

JOSH GREEN M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR



STATE OF HAWAII  
**DEPARTMENT OF TAXATION**

Ka 'Oihana 'Auhau  
P.O. BOX 259

HONOLULU, HAWAII 96809  
PHONE NO: (808) 587-1540  
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GARY S. SUGANUMA  
DIRECTOR

KRISTEN M.R. SAKAMOTO  
DEPUTY DIRECTOR

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

**TESTIMONY ON THE FOLLOWING MEASURE:**

H.B. No. 753, H.D. 1, Relating to The Household and Dependent Care Services Tax Credit

**BEFORE THE:**

House Committee on Economic Development & Technology

**DATE:** Wednesday, February 5, 2025

**TIME:** 10:00 a.m.

**LOCATION:** State Capitol, Room 423

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

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 753, H.D. 1, for your consideration.

H.B. 753, H.D. 1, amends the household and dependent care services tax credit under section 235-55.6, Hawaii Revised Statutes (HRS), by increasing the applicable percentage of employment-related expenses that may be claimed by taxpayers for credit purposes. The current applicable percentages based on income brackets would be replaced with a set percentage of fifty per cent, to be reduced by one percentage point for every \$3,000 (or fraction thereof) that the taxpayer's income exceeds the threshold amount of \$150,000.

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

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

Finally, the bill amends Act 163, Session Laws of Hawaii 2023, Section 5 by changing the sunset and reenactment date for the amendments to section 235-55.6(c), HRS, from December 31, 2027, to June 30, 2030.

This measure currently has a defective effective date of July 1, 3000, but would apply to taxable years beginning after December 31, 2024. Sections 2 and 3 have a repeal date of June 30, 3005, for (1) reenactment of section 235-55.6, HRS, in the form it read on the day prior to the effective date of this bill, and (2) as amended by section 4 of this bill, for section 235-55.6(c), HRS, to be reenacted in the form it read on the day prior to the effective date of Act 163, Session Laws of Hawaii 2023.

DOTAX can administer this bill for taxable years beginning after December 31, 2024.

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



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

**The State Legislature  
House Committee on Economic Development and Technology  
Wednesday, February 5, 2025  
Conference Room 423, 10:00 a.m.**

TO: The Honorable Greggor Ilagan, Chair  
FROM: Keali'i S. López, State Director  
RE: Support for H.B. 753, HD1 Relating to the Household and Dependent Care Services Tax Credit

Aloha Chair Ilagan and Members of the Committee:

My name is Keali'i Lopez and I am the State Director for AARP Hawai'i. AARP is a nonpartisan, social impact organization that advocates for individuals aged 50 and older. We have a membership of nearly 38 million nationwide and nearly 135,000 in Hawaii. We advocate at the state and federal level for the issues that matter most to older adults and their families.

**AARP is in support of H.B. 753 HD1 which increases the taxpayer's applicable percentage of employment-related expenses that can be claimed for the household and dependent care services tax credit for five years and extends the sunset date of the temporary increase in maximum employment-related expenses used to calculate the tax credit.**

AARP supports the efforts in this bill to expand the Child and Dependent Tax Credit. The increase to the existing credit would help to alleviate some of the financial challenges family caregivers in Hawai'i experience when providing care for loved ones while also working. They include adults with disabilities or aging family members who need care and supervision.

Increasing the taxpayer percentage of employment-related expenses will be a welcome relief to more working caregivers. This allows them to benefit from needed respite services when they are at work while ensuring their older loved ones can remain in their homes and communities, where most want to be.

Thank you for the opportunity to testify in strong support H.B. 753,HD1.





Testimony to the House Committee on Economic Development and Technology  
Wednesday, February 5, 2025  
10:00 a. m.  
State Capitol Conference Room 423 and via videoconference

Re: Support for HB 753 HD 1 Relating to the Household and Dependent Care Services Tax Credit

Dear Chair Ilagan, Vice Chair Hussey, and Honorable Members of the House Committee on Economic Development and Technology:

I am Gary Simon, a member of the board of the Hawai'i Family Caregiver Coalition, whose mission is to improve the quality of life of those who give and receive care by increasing community awareness of caregiver issues through continuing advocacy, education, and training. I am testifying as an individual who has worked in healthcare for over thirty-five years, and I am offering testimony on behalf of the Hawai'i Family Caregiver Coalition.

The Hawai'i Family Caregiver Coalition strongly supports HB 753 HD 1, which increases a taxpayer's applicable percentage of employment-related expenses that is used to calculate the household and dependent care services tax credit and extends the sunset date of the temporary increase in maximum employment-related expenses that are used to calculate the household and dependent care services tax credit.

The bill will provide financial relief for Hawaii's 154,000 family caregivers.

We urge you to support HB 753 HD 1, and we urge you to recommend its passage.

Mahalo for seriously considering the bill.

Very sincerely,

A handwritten signature in black ink that reads "Gary Simon".

Gary Simon



Email [garysimon@hawaii.rr.com](mailto:garysimon@hawaii.rr.com)

**HB-753-HD-1**

Submitted on: 2/1/2025 9:05:29 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Yvette Kay	Indivisible Hawai'i	Support	Written Testimony Only

Comments:

Aloha Chair and committee members, I support this measure so families can claim their full tax credit.



Date: February 1, 2025

To: House Committee on Economic Development & Technology  
Representative Greggor Ilagan, Chair  
Representative Ikaika Hussey, Vice Chair  
And members of the Committee

From: Early Childhood Action Strategy

Re: Support for HB753 – HD 1, which would strengthen the household and dependent care tax credit

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Early Childhood Action Strategy (ECAS) is a statewide cross-sector collaborative designed to improve the system of care for Hawai'i's youngest children and their families. ECAS partners work to align priorities for children prenatal to age eight, streamline services, maximize resources, and improve programs to support our youngest keiki.

