



EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

Senate Committee on Ways and Means

Thursday, March 05, 2026

12:00 p.m.

State Capitol, Conference Room 211 and Videoconference

Senate Bill No. 3125, Proposed SD1, Relating to Income Tax

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Senate Committee on Ways and Means:

The Office of the Governor supports the intent of S.B. No. 3125, Proposed SD1, Relating to Income Tax, and provides **comments**. This bill repeals certain future changes to the standard deduction and income tax brackets under Act 46, SLH 2024; changes the child and dependent care tax credit applicable percentage; and extends the sunset of Act 163 amendments to the earned income tax credit and food/excise tax credit; and repeals the following tax credits: Renewable Energy Technologies Tax Credit, Capital Goods Excise Tax Credit, High Technology Business Investment Tax Credit, Renewable Fuels Production Tax Credit, Technology Infrastructure Renovation Tax Credit, Ship Repair Industry Tax Credit, and Tax Credit for Research Activities.

As proposed in SD1, the Office of the Governor has concerns that the bill does not provide sufficient revenue to offset recent federal government actions that have reduced the State's revenue outlook by nearly **\$3 billion**. The original bill proposed by the administration would preserve approximately **\$1.8 billion** in general fund revenues by the end of fiscal year 2031, an amount needed to balance the State's six-year financial plan. The Proposed SD1 does not achieve this level of revenue preservation.

Importantly, the administration's original proposal maintains a historic level of tax relief already in effect for all residents. Current tax relief provided under Act 46 would continue across all income levels, returning **\$1.5 billion** to Hawai'i families this year and **\$5.4 billion** over the next five years.

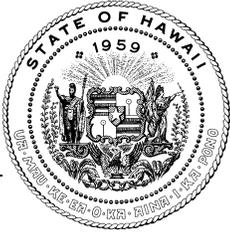
Additionally, the original proposal directs approximately **\$600 million** to extend and strengthen targeted tax credits for those who need them most. Specifically, it extends through 2032 the Act 163 amendments that doubled the earned income tax credit and the food/excise tax credit, which are otherwise set to expire in 2027. The bill also triples the child and

Testimony of the Office of the Governor
S.B. No. 3125, Proposed SD1
March 05, 2026
Page 2

dependent care tax credit, allowing families to claim up to 50 percent of eligible child care expenses, compared to the current 15 percent. For many families, this level of support can be the deciding factor between staying home and being able to return to work.

The Office of the Governor believes the revenue recapture of the original bill proposed is necessary to preserve public resources needed to support essential services such as SNAP and health care. Taking a measured approach will help protect the State's long-term fiscal sustainability while continuing to support Hawai'i's families during a period of economic uncertainty.

Mahalo for the opportunity to provide testimony on this measure.



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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Testimony of
MARK B. GLICK, Chief Energy Officer

before the
SENATE COMMITTEE ON WAYS AND MEANS

Thursday, March 5, 2026
12:00 PM
State Capitol, Conference Room 211 and Videoconference

Providing Comments on
SB 3125, SD1

RELATING TO INCOME TAX.

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee, the Hawai'i State Energy Office (HSEO) is providing comments on SB 3125, SD1, Part II, which beginning January 1, 2029, repeals the following tax credits: Renewable Energy Technologies Tax Credit, Capital Goods Excise Tax Credit, High Technology Business Investment Tax Credit, Renewable Fuels Production Tax Credit, Technology Infrastructure Renovation Tax Credit, Ship Repair Industry Tax Credit, and Tax Credit for Research Activities.

HSEO takes no position on Part I of the bill, which reflects the original language of SB 3125. However, HSEO has concerns with Part II's broad, blanket repeal of several tax credits, including incentives that support renewable energy deployment, clean fuel production, and innovation. These incentives have played an important role in supporting investment in renewable energy systems, advancing local energy industries, reducing energy costs, and helping the State progress toward its statutory clean energy goals.

The blanket repeal risks creating uncertainty for long-term investments that are essential to achieving the State's clean energy and climate goals. Programs such as the Renewable Energy Income Tax Credit (REITC) as established under Hawai'i Revised

Statutes (HRS) §235-12.5 and the Renewable Fuels Production Tax Credit (RFPTC) as established under HRS §235-110.32 are important finance mechanisms critical to achieve Hawai'i's clean energy goals and are specifically designed to support capital-intensive projects with long development timelines, extended permitting processes, and multi-year financing horizons. Blanket repeal can undermine project finance, increase investment risk, and deter private capital, even where the underlying policy objectives remain valid.

The REITC plays a critical role in accelerating the deployment of renewable energy technologies across the residential, commercial, and utility-scale sectors. Abrupt repeal of this incentive could create boom-and-bust cycles, disrupt local installation and construction workforces, and complicate coordination with federal incentives and utility planning processes. Furthermore, with the rollback or repeal of certain federal incentives, now is not the time to eliminate complementary state policies that help maintain investment certainty and project viability. The continued development of renewable energy technologies remains one of the most effective mechanisms available to reduce Hawai'i's reliance on imported, highly volatile liquid fossil fuels. Expanding renewable energy deployment helps stabilize electricity costs over time, insulate consumers from global fuel price volatility, and ultimately lower energy costs for households and businesses across the State.

In the case of the RFPTC, investors and producers rely on predictable policy signals to justify investments in local renewable fuel production, which supports energy security, emissions reductions, and waste diversion. A mandatory sunset that is disconnected from market readiness, feedstock availability, or infrastructure development could prematurely constrain a nascent industry before it reaches commercial viability.

HSEO believes a more methodical approach is necessary—one that evaluates tax credits based on performance, cost-effectiveness, administrative burden, and alignment with statutory energy and climate targets. Rather than imposing a blanket repeal, the Legislature could consider credit-specific reviews, data-driven evaluation metrics, and tailored modifications that reflect market conditions, cost constraints, and policy outcomes.

Such an approach would preserve legislative oversight and fiscal discipline while avoiding unintended consequences that could slow progress toward Hawai'i's clean energy transition. For these reasons, HSEO respectfully urges reconsideration of the Part II's blanket repeal in favor of a more targeted and strategic review process.

Thank you for the opportunity to testify.

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



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

TESTIMONY ON THE FOLLOWING MEASURE:

S.B. No. 3125, Proposed S.D. 1, Relating to Income Tax

BEFORE THE:

Senate Committee on Ways and Means

DATE: Thursday, March 5, 2026
TIME: 12:00 p.m.
LOCATION: State Capitol, Room 211

Chair Dela Cruz, Vice-Chair Moriwaki, and Members of the Committee:

The Department of Taxation (DOTAX) offers the following comments on S.B. 3125, Proposed S.D. 1, for your consideration.

S.B. 3125, Proposed S.D. 1, makes amendments to the income tax brackets and various tax credit provisions in chapter 235, Hawaii Revised Statutes (HRS).

Section 1 of the bill amends the income tax brackets as follows:

1. Beginning in tax year 2027, the top five income tax brackets (7.9 percent, 8.25 percent, 9 percent, 10 percent, and 11 percent) are eliminated. As a result, the highest tax bracket will apply at the rate of 7.6 percent to income over \$250,000 but not over \$350,000 (joint), income over \$187,500 but not over \$262,500 (head of household), and income over \$125,000 but not over \$175,000 (single or married filing separate).

2. Beginning in tax year 2029, the top income tax bracket of 7.6 percent is eliminated. As a result, the highest tax bracket will apply at the rate of 7.2 percent to income over \$250,000 but not over \$350,000 (joint), income over \$187,500 but not over \$262,500 (head of household), and income over \$125,000 but not over \$175,000 (single or married filing separate).

Section 2 of the bill amends the child and dependent care credit in section 235-55.6, HRS, by replacing the applicable percentage of employment-related expenses that may be claimed with unspecified amounts. Section 235-55.6, HRS, is also amended by disallowing the credit in future years if there is an administrative or judicial decision that the taxpayer's claim for the credit was fraudulent or disallowed and by defining "adjusted gross income" to mean federal adjusted gross income.

Section 3 of the bill extends the sunset date for Act 163, Session Laws of Hawaii (SLH) 2023, from December 31, 2027, to an unspecified date. Act 163, SLH 2023 amended the child and dependent care credit, the earned income tax credit, and the food/excise tax credit as follows: (1) increased the maximum employment-related expenses that may be used to claim the child and dependent care credit from \$2,400 to \$10,000 for one qualifying individual and from \$4,800 to \$20,000 for two or more qualifying individuals; (2) increased the earned income tax credit from 20 percent to 40 percent of the federal earned income tax credit; and (3) doubled the amount of the food/excise tax credit and increased the AGI limits by \$10,000 in all income brackets.

Part II, sections 4 through 10, of the bill repeals the following tax credits:

1. Renewable energy technologies income tax credit (HRS § 235-12.5);
2. Capital goods excise tax credit (HRS § 235-110.7);
3. High technology business investment tax credit (HRS § 235-110.9);
4. Renewable fuels production tax credit (HRS § 235-110.32);
5. Technology infrastructure renovation tax credit (HRS § 235-110.51);
6. Ship repair industry tax credit (HRS § 235-110.65); and
7. Tax credit for research activities (HRS § 235-110.91).

The bill has a defective effective date of July 1, 2050, provided that section 2 shall apply to taxable years beginning after December 31, 2026, and part II shall take effect on January 1, 2029.

DOTAX supports the Administration's proposal to ensure the fiscal sustainability of the State through amendments to the income tax laws. DOTAX notes, however, that the proposed S.D. 1 appears to eliminate income tax for joint filers with income over \$350,000, head of household filers with income over \$262,500, and single and married filing separate filers with income over \$175,000.

If the intent of the bill is to freeze future income tax cuts for the highest tax brackets, as opposed to eliminating the highest tax brackets, DOTAX recommends the following edits:

1. Amend the tax brackets for joint filers for taxable years beginning after December 31, 2026 by adding the following language on page 5 after line 8:

<u>Over \$350,000 but</u>	<u>\$23,094 plus 8.25% of</u>
<u>not over \$450,000</u>	<u>excess over \$350,000</u>
<u>Over \$450,000 but</u>	<u>\$31,344 plus 9.00% of</u>
<u>not over \$550,000</u>	<u>excess over \$450,000</u>
<u>Over \$550,000 but</u>	<u>\$40,344 plus 10.00% of</u>
<u>not over \$650,000</u>	<u>excess over \$550,000</u>
<u>Over \$650,000</u>	<u>\$50,344 plus 11.00% of</u>
	<u>excess over \$650,000</u>

2. Amend the tax brackets for joint filers for taxable years beginning after December 31, 2028 by adding the following language on page 6 after line 13:

<u>Over \$350,000 but</u>	<u>\$21,373 plus 8.25% of</u>
<u>not over \$450,000</u>	<u>excess over \$350,000</u>
<u>Over \$450,000 but</u>	<u>\$29,623 plus 9.00% of</u>
<u>not over \$550,000</u>	<u>excess over \$450,000</u>
<u>Over \$550,000 but</u>	<u>\$38,623 plus 10.00% of</u>
<u>not over \$650,000</u>	<u>excess over \$550,000</u>
<u>Over \$650,000</u>	<u>\$48,623 plus 11.00% of</u>
	<u>excess over \$650,000</u>

3. Amend the tax brackets for head of household filers for taxable years beginning after December 31, 2026 by adding the following language on page 10 after line 10:

<u>Over \$262,500 but</u>	<u>\$17,321 plus 8.25% of</u>
<u>not over \$337,500</u>	<u>excess over \$262,500</u>
<u>Over \$337,500 but</u>	<u>\$23,508 plus 9.00% of</u>
<u>not over \$412,500</u>	<u>excess over \$337,500</u>
<u>Over \$412,500 but</u>	<u>\$30,258 plus 10.00% of</u>
<u>not over \$487,500</u>	<u>excess over \$412,500</u>
<u>Over \$487,500</u>	<u>\$37,758 plus 11.00% of</u>
	<u>excess over \$487,500</u>

4. Amend the tax brackets for head of household filers for taxable years beginning after December 31, 2028 by adding the following language on page 11 after line 15:

<u>Over \$262,500 but</u>	<u>\$16,030 plus 8.25% of</u>
<u>not over \$337,500</u>	<u>excess over \$262,500</u>
<u>Over \$337,500 but</u>	<u>\$22,217 plus 9.00% of</u>
<u>not over \$412,500</u>	<u>excess over \$337,500</u>
<u>Over \$412,500 but</u>	<u>\$28,967 plus 10.00% of</u>
<u>not over \$487,500</u>	<u>excess over \$412,500</u>
<u>Over \$487,500</u>	<u>\$36,467 plus 11.00% of</u>
	<u>excess over \$487,500</u>

5. Amend the tax brackets for single and married filing separate filers for taxable years beginning after December 31, 2026 by adding the following language on page 15 after line 15:

<u>Over \$175,000 but</u>	<u>\$11,547 plus 8.25% of</u>
<u>not over \$225,000</u>	<u>excess over \$175,000</u>
<u>Over \$225,000 but</u>	<u>\$15,672 plus 9.00% of</u>
<u>not over \$275,000</u>	<u>excess over \$225,000</u>
<u>Over \$275,000 but</u>	<u>\$20,172 plus 10.00% of</u>
<u>not over \$325,000</u>	<u>excess over \$275,000</u>
<u>Over \$325,000</u>	<u>\$25,172 plus 11.00% of</u>
	<u>excess over \$325,000</u>

6. Amend the tax brackets for single and married filing separate filers for taxable years beginning after December 31, 2028 by adding the following language after page 16, line 20:

<u>Over \$175,000 but</u>	<u>\$10,686 plus 8.25% of</u>
<u>not over \$225,000</u>	<u>excess over \$175,000</u>
<u>Over \$225,000 but</u>	<u>\$14,811 plus 9.00% of</u>
<u>not over \$275,000</u>	<u>excess over \$225,000</u>
<u>Over \$275,000 but</u>	<u>\$19,311 plus 10.00% of</u>
<u>not over \$325,000</u>	<u>excess over \$275,000</u>
<u>Over \$325,000</u>	<u>\$24,311 plus 11.00% of</u>
	<u>excess over \$325,000</u>

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

JOSH GREEN, M.D.
GOVERNOR

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LT GOVERNOR



Hawaii Green Infrastructure Authority

An Agency of the State of Hawaii

JAMES KUNANE TOKIOKA
CHAIR

GWEN S YAMAMOTO LAU
EXECUTIVE DIRECTOR

LATE

Testimony of
Gwen Yamamoto Lau
Executive Director
Hawai'i Green Infrastructure Authority
before the
SENATE COMMITTEE ON WAYS AND MEANS
Thursday, March 5, 2026, 12:00 PM
State Capitol, Conference Room 211
in consideration of
Senate Bill No. 3125, Proposed SD1
RELATING TO INCOME TAX

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

Thank you for the opportunity to testify on SB3125, Proposed SD1, relating to income tax. The Hawai'i Green Infrastructure Authority (HGIA) respectfully offers comments on Part II, which proposes to repeal certain tax credits.

HGIA takes no position on Part I of the bill, which reflects the original language of SB3125. Our testimony focuses on the repeal of Section 235-12.5, Hawaii Revised Statutes - the renewable energy technologies income tax credit (RETITC), which allows system owners to claim credits in an amount equal to the lower of thirty-five percent of system cost or \$5,000 for installing a solar energy system, including rooftop solar. This bill would repeal this tax credit beginning January 1, 2029.

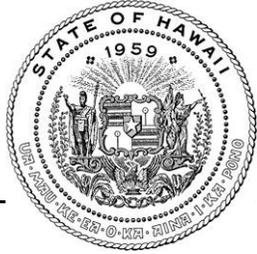
HGIA is concerned that this measure will hinder solar investment for Hawaii's most vulnerable households facing the highest electricity costs in the nation.¹ Lower income households have historically been unable to access savings through rooftop solar as many of these households do not have sufficient tax liabilities. Rooftop solar leases, in which third-party investors own the systems and sell energy at a below-utility rates have been instrumental in enabling lower income households to access solar, as it removes upfront costs and ongoing maintenance costs. Coupled with HGIA's GEM\$ financing, which

¹ https://files.hawaii.gov/dbedt/economic/data_reports/reports-studies/Electricity_Burdens_on_Hawaii%E2%80%99i_Households_Jan_2025.pdf

requires a minimum estimated 20% electric utility bill savings, results in a win for our underserved ratepayers.

HGIA anticipates that at least 90 percent of GEM\$ applications received over the next year will be for third-party owned systems for low- and moderate-income or ALICE households. The RETITC has enabled Hawaii's nation-leading expansion of solar energy to underserved ratepayers. Losing the RETITC as an incentive for private investment would result in a significant loss of investments for this population.

Thank you for this opportunity to provide comments and testify on SB3125, Proposed SD1.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKĀ'I

LATE

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Statement of
GEORJA SKINNER
Administrator, Creative Industries Division
Department of Business, Economic Development, and Tourism
before the
SENATE COMMITTEE ON WAYS AND MEANS

Thursday, March 5, 2026
12:00 PM
State Capitol, Conference Room 211

In consideration of
SB3125
RELATING TO INCOME TAX.

