

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF TAXATION

Ka 'Oihana 'Auhau
P.O. BOX 259

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

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

TESTIMONY ON THE FOLLOWING MEASURE:

H.B. No. 1769, Relating to Taxation.

BEFORE THE:

House Committee on Human Services

DATE: Thursday, February 1, 2024

TIME: 9:00 a.m.

LOCATION: State Capitol, Room 329

Chair Marten, Vice-Chair Amato, and Members of the Committee:

The Department of Taxation ("Department") offers the following comments regarding H.B. 1769 for your consideration.

H.B. 1769 amends chapter 235, Hawaii Revised Statutes (HRS), by adding a new section that establishes a refundable tax credit for eligible unpaid family caregivers. The new tax credit is equal to the amount of the taxpayer's qualified expenses, up to a limit of \$5,000 per taxable year. The credit is also limited to one taxpayer per household for a care recipient per taxable year.

To be eligible for the credit, a taxpayer must have a federal adjusted gross income of \$75,000 or less (or \$125,000 if filing jointly) and undertake the care, custody, or physical assistance of their relative who is a "care recipient." Expenses that would qualify for the credit include accessibility improvements and alterations, the purchase or lease of certain medical equipment and supplies, and other expenses incurred to assist the taxpayer in providing care, such as expenses for home care aides, respite care, adult day care, transportation services, and assistive technology such as alerts and reminders. In addition to definitions for "eligible taxpayers," "qualified expenses," "care recipient" and "relative," the bill also includes definitions for "activity of daily living," "instrumental

activities of daily living," and "kupuna care services," to set forth applicable criteria for determining credit applicability.

The bill would also require the Department to provide a report on the number of eligible taxpayers claiming the credit and the credit's cost during the past year no later than twenty days before the start of each annual legislative session. This bill is effective upon approval and would apply to taxable years beginning after December 31, 2023.

First, the Department recommends that the credit be made nonrefundable, as refundable credits are more susceptible to waste, fraud, and abuse.

Second, because the Department does not possess subject-matter expertise in healthcare, caregiving, or social services, the Department requests that a third party with sufficient subject-matter expertise be placed in charge of certifying whether a person qualifies as a "care recipient" and the amount of "qualified expenses" incurred so that this credit can be properly administered.

Third, the Department requests that the effective date of this measure be postponed so that the new tax credit would apply to taxable years beginning after December 31, 2024. This would provide the Department with sufficient time to make the necessary form, instruction, and computer system changes while educating taxpayers about this new credit.

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

JOSH GREEN, M.D.
GOVERNOR OF HAWAII
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII



CAROLINE CADIRAO
DIRECTOR
Executive Office on Aging

KENNETH FINK, MD, MGA, MPH
DIRECTOR OF HEALTH
KA LUNA HO'OKELE

STATE OF HAWAII
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
EXECUTIVE OFFICE ON AGING
NO. 1 CAPITOL DISTRICT
250 SOUTH HOTEL STREET, SUITE 406
HONOLULU, HAWAII 96813-2831

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Testimony in SUPPORT of HB1769
RELATING TO TAXATION

REP. LISA MARTEN, CHAIR
REP. TEREZ AMATO, VICE CHAIR
HOUSE COMMITTEE ON HUMAN SERVICES

Testimony of Caroline Cadirao
Director, Executive Office on Aging
Attached Agency to the Department of Health

Hearing: Thursday, January 31, 2024, 9:00 A.M., Conference Room 329

- 1 **EOA Position:** The Executive Office on Aging (EOA), an attached agency to the Department of
- 2 Health (DOH) **supports** the intent of this measure.
- 3 **Fiscal Implications:** Undetermined.
- 4 **Purpose and Justification:** Establishes a refundable tax credit for nonpaid family
- 5 caregivers. Requires the Department of Taxation to report to the Legislature before the
- 6 convening of each Regular Session.
- 7 The tax credit would support the 154,000 caregivers who provide \$600 billion worth of unpaid
- 8 labor each year—managing medications, preparing meals, helping with bathing, feeding &
- 9 dressing, providing transportation to medical appointments, and handling financial & legal
- 10 matters so that their loved ones can remain living in the community. According to the

1 Genworth Cost of Care Survey for the State of Hawaii these services, if paid for equals \$75,005
2 annually per person. If the person is nursing home level of care, that rate is \$163,925 per
3 person for a semi-private room in a skilled nursing facility.