**ECAS strongly supports passage of HB753**, which would strengthen the household and dependent care tax credit.

✓ More working families need to be able to access the full amount of the recently expanded Child Care and Dependent Tax Credit.

✓ In 2023, the total tax credit amount was raised. However, the law currently also limits the tax credit by a percentage of child and dependent care expenses based on household income. As a result, many families are not able to claim the tax credit as was originally intended. This discrepancy can be rectified by amending the tax credit to increase the percentage of child and dependent care expenses for which the credit may be applied, thereby fulfilling the legislature's original intent for Act 163.

Thank you for this opportunity to provide testimony **in support of HB753** which would allow more families to access the full amount of the recently expanded Child and Dependent Care Tax Credit. This measure will help all of the people working hard to raise keiki here in Hawai'i.



Hearing Date: Wednesday, February 5, 2025, 20 AM, Rm. 423

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

Re: **TESTIMONY IN SUPPORT OF HB 753, HD 1 Relating to the Household and Dependent Care Services Tax Credit**

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

Members of AAUW of Hawaii thank you for this opportunity to testify in **strong support of HB 753, HD1** which will increase a taxpayer's applicable percentage of employment related expenses that is used to calculate the household and dependent care services tax credit.

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

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

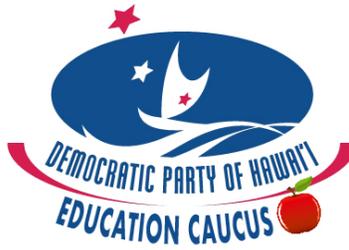
Please pass this measure and mahalo for your consideration.

Sincerely,

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

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

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



## **HOUSE BILL 753, HD1, RELATING TO THE HOUSEHOLD AND DEPENDENT CARE SERVICES TAX CREDIT**

FEBRUARY 5, 2025 · ECD HEARING

**POSITION:** Support.

**RATIONALE:** The Democratic Party of Hawai'i Education Caucus supports HB 753, HD1, relating to the Household and Dependent Care Services Tax Credit, which increases a taxpayer's applicable percentage of employment-related expenses that is used to calculate the household and dependent care services tax credit; and extends the sunset date of the temporary increase in maximum employment-related expenses that are used to calculate the household and dependent care services tax credit, established by Act 163, SLH 2023, to 6/30/2030.

Pursuant to the “Economic Justice and Labor” section of the official Democratic Party of Hawai'i platform, our caucus supports “policies that circulate currency through our economy, helping businesses to thrive, including tax policy that lessens the tax burden of low- and middle-income earners and increases the tax burden of high-income earners and the wealthy. We support government investments of tax revenue in community development, government anti-poverty programs, and the transition to a sustainable, green economy.”

The average cost of full-time child care in Hawai'i currently exceeds \$13,000 per year for working families. That figure is only getting higher with each passing year, as inflation increases. Thus, the rising cost of child care should be reflected in the income tax credits allowed for expenses for

household and dependent care services, which include child care services. Such services facilitate the academic and social development of young children and allow parents to obtain stable employment, thereby increasing the economic well-being of working families.

Act 163, Session Laws of Hawai'i 2023 (Act 163) partially strengthened the household and dependent care services tax credit by raising the amount of the employment-related expenses incurred during any taxable year that may be taken into account for the purposes of the credit. **Yet, Act 163 did not increase the maximum percentage of household and dependent care expenses that may be claimed for the purposes of the tax credit.** Without adjusting the maximum percentage of expenses that taxpayers can claim, the increases to the claimable amounts of the household and dependent care services tax credit provide limited benefit to working families.

Public officials repeatedly stated in local media stories that they intended to provide approximately \$47,000,000 worth of financial relief to working families through the household and dependent care services tax credit under Act 163. The Hawai'i Department of Taxation later estimated the cost of the provisions of Act 163 to be worth only about \$9,500,000 of tax relief. **This discrepancy can be rectified by amending the tax credit to increase the percentage of child and dependent care expenses for which the credit may be applied, thereby fulfilling the legislature's original intent for Act 163.**

**Contact: [educationcaucusdph@gmail.com](mailto:educationcaucusdph@gmail.com)**



To: COMMITTEE ON HUMAN SERVICES & HOMELESSNESS (HSH)  
Hearing Date/Time: Tuesday, February 5, 2025, 10:00 a.m.  
Place: Hawaii State Capitol, Room 423

Re: Testimony in **SUPPORT OF HB 753 HD1** Relating to the Household and Dependent Care Services Tax Credit

Dear Chair Lisa Marten, Vice Chair Ikaka Olds, the members of HSH Committee,

Thank you for allowing Indivisible Hawai'i this opportunity to testify in **support of HB753 HD1** which will make modifications to the law setting out calculations which will ultimately increase amount of tax credit households with children will receive.

One recent Hawaii statistic was shocking. One in three Hawaii households is food insecure. There is no clear solution, but bills like this will help low income families in Hawaii.

Sincerely,  
Indivisible Hawai'i Working Families Team

*We're a grassroots movement of thousands of local Indivisible groups with a mission to elect progressive leaders, rebuild our democracy, and defeat the Trump agenda. In Hawai'i, we have ten groups across four islands, representing over a thousand pro-democracy citizens.*

# TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

**SUBJECT:** INCOME TAX; Household and Dependent Care Services Tax Credit, Increase Credit Percentage

**BILL NUMBER:** HB 753 HD 1

**INTRODUCED BY:** House Committee on Human Services & Homelessness

**EXECUTIVE SUMMARY:** Increases a taxpayer's applicable percentage of employment-related expenses that is used to calculate the household and dependent care services tax credit. Extends the sunset date of the temporary increase in maximum employment-related expenses that are used to calculate the household and dependent care services tax credit, established by Act 163, SLH 2023, to 6/30/2030. Sunsets 6/30/3005.