Chair Dela Cruz, Vice Chair Moriwaki, and members of the Committee. The Creative Industries Division (CID) of the Department of Business, Economic Development and Tourism (DBEDT) offers comments on SB3125 and its proposed SD1. While the measure proposes several tax policy changes, DBEDT is particularly concerned with Part II, which proposes to repeal several tax credits beginning January 1, 2029, including the Tax Credit for Research Activities (R&D Tax Credit).

The R&D Tax Credit is an important tool that encourages private-sector investment in innovation and technology development in Hawaii. By supporting research and development activities, the credit helps diversify the state's economy, strengthen the innovation sector, and create high-skilled, high-wage jobs.

From 2022 through 2024, companies claiming the credit reported significant research investment in Hawaii. In 2022, 27 filers reported \$53.6 million in qualified R&D expenditures. In 2023, 32 filers reported \$63.5 million in spending. In 2024, 23 filers reported \$43.3 million in R&D investment. The program also operates under a \$5 million

annual cap, and in 2024 approximately \$2.4 million of that cap remained unclaimed, demonstrating that the credit remains fiscally controlled.

The credit also supports employment in the state's innovation economy. Participating firms reported 1,008 total jobs in 2022, increasing to 1,104 in 2023, and 879 in 2024. Within research and development occupations specifically, employment totaled 628 positions in 2022 and 397 positions in 2024.

Repealing the R&D Tax Credit would weaken Hawaii's ability to compete with other states that actively offer incentives to support research, innovation, and technology-based industries. Without this incentive, companies may reduce or relocate research investments, resulting in fewer high-skilled jobs and slowing the state's progress toward economic diversification.

For these reasons, DBEDT believes the repeal of the Research Activities Tax Credit could have negative impacts on Hawaii's innovation ecosystem and long-term economic growth.

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



March 5, 2026

**TESTIMONY ON SB 3125 Proposed SD1
RELATING TO INCOME TAX**

Senate Committee on Ways and Means
Senator Donovan M. Dela Cruz, Chair
Senator Sharon Y. Moriwaki, Vice Chair

Thursday, March 5, 2026 at 12:00 p.m.
State Capitol, Conference Room 211

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Committee,

My name is Eric Wright and I serve as President of Par Hawaii. Par Hawaii is the largest local supplier of fuels, including various grades of utility fuels, as well as diesel, jet fuel, gasoline and propane.

Par Hawaii respectfully **opposes Section 7** of SB 3125 Proposed SD1 which repeals §235-110.32, the renewable fuels production tax credit.

Par Hawaii, together with a coalition of local organizations and businesses, forms the Hawaii Renewable Fuels Coalition, which actively promotes the production of renewable fuels, including renewable diesel (RD) and sustainable aviation fuel (SAF), in Hawaii. This initiative is critical for the state, supporting Hawai'i's clean energy and decarbonization law, which have been set by the legislature, by addressing transportation and utility emissions. Repealing §235-110.32 would move the state in the opposite direction of its clean energy and decarbonization commitments.

Evidenced over the past 18 years since the Hawaii Clean Energy Initiative launched in 2008, most of our focus as a state has been on reducing lifecycle Greenhouse Gas (GHG) emission for the utility sector. Yet, there is much work still to be done. Transportation emissions account for over 50% of Hawaii's GHG emissions. Using "drop-in" renewable fuels that do not require retrofits to existing combustible energy engines for ground, marine and air transportation can accelerate decarbonization of multiple industry sectors and reduce independence on fossil fuels.

These liquid renewable fuels are critical to meeting Hawai'i's clean energy goals. This was a key finding in the recent Act 238 Hawaii Decarbonization Pathway Study which calls for RD and SAF to be a significant part of Hawai'i's fuel supply beginning later this decade.

The good news is that Par Hawaii is already investing over \$100M into its renewable fuel's infrastructure. In the coming months, Par Hawaii will begin to produce over 60,000,000 gallons of renewable fuels for our customers to reach their decarbonization goals. Hawaii companies are also stepping up to meet the need for these carbon reducing fuels. However, the cost to produce these fuels is significantly higher than the cost of imported crude oil, and financial incentives are required to initiate and sustain the production of these renewable fuels. These state tax incentives are essential to



accelerating the transition for utilities, air, ground, and marine transportation into renewable industry development and market adoption.

Mahalo for allowing Par Hawaii to share our concerns and request that Section 7 be retained.

March 5, 2026, 12 p.m.
Hawaii State Capitol
Conference Room 211 and Videoconference

To: House Committee on Ways and Means
Sen. Donovan M. Dela Cruz, Chair
Sen. Sharon Y. Moriwaki, Vice Chair

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

RE: TESTIMONY IN OPPOSITION TO SB3125 PROPOSED SD1 — RELATING TO INCOME TAX

Aloha chair, vice chair and other committee members,

The Grassroot Institute of Hawaii **opposes** section 1 of the proposed SD1 for [SB3125](#), which would repeal all planned adjustments to individual income tax brackets over \$350,000 for joint filers, over \$262,500 for head of household and over \$175,000 for single filers starting Jan. 1, 2027.

Essentially, this section of the bill would significantly narrow the applicability of the historic income tax cuts the Legislature unanimously approved in 2024. While this is better than eliminating them completely, such a change fails to recognize the importance of cutting taxes for all income levels.

Hawaii's high marginal income tax rate for upper brackets contributes to the high cost of living and the difficulty in attracting or keeping professionals – like doctors – in Hawaii.

It is also not exclusively “rich households” that will be affected by this bill. A \$262,500 household income can easily consist of a working parent with multiple dependents. In a high-cost place like Honolulu, it can represent a middle-class family, especially as inflation affects wages over the next five years. To ignore these families in offering tax relief sends a damaging message about the state's priorities and will encourage more professionals and business owners to relocate to the mainland.

Being in a higher tax bracket does not nullify the effects of Hawaii's cost of living — which is often cited as the primary factor for moving away, regardless of income level. Grocery prices in Hawaii are the highest in the United States,¹ and

¹ Dorothy Neufeld, “[Mapped: Average Weekly Grocery Bill Cost, by U.S. State](#),” Visual Capitalist, Jan. 14, 2026.

Hawaii's average rents are the second-highest nationwide.² Additionally, Hawaii's per-kilowatt-hour electricity costs are routinely two to three times the national average.³

Tax relief is the most direct way the state can provide assistance to Hawaii families of all income levels. The state can and should take action to reduce regulations that increase the price of food, housing and electricity, but Hawaii taxpayers already face the fourth-highest per capita state and local tax burden in the country.⁴

Stopping the tax cuts for these brackets could also stunt business growth and job creation. A recent University of Hawai'i Economic Research Organization report pointed out that Hawaii is not only expensive — the state also lags behind other areas of the country in terms of wage growth and productivity.⁵

Taking away this tax relief could harm Hawaii's efforts to improve in those areas.

For entrepreneurs who pay taxes at the individual level — using a limited liability corporation, an S-corporation or another pass-through entity — a higher income tax would reduce the amount of money they have available to invest in new business equipment or expand the number of workers they employ.

And Hawaii's tax competitiveness score is already low: The state ranks 41 out of all 50 states and the District of Columbia, according to the Tax Foundation.⁶

Finally, the Legislature should not underestimate the public impact of renegeing on a promised tax cut. Long-term tax reforms are effective because they are predictable and phased-in over time. Changing them halfway through undermines public trust and creates uncertainty. It also makes future reforms more difficult to pass.

Instead of harming families and businesses, the Legislature should eliminate wasteful or duplicative budget items without eliminating vital services. Grassroot has already publicized a list of ways in which this could be accomplished.⁷

Attached is a document outlining ten specific budget cuts that could be made as an alternative to pausing the planned cuts. I hope this information provides the committee with concrete options to achieve fiscal responsibility without halting these important tax cuts.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

² Jonathan Jones, "[U.S. Cities With the Highest Rent Prices](#)," Construction Coverage, Jan. 31, 2026.

³ "[Table 5.6.A. Average Price of Electricity to Ultimate Customers by End-Use Sector](#)," U.S. Energy Information Administration, data for December 2025 and December 2024.

⁴ Joseph Johns, "[State and Local Tax Collections Per Capita by State, 2025](#)," Tax Foundation, May 13, 2025.

⁵ Steven Bond-Smith and Erich Schwartz, "[Beyond the price of paradise: Is Hawai'i being left behind?](#)" University of Hawai'i Economic Research Organization, Feb. 1, 2026.

⁶ Janelle Fritts, Jared Walczak and Abir Mandal et al., "[2026 State Tax Competitiveness Index](#)," Tax Foundation, Oct. 30, 2025.

⁷ Jonathan Helton and Joe Kent, "[With lawmaker will, there are ways to implement tax cuts](#)," Honolulu Star-Advertiser, Feb. 26, 2026.

Ten ways to free up resources

How to close the \$246M gap without raising taxes

Revenue from tax cut “pause”

\$246M in FY 2028

Revenue from potential savings

\$1.4B+ in FY 2028

- \$500M+** ••••• Repurpose all idle special funds
- \$380M** ••••• Remove all vacant state positions
\$190M for low priority positions, \$30M for positions vacant for 4+ years
- \$120M** ••••• Return state budget to 2019 level
Set budget equal to 2019 dollars, adjusted for inflation
- \$115M+** •••• Disband special funds flagged by auditor
- \$89M** ••••• Impose a 14% budget restriction
Governor directs departments to restrict spending, currently set at 10%
- \$81M** ••••• Sell the Hawaii Convention Center
\$81M total, \$21M in special funds, \$60M in unsold GO bonds
- \$66M** ••••• Defund the Hawaii Tourism Authority
- \$49.5M** ••• Withdraw DBEDT funds for Aloha Stadium
- \$11M** ••••• Defer technology systems upgrades
FAMIS, State Archive RFID chips
- \$10M** ••• Revert budget of DHRD to pre-2023 spike

\$1.4B+ Potential savings

808-864-1776 **GRASSROOT**
info@grassrootinstitute.org **INSTITUTE OF HAWAII**

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.

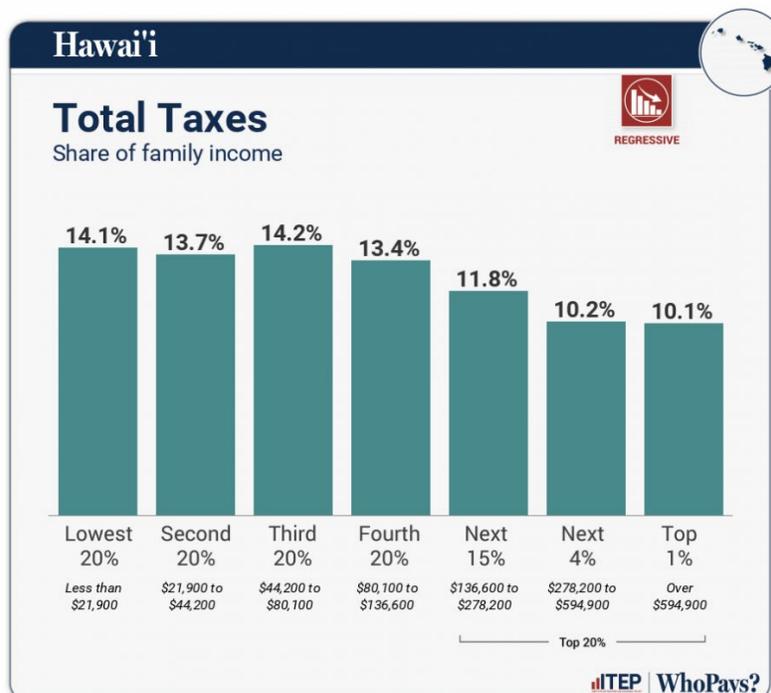
To: Senate Committee on Ways and Means
 Re: **SB3125 SD1 PROPOSED – Relating to Income Tax**
 Hawai'i State Capitol & Via Videoconference
 March 5, 2026, 10:15 AM

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Committee Members,

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in **OPPOSITION to SB3125 SD1 PROPOSED**. This bill:

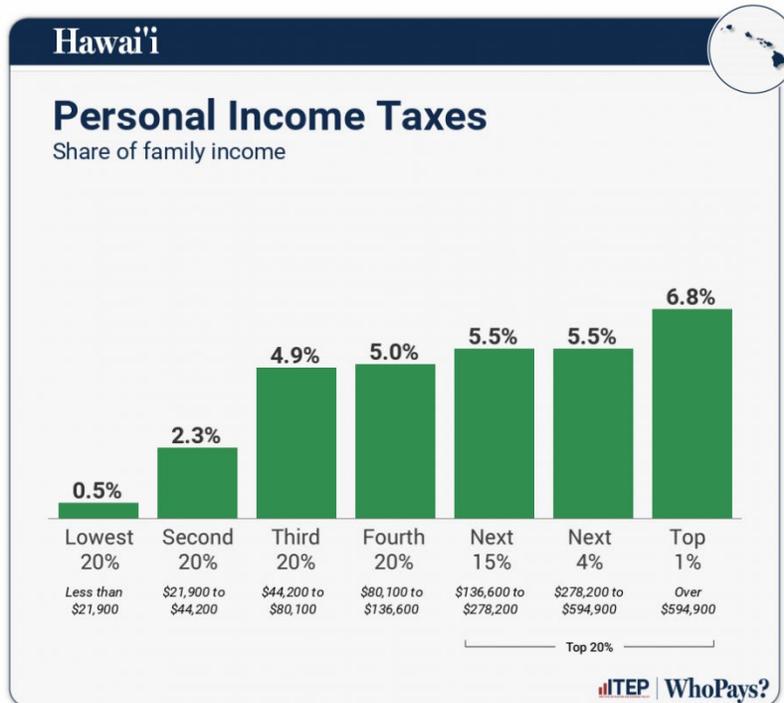
- Repeals the top personal income tax brackets for married couples making over \$350,000 per year, heads of households making over \$262,500, and single people making over \$175,000 per year;
- Adjusts the applicable percentage of the employment-related expenses for which the child and dependent care tax credit may be claimed to unspecified levels; and
- Extends to an unspecified date the sunset for amendments made to the child and dependent care tax credit, earned income tax credit, and food/excise tax credit.

Hawai'i's current state and local tax system is **regressive**, meaning that those with the lowest incomes pay a higher share of their income in taxes than the wealthiest households. According to the Institute on Taxation and Economic Policy (ITEP), Hawai'i's **lowest-income 20% of families pay about 14% of their income in state and local taxes**, while the **top 1% pay only about 10%**. See the chart below:¹



¹ <https://itep.org/hawaii-who-pays-7th-edition/>

The only part of our state and local tax system that is progressive – meaning that the wealthiest pay a higher portion of their income than those at the bottom of the income scale – is our state's personal income tax. See the chart below:



Section 1 of the bill would **REDUCE income tax rates for those at the top**, while providing **NO** income tax relief to low-income, ALICE, or median-income working families. Those in **the TOP 1% would get the BIGGEST tax breaks**. See table below:

	Married Couple	Head of Household	Single Person	Tax Break
Over	\$ 950,000	\$ 712,500	\$ 475,000	3.8 pp
Over	\$ 800,000	\$ 600,000	\$ 400,000	2.8 pp
Over	\$ 650,000	\$ 487,500	\$ 325,000	1.8 pp
Over	\$ 550,000	\$ 412,500	\$ 275,000	1.1 pp
Over	\$ 450,000	\$ 337,500	\$ 225,000	0.7 pp
Over	\$ 350,000	\$ 262,500	\$ 175,000	0.4 pp
Less Than	\$ 350,000	\$ 262,500	\$ 175,000	0 pp

This bill would worsen our state's affordability crisis and budget pressures by reducing revenues coming from those can most afford to pay. That's the opposite of what our working families need now.

Please defer this bill or revert it to its original version.

Sincerely,
 Nicole Woo, Director of Research and Economic Policy



Testimony of
ALASKA AIRLINES and HAWAIIAN AIRLINES

Before the Senate Committee on
Ways and Means

Thursday, March 5, 2026
12:00 P.M.
Hawai'i State Capitol, Room 211

In consideration of
SENATE BILL 3125, S.D.1
RELATING TO INCOME TAX

The Honorable Donovan Dela Cruz, Chair
The Honorable Sharon Moriwaki, Vice Chair
Members of the Committee on Ways and Means

Re: Testimony in Opposition to S.B. 3125, S.D.1, Relating To Income Tax

Chair Dela Cruz, Vice-Chair Moriwaki and members of the committee,

Alaska Airlines and Hawaiian Airlines respectfully submit testimony in opposition to S.B. 3125 S.D.1, specifically the provision that repeals the Renewable Fuels Production Tax Credit beginning January 1, 2029.