4 **Recommendation:** EOA supports this measure as it is an alternative to supporting our
5 caregivers, their loved ones, and the community. We defer to the Department of Taxation for
6 implementation.

7 Thank you for the opportunity to testify.



DISABILITY AND COMMUNICATION ACCESS BOARD

1010 Richards Street, Room 118 • Honolulu, Hawaii 96813
Ph. (808) 586-8121 (V) • TTY (808) 586-8162 • Fax (808) 586-8129

February 1, 2024

TESTIMONY TO THE HOUSE COMMITTEE ON HUMAN SERVICES

House Bill 1769 – Relating to Taxation

The Disability and Communication Access Board (DCAB) supports House Bill 1769 – Relating to Taxation.

This bill would establish a refundable tax credit for nonpaid family caregivers.

People with disabilities often require caregiving, but the cost of such services limits their ability to obtain it. Helping family members who provide the care will remove that burden for many of them.

Thank you for considering our position.

Respectfully submitted,

KIRBY L. SHAW
Executive Director

Mitchell D. Roth
Mayor



William H. Farr
Executive on Aging

County of Hawai'i OFFICE OF AGING

Aging and Disability Resource Center, 1055 Kino'ole Street, Suite 101, Hilo, Hawai'i 96720-3872
Phone (808) 961-8600 • Fax (808) 961-8603 • Email: hcoa@hawaiiantel.net
West Hawai'i Civic Center, 74-5044 Ane Keohokālole Highway, Kailua-Kona 96740
Phone (808) 323-4390 • Fax (808) 323-4398

January 30, 2024

Representative Lisa Marten, Chair
Representative Terez Amato, Vice-Chair
Hawaii State Capitol
415 South Beretania Street
Honolulu, HI 96813

**Re: Support of HB1769, RELATING TO TAXATION
9:00 A.M., February 1, 2024, Conference Room 329 VIA Videoconference**

Dear Representative Marten and Members of the Committee on Human Services:

The unpaid family caregiver provides the backbone of the long term care system in Hawai'i. The countless hours of care that range from bathing and dressing, the preparation of meals, and medical visits are but a few of the daily task that caregivers provide. All this is done so that the care recipient can remain in their home and age in place.

As caregivers, my wife being the primary, and I the secondary, for her mother 91 years old, and her younger brother, 52 years old and disabled, both who live with us, we experience firsthand the 24/7 requirements of providing for their care. We do all of this while we both continue to be employed full-time. Therefore, we know firsthand the benefit the passage of HB1769 would be to those caregivers who would qualify under this bill.

As an Area Agency on Aging, the Hawai'i County Office of Aging supports the passage HB1769. The tax credit provided by HB1769 will help ease the financial expenses that unpaid caregivers incur for their loved ones on a daily basis.

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

William "Horace" Farr
Executive on Aging
Hawaii County Office of Aging



*An Area Agency on Aging
Hawai'i County is an equal opportunity provider and employer.*



**Testimony to the House Committee on Human Services
Thursday, February 1, 2024; 9:00 a.m.
State Capitol, Conference Room 329
Via Videoconference**

RE: HOUSE BILL NO. 1769 – RELATING TO TAXATION.

Chair Marten, Vice Chair Amato, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS** House Bill No. 1769, RELATING TO TAXATION.

By way of background, the HPCA represents Hawaii's Federally Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines to over 150,000 patients each year who live in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

This bill, as received by your Committee, would establish an income tax credit for nonpaid family caregivers.