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

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

Adds section 235-55.6(a)(3) setting the threshold amount as \$150,000 for taxable years beginning after December 31, 2024 and recomputed by the director of taxation annually by the cost-of-living adjustment factor for taxable years beginning after December 31, 2025.

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

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

**EFFECTIVE DATE:** July 1, 3000 and shall apply to taxable years beginning after December 31, 2024, sunsets on June 30, 3005.

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

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

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

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

Digested: 2/1/2025



## CATHOLIC CHARITIES HAWAII

### TESTIMONY IN SUPPORT OF HB 753 HD1: RE HOUSEHOLD AND DEPENDENT CARE SERVICES TAX CREDIT

TO: House Committee on Economic Development and Technology

FROM: Tina Andrade, President and CEO, Catholic Charities Hawaii

Hearing: **Wednesday, 2/5/25; 10:00 AM; via Videoconference or Room 423**

Chair Hagan, Vice Chair Hussey, and Members, Committee on Economic Development and Technology:

Catholic Charities Hawaii **Supports HB 753 HD1**, which increases a taxpayer's applicable percentage of employment-related expenses that may be claimed for the household and dependent care services tax credit.

Catholic Charities Hawaii (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawaii for over 75 years. CCH has programs serving elders, children, families, homeless and immigrants. Our mission is to provide services and advocacy to the most vulnerable of the people in Hawaii. We serve over 40,000 people each year throughout the state. This bill is one of our economic justice priorities.

**This bill emphasizes the Legislature's priority to reduce the cost of living to enable local families to remain in Hawaii. Child care and elder care create severe financial burdens for working families.** This bill would update a 2023 bill that the Legislature estimated would provide \$47,000,000 in tax relief. Unfortunately, the Department of Taxation later estimated the cost of the provisions of Act 163 for this tax credit would provide only about \$9,500,000 in tax relief to working families. This discrepancy can be rectified by amending the tax credit to increase the percentage of child and dependent care expenses for which the credit may be applied, thereby fulfilling the legislature's original intent for Act 163.

The average annual cost of full-time child care is \$13,000. This bill is a significant change to help families struggling with this very high cost as well as dependent care in our state. Many of the vulnerable in Hawaii are the working poor as well as the ALICE population. They are working hard, often with more than one job, but due to our high cost of living, they struggle to make ends meet. This tax credit will help with the child care they must pay in order to work. The tax credit for dependent care services also will assist families to continue to take care of their ohana without giving up their jobs to meet these needs. Finding child care or dependent care services is hard, and paying for them puts a big dent in many families' budgets.

**We urge you support this bill to amend this tax credit to relieve pressure on working families.** If you have any questions, please contact our Legislative Liaison, Betty Lou Larson at (808) 527-4813.



CLARENCE T. C. CHING CAMPUS • 1822 Ke'eaumoku Street, Honolulu, HI 96822  
Phone (808) 527-4813 •



To: House Committee on Economic Development & Technology  
 Re: **HB 753 HD1 – Relating to the Household and Dependent Care Services Tax Credit**  
 Hawai'i State Capitol & Via Videoconference  
 February 5, 2025, 10:00 AM

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

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in **SUPPORT of HB 753 HD1**. This bill increases a taxpayer's applicable percentage, and removes the sunset date of the increase in a taxpayer's maximum amount, of employment-related expenses that may be claimed for the household and dependent care services tax credit.

**This bill would help working families make ends meet and stay in Hawai'i.** Nearly half of children in Hawai'i live in households experiencing financial hardship. While almost 1 in 8 are in poverty, an additional 1 in 3 aren't officially poor but still don't earn enough to afford the basic life essentials.<sup>1</sup>

That's where tax credits come in. They help people keep more of their hard-earned money, and when targeted to low- and middle-income families, help reduce financial hardship.

A main source of financial hardship is the skyrocketing cost of child and dependent care in Hawai'i. With the median cost of preschool exceeding \$13,000 per year,<sup>2</sup> families need more support. **The Child and Dependent Care Tax Credit (CDCTC) was created to provide such support, but it needs to better reflect the economic reality of working families.**

Please see the chart below, which shows how this bill would help different types of families in our state:

<b>HOW IMPROVING THE CDCTC COULD HELP HAWAI'I FAMILIES</b>				
Type of family	Single parent with 1 child	Single parent with 2 children	Married couple with 1 child	Married couple with 2 children
Income level	Minimum wage	Median household income	2 minimum wage workers	ALICE survival budget
Annual Income	\$29,120	\$98,317	\$58,240	\$107,796
Preschool tuition	\$13,842	\$27,684	\$13,842	\$27,684
Parents' co-pay	\$1,165	\$27,684	\$5,242	\$27,684
Current tax credit amount	\$280	\$3,000	\$786	\$3,000
<b>New tax credit amount</b>	<b>\$582</b>	<b>\$10,000</b>	<b>\$2,621</b>	<b>\$10,000</b>

<sup>1</sup> <https://www.auw.org/sites/default/files/pictures/ALICE-in-Focus-Children-Hawaii%20%283%29.pdf>

<sup>2</sup> <https://www.dol.gov/agencies/wb/topics/childcare/price-by-age-care-setting>

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

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

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

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

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

Thank you,

Nicole Woo  
Director of Research and Economic Policy

**HB-753-HD-1**

Submitted on: 1/31/2025 3:55:26 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Lehua Kaulukukui	Puakalehua Early Learning Consortium	Support	Written Testimony Only

Comments:

Mahalo Chair Ilagan, Vice Chair Hussey, and committee members for hearing HB753 HD1, a critical follow-up bill to help locals afford the high costs of child care.