Hawai'i has set ambitious climate and energy goals, including reducing greenhouse gas emissions and transitioning toward cleaner energy sources. Sustainable aviation fuel (SAF) and other renewable fuels will play a central role in achieving those goals, particularly in a state where aviation is essential to mobility, tourism, commerce, and the movement of residents between islands.

The Renewable Fuels Production Tax Credit was designed to help catalyze early investment in renewable fuel production, including fuels that could support aviation decarbonization. Repealing this credit before the market has had sufficient time to develop sends the wrong signal to investors and companies considering Hawai'i as a location for renewable fuel production.

The aviation sector is actively working to reduce emissions, but scaling sustainable aviation fuel remains one of the most significant challenges facing the industry. SAF currently costs significantly more than conventional jet fuel and requires substantial investment in production infrastructure and supply chains. State-level policies that encourage renewable fuel production can help bridge this gap and make Hawai'i a leader in the clean energy transition for aviation. By contrast, repealing the Renewable Fuels Production Tax Credit risks slowing progress just as the industry is beginning to scale solutions.

For Hawai'i in particular, developing a local renewable fuels industry could deliver broader benefits beyond aviation. It could create new economic opportunities, support local agriculture and feedstock development, enhance energy security, and position the state as a hub for Pacific-region clean fuel innovation. Policy certainty is critical to unlocking these opportunities. Removing incentives prematurely undermines the stability needed for long-term investment decisions.

Alaska Airlines and Hawaiian Airlines are committed to partnering with the State of Hawai'i to advance climate solutions and reduce aviation emissions. Maintaining policies that support renewable fuel development is an important part of that partnership.

For these reasons, we respectfully urge the Committee to reconsider the proposed repeal of the Renewable Fuels Production Tax Credit in S.B. 3125 S.D.1.

Mahalo for the opportunity to provide testimony.

TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME, Repeal High Tax Brackets, Add Debarment Provisions to Low Income Credits, Repeal Business Tax Credits

BILL NUMBER: SB 3125 PROPOSED SD1

INTRODUCED BY: WAM

EXECUTIVE SUMMARY: PART I: Repeals certain future adjustments to income tax brackets. Changes the applicable percentage of the employment-related expenses for which the child and dependent care tax credit may be claimed to an unspecified percentage; provides for a disallowance period when there is a final administrative or judicial decision finding that the claim was due to fraud or disallowing the credit; and defines "adjusted gross income" for purposes of the child and dependent care tax credit as adjusted gross income as defined by the Internal Revenue Code of 1986, as amended. Extends the sunset for amendments made by Act 163, SLH 2023 to the child and dependent care tax credit, earned income tax credit, and food/excise tax credit to an unspecified date. PART II: Beginning 1/1/2029, repeals the following tax credits: Renewable Energy Technologies Tax Credit, Capital Goods Excise Tax Credit, High Technology Business Investment Tax Credit, Renewable Fuels Production Tax Credit, Technology Infrastructure Renovation Tax Credit, Ship Repair Industry Tax Credit, and Tax Credit for Research Activities. Effective 7/1/2050. (Proposed SD1)

SYNOPSIS: Amends section 235-51, HRS, by deleting tax brackets in the modifications in the tax rate schedules that are scheduled to take effect in 2027 and 2029:

Filing Status	Beginning Year	Brackets Eliminated
Joint Return / Surviving Spouse	2027	\$350,000+
	2029	\$350,000+
Head of Household	2027	\$262,500+
	2029	\$262,500+
Single / Married Filing Separately	2027	\$175,000+
	2029	\$175,000+

As we read the bill, NO income tax will be imposed upon individuals with taxable income equaling or exceeding the specified thresholds.

Amends section 235-55.6, HRS, to change the applicable percentage for the household and dependent care credit to fifty per cent reduced by one percentage point for each \$3,000, or fraction thereof, by which the taxpayer's adjusted gross income exceeds \$150,000; provided that the applicable percentage shall not be reduced below fifteen per cent.

Also adds a new subsection stating that no credit shall be allowed during the disallowance period, which is two taxable years after the most recent taxable year for which there was a final administrative or judicial decision disallowing the taxpayer's claim for credit, or ten taxable years if the disallowance was due to fraud.

Defines adjusted gross income, for purposes of the credit, as adjusted gross income as defined by the Internal Revenue Code of 1986, as amended.

Repeals section 235-12.5, HRS, relating to the renewable energy technologies credit.

Repeals section 235-110.7, HRS, relating to the capital goods excise tax credit.

Repeals section 235-110.9, HRS, relating to the high technology business investment tax credit.

Repeals section 235-110.32, HRS, relating to the renewable fuels production tax credit.

Repeals section 235-110.51, HRS, relating to the technology infrastructure renovation tax credit.

Repeals section 235-110.65, HRS, relating to the ship repair industry tax credit.

Sunsets section 235-110.91, HRS, relating to the tax credit for research activities, on January 1, 2029.

EFFECTIVE DATE: July 1, 2050. The changes to the household and dependent care credit apply to taxable years starting in 2027 and are repealed in 2033.

STAFF COMMENTS: This started off as an Administration bill sponsored by the Office of the Governor and designated GOV-06 (26).

The bill as written appears to eliminate tax altogether for taxpayers with substantial taxable income. If the intent was to apply the tax rate in the last surviving bracket to those making more taxable income, then the last surviving bracket needs to be modified as in the following example:

Over \$250,000	but	\$15,494.00 plus 7.60% of
	not over \$350,000	excess over \$250,000

Over \$350,000 but	\$23,094.00 plus 7.90% of
not over \$450,000	excess over \$350,000

As a policy matter, we would prefer that the Legislature balance the budget by finding and repurposing excess funds that are now being held by the government and doing nothing. The existence of such funds has been well documented by the State Auditor and others.

Regarding the debarment periods proposed by the bill, we suggest that the Legislature provide clarity on whether the debarment occurs when *part* of the credit is disallowed, because of math

errors for example. A two-year debarment for miscalculating \$1 out of a \$150 credit sounds too harsh to us.

The tax credits we provide that are aimed at poverty relief are multifarious and disparate. 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. Even at the federal level, according to IRS Acting Commissioner Doug O'Donnell in January 2023, "many people miss out on the credit because they don't know about it or don't realize they're eligible." IR-2023-16 (Jan. 27, 2023). Rather than continuing this confusing patchwork of tax relief, we recommend concentrating on one or two credits, making them into meaningful programs, and removing the credits that are now causing unnecessary distraction.

Part II of this bill proposes to repeal a number of industry-specific tax incentives. Apparently, the object of this bill is to ask the beneficiaries of each of the targeted incentives to justify the continued existence of those incentives.

Digested: 3/4/2026

**Testimony to the Senate Committee on Ways and Means
Senator Donovan M. Dela Cruz, Chair
Senator Sharon Y. Moriwaki, Vice Chair**

LATE

**Thursday, March 5, 2026, at 12:00PM
Conference Room 211 & Videoconference**

RE: SB3125 Relating to Income Tax

Aloha e Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

My name is Sherry Menor, President and CEO of the Chamber of Commerce Hawaii ("The Chamber"). The Chamber opposes Senate Bill 3125 (SB3125), which repeals future adjustments to the standard deduction and income tax brackets. Increases the applicable percentage of the employment-related expenses for which the child and dependent care tax credit may be claimed; provides for a disallowance period when there is a final administrative or judicial decision finding that the claim was due to fraud or disallowing the credit; and defines "adjusted gross income" for purposes of the child and dependent care tax credit as adjusted gross income as defined by the Internal Revenue Code of 1986, as amended. Extends the sunset for amendments made by Act 163, SLH 2023 to the child and dependent care tax credit, earned income tax credit, and food/excise tax credit.

SB3125 attempts to repeal several key tax credits that will have direct impacts on the cost of doing business and the cost of living in Hawaii. In an economic environment that is already burdened by inflation, minimum wage increases, and tariffs, Hawaii's businesses cannot afford to absorb any further costs. The costs that will be incurred by companies due to this legislation will reliably be passed on to the consumer. Rising prices will continue to price out local residents, prompt outward migration of both families and businesses, and threaten the resilience of Hawaii's economy and workforce. At a time where local businesses are facing considerable hardship and headwinds, this legislation adds pressure to the economy that neither consumers nor the business community can bear. The Chamber appreciates efforts taken to close the state's budget deficit, though we are concerned that the economic harm caused by this bill is not worth its benefits.

We respectfully ask to the Legislature to defer Senate Bill 3125. Thank you for the opportunity to testify.

The Chamber of Commerce Hawaii is the state's leading business advocacy organization, dedicated to improving Hawaii's economy and securing Hawaii's future for growth and opportunity. Our mission is to foster a vibrant economic climate. As such, we support initiatives and policies that align with the 2030 Blueprint for Hawaii that create opportunities to strengthen overall competitiveness, improve the quantity and skills of available workforce, diversify the economy, and build greater local wealth.



Hawaii Solar Energy Association
Serving Hawaii Since 1977

**Testimony of the Hawaii Solar Energy Association (HSEA) Regarding SB3125 SD1, Relating to
Income Tax, Before the Senate Committee on Ways and Means**

Thursday, March 5, 2026

Chair Dela Cruz, Vice Chair Moriwaki, and Committee Members,

The Hawaii Solar Energy Association (HSEA) respectfully **opposes** the repeal of Hawaii's Renewable Energy Technologies Income Tax Credit (RETITC) contained in **Part II of SB3125 SD1**, which would repeal **HRS §235-12.5 beginning January 1, 2029**.

The RETITC has been one of the State's most effective policies enabling households and businesses to invest in rooftop solar and energy storage – technologies that reduce electricity bills, protect customers from fuel price volatility, and improve resilience during grid outages.

Eliminating the credit would increase the upfront cost of these systems and reduce participation in the market. In practical terms, fewer residents would be able to adopt solar and storage, leaving more households dependent on imported fossil fuels that drive Hawaii's high electricity prices.

The repeal would also come at a time when federal clean energy incentives are being eliminated or reduced, increasing the importance of stable state policy to maintain investment and access to clean energy technologies.

More broadly, repeal would undermine the State's policy goals of **improving energy affordability, strengthening energy security, and supporting local economic development**. Investments in distributed solar and storage bring private capital into Hawaii, support thousands of local jobs, and reduce reliance on imported energy resources.

Finally, the repeal is included in a bill otherwise focused on income tax bracket changes and other tax policy matters rather than a focused discussion about Hawaii's energy policy and the role distributed energy resources play in lowering costs and improving resilience.

For these reasons, HSEA respectfully urges the Committee to **remove the repeal of HRS §235-12.5 (RETITC)** from SB3125 SD1.

Mahalo for the opportunity to testify.

Rocky Mould, Executive Director



Protect Democracy Move Forward

www.indivisiblehawaii.org

info@indivisiblehawaii.org

LATE

To: Hawai'i State Senate Committee on Ways and Means
Re: Testimony in STRONG SUPPORT of SB3125

Dear Chair Dela Cruz, Vice Chair Moriwaki, and the Members of Committees,

The members of Indivisible Hawaii strongly oppose SB3125 SD1 Proposed. This bill:

- Repeals the top personal income tax brackets for married couples making over \$350,000 per year, heads of households making over \$262,500, and single people making over \$175,000 per year;
- Adjusts the applicable percentage of the employment-related expenses for which the child and dependent care tax credit may be claimed to unspecified levels; and
- Extends to an unspecified date the sunset for amendments made to the child and dependent care tax credit, earned income tax credit, and food/excise tax credit.

Hawai'i's current state and local tax system is **regressive**, meaning that those with the lowest incomes pay a higher share of their income in taxes than the wealthiest households. According to the Institute on Taxation and Economic Policy (ITEP), Hawai'i's **lowest-income 20% of families pay about 14% of their income in state and local taxes**, while the **top 1% pay only about 10%**.

Please restore the original language of SB3125 or better yet use the amended version of HB2306 (HB2306 HD1).

Act 46 is expected to cost \$296 million in 2027 and \$1.4 billion a year by 2031 which would be about 12% of Hawai'i's total tax revenue.¹ Hawai'i cannot afford it, especially with the rising costs and federal budget cuts.

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.²

¹ <https://www.hitaxfairness.org/act-46>

² https://speaks.hawaii-can.org/2026_tax_credits

The original version of SB3125 would help many more families than Act 163, SLH 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 \$9,500,000.³

The main two arguments from those who oppose tax increases are the negative impact on the economy and that people will move to another state. Studies show that the states with the most progressive tax system are ranked significantly better places to live, work and raise a family.⁴ Taxing capital gains at the same rate as regular income would help Hawai'i state tax system be more progressive. People move for jobs and family and state taxes have a minimum impact on interstate moves.⁵

Please restore the original language of SB3125 or better yet use the amended version of HB2306 (HB2306 HD1) so we can pay for the common goods and give working families much needed child + dependent care tax credits. 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.

³ https://www.capitol.hawaii.gov/sessions/session2026/bills/HB2007_.HTM

⁴

<https://www.staterenuealliance.org/revenews/states-with-the-most-progressive-tax-codes-are-ranked-significantly-better-places-to-live-work-and-raise-a-family>

⁵

<https://www.cbpp.org/research/state-budget-and-tax/state-taxes-have-a-minimal-impact-on-peoples-interstate-moves>



LATE

March 5, 2026

**TESTIMONY IN OPPOSITION TO SB 3125
RELATING TO INCOME TAX**

Senate Committee on Ways and Means
Senator Donovan Dela Cruz, Chair
Senator Sharon Moriwaki, Vice Chair

Thursday, March 5, 2026, at 12:00 pm
State Capitol
Conference Room 211

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee,

Thank you for the opportunity to provide testimony in OPPOSITION to SB 3125, Relating to Income Tax. Pono Pacific respectfully opposes Section 7, which repeals §235-110.32, the renewable fuels production tax credit. This legislation will have the unfortunate effect of reducing the availability and increasing the costs for renewable fuel in Hawaii at a time when local companies are helping the State advance its carbon reduction goals by producing more liquid renewable fuels.

Pono Pacific is Hawai'i's first and largest private natural resource conservation company providing land management, restoration services, sustainable agricultural development, renewable energy, and eco-asset development for large and small-scale projects throughout the state. Pono Pacific's expertise creates a more resilient future by promoting industries that activate working lands, increase food security and community engagement, and protect natural resources. Since 2023, Pono Pacific has partnered with Par Hawaii to develop a consistent supply of feedstocks for biofuel production across the state.

Par Hawaii is spending significant capital, approximately \$100M, retrofitting its Kapolei refinery to produce liquid renewable fuels, including Sustainable Aviation Fuel (SAF), and production will begin in Q1 of this year. Instead of eliminating this critical incentive, Pono Pacific and its partners are actively working to refine and update the RFPTC, ensuring that Hawai'i maintains a balanced, fiscally responsible approach to supporting renewable fuel development. Conversely, eliminating this tax credit would have negative economic consequences, including:



- Increasing energy costs for public agencies, airlines, utilities, and fuel providers;
- Loss of private investment in renewable fuel production and related industries; and
- Reducing energy security, making Hawai'i more vulnerable to price fluctuations in global fuel markets.

Hawaii needs to be competitive with other states that have already adopted tax credits for liquid renewable fuels and provide local production and consumption with the necessary advantages to succeed, especially as the industry is just starting to get off the ground.

Renewable fuels face a financial hurdle and cost more to produce than conventional alternatives. These incentives will empower us to cultivate energy independence, foster economic growth, and create a sustainable future for our islands. As such, we respectfully OPPOSE Section 7 of this bill. Thank you for your time and consideration.

Mahalo,

Chris Bennett
Vice President of Sustainable Energy Solutions
Pono Pacific Land Management, LLC



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony in **SUPPORT** of SB 3125 - Relating to Income Tax

LATE

Senate Committee on Ways and Means

Thursday, March 5, 2026

Aloha Chair Dela Cruz, Vice Chair Moriwaki and Members of the Committee,

Thank you for the chance to **offer comments** on Senate Bill 3125. This bill originally would have paused some of Act 46's planned changes to the tax rates and income ranges for higher-income brackets—with the goal of ensuring that Hawai'i can fund essential services for local residents. I support keeping tax relief for families who need it, but high-income earners should not receive tax cuts.

Background

Federal spending cuts will put the state's programs and services at risk, including Medicaid and SNAP. Many of Hawai'i's families depend on these safety nets to make ends meet.

Act 46 raises the standard deduction and widens the income tax brackets over several years—which means that many taxpayers will be taxed at lower rates. Unfortunately, these tax cuts will cost the state around \$240 million in the first year, and this cost will grow over time. When they are fully phased in around 2031, the tax cuts will cost over \$1.4 billion a year, which is roughly a tenth of general fund tax revenues.