The following is an excerpt of a letter to the editor submitted by Kealii Lopez, AARP Executive Director, that appeared in the Honolulu Star Advertiser on March 31, 2023:

“ . . . Family caregivers in Hawaii work tirelessly without pay to keep parents and spouses at home, or out of costly nursing homes. If you are a family caregiver or know someone who is, then you know it takes an emotional toll, but it also has a real financial cost. They sacrifice income, job security, and their savings.

More than three out of every four caregivers pay out of pocket for care-related expenses like equipment, transportation, and home modifications. It adds up fast. On average, family caregivers spend 26% of their income on caregiving activities. Plus, many family caregivers must

Testimony on House Bill No. 1769

Thursday, February 1, 2024; 9:00 a.m.

Page 2

cut back their work hours or even leave the workforce to care for loved ones, which can create a huge loss in income on top of any existing financial challenges related to caregiving expenses. It also puts their career advancement and retirement savings at risk.

While family caregivers are facing these personal financial burdens, they are saving our state money by keeping their loved ones out of taxpayer-supported nursing facilities. The economic value of unpaid care provided by family caregivers in the U.S. every year is approximately \$600 billion – about the same as the profits of our 20 largest companies combined. . . “

[See, <https://www.staradvertiser.com/2023/03/31/editorial/island-voices/column-how-do-you-repay-family-caregivers-start-with-a-tax-credit/>

The HPCA agrees with Ms. Lopez that Hawaii’s family caregivers play an enormous role in protecting and preserving the unique way of life which we all hold so dear. Likewise and more importantly, family caregivers improve the quality of life and health care outcomes of our citizens. Because of this, it is not only fitting, but essential that government does what it can to assist caregivers in this essential responsibility.

Accordingly, the HPCA strongly stands united with AARP and the members of the Kupuna Caucus in support of this measure. We urge your favorable consideration.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiiipca.net.

2024 Hawaii Leadership Board

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Caroline Witherspoon
*President
Becker Communications*

LJ R. Duenas
*Executive Director
Alzheimer's Association*

Testimony to the House Committee on Human Services Thursday, February 1, 2024; 9:00 a.m. Hawaii State Capitol, Conference Room 329, and Videoconference

RE: HOUSE BILL NO. 1769 – RELATING TO TAXATION

Chair Lisa Marten, Vice Chair Terez Amato, and Members of the Committee:

I am Ron Shimabuku, Director of Public Policy and Advocacy for the Alzheimer's Association. We testify in **SUPPORT of House Bill No. 1769.**

The Alzheimer's Association was established to assist those facing Alzheimer's disease and other dementias by providing local support groups and educational resources while advancing crucial research and public policy initiatives.

Alzheimer's disease is a public health crisis across the country. In Hawaii, approximately 29,000 individuals aged 65 and older live with Alzheimer's disease. This figure is projected to increase to over 36,000 by next year. In 2022, 60,000 family caregivers provided 91 million hours of unpaid care valued at \$1.9 billion.

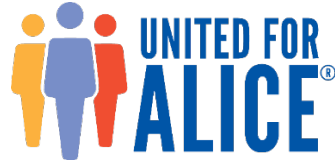
The bill, as received by your Committee, would establish a refundable tax credit for nonpaid family caregivers.

The Alzheimer's Association stands with AARP in its efforts to acknowledge the critical role that caregivers provide to their loved ones and the community. **We ask you to pass House Bill No. 1769.**

Mahalo for the opportunity to testify. If you have questions, please contact Ron Shimabuku at 808.451.3410 or rkshimabuku@alz.org.



Ron Shimabuku
Director, Public Policy and Advocacy
Alzheimer's Association – Hawaii



COMMITTEE ON HUMAN SERVICES

BILL HB1769
POSITION: SUPPORT

Hearing Date: February 1, 2024

Aloha Chair Marten, Vice Chair Amato, and Committee Members:

Aloha United Way supports HB1769, which establishes a refundable tax credit for nonpaid family caregivers. Requires the Department of Taxation to report to the Legislature before the convening of each Regular Session.