Child care remains one of the most expensive household bills for Hawai'i families. This bill is a much-needed fix so that the Child Care and Dependent Tax Credit can be fully claimed, and helps those who are most in need of relief. Nearly half of keiki in our state are in a household experiencing financial hardship, and I hope you can help support families with this bill.

Mahalo for your consideration!

Lehua Kaulukukui,

Chair, Puakalehua Early Learning Consortium

**HB-753-HD-1**

Submitted on: 2/3/2025 6:00:59 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Doris Matsunaga	Save Medicaid Hawaii	Support	Written Testimony Only

Comments:

Save Medicaid Hawaii supports HB753



**To: Committee on Economic Development and Technology**

**Hearing Date/Time: Wednesday February 5, 2025 10:00 AM**

**Re: Testimony in Support of HB 753 HD 1**

**Dear Chair Ilagen, Vice Chair Hussey and Members of the Committee:**

The Hawaii Health & Harm Reduction Center (HHHRC) **supports HB 753** HD1 which would increase a taxpayer's applicable percentage of employment-related expenses that is used to calculate the household and dependent care tax credit.

HHHRC's mission is to *reduce harm, promote health, create wellness and fight stigma in Hawaii and the Pacific*. We focus our efforts on those disproportionately affected by social determinants of health, including but not limited to: people living with and/or affected by HIV, hepatitis, substance use, and the transgender, LGBTQ and the Native Hawaiian communities.

HHHRC's participants and patients are overwhelmingly impacted by the cost of living in the islands, and this measure would help increase the amount of resources available to families for housing, food and other essentials.

Thank you for the opportunity to testify.

Heather Lusk, Executive Director, Hawaii Health and Harm Reduction Center

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COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

Chair Representative Ilagan

Vice Chair Representative Hussey

BILL HB753 HD1

POSITION: SUPPORT

Hearing Date: Wednesday, February 5, 2025 10:00am, Room 423

Aloha Chair Ilagan, Vice Chair Hussey, and Committee Members:

**Aloha United Way and the ALICE Initiative support HB753 HD1**, which increases a taxpayer's applicable percentage of employment-related expenses used to calculate the household and dependent care services tax credit and extends the sunset date of the temporary increase.

Tax credit adjustments like HB753 HD1 are effective tools to reduce poverty and stabilize families in times of crisis or when caregiving requires a family member to leave paid employment. This adjustment to the way the tax credit is calculated will help to put a meaningful amount of money back into the pockets of ALICE families to cover their real costs of unpaid caregiving and help with essential housing, food, and medical costs.

**ALICE** stands for Asset Limited, Income Constrained, Employed, and refers to households who are employed but whose incomes are not sufficient to meet their basic costs. **The new 2024 State of ALICE in Hawaii report showed that 15% of all households in Hawaii currently face financial difficulty with the financial costs of caregiving** for someone other than a child.

**40% of Hawaii's residents are ALICE.** We urge you to pass HD753 HD1 and provide needed support to Hawaii's working families who rely on the unpaid labor of family and friends in time of difficulty and are paying a steep financial price for that unpaid time away from work.

Thank you for the opportunity to testify and for your action to support ALICE families. We urge you to pass HB753 HD1.

Sincerely,

Handwritten signature of Michelle Bartell in blue ink.

Michelle Bartell  
President & CEO  
Aloha United Way

Handwritten signature of Suzanne Skjold in blue ink.

Suzanne Skjold  
Chief Operating Officer  
Aloha United Way

**HB-753-HD-1**

Submitted on: 1/30/2025 4:22:58 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Younghee Overly	Individual	Support	Written Testimony Only

Comments:

Thank you for hearing this measure which would help our working families.

**HB-753-HD-1**

Submitted on: 1/30/2025 7:56:53 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Barbara J. Service	Individual	Support	Written Testimony Only

Comments: Aloha Chair Ilagan and committee members, I am Barbara Service and I'm a resident of SD9 and HD19. I am a caregiver of a family member and I write in strong support of HB753HD1. Caregivers are the backbone of the long-term care system. Caregivers often make tremendous sacrifice in order to keep their loved ones at home. Some have to leave the workforce early, reducing whatever retirement income they may be anticipating. The proposed tax credit would provide some relief to these dedicated caregivers. Please support the passage of HB753 HD1. Mahalo for allowing me to testify! Barbara J. Service Child Welfare Supervisor (ret.) Passionate Kupuna Advocate

**HB-753-HD-1**

Submitted on: 1/30/2025 10:11:52 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

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

Comments:

**I strongly support** this bill. Mahalo!

**HB-753-HD-1**

Submitted on: 1/31/2025 3:55:57 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
TERI SAVAIINAEA	Individual	Support	Written Testimony Only

Comments:

Mahalo Chair Ilagan, Vice Chair Hussey, and committee members for hearing HB753 HD1, a critical follow-up bill to help locals afford the high costs of child care.

Child care remains one of the most expensive household bills for Hawai'i families. This bill is a much-needed fix, so that the Child Care and Dependent Tax Credit can be fully claimed, and helps those who are most in need of relief. Nearly half of keiki in our state are in a household experiencing financial hardship. My hope is that you will support families with this bill by voting "yay."

Mahalo for your consideration,

Teri Kia Savaiinaea

Wai'anae Resident, District 45

**HB-753-HD-1**

Submitted on: 1/31/2025 4:09:06 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Caitlin Kryss	Individual	Support	Written Testimony Only

Comments:

Dear Chair Ilagan, Vice Chair Hussey, and committee members,

I strongly support HB753 HD1 as a critical follow-up bill to help locals afford the high costs of child care.