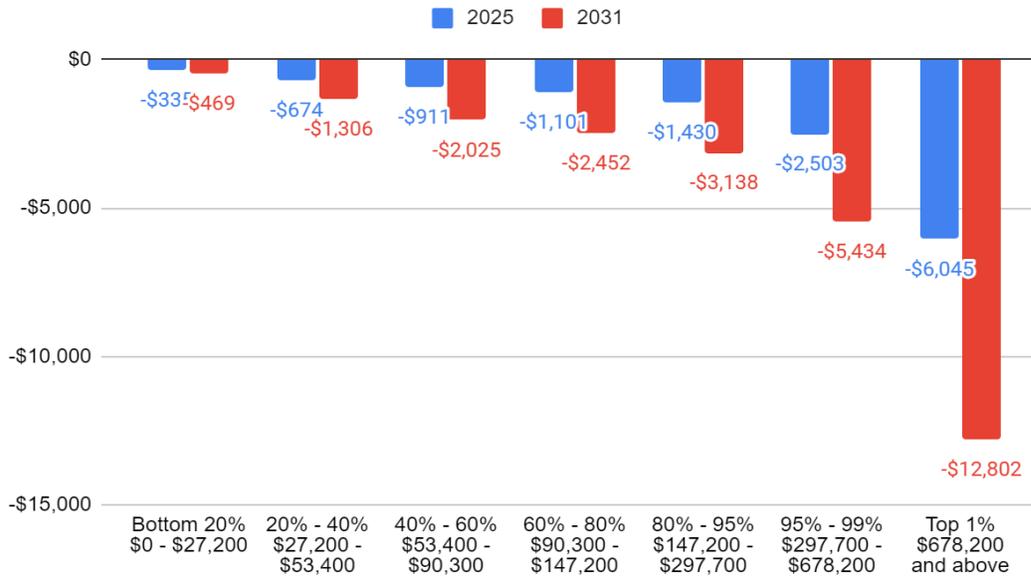
This will shrink the budget we use to fund core programs. Because federal dollars are uncertain, losing this much state revenue makes it harder to keep services running when communities need them most.

Who benefits most

Most households will get a tax cut, but the largest cuts go to the highest-income taxpayers. This tilt toward high earners grows as the law phases in, increasing the long-term cost to the state budget.

Distribution of Tax Cuts

Tax Cut By Income Group, Hawai'i (2025)¹



In 2025, the top 1% of Hawai'i's taxpayers will receive an average tax cut of \$6,000, compared to \$335 for the bottom 20%. By 2031, the average cut for the top 1% will more than double to almost \$13,000, while the bottom 20% will see only \$134 more than they did in 2025.

Keep what works

Raising the standard deduction is a positive change because it helps many low- and middle-income filers who do not itemize. This kind of relief should be protected so that struggling families can receive meaningful help with Hawai'i's cost of living.

Furthermore, I recommend that the Committee extend the sunset dates for the Earned Income Tax Credit and Refundable Food/Excise Tax Credit. These tax credits put money back into the pockets of working families, helping them to pay for their day-to-day expenses.

¹ Institute on Taxation and Economic Policy, 2024 analysis.

Recommendations on Adjusting Act 46

I would urge the Committee to **amend** SB 3125 to not eliminate the upper tax brackets. As written, this bill would eventually set the top income tax bracket at 7.6%, which would give an unnecessary tax cut to higher-income earners and result in even more lost revenue. I recommend that this bill be revised to match the language in House Bill 2306. These changes would ensure that the highest-earners are paying their fair share towards the programs and services that we all benefit from.

Mahalo for your time and for your commitment to a fair tax system that puts Hawai'i's people first.

Testimony of Matson Navigation Company, Inc.
Opposition to SB3125, SD1 Proposed
Before the Committee on Ways and Means
March 5, 2026

Dear Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

Matson Navigation Company, Inc. (“Matson”) respectfully opposes SB3125, SD1 Proposed, Relating to Taxation. This measure, among other things, imposes general excise taxes on certain capital goods by repealing section 235-110.7, Hawaii Revised Statutes (“HRS”). Currently, this is exempted from the general excise tax.

Suspending these tax credits will result in higher costs for end consumers of all goods imported into the State. As an island state, Hawaii is very dependent upon commercial maritime shipping. It is estimated that over 90 percent of our imported goods pass through Hawaii's harbors, including consumer goods, motor vehicles, construction materials, and fuel. Repealing section 235-110.7, HRS will hit every resident of our State and further increase the cost of living.

If your Committee chooses to pass this measure, we respectfully request that you amend it to restore the tax credits contained in section 5 (page 40, line 4 to page 44, line 13).

Thank you for allowing us the opportunity to provide testimony.

SB-3125

Submitted on: 3/4/2026 5:26:37 PM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lorna Holmes	Individual	Oppose	Written Testimony Only

Comments:

How can this be? A bill which was supposed to freeze tax cuts for the rich now does the opposite. Section 1 of the bill would reduce income tax rates for those at the top, while providing no income tax relief to low-income, ALICE, or median-income working families. And those in the top 1% would get the biggest tax breaks.

This bill would worsen our state's affordability crisis and budget pressures by reducing revenues coming from those can most afford to pay. That's the opposite of what our working families need now. We need the rich to start paying their fair share, which would be a much larger percentage, not less.

Please either kill this bill or revert it to its original version.

Mahalo for your consideration.

Dr. Lorna Holmes, Mo'ili'ili 96826

LATE

SB-3125

Submitted on: 3/4/2026 11:31:01 PM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Thomas Brandt	Individual	Oppose	Written Testimony Only

Comments:

STRONG OPPOSITION!

LATE

SB-3125

Submitted on: 3/5/2026 5:48:20 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ken Takeya	Individual	Oppose	Written Testimony Only

Comments:

Please consider my testimony in opposition to H.B. 2306 / S.B. 3125 because it takes money out of family budgets. The tax cuts were supposed to help people stay afloat. Pausing them does the opposite. Vote no.

LATE

SB-3125

Submitted on: 3/5/2026 6:41:12 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Corinne Solomon	Individual	Oppose	Written Testimony Only

Comments:

Thanks for all you do for our community, however I am concerned about S.B. 3125 and H.B. 2306. The income tax cuts were an important step for affordability. Pausing them feels like a step backward. Hawaii needs less pressure on our living expenses, not more. I urge you to vote against this bill.

LATE

SB-3125

Submitted on: 3/5/2026 6:57:30 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alexander Brodie	Individual	Oppose	Written Testimony Only

Comments:

Aloha, please vote against HB 2306 & SB 3125. The income tax cuts help families like mine get by. A pause feels like a step backward. We need relief, not more pressure. Mahalo nui loa.

LATE

SB-3125

Submitted on: 3/5/2026 7:07:08 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ellen Desruisseaux	Individual	Oppose	Written Testimony Only

Comments:

Aloha kakou. I'm against Senate Bill 3125 and House Bill 2306. The tax cuts were meant to help people stay in Hawaii. Pausing them will push people away. Vote no.

LATE

SB-3125

Submitted on: 3/5/2026 7:08:43 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Aileen Sakamoto	Individual	Oppose	Written Testimony Only

Comments:

Aloha kakou. I'm writing in opposition to SB3125 / HB2306. Locals are already struggling with rent, food and gas. Taking away tax relief hurts real people. Please vote no on this bill.

LATE

SB-3125

Submitted on: 3/5/2026 7:10:27 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Don Carroll	Individual	Oppose	Written Testimony Only

Comments:

Opposing Rescinding the Income Tax Cut
Aloha Chair and Members, Hawai'i residents have already been forced to cut our household budgets because of rising costs for food, housing, utilities, and fuel. We did not have a choice—we adapted because we had to. Rescinding the recent income tax cut shifts the burden back onto families who are already stretched thin. While residents have tightened their belts year after year, the State now proposes relief for itself instead of doing what families have done: cut spending. If everyday people can make hard budget decisions to survive, then government must be willing to do the same. Taking back tax relief is not shared sacrifice—it is asking residents to carry the load alone. I urge you to protect the income tax cut and look to government spending reductions instead. Hawai'i's families have already done their part. Respectfully, Hawai'i Resident

LATE

SB-3125

Submitted on: 3/5/2026 7:11:47 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Audrey Lee	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose HB 2306 and SB 3125. Hawaii's cost of living is already overwhelming. The income tax cuts helped a little, and every bit counts. Pausing them hurts families who are barely getting by. Please vote no on this bill.

LATE

SB-3125

Submitted on: 3/5/2026 7:12:20 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gail Edwards	Individual	Oppose	Written Testimony Only

Comments:

Aloha! I am writing to ask you to preserve Hawaii's tax cut. Families need those cuts to lower the cost of living. They also help grow our economy so that we can all do better. Please vote against sb3125 and hb2306.

LATE

SB-3125

Submitted on: 3/5/2026 7:29:17 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Carol Morris	Individual	Oppose	Written Testimony Only

Comments:

I oppose hb2306/sb3125 as a local resident. We already pay enough. The tax cuts helped families breathe a little. Please don't take that away. Mahalo.

LATE

SB-3125

Submitted on: 3/5/2026 7:29:58 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gregory Friel	Individual	Oppose	Written Testimony Only

Comments:

I oppose any bill that pauses the tax cuts because it undermines progress. The tax cuts were already working to make Hawaii more affordable for local families. Pausing them takes us backward. Mahalo for your consideration. I hope you vote against this bill.

LATE

SB-3125

Submitted on: 3/5/2026 7:30:43 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
David Wendt	Individual	Oppose	Written Testimony Only

Comments:

I submit this testimony in strong opposition to the bill that would stop the income tax cuts. The tax cuts were passed to address affordability. That problem has not gone away. Pausing the cuts only adds more pressure on households. Once taxes go up, they rarely come back down. Residents deserve policies they can rely on, yet this bill undermines trust. I urge you to vote no.

LATE

SB-3125

Submitted on: 3/5/2026 7:31:52 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Duane D Santiago	Individual	Oppose	Written Testimony Only

Comments:

I am writing in opposition to sb3125 and hb2306. The income tax cuts were passed to address affordability. Groceries, rent, and gas are still so expensive, and now you want to raise our taxes again? Please vote against this bill.

LATE

SB-3125

Submitted on: 3/5/2026 7:45:43 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Anthony Conner	Individual	Oppose	Written Testimony Only

Comments:

I oppose any effort to stop or pause the income tax cut and I hope you do too. The tax cuts were intended to help the economy and lower our cost of living, but pausing them will stop that. Please cut the budget instead of raising our taxes.

LATE

SB-3125

Submitted on: 3/5/2026 7:46:34 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joshua F. Powell	Individual	Oppose	Written Testimony Only

Comments:

Proposing this bill at a time when the Hawaii Solar Industry is already under tremendous threat due to the ending of Federal Tax Credits for renewable energy in 2025 and 2026 is likely to create a Perfect Storm of destructive regulatory impacts on businesses that will cause local business closures leaving customers without the long term support needed for these systems.

The Hawaii Solar Industry is a major employer in the Hawaii and over the last 15 years it has moved roughly 30% of all energy consumed annually into resilient renewable energy systems bringing capital that would otherwise leave the State and our economy home and the work is not done.

To minimize impacts to local customers, employees and businesses, any changes that affect customers should be made responsibly and gradually over time (5-10 year step downs) and after the State has met mandated Renewable Energy requirements.

I strongly oppose the repeal of Hawaii's Renewable Energy Technologies Income Tax Credit (RETITC) contained in SB3125 SD1. Eliminating this credit would increase the cost of solar and energy storage for Hawaii residents and businesses and slow progress toward the State's energy affordability, resilience, and economic development goals. Please remove the RETITC repeal from this bill.

LATE

SB-3125

Submitted on: 3/5/2026 7:47:38 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ann Chung	Testifying for Makai ocean Engineering	Comments	Written Testimony Only

Comments:

Please do not repeal the Technology Research Tax Credit. It continues to be effective in supporting our local research companies and increase ability to bring in more federal research grants.

mahalo

LATE

SB-3125

Submitted on: 3/5/2026 7:47:52 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dee Edmunds	Individual	Oppose	Written Testimony Only

Comments:

Aloha - this testimony is offered in opposition to SB 3125 and HB2306. Hawaii families were promised income tax relief. Pausing it feels unfair. Our cost of living is still extremely high. Lawmakers should focus on controlling their spending instead of raising taxes. Please vote no on SB 3125.

SB-3125

Submitted on: 3/5/2026 7:49:17 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
brent braden	Individual	Oppose	Written Testimony Only

Comments:

Aloha. This is my testimony opposing SB3125 and HB2306. The income tax cuts gave people hope that things might get easier. Pausing them sends the wrong signal. Hawaii should be moving toward affordability, not away from it. Mahalo for your consideration.

LATE

SB-3125

Submitted on: 3/5/2026 7:53:09 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Radford Nakamura	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose the repeal of Hawaii’s Renewable Energy Technologies Income Tax Credit (RETITC) contained in SB3125 SD1. Eliminating this credit would increase the cost of solar and energy storage for Hawaii residents and businesses and slow progress toward the State’s energy affordability, resilience, and economic development goals. Please remove the RETITC repeal from this bill.

Thank you,

Radford Nakamura

LATE

SB-3125

Submitted on: 3/5/2026 7:54:45 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kathryn Troyan	Testifying for Alternate Energy Inc.	Oppose	Written Testimony Only

Comments:

Aloha,

I strongly oppose the repeal of Hawaii's Renewable Energy Technologies Income Tax Credit (RETITC) contained in SB3125 SD1. Eliminating this credit would increase the cost of solar and energy storage for Hawaii residents and businesses and slow progress toward the State's energy affordability, resilience, and economic development goals. Please remove the RETITC repeal from this bill.

Mahalo,
Kathryn Troyan
Alternate Energy Inc.

LATE

SB-3125

Submitted on: 3/5/2026 8:08:52 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
William Meyer	Individual	Oppose	Written Testimony Only

Comments:

Aloha! I am writing to ask you to preserve Hawaii's tax cut. Families need those cuts to lower the cost of living. They also help grow our economy so that we can all do better. Please vote against sb3125 and hb2306.

LATE

SB-3125

Submitted on: 3/5/2026 8:09:30 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Willa Marten	Individual	Oppose	Written Testimony Only

Comments:

I oppose House Bill 2306 and Senate Bill 3125 because it undermines trust. Lawmakers passed tax cuts for a reason. Let them work as intended. Don't reverse course now. Mahalo for considering my testimony.

LATE

SB-3125

Submitted on: 3/5/2026 8:09:57 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Wendy Fujimoto	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose HB 2306 and SB 3125. The tax cuts helped offset our high housing and grocery costs. I will be able to continue to support local businesses. The tax cuts will stimulate the economy. Pausing them now makes no sense. Families are already stretched thin. Mahalo for taking the time to consider my thoughts.

LATE

SB-3125

Submitted on: 3/5/2026 8:10:03 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Charles Lee	Individual	Oppose	Written Testimony Only

Comments:

I oppose sb3125 and hb2306 because it takes Hawaii in the wrong direction. The tax cuts were meant to help people stay here. Pausing them sends the opposite message. We need stability, not constant changes. And we need you to keep your promises. Please vote against this bill.

LATE

SB-3125

Submitted on: 3/5/2026 8:10:28 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Wendell Hosea	Individual	Oppose	Written Testimony Only

Comments:

This is my testimony in opposition to a pause in the tax cuts. These cuts were already passed and we expected them to continue. Pausing them changes the rules midstream. That creates uncertainty and stress for households. Please do not support this bill.

LATE

SB-3125

Submitted on: 3/5/2026 8:10:31 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Doris Ann Santiago	Individual	Oppose	Written Testimony Only

Comments:

I oppose Senate Bill 3125 and House Bill 2306 and any attempt to pause the tax cuts. Once taxes go up, they rarely come back down. A pause today becomes permanent tomorrow. Please put a stop to this bill.

LATE

SB-3125

Submitted on: 3/5/2026 8:10:53 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Barbara Jo Karlen	Individual	Oppose	Written Testimony Only

Comments:

Aloha legislators. I am against HB 2306 & SB 3125. The tax cuts mattered to working people here and we were counting on them. Pausing them will make it harder to afford life in Hawaii. Please vote no.

LATE

SB-3125

Submitted on: 3/5/2026 8:10:57 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Wayne Feike	Individual	Oppose	Written Testimony Only

Comments:

Aloha legislators. I am against HB 2306 & SB 3125. The tax cuts mattered to working people here and we were counting on them. Pausing them will make it harder to afford life in Hawaii. Please vote no.

LATE

SB-3125

Submitted on: 3/5/2026 8:11:14 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
David May	Individual	Oppose	Written Testimony Only

Comments:

Please oppose H.B. 2306 / S.B. 3125 because it takes money out of family budgets. The tax cuts were supposed to help people stay afloat. Pausing them does the opposite. Let us keep the money in our pockets so we can afford to live in Hawaii. Vote no.

LATE

SB-3125

Submitted on: 3/5/2026 8:11:27 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Waria Salhi	Individual	Oppose	Written Testimony Only

Comments:

Aloha legislators. I am against HB 2306 & SB 3125. The tax cuts mattered to working people here and we were counting on them. Pausing them will make it harder to afford life in Hawaii. Please vote no.