Hawaii has the highest cost of living in the nation and imposes one of the highest tax burdens on low-income households. We urge you to pass this bill and support Hawaii's working families, including ALICE households, who often rely on the unpaid labor of family and friends due to the overwhelming cost of paid childcare in this State.

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. According to our 2022 report an estimated **44% of Hawaii's households are ALICE households**, with an increasing number falling into poverty.

Tax credits like HB1769 have been shown to be one of the most effective tools policy makers have to decrease poverty and stabilize families. This tax credit will go a long way to helping ALICE families continue to live and work in Hawaii and will put a meaningful amount of money back into the pockets of working families to cover increasing childcare, housing, and food costs.

Thank you for the opportunity to testify and for your action to support ALICE families and the non-profit programs working to improve financial stability in Hawaii. We urge you to pass HB1769.

Sincerely,

Handwritten signature of Kayla Keehu-Alexander in black ink.

Kayla Keehu- Alexander
Vice President, Community Impact
Aloha United Way

Handwritten signature of Suzanne Skjold in blue ink.

Suzanne Skjold
Chief Operating Officer
Aloha United Way

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME TAX, Establish New Family Caregiver Tax Credit

BILL NUMBER: HB 1769, SB 2473

INTRODUCED BY: HB by CHUN, AMATO, EVSLIN, GARRETT, HOLT, HUSSEY-BURDICK, ICHIYAMA, ILAGAN, KAHALOA, KAPELA, KILA, KOBAYASHI, LAMOSAO, LOWEN, MARTEN, MATAYOSHI, MIYAKE, MORIKAWA, NAKASHIMA, NISHIMOTO, PERRUSO, SAYAMA, SOUZA, TAKAYAMA, TAKENOUCI, TAM, WARD; SB by MORIWAKI, AQUINO, CHANG, DECOITE, FEVELLA, HASHIMOTO, KANUHA, KIDANI, KIM, MCKELVEY, SAN BUENAVENTURA, SHIMABUKURO, Fukunaga, Ihara, Wakai (Kupuna Caucus)

EXECUTIVE SUMMARY: Establishes a refundable tax credit for nonpaid family caregivers. Requires the Department of Taxation to report to the Legislature before the convening of each Regular Session.

SYNOPSIS: Adds a new section to chapter 235, HRS, establishing the family caregiver tax credit. The amount of the credit is 100% of the qualified expenses of the taxpayer up to \$5,000, providing that individuals married filing separately shall be limited to \$5,000 between them.

A credit may be claimed for every taxable year or part thereof that the eligible taxpayer provides care to a care recipient during the taxable year; has personally incurred uncompensated expenses directly related to the care of a care recipient; and has not claimed the care recipient as a dependent for the purpose of a tax deduction in the same taxable year. Only one eligible taxpayer per household may claim a tax credit for any care recipient cared for in a taxable year. An eligible taxpayer shall not claim multiple tax credits under this section in a taxable year, regardless of the number of care recipients receiving care from the eligible taxpayer.

The credit is refundable. All claims for the credit, including amended claims, must be filed on or before the end of the 12th month following the close of the taxable year for which the credit may be claimed. Failure to do so waives the credit.

Requires DOTAX to report to the Legislature.

Defines “care recipient” as an individual who: (1) Is either a U.S. citizen or green card holder; (2) Is not covered by any comparable government or private home- and community-based care service, except or excluding kupuna care services; (3) does not reside in a long-term care facility; (4) has impairments of at least two activities of daily living, two instrumental activities of daily living, one activity of daily living and one instrumental activity of daily living, or substantive cognitive impairment requiring substantial supervision. The term includes a person with a “disability” as defined in section 515-2, HRS.

