00:00 AM

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

Comments:

I strongly support this legislation.

David Ball

Waiialae-Kahala

**HB-2007-HD-2**

Submitted on: 2/28/2026 4:44:57 PM

Testimony for FIN on 3/3/2026 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Aisley Dela Rosa	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,

Aisley Dela Rosa

**HB-2007-HD-2**

Submitted on: 2/28/2026 7:47:07 PM

Testimony for FIN on 3/3/2026 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
tia pearson	Individual	Support	Written Testimony Only

Comments:

With preschool costs exceeding \$13,000 per year in Hawai'i, families need meaningful support.

Kids being able to go to pre-k helps them to acclamate before kindergarten and also to spot any pukas in their learning process. This may help them to not fall so far behind.

**HB-2007-HD-2**

Submitted on: 2/28/2026 8:08:45 PM

Testimony for FIN on 3/3/2026 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
John Bickel	Individual	Support	Written Testimony Only

Comments:

As a teacher, I know families are in need. This should give some help.

**HB-2007-HD-2**

Submitted on: 3/1/2026 6:47:53 AM

Testimony for FIN on 3/3/2026 10:00:00 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-2**

Submitted on: 3/1/2026 9:20:28 AM

Testimony for FIN on 3/3/2026 10:00:00 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-2**

Submitted on: 3/1/2026 9:26:43 AM

Testimony for FIN on 3/3/2026 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jessie L Gonsalves	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.

*Children need to be able to go to school so this is an extremely important bill for working families!*

Please do the right thing for our working families.

Mahalo,

Jessie Gonsalves

**HB-2007-HD-2**

Submitted on: 3/1/2026 11:05:10 AM

Testimony for FIN on 3/3/2026 10:00:00 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

HB2007 HD2

**HB-2007-HD-2**

Submitted on: 3/1/2026 12:32:22 PM

Testimony for FIN on 3/3/2026 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jesika H.	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,

Jesika Hernandez

**HB-2007-HD-2**

Submitted on: 3/1/2026 1:40:53 PM

Testimony for FIN on 3/3/2026 10:00:00 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 HD2 because I believe it will help families in Hawai'i, which I believe is very important. Mahalo for your consideration.

COMMITTEE ON FINANCE  
Rep. Chris Todd, Chair  
Rep. Jenna Takenouchi, Vice Chair

HEARING:

Tuesday, March 3, 2026 at 10:00 am  
Conference Room 308 and Via Videoconference

TESTIMONY IN SUPPORT - HB 2007, HD2, RELATING TO HOUSEHOLD AND DEPENDENT CARE SERVICES TAX CREDIT.

Aloha Chair Todd, Vice Chair Takenouchi, Rep. Miyake for my district, Rep. Yamashita of Maui, 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, HD2**, 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, HD2.**

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

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

**HB-2007-HD-2**

Submitted on: 3/2/2026 5:49:18 AM

Testimony for FIN on 3/3/2026 10:00:00 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, Vice Chairs and Committee Members

I am in strong support of this bill because child care costs in Hawaii are extremely high. This bill would provide meaningful relief to working families and help make care more affordable.

For. Allowing me to share my support in this bill BB 2007

Mahalo nui loa

Leilani

**HB-2007-HD-2**

Submitted on: 3/2/2026 8:22:40 AM

Testimony for FIN on 3/3/2026 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Christian Marquez	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,

Christian Marquez

**HB-2007-HD-2**

Submitted on: 3/2/2026 8:31:24 AM

Testimony for FIN on 3/3/2026 10:00:00 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-2**

Submitted on: 3/2/2026 8:55:34 AM

Testimony for FIN on 3/3/2026 10:00:00 AM

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

Comments:

Aloha Chair and Committee Members,

I am writing in strong support of HB2007, which would strengthen Hawai‘i’s Child and Dependent Care Tax Credit (CDCTC). This measure is deeply needed because child care costs in Hawai‘i are among the highest in the nation, placing immense financial pressure on working families.

Across the state, the average annual cost of infant care is approximately \$24,115, or about \$2,010 per month, while care for a four-year-old averages \$13,992 per year. In Honolulu, infant care can cost as much as \$3,045 per month, which is *higher than the average rent for a one-bedroom apartment*—a stark illustration of the affordability crisis families face.

[\[westhawaiiitoday.com\]](http://westhawaiiitoday.com)

These costs regularly consume 40% or more of a typical household’s monthly income, far exceeding the federal affordability benchmark of 7% of household income. Even nationally, nearly 70% of working parents would exceed this affordability threshold, and in Hawai‘i the problem is even more acute. [\[westhawaiiitoday.com\]](http://westhawaiiitoday.com), [\[diversityd...takids.org\]](http://diversityd...takids.org)

The Legislature itself has acknowledged that full-time child care in Hawai‘i commonly exceeds \$13,000 per year, forcing parents to reduce work hours or leave the workforce entirely—undermining family economic stability and Hawai‘i’s labor force. [\[HB2007 - d...hawaii.gov\]](http://HB2007 - d...hawaii.gov)

Strengthening the Child and Dependent Care Tax Credit would help align tax relief with Hawaii’s real cost of living. Under current law, families are too often unable to access the full benefit of the credit because the percentage of expenses they can claim is capped too low. HB2007 directly addresses this gap by increasing the applicable percentage of expenses and ensuring the credit better reflects Hawai‘i’s high cost of care. This aligns with what advocates and researchers have identified as a necessary correction so that families can receive meaningful support. [\[speaks.haw...ii-can.org\]](http://speaks.haw...ii-can.org)

This bill is a practical, data-supported way to help working families stay employed, afford safe and stable child care, and remain in Hawai‘i.

*[Add your own story here to personalize your testimony—e.g., how child care costs have affected your work, family budget, or ability to remain in the state.]*

Please do the right thing for Hawai'i's families and support HB2007.

Mahalo.

Aloha 'āina,

J. Kēhau Lucas

**HB-2007-HD-2**

Submitted on: 3/2/2026 4:39:34 PM

Testimony for FIN on 3/3/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jane Aquino	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 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.**

With the drastic UGLY BILL cuts to health care and medicare, we must step up to help Hawaii citizens survive.

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

**Family Caregiver: 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.**

**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 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.**

**Thank you, Jane Aquino, INdivisible Hawaii**

**HB-2007-HD-2**

Submitted on: 3/3/2026 9:23:46 AM

Testimony for FIN on 3/3/2026 10:00:00 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-2**

Submitted on: 3/3/2026 8:41:30 PM

Testimony for FIN on 3/3/2026 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
ANDREW ISODA	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,

*Andrew Isoda*  
*Lahaina, Mau'i*