SB-3125

Submitted on: 3/5/2026 8:11:50 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Vernon Okada	Individual	Oppose	Written Testimony Only

Comments:

I would like to testify in opposition of HB 2306 / SB 3125. This is a bad idea. Hawaii already has a high cost of living. Pausing the tax cuts only adds to the burden. I strongly oppose this bill.

LATE

SB-3125

Submitted on: 3/5/2026 8:11:54 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Aaron Campbell	Individual	Oppose	Written Testimony Only

Comments:

H.b. 2306 and S.b.3125 should not move forward. A pause today becomes a problem tomorrow. Once relief is gone, it's hard to get back. Vote no.

LATE

SB-3125

Submitted on: 3/5/2026 8:12:15 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Valerie Wong	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose HB 2306 as well as SB 3125. Local families are already making tough choices with how expensive life is here. Higher taxes make those choices worse. Please keep the tax cuts in place. We pay the 2nd highest State Income Taxes of all 50 states as well as the highest cost of living, so of course we have affordable housing and homeless problems to deal with. Instead of this bill, create a bill that will tax outsiders who own property in this State. Better yet, create a bill that homes can only be sold to those who pay their Income Taxes to the State of Hawaii. Mahalo.

LATE

SB-3125

Submitted on: 3/5/2026 8:12:38 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Eric Freeh	Individual	Oppose	Written Testimony Only

Comments:

Aloha, I oppose House Bill 2306 & Senate Bill 3125. The income tax cuts helped my family. A pause will mean paying more. Please stand with local families and vote no.

LATE

SB-3125

Submitted on: 3/5/2026 8:12:43 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tracy Manhan	Individual	Oppose	Written Testimony Only

Comments:

H.b. 2306 and S.b.3125 should not move forward. A pause today becomes a problem tomorrow. Once relief is gone, it's hard to get back. Vote no.

LATE

SB-3125

Submitted on: 3/5/2026 8:13:08 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Camille Erickson	Individual	Oppose	Written Testimony Only

Comments:

Please vote no on HB2306/SB3125. A pause in tax cuts is still a tax increase. That means less money in the hands of local residents. This is not what Hawaii families need right now.

LATE

SB-3125

Submitted on: 3/5/2026 8:13:16 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tanya Power	Individual	Oppose	Written Testimony Only

Comments:

Aloha —• Please consider my testimony in opposition to this bill. The income tax cuts were meant to help families stay in Hawaii. Pausing them will make it harder for people to afford living here. Many residents already feel squeezed from all sides. Lawmakers should not undo recent progress.

SB-3125

Submitted on: 3/5/2026 8:13:16 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Tanya Power	Individual	Oppose	Written Testimony Only

Comments:

Aloha —• Please consider my testimony in opposition to this bill. The income tax cuts were meant to help families stay in Hawaii. Pausing them will make it harder for people to afford living here. Many residents already feel squeezed from all sides. Lawmakers should not undo recent progress.

SB-3125

Submitted on: 3/5/2026 8:13:44 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Tammy Allen	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose Senate Bill 3125 as well as House Bill 2306. The income tax cuts finally gave families a little breathing room. Pausing them now feels like pulling the rug out from under people. A pause is still a tax hike in real life. Please vote no on this bill.

LATE

SB-3125

Submitted on: 3/5/2026 8:13:51 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Diana Heiman	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose Senate Bill 3125 as well as House Bill 2306. The income tax cuts finally gave families a little breathing room. Pausing them now feels like pulling the rug out from under people. A pause is still a tax hike in real life. Please vote no on this bill. This state will not prosper unless the government starts protecting those creating jobs and stops overtaxation.

LATE

SB-3125

Submitted on: 3/5/2026 8:14:09 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan Starrett	Individual	Oppose	Written Testimony Only

Comments:

I oppose sb3125 and hb2306 because it feels like a bait and switch. First lawmakers pass tax cuts, then they pause them. That's not fair to residents who were counting on them. Please reject this bill.

LATE

SB-3125

Submitted on: 3/5/2026 8:14:16 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gwyn Aubrey	Individual	Oppose	Written Testimony Only

Comments:

I am writing in opposition to sb3125 and hb2306. The income tax cuts were passed to address affordability. Groceries, rent, and gas are still so expensive, and now you want to raise our taxes again? Please vote against this bill.

LATE

SB-3125

Submitted on: 3/5/2026 8:14:42 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Steven Oberg	Individual	Oppose	Written Testimony Only

Comments:

Aloha — Please consider my testimony in opposition to this bill. The income tax cuts were meant to help families stay in Hawaii. Pausing them will make it harder for people to afford living here. Many residents already feel squeezed from all sides. Lawmakers should not undo recent progress.

SB-3125

Submitted on: 3/5/2026 8:14:47 AM
Testimony for WAM on 3/5/2026 12:00

LATE

Submitted By	Organization	Testifier Position	Testify
Dan Treas	Individual	Oppose	Written Testimony Only

Comments:

Please do the right thing and oppose H.B. 2306 and S.B. 3125. If the state needs money, it should look at spending first. Raising taxes, even quietly, should not be the solution. Vote no.

LATE

SB-3125

Submitted on: 3/5/2026 8:15:17 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shirley Henderson	Individual	Oppose	Written Testimony Only

Comments:

I am against SB 3125 and HB 2306. Hawaii is my home, but it's getting harder to stay. Tax relief matters. Don't undo it. Please keep seniors like me in your thoughts as you vote on this bill.

LATE

SB-3125

Submitted on: 3/5/2026 8:15:20 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Elizabeth Cannon	Individual	Oppose	Written Testimony Only

Comments:

S.B. 3125 and H.B. 2306 should be stopped. The tax cuts were meant to be a long-term improvement. Pausing them creates uncertainty for families and workers. Hawaii needs policies people can rely on. Vote no.

LATE

SB-3125

Submitted on: 3/5/2026 8:15:41 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alfred Hagen	Individual	Oppose	Written Testimony Only

Comments:

I am submitting this testimony in opposition to Senate Bill 3125 and House Bill 2306. The income tax cuts were passed to help families deal with Hawaii's high cost of living. Many people, including my family, planned around that relief. Pausing the tax cuts is the same as raising taxes in real life. Calling it a pause does not change the impact on household budgets. Hawaii residents are already struggling with rent and food costs. This bill moves us backward.

SB-3125

Submitted on: 3/5/2026 8:15:48 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Scott Moon	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose Senate Bill 3125 as well as House Bill 2306. The income tax cuts finally gave families a little breathing room. Pausing them now feels like pulling the rug out from under people. A pause is still a tax hike in real life. Please vote no on this bill.

LATE

SB-3125

Submitted on: 3/5/2026 8:16:03 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Debra Engel	Individual	Oppose	Written Testimony Only

Comments:

I am writing to submit testimony in opposition to house bill 2306 and senate bill 3125. The tax cuts helped people cope with Hawaii's high cost of living. Pausing them does the opposite. Calling it temporary does not lessen the impact. Families will feel the difference immediately. Also, Mr Green needs to learn how to budget our budget. I believe we have more than enough monies coming in from tourism alone. It appears to me that governor wants to force the people, eventually into total dependence upon our government. we the people do not want that. He is not doing the job, time for a new governor.

LATE

SB-3125

Submitted on: 3/5/2026 8:16:18 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Scott Fernandez	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose HB 2306 as well as SB 3125. Local families are already making tough choices with how expensive life is here. Higher taxes make those choices worse. The Governor and the Legislature passed these tax cut into law and now you the government are essentially breaking the law the people have passed through their representatives who campaigned on those promises to get elected. If these tax cuts are unwound, our representatives essentially lied to their constituents to get elected. A better course is for the legislature to keep its promises to the people and figure out a different solution. A good start would be to cut spending, find other funds. This state will lose its population of blue colar and white color workers if tax and spend policies are not reversed. Please keep the tax cuts in place. Mahalo.

SB-3125

Submitted on: 3/5/2026 8:16:30 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Brenner Danielson	Individual	Oppose	Written Testimony Only

Comments:

Please do the right thing and oppose H.B. 2306 and S.B. 3125. If the state needs money, it should look at spending first. Raising taxes, even quietly, should not be the solution. Vote no.

LATE

SB-3125

Submitted on: 3/5/2026 8:16:50 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gloria Mansfield	Individual	Oppose	Written Testimony Only

Comments:

H.b. 2306 and S.b.3125 should not move forward. A pause today becomes a problem tomorrow. Once relief is gone, it's hard to get back. Vote no.

SB-3125

Submitted on: 3/5/2026 8:16:54 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Ryan Tsuji	Individual	Oppose	Written Testimony Only

Comments:

Please consider my testimony in opposition to H.B. 2306 / S.B. 3125 because it takes money out of family budgets. The tax cuts were supposed to help people stay afloat. Pausing them does the opposite. Vote no. Please listen to the common sense proposals by Grassroot Institute of Hawaii. Our government has always taxed more to get more spending money. This thinking has made Hawaii unaffordable. We're at a tipping point as more and more people leave and tourist don't come due to the cost. Let's grow gov't revenue through business growth and decreasing waste and fraud. Not digging deeper into our pockets. Thank you.

LATE

SB-3125

Submitted on: 3/5/2026 8:17:08 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Albert Morgan	Individual	Oppose	Written Testimony Only

Comments:

I am writing to submit testimony in opposition to Senate Bill 3125 & House Bill 2306. The income tax cuts gave families some much-needed breathing room. Even small amounts of relief matter in a high-cost state like Hawaii. Pausing the cuts effectively raises taxes on residents. This bill creates uncertainty and makes it harder to plan financially. Families need stability, not sudden changes.

LATE

SB-3125

Submitted on: 3/5/2026 8:17:29 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Douglas Askman	Individual	Oppose	Written Testimony Only

Comments:

Please vote against HB2306/SB 3125. Hawaii families need consistency and predictability. Changing tax policy every year makes it impossible to plan. Keep the tax cuts in place.

LATE

SB-3125

Submitted on: 3/5/2026 8:17:47 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Charles Knowles	Individual	Oppose	Written Testimony Only

Comments:

I am writing to submit testimony in opposition to house bill 2306 and senate bill 3125. The tax cuts helped people cope with Hawaii's high cost of living. Pausing them does the opposite. Calling it temporary does not lessen the impact. Families will feel the difference immediately.

LATE

SB-3125

Submitted on: 3/5/2026 8:18:23 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Antoine Khalil	Individual	Oppose	Written Testimony Only

Comments:

I can't believe you're thinking about stopping the tax cuts. You just passed them! People are depending on them and you already want to take them away? Keep your promises and vote against anything that stops the tax cuts.

SB-3125

Submitted on: 3/5/2026 8:19:03 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Donna Ambrose	Individual	Oppose	Written Testimony Only

Comments:

Please do whatever you can to keep our tax cuts. They are very important to Hawaii families, especially with inflation and the bad economy. I ask you to vote against SB3125 / HB2306 and any bill that would end the income tax cut. Other options exist, like zeroing out budgeting for long-vacant positions and limiting any "pause" to the highest income earners. Mahalo

LATE

SB-3125

Submitted on: 3/5/2026 8:19:19 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
GREG BROSSIER	Individual	Oppose	Written Testimony Only

Comments:

S.B. 3125 and H.B. 2306 should be stopped. The tax cuts were meant to be a long-term improvement. Pausing them creates uncertainty for families and workers. Hawaii needs policies people can rely on. Vote no.

LATE

SB-3125

Submitted on: 3/5/2026 8:19:36 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Colleen Medeiros	Individual	Oppose	Written Testimony Only

Comments:

Aloha legislators. I am against HB 2306 & SB 3125. The tax cuts mattered to working people here and we were counting on them. Pausing them will make it harder to afford life in Hawaii. Please vote no.

LATE

SB-3125

Submitted on: 3/5/2026 8:19:54 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Barbara Nosaka	Individual	Oppose	Written Testimony Only

Comments:

Aloha! I oppose HB2306 and SB3125. The income tax cuts gave hope that affordability was improving. Pausing them takes that hope away. Please vote no.

SB-3125

Submitted on: 3/5/2026 8:20:13 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Duchess Aranaydo	Individual	Oppose	Written Testimony Only

Comments:

Aloha! Please do not pass hb2306 or sb3125. The income tax cuts were one of the few things helping people cope with the high cost of living here. Pausing them removes that help. Please oppose this bill.

LATE

SB-3125

Submitted on: 3/5/2026 8:20:53 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
David Owen Myers	Individual	Oppose	Written Testimony Only

Comments:

Aloha - I am opposed to hb2306 & sb3125 because it hurts working families. Every dollar matters right now. Taking away tax relief makes daily life harder. Please vote against this bill.

SB-3125

Submitted on: 3/5/2026 8:21:28 AM

Testimony for WAM on 3/5/2026 12:00:00

LATE

Submitted By	Organization	Testifier Position	Testify
Alex Gonzalez	Individual	Oppose	Written Testimony Only

Comments:

Please do whatever you can to keep our tax cuts. They are very important to Hawaii families, especially with inflation and the bad economy. I ask you to vote against SB3125 / HB2306 and any bill that would end the income tax cut.

LATE

SB-3125

Submitted on: 3/5/2026 8:21:45 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Faith Burns	Individual	Oppose	Written Testimony Only

Comments:

Many local people welcomed the income tax cuts. They provided real, tangible relief. Pausing them removes that relief when it is still needed. Our cost of living has not gone down. Keep your word, help Hawaii's people afford to live and stay in Hawaii!

SB-3125

Submitted on: 3/5/2026 8:22:10 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Brian Negley	Individual	Oppose	Written Testimony Only

Comments:

Pausing the tax cuts is the same as hiking them. And no one believes that this will only affect the rich. Tax hikes always end up getting regular people too. Don't fall for that. Vote against the hike.

LATE

SB-3125

Submitted on: 3/5/2026 8:22:32 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ellen Liddle	Individual	Oppose	Written Testimony Only

Comments:

Please vote no on HB 2306 & SB 3125. Families were counting on those tax cuts. Changing course now hurts trust in government. Let the cuts continue.

LATE

SB-3125

Submitted on: 3/5/2026 8:23:03 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Abhishek Duggal	Individual	Oppose	Written Testimony Only

Comments:

Aloha, please vote against HB2306 and SB3125. Hawaii families need relief from the high cost of living. Pausing tax cuts does the opposite. Mahalo for your time.

LATE

SB-3125

Submitted on: 3/5/2026 8:23:22 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
David Fielder	Individual	Oppose	Written Testimony Only

Comments:

Aloha - I am opposed to hb2306 & sb3125 because it hurts working families. Every dollar matters right now. Taking away tax relief makes daily life harder. Please vote against this bill.

LATE

SB-3125

Submitted on: 3/5/2026 8:23:28 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Russell Kuwaye	Individual	Oppose	Written Testimony Only

Comments:

Aloha - I am opposed to hb2306 & sb3125 because it hurts working families. Every dollar matters right now. Taking away tax relief makes daily life harder. Please vote against this bill.

LATE

SB-3125

Submitted on: 3/5/2026 8:23:44 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Bernie Wu	Individual	Oppose	Written Testimony Only

Comments:

I am submitting testimony in opposition to SB3125 and HB2306. Families are still struggling to make ends meet, and pausing the cuts will put more strain on already tight budgets. This bill feels like a tax increase disguised as a pause. Residents deserve honesty and consistency. Please vote no.

LATE

SB-3125

Submitted on: 3/5/2026 8:23:50 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Roy Skaggs	Individual	Oppose	Written Testimony Only

Comments:

I am submitting testimony in opposition to SB3125 and HB2306. Families are still struggling to make ends meet, and pausing the cuts will put more strain on already tight budgets. This bill feels like a tax increase disguised as a pause. Residents deserve honesty and consistency. Please vote no.

LATE

SB-3125

Submitted on: 3/5/2026 8:24:00 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Desiree Watson	Individual	Oppose	Written Testimony Only

Comments:

Aloha kakou. I'm writing in opposition to SB3125 / HB2306. Locals are already struggling with rent, food and gas. Taking away tax relief hurts real people. Please vote no on this bill.

LATE

SB-3125

Submitted on: 3/5/2026 8:24:17 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rosemary Alles	Individual	Oppose	Written Testimony Only

Comments:

I oppose Senate Bill 3125 and House Bill 2306 and any attempt to pause the tax cuts. Once taxes go up, they rarely come back down. A pause today becomes permanent tomorrow. Please put a stop to this bill.

LATE

SB-3125

Submitted on: 3/5/2026 8:24:18 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alice Rogers	Individual	Oppose	Written Testimony Only

Comments:

I would like to testify in opposition of HB 2306 / SB 3125. Stop spending money - stop spending it on ridiculous projects. This typical of Hawaii legislators - spend, spend, spend, Get rid of all the unfilled positions. This is a bad idea. Hawaii already has a high cost of living. Pausing the tax cuts only adds to the burden. I strongly oppose this bill.