Defines “qualified expenses” as costs that are directly incurred

by the eligible taxpayer in providing care to a care recipient, including but not limited to: (1) The improvement or alteration to the eligible taxpayer's primary residence to permit the care recipient to live in the residence and remain mobile, safe, and independent, including entrance ramps, safety grab bars by toilets, and the conversion of tubs to accessible showers; (2) The purchase or lease of equipment and supplies, including but not limited to durable medical equipment, incontinent undergarments, and portable commodes, necessary to assist a care recipient in carrying out one or more activities of daily living; and (3) Other paid or incurred expenses by the eligible taxpayer that assists the eligible taxpayer in providing care to a care recipient, such as expenditures related to: (A) Home care aides or chore workers; (B) Respite care; (C) Adult day care or adult day health center services; (D) Personal care attendants; (E) Transportation, including but not limited to para-transit service for non-emergency medical transport; (F) Health care equipment; and (G) Assistive technology, including emergency alert system and voice activated medication dispensers or reminders.

EFFECTIVE DATE: Upon approval, applicable to taxable years beginning after December 31, 2023.

STAFF COMMENTS: We already have a credit for dependent care expenses necessary for gainful employment (HRS section 235-55.6). One of the challenges for implementing this proposed credit would be to specify the extent (if any) to which expenses will qualify for the existing credit as opposed to the proposed credit. The current bill does not address this issue at all. A policy decision needs to be made as to whether the existing credit will be kept in addition to this one, and if so, the degree of duplication that will be tolerated.

Digested: 1/30/2024



Testimony to the House Committee on Human Services
Thursday, February 1, 2024
9:00 a. m.
State Capitol Conference Room 329 and via videoconference

Re: HB 1769 Relating to Taxation

Dear Chair Marten, Vice Chair Amato, and Honorable Members of the House Committee on Human Services:

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 1769, which establishes a refundable tax credit for nonpaid family caregivers. The bill will provide financial relief for Hawaii's 154,000 unpaid family caregivers. The tax credit will help defray the thousands of dollars that many families spend each year in out-of-pocket caregiver costs.

We urge you to support the refundable tax credit for non-paid family caregivers and HB1769, 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 gsimon@arp.org



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1-866-295-7282 | Fax: 808-536-2882
aarp.org/hi | aarphi@aarp.org | twitter.com/AARPHawaii
facebook.com/AARPHawaii

**The State Legislature
House Committee on Human Services
Thursday, February 1, 2024
Conference Room 329, 9:00 a.m.**

TO: The Honorable Lisa Marten, Chair
FROM: Keali'i Lopez, State Director, AARP Hawaii
RE: Support for H.B 1769 -Relating to Taxation

Aloha Chair Marten, Vice-Chair Amato, 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 age 50 and older. We have a membership of nearly 38 million nationwide and nearly 140,000 in Hawaii. We advocate at the state and federal level for the issues that matter most to older adults and their families.

AARP supports H.B 1769 which establishes a refundable tax credit for nonpaid family caregivers. This bill supports family caregivers who make less than \$75,000 (individual) and \$125,000 (married couples) a year, with an annual tax credit of up to \$5,000 for qualifying caregiving tax credits.

Family caregivers are struggling to hold up Hawai'i's fractured and outdated long-term care system by helping their older parents, spouses, and other loved ones remain at home—where they want to be. An estimated 154,000 family caregivers in Hawai'i provide \$2.6 billion of unpaid care. These unpaid heroes manage medications, prepare meals, help with bathing, feeding & dressing, providing transportation to medical appointments, and managing financial & legal matters to care for loved ones and keep them out of costly nursing homes. Many juggle work and caregiving. Others must balance child-care, work, and adult dependent care. Not only does caregiving take an emotional toll, but it also has a real financial cost. Many caregivers sacrifice income, job security, and their savings. Most spend 26% of their income on caregiving, an average of more than \$7,200 a year. More than three out of every four family caregivers pay out of pocket for care-related expenses like equipment, transportation, and home modifications. It adds up fast. We can never repay our family caregivers for all they do, but the State can start by giving them a modest tax credit. Family caregivers need and deserve our support.