Child care remains one of the most expensive household bills for Hawai'i families. This bill is a much-needed fix so that the Child Care and Dependent Tax Credit can be fully claimed, and helps those who are most in need of relief. Nearly half of keiki in our state are in a household experiencing financial hardship, and I hope you can help support families with this bill.

Mahalo for your consideration!

Caitlin Kryss, Mountain View, Hawaii Island

**HB-753-HD-1**

Submitted on: 1/31/2025 4:44:45 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Michael C Fahey	Individual	Support	Written Testimony Only

Comments:

Committee members and Honorable Chair,

I am submitting testimony in support of HB753 HD1

Child Care Tax Refund

The Child Care and Dependent Tax Credit aka Child Care Tax Refund amount was raised in 2023, but families aren't able to reach the new limit due to other eligibility issues. This bill provides the critical fix needed for families to receive the full benefit they can claim.

Much Aloha,

Michael C Fahey

**HB-753-HD-1**

Submitted on: 1/31/2025 5:20:04 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Janel Kamahele	Individual	Support	Written Testimony Only

Comments:

Mahalo Chair Ilagan, Vice Chair Hussey, and committee members for hearing HB753 HD1, a critical follow-up bill to help locals afford the high costs of child care.

Child care remains one of the most expensive household bills for Hawai'i families. This bill is a much-needed fix so that the Child Care and Dependent Tax Credit can be fully claimed, and helps those who are most in need of relief. Nearly half of keiki in our state are in a household experiencing financial hardship, and I hope you can help support families with this bill.

Supporter,

Janel K.

**HB-753-HD-1**

Submitted on: 1/31/2025 5:22:56 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Vera Marie Asato	Individual	Support	Written Testimony Only

Comments:

I support this bill.

**HB-753-HD-1**

Submitted on: 1/31/2025 5:49:33 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

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

Comments:

I am writing to express my **strong support** for HB753, which seeks to enhance the Household and Dependent Care Services Tax Credit. This bill is crucial in providing much-needed financial relief for working families who struggle with the rising costs of dependent care while balancing their professional responsibilities. I am a parent working 3 jobs with a masters degree any help is greatly appreciated.

**HB-753-HD-1**

Submitted on: 1/31/2025 10:06:54 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Carol Linde	Individual	Support	Written Testimony Only

Comments:

Childcare is a huge expense for families in Hawaii and this bill is a step towards offsetting those costs. Accessible childcare options are paramount for a happy, healthy society.

**HB-753-HD-1**

Submitted on: 1/31/2025 10:14:00 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Nancy D Moser	Individual	Support	Written Testimony Only

Comments:

In STRONG SUPPORT of HB753.  
Aloha Chair and members of the Committee,  
Please vote YES on this measure.  
Nancy Moser in Waikoloa on Hawai'i Island

**HB-753-HD-1**

Submitted on: 1/31/2025 10:58:58 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

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

Comments:

When I had my daughter it was so hard to make it to the end of the mi th financially even though we both were working. We were so tired all the time from working full time and being full time parents. I wish I had more support to enjoy mi baby more and not to worry and stress out so much about money. I want future parents not to go through such hard times

**HB-753-HD-1**

Submitted on: 2/1/2025 7:37:10 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kayla Marie	Individual	Support	Written Testimony Only

Comments:

I strongly support this measure

**HB-753-HD-1**

Submitted on: 2/1/2025 7:51:47 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Emma Broderick	Individual	Support	Written Testimony Only

Comments:

Child care remains one of the most expensive household bills for Hawai'i families. This bill is a much-needed fix so that the Child Care and Dependent Tax Credit can be fully claimed, and helps those who are most in need of relief.

**HB-753-HD-1**

Submitted on: 2/1/2025 7:54:04 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Linda Morgan	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/1/2025 8:20:40 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Denise L Martinez	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/1/2025 8:36:54 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Mary M. McNamara	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/1/2025 9:52:42 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

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

Comments:

Dear Chair & committe members -

I am in support of HB753. This will help our communities as they help to care for their families.

Thank you,

Noelle R Lindenmann, Kailua-Kona

**HB-753-HD-1**

Submitted on: 2/1/2025 10:06:46 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
gabrielle davidson	Individual	Support	Written Testimony Only

Comments:

Dear House members,

Please support this measure to allow families to receive their full tax credit. Let's make it easier for local families to live and work in Hawaii. When people aren't struggling, it's good for everyone.

Thank you for the opportunity to have a voice in this issue,  
Gabrielle Davidson

**HB-753-HD-1**

Submitted on: 2/1/2025 11:29:14 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Adam Sylvester	Individual	Support	Written Testimony Only

Comments:

I support this bill!

**HB-753-HD-1**

Submitted on: 2/1/2025 11:56:14 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Deborah G. Nehmad	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/1/2025 12:37:42 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Shay Chan Hodges	Individual	Support	Written Testimony Only

Comments:

Mahalo Chair Ilagan, Vice Chair Hussey, and committee members for hearing HB753 HD1, a critical follow-up bill to help locals afford the high costs of child care.

Child care remains one of the most expensive household bills for Hawai'i families. This bill is a much-needed fix so that the Child Care and Dependent Tax Credit can be fully claimed, and helps those who are most in need of relief. Nearly half of keiki in our state are in a household experiencing financial hardship, and I hope you can help support families with this bill.

Mahalo for your consideration!

**HB-753-HD-1**

Submitted on: 2/1/2025 12:52:35 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Gaye Chan	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/1/2025 1:14:04 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Doreen Akamine	Individual	Support	Written Testimony Only

Comments:

“I support this measure so families can claim their full tax credit.”

**HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY**

Rep. Greggor Ilagan, Chair  
Rep. Ikaika Hussey, Vice Chair

**NOTICE OF HEARING**

**DATE: Tuesday, January 28, 2025**

**TIME: 9:00 AM**

**Re: HB 753, HD1 RELATING TO THE HOUSEHOLD AND  
DEPENDENT CARE SERVICES TAX CREDIT.**

**Aloha Chair Iligan, Vice Chair Hussey, and Members of the Committee:**

**My name is Linda Dorset, a resident of Maui County, and I am in STRONG SUPPORT of HB 753, HD1, which Extends the sunset date of the temporary increase in maximum employment-related expenses that are used to calculate the household and dependent care services tax credit because the average cost of full—time child care in Hawaii currently exceeds \$13,000 per year for working families.**

**Please demonstrate your commitment to these services that support the academic and social development of young children and allow parents to obtain stable employment by supporting HB 753, HD1. Mahalo for the opportunity to testify!**

**Linda Dorset  
Wailuku, Maui**

**HB-753-HD-1**

Submitted on: 2/1/2025 2:00:20 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Terri Gately	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit

**HB-753-HD-1**

Submitted on: 2/1/2025 3:02:54 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

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

Comments:

I support this measure so families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/1/2025 3:09:40 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Diann Karin Lynn	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/1/2025 3:17:00 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

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

Comments:

I support this measure so families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/1/2025 3:50:41 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Belinda pate	Individual	Support	Written Testimony Only

Comments:

Taxes are an opaque paywall to many, if not most, working class families. When you are managing the demands of your precious family, and yet also paying the bills, these two oppsing needs can create an ongoing feeling of stress. Most heads of household find themselves lost during tax season. Families may not have the resources to obtain the services of a CPA. They often miss out on important tax savings. I think we can all agree that tax laws and regulations are intimidating for the majority of working classs families. This bill will give the people who pay into our system the tax break they deserve. The tax break that they earned by putting their nose the grindstone and contributing to our American life. The break that they don't know how to fight for. The break that will give them a lift where there is little support. Let's make sure middle and low income families have easy access to tax advantages they are owed, and futher, give them the tax break they have earned.

**HB-753-HD-1**

Submitted on: 2/1/2025 4:01:22 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Juvana Soliven	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/1/2025 5:19:57 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Gail Morrison	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/2/2025 9:42:53 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Merle Minami-Shima	Individual	Support	Written Testimony Only

Comments:

Chair Ilagan, Members of the Committee:

My name is Merle Minami-Shima, and I am in STRONG SUPPORT OF HB753,HD1.

Many in our community have been impacted financially and emotionally by being caregivers for loved ones while also raising families. Being a caregiver comes with added financial responsibilities that are unplanned. Additionally, rising costs of everyday living expenses for other dependents contributes to the strain on family budgets. Supporting our caregivers and their families with a tax credit for childcare and adult day care will provide some much needed financial relief.

Mahalo for your consideration.

Merle Minami-Shima, Wailuku, Hawaii

**HB-753-HD-1**

Submitted on: 2/2/2025 10:11:32 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Mary Elyse Scott	Individual	Support	Written Testimony Only

Comments:

Requiring care services is stressful enough. Give regular people what they're entitled to and what they'll actually be able to put use.

**HB-753-HD-1**

Submitted on: 2/2/2025 10:31:16 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kerry Porter	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/2/2025 11:37:04 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Philip Johnson	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/2/2025 12:01:36 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Erica Yamauchi	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill to support our working families.

Erica Yamauchi, Kaimukī/Wilhemina Rise

**HB-753-HD-1**

Submitted on: 2/2/2025 12:09:23 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
JANE TOLLEFSRUD	Individual	Support	Written Testimony Only

Comments:

I support this measure to increase access to affordable childcare.

Please help support this bill to help with affordable childcare.

Committee on Economic Development and Technology  
Wednesday, February 5, 2025 at 10:00 am  
VIA VIDEOCONFERENCE  
Conference Room 423  
State Capitol  
415 South Beretania Street

RE: HB753 HD1 RELATING TO THE HOUSEHOLD AND DEPENDENT CARE

TESTIMONY OPPOSED IN PART AS TO EFFECTIVE AND SUNSET DATES AND IN  
SUBSTANTIVE SUPPORT

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

Thank you for the opportunity to submit testimony today to OPPOSE the amendments to HB753 in HD1 as to effective and sunset dates, and to SUPPORT the remainder of HB753 HD1.

I am sure it has come to the attention of the Committee that there is a clerical error in HB753 HD1, which sets the effective date to July 1, 3000, and the sunset date to June 30, 3005. I am confident that it was not the intent of the House Committee on Human Services and Homelessness to change the dates to the next millenia, and that the dates in HB753 HD1 should have read effective date "July 1, 2030" and sunset date "June 30, 2035".

The error notwithstanding, I OPPOSE the change in effective date and in sunset date as amended in HD1.

I SUPPORT the substance of HB753 HD1 and its intent to serve more working families of Hawai'i by increasing the percent of child care expenses that can be claimed so that more families can benefit.

I request that the Committee amend HB753 HD1 to reinstate the original effective and sunset dates of HB 753 bill as it was when introduced and to otherwise pass the substance of HB753 HD1.

Mahalo for the opportunity to submit testimony on this matter.

Christine L. Andrews, JD  
Wailuku, Maui, Hawaii

**HB-753-HD-1**

Submitted on: 2/2/2025 1:47:18 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Lynn Otaguro	Individual	Support	Written Testimony Only

Comments:

I support this measure to support our working families by allowing families to qualify for a tax credit for dependent care.

**HB-753-HD-1**

Submitted on: 2/2/2025 2:05:11 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

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

Comments:

I support this bill!