SB-3125

Submitted on: 3/5/2026 8:24:37 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Harold Snyder	Individual	Oppose	Written Testimony Only

Comments:

I oppose sb3125 and hb2306 because it takes Hawaii in the wrong direction. The tax cuts were meant to help people stay here. Pausing them sends the opposite message. We need stability, not constant changes. And we need you to keep your promises. Please vote against this bill.

LATE

SB-3125

Submitted on: 3/5/2026 8:24:45 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ronda Castillo	Individual	Oppose	Written Testimony Only

Comments:

I am writing to submit testimony in opposition to house bill 2306 and senate bill 3125. The tax cuts helped people cope with Hawaii's high cost of living. Pausing them does the opposite. Calling it temporary does not lessen the impact. Families will feel the difference immediately.

LATE

SB-3125

Submitted on: 3/5/2026 8:24:58 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
James Clark	Individual	Oppose	Written Testimony Only

Comments:

Please! I vehemently oppose the bill that would halt the income tax cuts. These tax cuts were passed to address affordability. Like, the other day! Have they worked? Not that I see! Taxes go up and up, and never rarely come back down. You promised to reverse that. And then, "Whoops! No can do!" Please vote no.

LATE

SB-3125

Submitted on: 3/5/2026 8:25:13 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Romeo Dona	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose HB 2306 / SB 3125. Local people are tired of getting squeezed. The tax cuts were a good step. Pausing them is not. Mahalo for considering this.

LATE

SB-3125

Submitted on: 3/5/2026 8:25:17 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jayne Kashiwaeda	Individual	Oppose	Written Testimony Only

Comments:

How can State Legislators accept a giant pay raise and then ask us to give up our tax cuts? Do you see how wrong this is? If you take away the tax cuts then decline YOUR pay raise! Fair is fair and common sense is common sense. We, the people, should be given the tax breaks. You, the representatives should not be putting yourself first and above the tax payers. Plain and simple. Is this not logical or are you so greedy you can't see the bigger picture? Many local families applauded the income tax cuts. They provided real, tangible relief. Pausing them removes that relief when it is still needed. Our cost of living has not gone down. Residents should not be asked to give back what was promised. This bill undermines our confidence in government. I urge you to oppose it. Do the right thing, please.

LATE

SB-3125

Submitted on: 3/5/2026 8:25:47 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Robin Bentz	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose HB 2306 / SB 3125. Local people are tired of getting squeezed. The tax cuts were a good step. Pausing them is not. Mahalo for considering this.

LATE

SB-3125

Submitted on: 3/5/2026 8:25:48 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jennifer M Kamiko	Individual	Oppose	Written Testimony Only

Comments:

Aloha legislators, I strongly oppose Senate Bill 3125 and House Bill 2306. Pausing tax cuts hurts regular families. Please keep our taxes from going back up.

LATE

SB-3125

Submitted on: 3/5/2026 8:26:04 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
JERRY JACOBSON	Individual	Oppose	Written Testimony Only

Comments:

I oppose House Bill 2306 and Senate Bill 3125 because it undermines trust. Lawmakers passed tax cuts for a reason. Let them work as intended. Don't reverse course now. Mahalo for considering my testimony.

SB-3125

Submitted on: 3/5/2026 8:26:16 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Robert Rider	Individual	Oppose	Written Testimony Only

Comments:

I am submitting this testimony in opposition to Senate Bill 3125 and House Bill 2306. The income tax cuts were passed to help families deal with Hawaii's high cost of living. Many people, including my family, planned around that relief. Pausing the tax cuts is the same as raising taxes in real life. Calling it a pause does not change the impact on household budgets. Hawaii residents are already struggling with rent and food costs. This bill moves us backward.

SB-3125

Submitted on: 3/5/2026 8:26:25 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Jerry Lynch	Individual	Oppose	Written Testimony Only

Comments:

Aloha, please vote against HB2306 and SB3125. Hawaii families need relief from the high cost of living. Pausing tax cuts does the opposite. Mahalo for your time.

SB-3125

Submitted on: 3/5/2026 8:26:41 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Joe Schneckenburger	Individual	Oppose	Written Testimony Only

Comments:

I oppose sb3125 and hb2306 because it feels like a bait and switch. First lawmakers pass tax cuts, then they pause them. That's not fair to residents who were counting on them. Please reject this bill.

SB-3125

Submitted on: 3/5/2026 8:27:02 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
John Biegel	Individual	Oppose	Written Testimony Only

Comments:

I oppose hb2306/sb3125 as a local resident. I was so optimistic for the future knowing that this burden of taxes would be lessened. Please don't take that away. Mahalo.

SB-3125

Submitted on: 3/5/2026 8:27:23 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Rob McWilliams	Individual	Oppose	Written Testimony Only

Comments:

Aloha legislators. I am against HB 2306 & SB 3125. The tax cuts mattered to working people here and we were counting on them. Pausing them will make it harder to afford life in Hawaii. Please vote no.

SB-3125

Submitted on: 3/5/2026 8:27:54 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
John Pritchett	Individual	Oppose	Written Testimony Only

Comments:

S.B. 3125 and H.B. 2306 should be stopped. The tax cuts were meant to be a long-term improvement. Pausing them creates uncertainty for families and workers. Hawaii needs policies people can rely on. Vote no.

SB-3125

Submitted on: 3/5/2026 8:28:08 AM
Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
John Stein	Individual	Oppose	Written Testimony Only

Comments:

The income tax cuts were a positive step for working people. Pausing them moves Hawaii in the wrong direction. Families are still dealing with high housing and food costs. This bill harms affordability. I urge you to vote no on HB2306/SB3125.

SB-3125

Submitted on: 3/5/2026 8:28:13 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testimony
Jennifer Lum	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair Dela Cruz, Vice Chair Moriwaki, and Committee Members,

I oppose SB3125 SD1 Proposed for several reasons:

- The bill removes the top personal income tax brackets for married couples making over \$350,000, heads of households earning over \$262,500, and singles making over \$175,000.
- It changes the work-related expenses percentage for the child and dependent care tax credit without specifying the new rates.
- It extends the deadline for changes to various tax credits without a new date.

Hawai'i's tax system is already unfair, as lower-income families pay a larger share of their income in taxes than wealthier households. The bottom 20% in Hawai'i pay about 14%, while the top 1% only pay about 10%.

Please restore the original version of SB3125 or consider the amended HB2306 (HB2306 HD1). Act 46 could cost \$296 million in 2027 and \$1.4 billion by 2031, which is about 12% of Hawai'i's tax revenue. At this time, we cannot afford such costs.

Hawai'i faces a caregiver shortage with about 154,000 family caregivers. On average, they spend \$7,200 of their own money on caregiving expenses. With preschool costs over \$13,000 a year, working families need more help.

The original SB3125 would support more families than Act 163, SLH 2023. Act 163 was projected to provide \$47 million in relief, but the Department of Taxation later estimated it at only \$9.5 million.

Opponents of tax increases claim it harms the economy and drives people away, but research shows that states with progressive tax systems are better places to live. Taxing capital gains the same as regular income would improve our tax fairness.

Please restore the original SB3125, or consider amended HB2306 (HB2306 HD1) to better support working families with children.

Mahalo,

Jen Lum, 'Ewa Beach

SB-3125

Submitted on: 3/5/2026 8:28:17 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Robert Hastings	Individual	Oppose	Written Testimony Only

Comments:

Please vote no on HB 2306 & SB 3125. Families were counting on those tax cuts. Changing course now hurts trust in government. Let the cuts continue.

SB-3125

Submitted on: 3/5/2026 8:28:31 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
John-Michael Kamakahi	Individual	Oppose	Written Testimony Only

Comments:

Senate Bill 3125 and House Bill 2306 should not pass. The income tax cuts were one of the few bright spots for affordability. Pausing them only creates more uncertainty. I urge you all to vote no.

SB-3125

Submitted on: 3/5/2026 8:29:01 AM
Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Johnny Miro	Individual	Oppose	Written Testimony Only

Comments:

Senate Bill 3125 and House Bill 2306 sends the wrong message. It tells residents that our lawmakers are not trustworthy and tax relief is unreliable. People deserve better. I urge you to vote no.

SB-3125

Submitted on: 3/5/2026 8:29:03 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Rio Martell	Individual	Oppose	Written Testimony Only

Comments:

The tax cuts were passed to help residents afford life in Hawaii. Pausing them raises taxes in effect. Families are already stretched thin. This bill creates more financial pressure. Lawmakers should focus on spending restraint instead. Hawaii needs stable, affordable policies. Please vote no on this bill.

SB-3125

Submitted on: 3/5/2026 8:29:24 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Joie Yonamine	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair Dela Cruz, Vice Chair Moriwaki, and the Members of Committees,

I am submitting testimony in **strong opposition** of SB3125 SD1 as an individual and as a member of Indivisible Hawaii's Statewide Network.

Hawai'i's current state and local tax system is regressive, meaning that those with the lowest incomes pay a higher share of their income in taxes than the wealthiest households. According to the Institute on Taxation and Economic Policy (ITEP), Hawai'i's lowest-income 20% of families pay about 14% of their income in state and local taxes, while the top 1% pay only about 10%.

Please restore the original language of SB3125 or better yet use the amended version of HB2306 (HB2306 HD1).

Act 46 is expected to cost \$296 million in 2027 and \$1.4 billion a year by 2031 which would be about 12% of Hawai'i's total tax revenue. Hawai'i cannot afford it, especially with the rising costs and federal budget cuts.

The main two arguments from those who oppose tax increases are the negative impact on the economy and that people will move to another state. Studies show that the states with the most progressive tax system are ranked significantly better places to live, work, and raise a family. Taxing capital gains at the same rate as regular income would help Hawai'i state tax system be more progressive. People move for jobs and family and state taxes have a minimum impact on interstate moves.

Please restore the original language of SB3125 or better yet use the amended version of HB2306 (HB2306 HD1) so we can pay for the common goods and give working families much needed child + dependent care tax credits. Thank you for your consideration.

Mahalo for the opportunity to testify,

Joie Yonamine



SB-3125

Submitted on: 3/5/2026 8:29:29 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lisa Gollin	Testifying for Indivisible	Oppose	Written Testimony Only

Comments:

Dear Chair Dela Cruz, Vice Chair Moriwaki, and the Members of Committees,

As an individual and member of Indivisible Hawaii, I strongly oppose SB3125 SD1 Proposed. This bill:

- Repeals the top personal income tax brackets for married couples making over \$350,000 per year, heads of households making over \$262,500, and single people making over \$175,000 per year;
- Adjusts the applicable percentage of the employment-related expenses for which the child and dependent care tax credit may be claimed to unspecified levels; and
- Extends to an unspecified date the sunset for amendments made to the child and dependent care tax credit, earned income tax credit, and food/excise tax credit.

Please restore the original language of SB3125 or better yet use the amended version of HB2306 (HB2306 HD1).

Act 46 is expected to cost \$296 million in 2027 and \$1.4 billion a year by 2031 which would be about 12% of Hawai‘i’s total tax revenue. Hawai‘i cannot afford it, especially with the rising costs and federal budget cuts.

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.

The original version of SB3125 would help many more families than Act 163, SLH 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.

The main two arguments from those who oppose tax increases are the negative impact on the economy and that people will move to another state. Studies show that the states with the most progressive tax system are ranked significantly better places to live, work and raise a

family. Taxing capital gains at the same rate as regular income would help Hawai'i state tax system be more progressive. People move for jobs and family and state taxes have a minimum impact on interstate moves.

Please restore the original language of SB3125 or better yet use the amended version of HB2306 (HB2306 HD1) so we can pay for the common goods and give working families much needed child + dependent care tax credits.

Mahalo,

Lisa Gollin

SB-3125

Submitted on: 3/5/2026 8:32:38 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
James E Raymond	Individual	Oppose	Written Testimony Only

Comments:

I am a member of Indivisible Windward.

Mass opposition to the trump regime is sparking an awakening of voters inn Hawai'i. We will no longer keep electing legislators who do the bidding of wealthy campaign donors -- especially where regressive tax structures are at stake.

Don't pass tax cuts for the rich while we struggle.

SB-3125

Submitted on: 3/5/2026 8:33:12 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Jeff Lum	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose the repeal of Hawaii's Renewable Energy Technologies Income Tax Credit (RETITC) contained in SB3125 SD1. Eliminating this credit would increase the cost of solar and energy storage for Hawaii residents and businesses and slow progress toward the State's energy affordability, resilience, and economic development goals. Please remove the RETITC repeal from this bill.

SB-3125

Submitted on: 3/5/2026 8:33:19 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
wei lian	Individual	Support	Written Testimony Only

Comments:

Dear Chair Dela Cruz, Vice Chair Moriwaki, and members of the Committee,

I am writing in strong support of **SB3125**, which makes important improvements to Hawai'i's tax policies and strengthens support for working families across the state.

One of the most impactful provisions of this bill is the expansion of the Child and Dependent Care Tax Credit. Childcare costs in Hawai'i are among the highest in the nation, placing a significant financial burden on families who must work to support their households. By increasing the credit to as much as 50 percent of eligible expenses and maintaining refundability, this measure will provide meaningful relief to working parents who depend on childcare in order to remain employed.

This change will especially help middle- and lower-income families who face the greatest difficulty balancing employment with the high cost of care. Allowing families to claim a larger share of their childcare expenses will help ensure that parents can remain in the workforce while providing safe and reliable care for their children or dependents.

The bill also strengthens program integrity by establishing reasonable disallowance periods in cases where fraudulent claims are identified. This helps ensure that the credit remains available to those who legitimately need it while protecting public resources.

Additionally, extending the sunset of several important tax credit provisions enacted in 2023 provides continued stability for households that rely on these programs. Predictability in tax policy allows families to plan and helps maintain the effectiveness of these credits in addressing Hawai'i's high cost of living.

Taken together, the provisions in this bill represent a balanced approach that supports working families, promotes workforce participation, and maintains responsible oversight of tax credits.

For these reasons, I respectfully urge the committee to pass **Senate Bill 3125**.

Thank you for the opportunity to provide testimony,

Wei Lian

SB-3125

Submitted on: 3/5/2026 8:34:07 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Joy Dillon	Individual	Oppose	Written Testimony Only

Comments:

I am opposed to a pause in the tax cuts. These cuts were already passed and we expected them to continue. Pausing them changes the rules midstream. That creates uncertainty and stress for households. The path to prosperity for both citizens and the government is to reduce taxes. Please do not support this bill.

SB-3125

Submitted on: 3/5/2026 8:34:23 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Richard Vetter	Individual	Oppose	Written Testimony Only

Comments:

Aloha legislators, I strongly oppose Senate Bill 3125 and House Bill 2306. Pausing tax cuts hurts regular families. Please keep our taxes from going back up.

LATE

SB-3125

Submitted on: 3/5/2026 8:34:37 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Judith Meyer	Individual	Oppose	Written Testimony Only

Comments:

Aloha! I am writing to ask you to preserve Hawaii's tax cut. Families need those cuts to lower the cost of living. They also help grow our economy so that we can all do better. Please vote against sb3125 and hb2306.

SB-3125

Submitted on: 3/5/2026 8:34:55 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Julius Taraya	Individual	Oppose	Written Testimony Only

Comments:

This is how states end up with giant deficits. You can't keep raising taxes on people. If you need to find more money, then do a better job with the budget. Don't take away the tax cuts you promised.

SB-3125

Submitted on: 3/5/2026 8:34:58 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Richard Toledo	Individual	Oppose	Written Testimony Only

Comments:

Senate Bill 3125 and House Bill 2306 should not pass. The income tax cuts were one of the few bright spots for affordability. Pausing them only creates more uncertainty. I urge you all to vote no.

SB-3125

Submitted on: 3/5/2026 8:35:27 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Michelle Bonk	Individual	Oppose	Written Testimony Only

Comments:

As a Maui resident and member of Hawai'i State Indivisible I ask that you please restore the original SB3125 or use the amended version of HB2306 (HB2306 HD1).

When the state is already expecting to account for budget shortfalls due to federal funds removal, the people of Hawaii can not afford to also give more tax breaks to the highest earners and the wealthiest in the state. We must all do our fair part for the state.

Additionally, studies show that the states with the most progressive tax system are ranked significantly better places to live, work and raise a family.

Thank you.

LATE

SB-3125

Submitted on: 3/5/2026 8:35:34 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Karl Nakamura	Individual	Oppose	Written Testimony Only

Comments:

Aloha kakou, I strongly oppose House Bill 2306 and Senate Bill 3125. Families are just trying to get by. Pausing the tax cuts hurts locals the most. Vote no, please.

SB-3125

Submitted on: 3/5/2026 8:35:34 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Pamela Elders	Individual	Oppose	Written Testimony Only

Comments:

To: Hawai'i State Senate Committee on Ways and Means

Re: Testimony in STRONG SUPPORT of SB3125

Dear Chair Dela Cruz, Vice Chair Moriwaki, and the Members of Committees,

I strongly oppose SB3125 SD1 because this bill would:

- Repeal the top personal income tax brackets for married couples making over \$350,000 per year, heads of households making over \$262,500, and single people making over \$175,000 per year;
- Adjust the applicable percentage of the employment-related expenses for which the child and dependent care tax credit may be claimed to unspecified levels; and
- Extend to an unspecified date the sunset for amendments made to the child and dependent care tax credit, earned income tax credit, and food/excise tax credit.