Thank you very much for the opportunity to testify in **strong support of H.B. 1769.**



COMMITTEE: House Committee on Human Services
DATE: Thursday, February 1, 2024
TIME: 9:00 a.m.
PLACE: Via Videoconference and Room 329

LATE

TO: Representative Lisa Marten, Chair
Representative Terez Amato, Vice Chair
And members of the House Committee on Human Services
RE: HB 1769 Relating to Taxation

Chair Marten, Vice Chair Amato and members of the House Human Services Committee, the Hawaii State Democratic Women's Caucus is a catalyst for progressive, social, economic, and political change through action on critical issues facing Hawaii's women and girls. The Women's Caucus SUPPORTS HB 1769 Relating to Taxation. The purpose of this bill is to establish a refundable tax credit for nonpaid family caregivers.

We know that women are often the caregivers for children and older adults. In an article published in the Journal of Cross-Cultural Gerontology (2022) 37:339–353 (<https://doi.org/10.1007/s10823-022-09462-2>) by Dr. Colette Browne, Dr. Jeanette C. Takamura, and Dr. Jin Young Seo entitled “Global Gender Inequality, Older Women, and the Call for Change in the United States” they state that: “Nationally, 43.5 million people provided unpaid care to persons 50 years of age and over. Two-thirds of these caregivers were women (AARP and National Alliance on Caregiving, 2015) who, as primary recipients of and deliverers of long-term services and supports (LTSS) —typically reduce or leave employment to provide care, negatively impacting their own present and future income”.

HB 1769 would help family caregivers who are often unpaid for the care they are providing to their loved one. This bill also complements the Dependent Care Tax Credit by allowing additional qualifying expenses such as in-home care, incontinent supplies, durable medical equipment etc.

As an additional comment, a definition for “nonpaid family caregivers” may need to be added for clarity.

Thank you for the opportunity to testify.
Members of Hawaii State Democratic Women's Caucus

HB-1769

Submitted on: 1/30/2024 9:00:12 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Esther Ueda	Individual	Support	Written Testimony Only

Comments:

Dear Chair Marten, Vice Chair Amato and Committee Members,

Thank you for the opportunity to submit this testimony in support of HB1769 which would provide a tax credit for unpaid family caregivers.

I have friends who have had to take early retirement in order to take care of their elderly parents. I know their parents were thankful that they were able to continue staying at home with this help. However, early retirement did cause some financial hardship for my friends.

The proposed tax credit would help ease the burden for working caregivers and perhaps allow them to keep working longer while still being caregivers.

Please support this proposal.

Esther Ueda, Pearl City

HB-1769

Submitted on: 1/30/2024 10:08:30 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Marilyn Seely	Individual	Support	Written Testimony Only

Comments:

I am strongly in supporter of this measure. It is much needed to bring support to those most in need and their dedicated caregivers who form the basis of support for disabled family members.

We need a significant increase in these resources to continue to support those who wish to remain in their homes and thus avoid more demands on scarce residential care programs. Caregivers are lifesavers whose resources are strained in providing this care at times forcing family to forego jobs. This measure might mean the difference between having capacity to care for loved ones or not.

Mahalo for your consideration of this measure. Marilyn Seely

Aloha Chair Lisa Marten, Vice Chair Terez Amato, and Members of the Committee:

My name is Chalintorn Burian, Ph.D., and I am a caregiver of my husband who was diagnosed with Alzheimer's. I am in **STRONG SUPPORT** of HB 1769. The bill provides a tax credit for unpaid family caregivers that can help ease some financial burden on caregiving expenses incurred for their loved one's care.

My husband was diagnosed with Alzheimer's in 2023. Even in his early stage, as his caregiver, I already must modify my life to meet his caregiving needs. I work as an interpreter for Courts and hospitals. But now I have to decline several assignments so that I can be at home with my husband.