**HB-753-HD-1**

Submitted on: 2/2/2025 3:19:54 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Rachel D Laderman	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit

**HB-753-HD-1**

Submitted on: 2/2/2025 7:41:11 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Bailey Aughe	Individual	Support	Written Testimony Only

Comments:

I support so families can claim their full tax credit

**HB-753-HD-1**

Submitted on: 2/2/2025 9:07:58 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Mia Kok	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/2/2025 9:54:57 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

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

Comments:

From: Chloe “Pua’ena” Vierra-Villanueva

Subject: HB753 HD1 – Relating to the Household and Dependent Care Services Tax Credit

Position: Strong Support

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

I am testifying in strong support of HB 753 because I believe families should be able to receive the maximum Child Care and Dependent Tax Credit.

This tax credit fix will help families keep more of their hard-earned money. When targeted for lower-to middle-income families, it will help reduce the financial hardships and high cost of living and raising a family in Hawai‘i.

One part of this tax credit was changed in 2023, but there is another critical part of the law that needs an update.

Child care remains one of the most expensive household bills for Hawai‘i families. This bill is a much-needed fix so that the Child Care and Dependent Tax Credit can be fully claimed, and helps those who are most in need of relief. Nearly half of keiki in our state are in a household experiencing financial hardship, and I hope you can help support families with this bill.

As a parent, Early Childhood Education professional, and concerned community member, I hope that our legislators can do this to help all of the people working hard to raise keiki here in Hawai‘i. Please make this simple fix so that families can claim their full tax credit.

Mahalo,

C. Pua’ena Vierra-Villanueva

‘Ohana Leadership Council



**HB-753-HD-1**

Submitted on: 2/2/2025 10:14:38 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
J. Takane	Individual	Support	Written Testimony Only

Comments:

I fully support this measure so that families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/2/2025 10:23:03 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Michelle Ma	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/2/2025 10:40:58 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jeanne Ohta	Individual	Support	Written Testimony Only

Comments:

Chair Ilagan, Vice Chair Hussey, and members of the Committee on Economic Development and Technology

I write in support of HB753 HD1 which would provide a much needed fix so that the Child Care and Dependent Tax Credit can be fully claimed by Hawaii's working families, thus providing relief for families experiencing financial hardship. Expanding the amount that can be claimed will also allow more parents to participate in the workforce which is necessary for our economic development. I ask that you pass this measure.

**HB-753-HD-1**

Submitted on: 2/2/2025 10:43:37 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

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

Comments:

I support this bill.

**HB-753-HD-1**

Submitted on: 2/2/2025 11:22:54 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Phillip Jung	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/3/2025 1:40:26 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Christy MacPherson	Individual	Support	Written Testimony Only

Comments:

I am in strong support of HB753 HD1. Our 'ohana with children and dependents need as much support as possible for obvious reasons.

Mahalo for your consideration.

**HB-753-HD-1**

Submitted on: 2/3/2025 5:37:13 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

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

Comments:

Aloha!

I strongly support this bill.

Mahalo nui loa

**HB-753-HD-1**

Submitted on: 2/3/2025 5:55:38 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Shannon Oshiro	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/3/2025 7:51:52 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

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

Comments:

Mahalo Chair Ilagan, Vice Chair Hussey, and committee members for hearing HB753 HD1, a critical follow-up bill to help locals afford the high costs of child care.

Child care remains one of the most expensive household bills for Hawai'i families. This bill is a much-needed fix so that the Child Care and Dependent Tax Credit can be fully claimed, and helps those who are most in need of relief. Nearly half of keiki in our state are in a household experiencing financial hardship, and I hope you can help support families with this bill.

Mahalo for your consideration!

**HB-753-HD-1**

Submitted on: 2/3/2025 7:53:56 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

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

Comments:

I am writing in strong support of HB 753, HD1, which would increase the applicable percentage of employment-related expenses used to calculate the household and dependent care services tax credit and extend the sunset date of the temporary increase in maximum employment-related expenses to June 30, 2030.

This legislation addresses a critical need for Hawaii's working families who struggle with the rising costs of dependent care. The current economic climate has made it increasingly difficult for families to afford quality care for their children and dependent family members while maintaining employment. By increasing the percentage of qualifying expenses that can be claimed and extending the sunset date, this bill provides meaningful financial relief to those who need it most.

The proposed changes would:

1. Help more families afford quality dependent care
2. Enable more parents and caregivers to enter or remain in the workforce
3. Support Hawaii's economic recovery by increasing workforce participation
4. Provide stability for family financial planning through 2030

The extension of the sunset date is particularly important as it gives families the ability to make long-term care arrangements with the confidence that this tax support will continue. This predictability is crucial for both family budgeting and workforce retention.

Hawaii's cost of living is among the highest in the nation, and childcare costs are particularly burdensome. According to recent data, the average annual cost of childcare in Hawaii can exceed \$13,000 per child. This tax credit helps offset these substantial expenses and makes it possible for more parents to work while ensuring their children receive quality care.

Moreover, this legislation recognizes the vital role that care services play in our economy. When families can afford quality care, they are more likely to maintain stable employment, contributing to both their own financial security and the state's economic health.

I urge the committee to support HB 753, HD1 to help Hawaii's working families manage the high costs of dependent care and maintain their workforce participation. This investment in our families is an investment in Hawaii's future.



**HB-753-HD-1**

Submitted on: 2/3/2025 8:12:09 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Bethany Albrecht	Individual	Support	Written Testimony Only

Comments:

Please pass this bill. As a single working parent and social worker, I cannot begin to tell you how unaffordable childcare is. We need all the help we can get! Please pass this bill!