Hawai'i's current state and local tax system is regressive, meaning that those with the lowest incomes pay a higher share of their income in taxes than the wealthiest households. According to the Institute on Taxation and Economic Policy (ITEP), Hawai'i's lowest-income 20% of families pay about 14% of their income in state and local taxes, while the top 1% pay only about 10%.

Please restore the original language of SB3125 or better yet use the amended version of HB2306 (HB2306 HD1).

Act 46 is expected to cost \$296 million in 2027 and \$1.4 billion a year by 2031 which would be about 12% of Hawai'i's total tax revenue. Hawai'i cannot afford it, especially with the rising costs and federal budget cuts.

Studies show that the states with the most progressive tax system are ranked significantly better places to live, work and raise a family.

Please restore the original language of SB3125 or better yet use the amended version of HB2306 (HB2306 HD1) so we can pay for the common goods and give working families much needed child + dependent care tax credits. Thank you for your consideration.

LATE

SB-3125

Submitted on: 3/5/2026 8:35:50 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Richard Peters	Individual	Oppose	Written Testimony Only

Comments:

I would like to submit opposition testimony on HB2306 / SB3125. Hawaii is already losing residents to the mainland. Higher taxes will only speed that up. Please vote no on this bill.

LATE

SB-3125

Submitted on: 3/5/2026 8:36:14 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kathleen Takashige	Individual	Oppose	Written Testimony Only

Comments:

Hawaii has one of the highest tax rates in the country. Taxing people to death is not the answer. If you need to find more money, then do a better job with the budget. Tax away the 65% wage increases instead. Review government benefits and stop the fraud. Stop the corruption in our government and elections. Don't take away the tax cuts you promised.

LATE

SB-3125

Submitted on: 3/5/2026 8:36:21 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Richard Kyoperi	Individual	Oppose	Written Testimony Only

Comments:

Aloha kakou, I strongly oppose House Bill 2306 and Senate Bill 3125. Families are just trying to get by. Pausing the tax cuts hurts locals the most. Vote no, please.

LATE

SB-3125

Submitted on: 3/5/2026 8:36:52 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Richard Hawkins	Individual	Oppose	Written Testimony Only

Comments:

Aloha! I am writing to ask you to preserve Hawaii's tax cut. Families need those cuts to lower the cost of living. They also help grow our economy so that we can all do better. Please vote against sb3125 and hb2306.

SB-3125

Submitted on: 3/5/2026 8:37:25 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Kathy Kamauu	Individual	Oppose	Written Testimony Only

Comments:

S.B. 3125 and H.B. 2306 should be stopped. The tax cuts were meant to be a long-term improvement. Pausing them creates uncertainty for families and workers. Hawai'i needs policies people can rely on. Vote no. You need to balance the budget by cutting out waste and fraud - not on the backs of the honest taxpayers. Protect our money

LATE

SB-3125

Submitted on: 3/5/2026 8:37:43 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kay Jessica O'Reilly	Individual	Oppose	Written Testimony Only

Comments:

I oppose sb3125 and hb2306. Everyone was so excited when you all passed the tax cuts. Now you want to get rid of them? Maybe we need smarter budgeting rather than tax hikes. Please vote against this bill.

SB-3125

Submitted on: 3/5/2026 8:38:39 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Arielle Mirafuentes	Testifying for RevoluSun	Oppose	Written Testimony Only

Comments:

I strongly oppose the repeal of Hawai‘i’s Renewable Energy Technologies Income Tax Credit (RETITC) as proposed in SB3125 SD1.

Introducing this measure at a time when Hawai‘i’s solar industry is already facing significant uncertainty due to the scheduled reduction and expiration of federal renewable energy tax credits in 2025 and 2026 risks creating a perfect storm of harmful regulatory impacts. The combined loss of both federal and state incentives would significantly increase the cost of solar and energy storage systems for local residents and businesses, discouraging adoption and destabilizing the industry.

For more than 15 years, the Hawai‘i solar industry has played a critical role in advancing the State’s clean energy goals. Solar and energy storage installations have helped shift roughly 30% of the State’s annual energy consumption toward resilient renewable energy systems. This progress has also kept millions of dollars circulating within Hawai‘i’s local economy instead of sending those energy dollars out of state to purchase imported fossil fuels.

The solar industry is also a major local employer, supporting thousands of skilled jobs across installation, engineering, permitting, sales, and maintenance. Abrupt policy changes that remove critical incentives could force many local companies to scale back operations or close entirely. Such outcomes would not only impact employees and their families, but also leave existing solar customers without the long-term service and support needed to maintain these systems.

If policy adjustments are necessary, they should be implemented responsibly and gradually through phased step-downs over a reasonable timeframe and only after the State has met its mandated renewable energy benchmarks. Sudden elimination of the RETITC undermines consumer confidence and disrupts long-term investment in Hawai‘i’s clean energy transition.

For these reasons, I respectfully urge lawmakers to remove the RETITC repeal from SB3125 SD1. Maintaining this credit is essential to keeping renewable energy accessible, protecting local jobs and businesses, and ensuring Hawai‘i continues making meaningful progress toward a resilient, affordable, and sustainable energy future.

LATE

SB-3125

Submitted on: 3/5/2026 8:39:22 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kenneth Witek	Individual	Oppose	Written Testimony Only

Comments:

Please do whatever you can to keep our tax cuts. They are very important to Hawaii families, especially with inflation and the bad economy. I ask you to vote against SB3125 / HB2306 and any bill that would end the income tax cut.

SB-3125

Submitted on: 3/5/2026 8:39:46 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Kevin Kern	Individual	Oppose	Written Testimony Only

Comments:

I am writing to oppose HB 2306 and SB 3125. Hawaii already asks a lot from its residents. Taking away tax relief is too much. Please keep the tax cuts. Mahalo.

LATE

SB-3125

Submitted on: 3/5/2026 8:40:16 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dr. Kimberly Kowalski	Individual	Oppose	Written Testimony Only

Comments:

Hawaii has some of the highest costs of living in the country. A couple of years ago, you all passed the income tax cut to help people afford to stay here. Now you want to press pause? We need to make it easier for people to stay here. That's why I hope you vote against Senate Bill 3125 and House Bill 2306. Even for high income professionals in the medical field, the difference in take home income can sway decision on where they chose to practice. Hawaii already has a severe physician shortage and higher taxes does not help us recruit and retain! Focus on taxes for tourists and ultrawealthy parttime residents instead. Help out the hardworking people that live here.

LATE

SB-3125

Submitted on: 3/5/2026 8:40:20 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alan Agena	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose the repeal of Hawaii's Renewable Energy Technologies Income Tax Credit (RETITC) contained in SB3125 SD1. Please help Hawaii's residence with keeping the credits in place to support the industry through the federal incentive changes, allowing for the continued growth of local jobs and renewable energy capacity. Thank you for your time and consideration.

Sincerely

Alan Agena

LATE

SB-3125

Submitted on: 3/5/2026 8:40:35 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lance Nash	Individual	Oppose	Written Testimony Only

Comments:

Hawaii has some of the highest costs of living in the country. A couple of years ago, you all passed the income tax cut to help people afford to stay here. Now you want to press pause? We need to make it easier for people to stay here. That's why I hope you vote against Senate Bill 3125 and House Bill 2306.

SB-3125

Submitted on: 3/5/2026 8:41:01 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Dwight T. Martin	Individual	Oppose	Written Testimony Only

Comments:

Aloha. I am a Hawaii resident, a registered voter, and a member of IndivisibleHawaii.

I am opposed to the revised language proposed for SB3125 which lowers tax brackets for the highest earners. I know that Hawaii would lose badly needed tax revenue if these revisions are implemented, and I believe that everybody should pay their fair share.

Please restore the original SB3125 or better yet use the amended version of HB2306 (HB2306 HD1) to retain more equitable taxing across the tax brackets.

Thank you.

LATE

SB-3125

Submitted on: 3/5/2026 8:41:31 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Laura Costa	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB3125 as well as HB2306. Everything costs more here, and taxes don't help. The income tax cuts finally felt like progress. Please don't undo them. Mahalo.

SB-3125

Submitted on: 3/5/2026 8:41:48 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Leila Lee	Individual	Oppose	Written Testimony Only

Comments:

Aloha - this testimony is offered in opposition to SB 3125 and HB2306. Hawaii families were promised income tax relief. Pausing it feels unfair. Our cost of living is still extremely high. Lawmakers should focus on controlling their spending instead of raising taxes. Please vote no on SB 3125.

SB-3125

Submitted on: 3/5/2026 8:42:05 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Leslie Corpuz	Individual	Oppose	Written Testimony Only

Comments:

It appears that those of us who previously submitted testimony failed to convince you folks that we need the tax cuts to continue. It appears you are determined to do away with the tax cuts under the guise of balancing the budget. May I remind you that we, the taxpayers, feel your hands in our pockets/purses when you spend AND when you increase our taxes. I urge you to vote against S.B. 3125 and H.B. 2306. The income tax cuts were an important step for affordability. Pausing them feels like a step backward. Hawaii needs less pressure on our living expenses, not more.

LATE

SB-3125

Submitted on: 3/5/2026 8:42:18 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Younghee Overly	Individual	Oppose	Written Testimony Only

Comments:

Please restore the original language of SB3125 or better yet use the amended version of HB2306 (HB2306 HD1).

Hawaii state already received \$3B federal budget cut last year and federal's One Big Beautiful Bill would cause further cuts to Medicaid, SNAP, public education, etc.. Act 46 SLH2024 would cut state revenue by another \$1.5B. We need to raise tax not cut.

Thank you.

SB-3125

Submitted on: 3/5/2026 8:42:39 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Lindsay Kamm	Individual	Oppose	Written Testimony Only

Comments:

Aloha kakou, I strongly oppose House Bill 2306 and Senate Bill 3125. Those tax cuts were the most responsible and hopeful actions to come out of the legislature. Rather than "pausing" them, please rein in your spending. Please vote no.

SB-3125

Submitted on: 3/5/2026 8:42:39 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Dale VanderBrink	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Dela Cruz and Vice Chair Moriwaki,

I am writing this in opposition to the current draft of SB3125. I ask you to restore the original SB3125 or better yet use the amended version of HB2306 (HB2306 HD1)

Thankyou, Dale

SB-3125

Submitted on: 3/5/2026 8:43:46 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
maile nakano	Individual	Oppose	Written Testimony Only

Comments:

Please use amended version from HB2306 HD1.

LATE

SB-3125

Submitted on: 3/5/2026 8:43:56 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Luke McKenney	Individual	Oppose	Written Testimony Only

Comments:

I am writing to submit testimony in opposition to Senate Bill 3125 & House Bill 2306. The income tax cuts gave families some much-needed breathing room. Even small amounts of relief matter in a high-cost state like Hawaii. Pausing the cuts effectively raises taxes on residents. This bill creates uncertainty and makes it harder to plan financially. Families need stability, not sudden changes. There is a ton that can be cut in the budget before pulling back tax cuts.

LATE

SB-3125

Submitted on: 3/5/2026 8:44:14 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Marie Morin	Individual	Oppose	Written Testimony Only

Comments:

Aloha! I am writing to ask you to preserve Hawaii's tax cut. Families need those cuts to lower the cost of living. They also help grow our economy so that we can all do better. Please vote against sb3125 and hb2306. I would feel very betrayed if you do not preserve the tax cut. It would be the last ultimate bait and switch.

SB-3125

Submitted on: 3/5/2026 8:44:39 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Mark Edwards	Individual	Oppose	Written Testimony Only

Comments:

Aloha: I am against any bill that pauses the income tax cuts, including S.B. 3125. The cost of living keeps going up and families need every bit of relief they can get. Calling it a "pause" doesn't change the impact. It still means higher taxes. Please vote no.

SB-3125

Submitted on: 3/5/2026 8:45:01 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Denize Machit	Individual	Oppose	Written Testimony Only

Comments:

Mahalo for allowing me to express my opinion on this proposed bill. Hawai'i is in need of moneys to support our own vulnerable communities. We are also lucky to have some few who are very, very financially stable. Creating new tax cuts for those of us that are financially secure makes little human sense. Our rich are fine. They don't need our help, except maybe to help them understand their kuliana to our community. Please remove the amendment to cut taxes for our most privileged before passing this bill.

Denize Machit

SB-3125

Submitted on: 3/5/2026 8:45:02 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Mark Monoscalco	Individual	Oppose	Written Testimony Only

Comments:

Aloha legislators. I am against HB 2306 & SB 3125. The tax cuts mattered to working people here, and we were counting on them. Pausing them will make it harder to afford life in Hawaii. This is not a painless solution to your budgeting problems. Please vote no.

SB-3125

Submitted on: 3/5/2026 8:45:04 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Dominic Franklyn	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

Proposing this bill at a time when the Hawaii Solar Industry is already under tremendous threat due to the ending of Federal Tax Credits for renewable energy in 2025 and 2026 is likely to create a Perfect Storm of destructive regulatory impacts on businesses that will cause local business closures leaving customers without the long term support needed for these systems.

The Hawaii Solar Industry is a major employer in the Hawaii and over the last 15 years it has moved roughly 30% of all energy consumed annually into resilient renewable energy systems bringing capital that would otherwise leave the State and our economy home and the work is not done.

To minimize impacts to local customers, employees and businesses, any changes that affect customers should be made responsibly and gradually over time (5-10 year step downs) and after the State has met mandated Renewable Energy requirements.

I strongly oppose the repeal of Hawaii's Renewable Energy Technologies Income Tax Credit (RETITC) contained in SB3125 SD1. Eliminating this credit would increase the cost of solar and energy storage for Hawaii residents and businesses and slow progress toward the State's energy affordability, resilience, and economic development goals. Please remove the RETITC repeal from this bill.

Thank you as always,

Dominic

SB-3125

Submitted on: 3/5/2026 8:45:29 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Martha Morishige	Individual	Oppose	Written Testimony Only

Comments:

I can't believe you're thinking about stopping the tax cuts. You just passed them! People are depending on them and you already want to take them away? Keep your promises and vote against anything that stops the tax cuts.

LATE

SB-3125

Submitted on: 3/5/2026 8:45:49 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Matthew Murphy	Individual	Oppose	Written Testimony Only

Comments:

Please vote no on HB2306/SB3125. A pause in tax cuts is still a tax increase. That means less money in the hands of local residents. This is not what Hawaii families need right now.

SB-3125

Submitted on: 3/5/2026 8:46:03 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Kehaulani Coleman	Individual	Oppose	Written Testimony Only

Comments:

Please suppose. Thank you.

LATE

SB-3125

Submitted on: 3/5/2026 8:46:13 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Melissa Rabideau	Individual	Oppose	Written Testimony Only

Comments:

Thanks for all you do for our community, however I am concerned about S.B. 3125 and H.B. 2306. The income tax cuts were an important step for affordability. Pausing them feels like a step backward. Hawaii needs less pressure on our living expenses, not more. I urge you to vote against this bill.

SB-3125

Submitted on: 3/5/2026 8:47:00 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Michael Mastronardi	Individual	Oppose	Written Testimony Only

Comments:

I am writing to submit testimony in opposition to Senate Bill 3125 & House Bill 2306. The income tax cuts gave families some much-needed breathing room. Even small amounts of relief matter in a high-cost state like Hawaii. Pausing the cuts effectively raises taxes on residents. This bill creates uncertainty and makes it harder to plan financially. Families need stability, not sudden changes.

SB-3125

Submitted on: 3/5/2026 8:47:20 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Michele Sorensen	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3125 and HB 2306 because it raises taxes without saying so. A pause still costs families money. Hawaii is already too expensive. Please vote against this bill.

SB-3125

Submitted on: 3/5/2026 8:47:41 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michelle Melendez	Individual	Oppose	Written Testimony Only

Comments:

I am writing to urge you to vote against Sb3125 and Hb2306 which stops the income tax cut. The tax cuts are important for lowering our cost of living. We can't afford for taxes to start rising again.

SB-3125

Submitted on: 3/5/2026 8:48:09 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Mike Despard	Individual	Oppose	Written Testimony Only

Comments:

I would like to submit opposition testimony on HB2306 / SB3125. Hawaii is already losing residents to the mainland. Higher taxes will only speed that up. Please vote no on this bill.

SB-3125

Submitted on: 3/5/2026 8:48:50 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Monica Jennings	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3125 and HB 2306 because it raises taxes without saying so. A pause still costs families money. Hawaii is already too expensive. Please vote against this bill.

SB-3125

Submitted on: 3/5/2026 8:49:09 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Nicholas Zehr	Individual	Oppose	Written Testimony Only

Comments:

I can't believe you're thinking about stopping the tax cuts. You just passed them! People are depending on them and you already want to take them away? Keep your promises and vote against anything that stops the tax cuts.