Family caregivers are the backbone of Hawaii's long term care system. Caregivers like me provide countless hours of care that range from bathing, preparing meals and escorting loved ones for medical visits. They lovingly perform these daily tasks so that their family member can remain in their homes and age in place. In addition, family caregivers often pay out of their own pockets for needed supplies such as incontinent supplies, medications and additional in-home assistance. It is estimated that they spend about \$7200 annually. Please support these unsung heroes by passing H.B. 1769. They deserve this help.

Thank you for the opportunity to testify.

Chalintorn Burian, Ph.D.

Paauilo, HI 96776

Phone: (808)775-1064

Email: chalintornburian@yahoo.com

HB-1769

Submitted on: 1/30/2024 10:36:17 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Rick Tabor	Individual	Support	Written Testimony Only

Comments:

Thank you House Committee on Human Services for hearing H.B. 1769; the Family Caregiver Tax Credit on February 1st. And thank you for all you do.

I strongly support HB1769. If passed, the bill will allow family caregivers a \$5,000 tax credit for expenses incurred to care for a loved one at home. This bill complements the Dependent Care Tax Credit by allowing additional qualifying expenses such as in-home care, incontinent supplies, durable medical equipment etc. and in this bill the care recipient does not have to be a dependent on the household tax return. Qualifying tax payers are those who make \$75K or less (individual) or \$125K for married couples. Times are tough. Our workforce shortages are at a crisis level! Anything we can do to help is appreciated. Please support this bill. Mahalo Nui Loa

HB-1769

Submitted on: 1/30/2024 11:08:08 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dan Gardner	Individual	Support	Written Testimony Only

Comments:

Chair Marten, Vice Chair Amato, and Members of the Committee,

My name is Dan Gardner and my wife and I am in **STRONG SUPPORT** of HB 1769 to provide a tax credit for unpaid family caregivers. This credit would help offset a portion of the financial burden of the caregiving expenses they incur providing care for their loved one's. As a major portion Hawaii's long term care system, family caregivers provide countless hours of care such as bathing, making meals, and taking their loved ones to medical appointments and to see friends. Performing these daily tasks enables their family members to stay in their homes and age in place. As well, family caregivers routinely pay for needed day-to-day supplies, medications, and additional in-home assistance. On average, these costs are estimated to be about \$7200 annually. Please support these dedicated family member caregivers by passing H.B. 1769. They are most certainly worthwhile of this support. Mahalo

Dan Gardner, Honolulu, daniel.dano.gardner@gmail.com

HOUSE COMMITTEE ON HUMAN SERVICES

Hearing:

Thursday, February 1, 2024, 9:00 a.m.
Conference Room 329 & Videoconference
State Capitol
415 South Beretania Street

**TESTIMONEY ON HOUSE BILL 1769
RELATING TO TAXATION**

To: Rep. Lisa Martin, Chair; Rep. Terez Amato, Vice Chair; and Members of the Committee

My name is Anna Filler; my sister and I are former caregivers of my father. Thank you for the opportunity to submit written testimony in **strong support** of **HB 1769**, Relating to Taxation. This bill provides a tax credit for unpaid family caregivers that can help ease some financial burden on caretaking expenses incurred for their loved one's care. Family caregivers are the backbone of Hawaii's long term care system. They provide daily tasks, spend their own money for needed supplies, medications and provide other home assistance so their family member can remain at home. Family caretakers spend an estimated \$7,000 annually for caretaking expenses.

I urge you to support **HB 1769**.

Anna Filler
Rep. District 25, Ala Moana, Kaka'ako, Downtown
Email: afiller@twc.com

HB-1769

Submitted on: 1/30/2024 10:12:01 PM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dara Yatsushiro	Individual	Support	Written Testimony Only

Comments:

Please support, thank you.

COMMITTEE ON HUMAN SERVICES

Rep. Lisa Marten, Chair
Rep. Terez Amato, Vice Chair

HEARING

DATE: Thursday, February 1, 2024
TIME: 9:00 a.m.