Mahalo,

Bethany Albrecht

**HB-753-HD-1**

Submitted on: 2/3/2025 9:03:44 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Angela Serota	Individual	Support	Written Testimony Only

Comments:

**Chair Ilagan, and Members of the Committee:**

**My name is Angela Serota. I am a former caregiver and currently work with many families providing care for elderly family members while working and raising families. I am in STRONG SUPPORT of HB753, HD1 which provides a vital tax credit for working family caregivers.**

**Mahalo nui loa for your support.**

Testimony in strong support for HB753

January 2, 2025

Rep Greggor Hagen, Chair, House Committee on Economic Development and Technology  
Rep Ikaika Hussey, Vice Chair Committee on Economic Development and Technology

Re: HB753 related to tax credits

Aloha Chair Hagen, V-Chair Hussey, Members of the Committee.

My name is Gail Breakey and I am testifying in strong support of HB753. This bill increases a taxpayer's applicable percentage of employment-related expenses, which is used to calculate the household and dependent care services tax credit.

The bill also extends the sunset date of the temporary increase in maximum employment-related expenses that are used to calculate the household and dependent care services tax credit, established by Act 163, SLH 2023, to 6/30/2030. Effective 7/1/3000. Sunsets 6/30/3005. (HD1)

I support this measure which is needed so that families can claim their full tax credit. **At least half of our Hawaii population is economically challenged, are either ALICE or living below the poverty line. We need to do all possible to help them to survive and care for their children in these difficult times.**

Thank you for your consideration of this legislation and for the opportunity to testify.

Sincerely,



Gail Breakey, RN,MPH

**HB-753-HD-1**

Submitted on: 2/3/2025 9:31:17 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Donna Makaiwi	Individual	Support	Written Testimony Only

Comments:

I support this bill

**HB-753-HD-1**

Submitted on: 2/3/2025 10:20:47 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Michael Goodwin	Individual	Support	Written Testimony Only

Comments:

This is a tax cut that favors citizens that need it the most. Fosters productive, not dependent, citizens.

**HB-753-HD-1**

Submitted on: 2/3/2025 10:56:14 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Dan Gardner	Individual	Support	Written Testimony Only

Comments:

Chair Ilagan and Members of the Economic Development and Technology Committee. My name is Dan Gardner and I together with my wife Deborah, are both in strong support of HB753 Relating to the Household and Dependent Care Services Tax Credit. Dedicated family members provide literally unlimited hours - estimated to be an average of \$7,200 per year - caring for their family loved ones in need. We hope that your continued efforts to deliver a rational tax credit for these important caregivers will be successful and urge your stong support. Thank you for the oppportunity to provide input on this critical legislation.

**HB-753-HD-1**

Submitted on: 2/3/2025 12:40:03 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Sheryl Summers	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/3/2025 1:49:42 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Karen L Worthington	Individual	Support	Written Testimony Only

Comments:

Dear Chairperson Ilagan, Vice Chairperson Hussey, and Committee members,

I strongly support passage of HB 753 HD1 to allow families to receive the maximum Child Care and Dependent Tax Credit. One part of this tax credit was changed in 2023, but there is another critical part of the law that needs to be updated. HB753 HD1 is a critical follow-up bill to help our families afford the high costs of child care. Child care remains one of the most expensive household bills for Hawai'i families. This bill is a much-needed fix so that the Child Care and Dependent Tax Credit can be fully claimed, and helps those who are most in need of relief. Nearly half of keiki in our state are in a household experiencing financial hardship, and I hope you support families by passing this bill.

Sincerely,

Karen Worthington, Maui

**HB-753-HD-1**

Submitted on: 2/3/2025 3:44:15 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Brian Piotrowski	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit.

**HB-753-HD-1**

Submitted on: 2/3/2025 7:20:59 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Cheryl Ho	Individual	Support	Written Testimony Only

Comments:

**HB753:**

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

My name is Cheryl Ho. I have eight grandchildren, and have seen what their families have gone through, to arrange for safe and effective childcare for them, over the years. They were fortunate to have family support networks. From my work with foster youth transitioning to adulthood, I am aware of the need for community sources of support and training for young adults who may be single parents without stable family networks. When these young people seek training and/or obtain jobs to support themselves and their child(ren), they need to be able to provide consistent, safe, nurturing childcare, which requires fair financial remuneration for the caregiver.

The Child and Dependent Care Tax Credit (CDCTC) is meant to help with child and dependent care expenses, but it currently is so limited that it can't provide the amount of support that parents need. We need to make the CDCTC truly reflect the economic reality of working families-especially those lacking extended family support.

In 2023, our lawmakers took an important first step to boost the CDCTC. They more than quadrupled the maximum *amount* that taxpayers can claim for child and dependent care expenses, from \$2,400 for one child/dependent to \$10,000 (and from \$4,800 for two or more dependents to \$20,000).

However, they did not increase the maximum *percent* of care expenses that can be claimed. In addition to the 2023 raise in qualifiable amount in 2023, *we need to raise the cap on the PERCENTAGE of care expenses that can be claimed with the CDCTC.* We should raise the cap to 50% of care expenses for those earning up to \$150,000, stepping down to 25% for those earning at least \$225,000.

Please raise the percent of family income qualified for CDCTC Tax Credit!

Mahalo!!

Cheryl Ho, Nu‘uanu

**HB-753-HD-1**

Submitted on: 2/4/2025 8:13:29 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Tanya Dean	Individual	Support	Written Testimony Only

Comments:

Hawai'i's families with dependent care expenses need all the help they can get! I support this measure so families can claim their full tax credit. Mahalo.

**HB-753-HD-1**

Submitted on: 2/4/2025 8:52:11 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Patti Cook	Individual	Support	Written Testimony Only

Comments:

Regret unable to attend in person but strongly support this proposed legislation - our families need/deserve this, more so as we head into even more challenging times. MAHALO for considering this.

Patti Cook 808-937-2833

Waimea, Island of Hawai'i

**HB-753-HD-1**

Submitted on: 2/4/2025 9:38:23 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Cheryl Bellamy	Individual	Support	Written Testimony Only

Comments:

I support this measure so families can claim their full tax credit.