SB-3125

Submitted on: 3/5/2026 8:49:24 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Elizabeth Winternitz	Individual	Oppose	Written Testimony Only

Comments:

To: Hawai'i State Senate Committee on Ways and Means

Re: SB3125 Proposed

Dear Chair Dela Cruz, Vice Chair Moriwaki, and the Members of Committees,

In the interest of fairness and equity, Please restore the original language of SB3125 or better yet use the amended version of HB2306 (HB2306 HD1) so we can pay for the common goods and give working families much needed child + dependent care tax credits. Thank you for your consideration.

Mahalo,

Elizabeth Winternitz, Kula Maui

SB-3125

Submitted on: 3/5/2026 8:49:29 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Nolan Chang	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB3125 and HB2306. As someone trying to stay in Hawaii long term, higher taxes scare me. The tax cuts gave hope that things were improving. Don't take that away. Mahalo.

SB-3125

Submitted on: 3/5/2026 8:50:57 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Norma Hughes	Individual	Oppose	Written Testimony Only

Comments:

I oppose Senate Bill 3125 and House Bill 2306 and any attempt to pause the tax cuts. Once taxes go up, they rarely come back down. A pause today becomes permanent tomorrow. Please put a stop to this bill.

SB-3125

Submitted on: 3/5/2026 8:51:23 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Oliver Wyrcki	Individual	Oppose	Written Testimony Only

Comments:

I am submitting this testimony in opposition to Senate Bill 3125 and House Bill 2306. The income tax cuts were passed to help families deal with Hawaii's high cost of living. Pausing the tax cuts is the same as raising taxes in real life. Calling it a pause does not change the impact on household budgets, and pauses tend to become permanent. Hawaii residents are already struggling with rent and food costs. Lower the cost of government in Hawaii. Why don't you take some money from all the special accounts that never get spent, or the department slush funds for the jobs that never get hired. UH has over \$400 million they never use. Read the paper! Tom Yamachika seems to know what he is talking about and actually reads what the Departments put out. You have plenty of money. You don't need anymore from us. Make due like Hawaii families. Mahalo for listening,

SB-3125

Submitted on: 3/5/2026 8:51:40 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Pandurangasayi Nuti	Individual	Oppose	Written Testimony Only

Comments:

Please do whatever you can to keep our tax cuts. They are very important to Hawaii families, especially with inflation and the bad economy. I ask you to vote against SB3125 / HB2306 and any bill that would end the income tax cut. In Hawaii, there is no such thing like high paid employees can afford the tax hike. Even those earning 300 K or more still can only be as good as middle class from the affordability standpoint. Given that fact, we request that the rollback of tax cuts enacted is opposed.



ENERGY ADVISORS

LATE

March 5, 2026

OPPOSITION to SB3125 SD1

Aloha Chair Lowen, Vice Chair Perruso, and Committee Members:

I strongly oppose the repeal of Hawaii's Renewable Energy Technologies Income Tax Credit (RETITC) contained in SB3125 SD1. Eliminating this credit would increase the cost of solar and energy storage for Hawaii residents and businesses and slow progress toward the State's energy affordability, resilience, and economic development goals. Please remove the RETITC repeal from this bill.

Mahalo for the opportunity to testify.

Respectfully,



Anthony Amendola
President/CEO

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energyadvisorshawaii.com

"Making Sustainability Profitable"

Energy Advisors provides turn-key building improvement solutions through the development and funding of renewable energy, energy efficiency, EV Charging, and capital improvements in Hawai'i.

SB-3125

Submitted on: 3/5/2026 8:51:58 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Patricia de Los Santos	Individual	Oppose	Written Testimony Only

Comments:

I oppose any bill that pauses the tax cuts because it undermines progress. The tax cuts were already working to make Hawaii more affordable for local families. Pausing them takes us backward. Mahalo for your consideration. I hope you vote against this bill.

SB-3125

Submitted on: 3/5/2026 8:52:26 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Patricia Huff	Individual	Oppose	Written Testimony Only

Comments:

I am submitting this testimony in opposition to Senate Bill 3125 and House Bill 2306. The income tax cuts were passed to help families deal with Hawaii's high cost of living. Many people, including my family, planned around that relief. Pausing the tax cuts is the same as raising taxes in real life. Calling it a pause does not change the impact on household budgets. Hawaii residents are already struggling with rent and food costs. This bill moves us backward.

SB-3125

Submitted on: 3/5/2026 8:52:53 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Patrick Brannigan	Individual	Oppose	Written Testimony Only

Comments:

I am writing to oppose HB 2306 and SB 3125. Hawaii already asks a lot from its residents. Taking away tax relief is too much. Please keep the tax cuts. Mahalo.

SB-3125

Submitted on: 3/5/2026 8:53:13 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Patti Yasuhara	Individual	Oppose	Written Testimony Only

Comments:

I am writing to submit testimony in opposition to Senate Bill 3125 & House Bill 2306. The income tax cuts gave families some much-needed breathing room. Even small amounts of relief matter in a high-cost state like Hawaii. Pausing the cuts effectively raises taxes on residents. This bill creates uncertainty and makes it harder to plan financially. Families need stability, not sudden changes.

SB-3125

Submitted on: 3/5/2026 8:53:33 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Paul Morse	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose Senate Bill 3125 as well as House Bill 2306. The income tax cuts finally gave families a little breathing room. Pausing them now feels like pulling the rug out from under people. A pause is still a tax hike in real life. Please vote no on this bill.

SB-3125

Submitted on: 3/5/2026 8:53:36 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Diann Karin Lynn	Individual	Oppose	Written Testimony Only

Comments:

Thanks to an advisory by Indivisible Hawaii, I understand that the Senate Ways and Means Committee is proposing *new language* for SB3125 (stop tax cuts to wealthy) which lowers tax brackets for the highest earners, and that this proposal was posted after the deadline to submit testimony (this hardly seems transparent and in fact seems blatantly sneaky to me). I realize this testimony is late but I want you to know I OPPOSE SB3125 PROPOSED and exhort you to restore the original SB3125 (or better yet use the amended version of HB2306 (HB2306 HD1).

Thank you for reading.

SB-3125

Submitted on: 3/5/2026 8:53:51 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Paul Scott	Individual	Oppose	Written Testimony Only

Comments:

Aloha, please vote against HB2306 and SB3125. Hawaii families need relief from the high cost of living. Pausing tax cuts does the opposite. Mahalo for your time.

SB-3125

Submitted on: 3/5/2026 8:54:04 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Priscilla Andrade	Individual	Oppose	Written Testimony Only

Comments:

I am a local resident, born and raised. I oppose hb2306/sb3125. The cost of living here in hawaii makes it harder already with prices of everything from groceries to insurance that we can barely breath. We are hardworking people and would like to spend some time enjoying the money we work so hard for. We already pay enough. The tax cuts will allow our families to breathe a little. Please don't take that away. Mahalo.

SB-3125

Submitted on: 3/5/2026 8:54:23 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Randy Stevens	Individual	Oppose	Written Testimony Only

Comments:

Thanks for all you do for our community, however I am concerned about S.B. 3125 and H.B. 2306. The income tax cuts were an important step for affordability. Pausing them feels like a step backward. Hawaii needs less pressure on our living expenses, not more. I urge you to vote against this bill.

SB-3125

Submitted on: 3/5/2026 8:54:26 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
PAUL OREM	Testifying for Photonworks Engineering	Oppose	Written Testimony Only

Comments:

I strongly oppose the repeal of Hawaii’s Renewable Energy Technologies Income Tax Credit (RETITC) contained in SB3125 SD1. Eliminating this credit would increase the cost of solar and energy storage for Hawaii residents and businesses and slow progress toward the State’s energy affordability, resilience, and economic development goals. Please remove the RETITC repeal from this bill.

Paul Orem Photonworks Engineering LLP

SB-3125

Submitted on: 3/5/2026 8:54:37 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Raphaela Che	Individual	Oppose	Written Testimony Only

Comments:

I am against SB 3125 and HB 2306. Hawaii is my home now. As we all know and are aware of, it is getting harder and more expensive for families to live here. Even on my Registered Nurse income, being a single mother isn't any better. As a result, any form of help, will be appreciated and helpful to local families. We have a huge pay disparity across the State. Unfortunately, not everyone has a family or relative they can move in with in generational housing to help offset some of the cost. Also, not anyone is capable to move out of State like some have unfortunately had to do. The exorbitant increase in HOA & maintenance fees, have placed an unnecessary ongoing burden to families. I paid close to thirteen thousand dollars (\$12,948 i.e. \$1079/month) in HOA fees alone in 2025. This is an expense that isn't even reported on my tax document. Not to talk of the \$3500/month I have to pay in mortgage. In addition, I have a child to feed before other expenses. I hope you law makers can do the Math and tell me how one can get out of poverty in Hawaii. This high cost of living explains in part why our homeless population keeps growing. As I continue to get strangled being the single income earner for household, I'll eventually not be able to keep up with the bills and end up on the streets while the banks repossess my home. This is why instead of attempting to undo the tax relief bill, more bills should actually be enacted and added on to address this crisis we continue to face as a State. I understand that not all live pay check to pay check, but as law makers, you all have the duty and responsibility to have empathy to those who do. It is imperative to understand the problem of local families like mine who live pay check to pay check. I therefore kindly ask that you all keep families like mine in your thoughts as you deliberate and vote on this bill. We aren't just numbers and statistical data but are alive with children who look upon us for a better tomorrow. Thank you

LATE

To: Hawai'i State Senate Committee on Ways and Means

Re: Testimony in STRONG SUPPORT of ORIGINAL SB3125 — OPPOSITION to SB3125 SD1 Proposed

Dear Chair Dela Cruz, Vice Chair Moriwaki, and the Members of Committees,

I am writing in strongly opposition to SB3125 SD1 Proposed (and shame on you for posting the revisions after the initial deadline for testimony!)

This revised wording in the bill rewards the wealthiest in our community and again places more of the tax burden on those already struggling to get by. Specifically, it:

1. Repeals the top personal income tax brackets for married couples making over \$350,000 per year, heads of households making over \$262,500, and single people making over \$175,000 per year.

THIS IS OUTRAGEOUS. Married and supporting 3 children in Hawai'i, I am aware of the cost of living and the need for two incomes. We are fortunate and are able to do quite well, and still do not make \$350,000/yr. There si NO NEED TO REPEAL THE TOP INCOME TAX BRACKET for these individuals. We are a community, and those who have more should at least be paying proportionally the same amount of tax as those who have less.

*Hawai'i's current state and local tax system is **regressive**, meaning that those with the lowest incomes pay a higher share of their income in taxes than the wealthiest households. According to the Institute on Taxation and Economic Policy (ITEP), Hawai'i's **lowest-income 20% of families pay about 14% of their income in state and local taxes**, while the **top 1% pay only about 10%**.*

2. Adjusts the applicable percentage of the employment-related expenses for which the child and dependent care tax credit may be claimed to unspecified levels.

Hawai'i is a high-risk state with a family caregiver shortage. Family caregivers spend about \$7,200 of their own money on average on out-of-pocket caregiving expenses. Furthermore, considering the average cost of preschool in Hawai'i is over \$13,000 per year, **our working families need more help with their child care expenses.**

3. Extends to an unspecified date the sunset for amendments made to the child and dependent care tax credit, earned income tax credit, and food/excise tax credit.

Please restore the original language of SB3125 or better yet use the amended version of HB2306 (HB2306 HD1).

Act 46 is expected to cost \$296 million in 2027 and \$1.4 billion a year by 2031 which would be about 12% of Hawai'i's total tax revenue. **Hawai'i cannot afford this at the current time, especially with the rising costs and federal budget cuts.**

The main two arguments from those who oppose tax increases are 1) the negative impact on the economy and 2) that people will move to another state. **Studies show that the states with**

the most progressive tax system are ranked significantly better places to live, work and raise a family. Taxing capital gains at the same rate as regular income would help Hawai'i state tax system be more progressive. **People move for jobs and family and state taxes have a minimum impact on interstate moves.**

Please restore the original language of SB3125 or better yet use the amended version of HB2306 (HB2306 HD1) so we can pay for the common goods and give working families much needed child + dependent care tax credits. Thank you for your consideration.

Sincerely,
Julie A. Iezzi

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

SB-3125

Submitted on: 3/5/2026 8:54:56 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Raymond McConnell	Individual	Oppose	Written Testimony Only

Comments:

Aloha, I strongly oppose HB2306 / SB3125. Hawaii is already too expensive for local families. The income tax cuts helped a little and every bit matters. Pausing them just makes things harder. Please vote no and mahalo for listening.

SB-3125

Submitted on: 3/5/2026 8:55:23 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Rayna Marsh	Individual	Oppose	Written Testimony Only

Comments:

I am writing to submit testimony in opposition to house bill 2306 and senate bill 3125. The tax cuts helped people cope with Hawaii's high cost of living. Pausing them does the opposite. Calling it temporary does not lessen the impact. Families will feel the difference immediately.

SB-3125

Submitted on: 3/5/2026 8:55:44 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Rian Garr	Individual	Oppose	Written Testimony Only

Comments:

Hawaii's income tax cut was an important step for affordability. Pausing it now erodes public trust. I urge you to vote against this bill and any effort to stop the tax cut.

SB-3125

Submitted on: 3/5/2026 8:56:06 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Rich Walker	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose House Bill 2306 and Senate Bill 3125. A pause is just a tax hike with a nicer name. Families will still pay more. Please don't support this measure.

SB-3125

Submitted on: 3/5/2026 8:56:33 AM

Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Stephen Munkelt	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3125 HD1 as amended, both individually and as a member of Indivisible Hawaii. In order to protect the priorities of our budget in the face of federal cuts, you need to restore the original SB3125 or better yet use the amended version of HB2306 HD1

Thank you for the opportunity to testify

SB-3125

Submitted on: 3/5/2026 9:00:29 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Shana Laririt	Individual	Oppose	Written Testimony Only

Comments:

I am writing with strong opposition to lowering the tax bracket for the highest earners. If we can't stop this tax cut to the wealthy, our State revenue will be cut by \$1.5B at a time when so many other benefits and programs are being slashed, this would be shameful to the people of our State. The wealthy NEED to pay their fair share.

SB-3125

Submitted on: 3/5/2026 9:02:21 AM

Testimony for WAM on 3/5/2026 12:00:00 PM



Submitted By	Organization	Testifier Position	Testify
George "Bud" Antonelis. PhD	Individual	Oppose	Written Testimony Only

Comments:

To: Hawai‘i State Senate Committee on Ways and Means
Vice Chair Moriwaki, and the Members of Committees,

Dear Chair Dela Cruz,

The members of Indivisible Hawaii strongly oppose SB3125 SD1 Proposed. This bill:

- Repeals the top personal income tax brackets for married couples making over \$350,000 per year, heads of households making over \$262,500, and single people making over \$175,000 per year;
- Adjusts the applicable percentage of the employment-related expenses for which the child and dependent care tax credit may be claimed to unspecified levels; and
- Extends to an unspecified date the sunset for amendments made to the child and dependent care tax credit, earned income tax credit, and food/excise tax credit.

Hawai‘i’s current state and local tax system is regressive, meaning that those with the lowest incomes pay a higher share of their income in taxes than the wealthiest households. According to the Institute on Taxation and Economic Policy (ITEP), Hawai‘i’s lowest-income 20% of families pay about 14% of their income in state and local taxes, while the top 1% pay only about 10%.

Please restore the original language of SB3125 or better yet use the amended version of HB2306 (HB2306 HD1).

Act 46 is expected to cost \$296 million in 2027 and \$1.4 billion a year by 2031 which would be about 12% of Hawai‘i’s total tax revenue. Hawai‘i cannot afford it, especially with the rising costs and federal budget cuts.

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.

The original version of SB3125 would help many more families than Act 163, SLH 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.

The main two arguments from those who oppose tax increases are the negative impact on the economy and that people will move to another state. Studies show that the states with the most progressive tax system are ranked significantly better places to live, work and raise a family. Taxing capital gains at the same rate as regular income would help Hawai'i state tax system be more progressive. People move for jobs and family and state taxes have a minimum impact on interstate moves.

Please restore the original language of SB3125 or better yet use the amended version of HB2306 (HB2306 HD1) so we can pay for the common goods and give working families much needed child + dependent care tax credits. Thank you for your consideration.

SB-3125

Submitted on: 3/5/2026 9:02:42 AM
Testimony for WAM on 3/5/2026 12:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Cheryl Ho	Individual	Oppose	Written Testimony Only

Comments:

Sen. Delacruz, Sen. Moriwaki, and WAM committee members:

I STRONGLY OPPOSE the effort to stop tax cuts to the wealthy!!

Please restore the original SB3125, or better yet use the amended version of HB2306 (HB2306 HD1).

Mahalo!!!

Cheryl Ho, Nu'uano