Re: HB 1776 RELATING TO THE HOUSEHOLD AND DEPENDENT
CARE SERVICES TAX CREDIT.

Aloha Chair Lisa Marten, Vice Chair Terez Amato, and Members of the Committee:

My name is Linda Dorset, a resident of Maui County, and I am in **STRONG SUPPORT** of HB 1769. The bill provides a tax credit for unpaid family caregivers that can help ease some financial burden on caregiving expenses incurred for the care of a loved one.

Family caregivers are the backbone of Hawaii's long term care system. They provide countless hours of care that range from bathing, preparing meals and escorting loved ones for medical visits. They lovingly perform these daily tasks so that the family member can remain in the home and age in place; but they sacrifice income, job security, and savings. Family caregivers often pay as much as \$7,200/Year out of their own pockets for needed supplies such as incontinent supplies, medications, and additional in-home assistance. It is estimated that there are 154,000 Caregivers giving 144 Million Care Hours/Year which amounts to \$2.6 Billion of Unpaid Labor/Year. Many must also balance work and caregiving or leave the workforce altogether.

Please support these unsung heroes by passing H.B. 1769. They deserve this help. We know eventually all of us will be there.

Mahalo for the opportunity to testify!

Linda Dorset

Wailuku, Maui

Kevin L. Johnson, Ko Olina, Hawai'i

**Hawai'i Legislature
House Committee on Human Services
Thursday, February 1, 2024, Conference Room 329, 9:00 a.m.**

TO: The Honorable Lisa Marten, Chair
RE: Support for HB 1769, Relating to Taxation

I would like to take this opportunity to express my **strong support of HB1769, Relating to Taxation**, particularly as it addresses a **tax credit for family caregivers**.

I recently had the experience of caring for my spouse for several weeks after surgery. While I am retired, still able to do the physical work required and have the financial means for this short stint, it truly opened my eyes to the challenges encountered for those caring for a family member on a long-term or permanent basis. Balancing household activities, work and the expense of necessary medical equipment is both mentally and physically taxing to these individuals.

While these hundreds of thousands of Hawaii citizens are providing millions of hours of this service out of love, they are not being reimbursed for their estimated \$2.5 million dollar expenses which might otherwise fall on the State. The small tax credit outlined in this legislation is both well deserved by these individuals and **an investment in healthcare** with a huge return to the State.

Please **support HB1769**.

Sincerely,

Kevin L. Johnson

HB-1769

Submitted on: 1/31/2024 7:24:13 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Lisa Wond	Individual	Support	Written Testimony Only

Comments:

I support H.B.1769, which proposes a tax credit for family caregivers who expend a part of their incomes on caregiving services. Caregiving is an expensive undertaking, and every bit helps. I also believe that AARP's estimate of the value of unpaid caregiver services and supports, as shown in this bill, are underestimated. For example, caregiving support such as adult day care attendance and having at-home, part-time personal care attendants can together cost more than \$7,000 per month.

i also ask that you consider expanding this bill to allow a tax credit for Kupuna care recipients who have and use their funds for caregiving services and expenses. Such a tax credit would allow Kupuna to continue to use their funds to receive caregiving services and supports at home for a longer period of time, delay institutionalization, and delay dependence on Medicaid. Thank you for your consideration of this bill.

Sincerely,

Lisa Wond

LATE

HB-1769

Submitted on: 1/31/2024 10:22:29 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mark A. Koppel	Individual	Support	Written Testimony Only

Comments:

Aloha honorable Committee members

How can anyone be against caregiver tax credits? Caregivers often have to cut back their jobs severely to take care of a loved one. They need this credit to survive.

IF THEY DID NOT DO THIS, WE, THE TAXPAYERS, WOULD BE PAYING MEDICAID FOR THEIR NURSISNG HOME CARE AT \$150,000 PER YEAR.

By allowing people to stay in their homes, taken care of by loving family members, we *save* this money.

THIS IS A WIN-WIN.

It saves the State money!!!!

Mahalo

Mark A. Koppel

Umauma