

Honolulu, Hawaii

Feb. 16

, 2006

RE: S.B. No. 2174  
S.D. 1

Honorable Robert Bunda  
President of the Senate  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Sir:

Your Committee on Human Services, to which was referred S.B. No. 2174 entitled:

"A BILL FOR AN ACT RELATING TO INCOME TAX,"

begs leave to report as follows:

The purpose of this measure is to establish a refundable tax credit for tuition and fees for attending parenting skills and child development classes.

Your Committee finds that parents who attend parenting and child development classes have enhanced skills and better parenting attitudes. Parent education classes help reduce child abuse and neglect by providing parents with the tools to create a nurturing environment for their children. Offering a tax credit provides incentive for parents to participate in parenting education classes, and helps parents defray the costs associated with the courses.

Your Committee received testimony in support of the measure from The Institute for Family Enrichment. Your Committee received testimony in opposition to the measure from the Department of Taxation and TaxBill Service.

Your Committee has amended this measure by:

- (1) Adding the definitions of "evidence-based practices" and "qualified parenting class";



- (2) Clarifying that parents must attend parenting classes within the State to qualify for a tax credit;
- (3) Granting rulemaking authority to the Director of Taxation;
- (4) Requiring the Department of Human Services to certify qualified parenting classes and maintain a current list of providers; and
- (5) Inserting a limit on the credit an individual taxpayer may claim, and an aggregate limit for all qualified taxpayers.

Your Committee also has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2174, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2174, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Human Services,

  
SUZANNE CHUN OAKLAND, Chair



