

## DISABILITY AND COMMUNICATION ACCESS BOARD

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March 17, 2025

### TESTIMONY TO THE SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

#### House Bill 701 HD3 – Relating to Taxation

The Disability and Communication Access Board (DCAB) supports House Bill 701 HD3 which establishes a refundable Family Caregiver Tax Credit for nonpaid family caregivers and requires the Department of Taxation to report to the Legislature. Appropriates funds to the Executive Office on Aging to certify claims for the credit. Effective 7/1/3000. (HD3)

Family caregivers play a critical role in supporting individuals with disabilities, older adults, and those with chronic conditions, often at great personal and financial cost. A refundable tax credit would help alleviate some of the financial burdens associated with caregiving, recognizing the essential services that family caregivers provide.

Providing financial relief to family caregivers acknowledges their contributions and helps sustain their ability to provide care. DCAB supports efforts to ease the financial strain on caregivers, as their work is essential to maintaining the health, dignity, and independence of those they support.

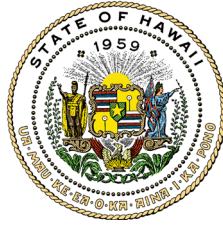
Thank you for considering our position.

Respectfully submitted,

KIRBY L. SHAW  
Executive Director

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

**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**

**CAROLINE CADIRAO**  
DIRECTOR  
Executive Office on Aging

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**Testimony COMMENTING on HB701 HD3  
RELATING TO TAXATION**

COMMITTEE ON HEALTH & HUMAN SERVICES  
SENATOR JOY A. SAN BUENAVENTURA, CHAIR  
SENATOR HENRY J.C. AQUINO, VICE CHAIR

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

Hearing: Monday, March 17, 2025, 1:00 P.M., Conference Room 225

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 and offers comments for consideration.

3 **Fiscal Implications:** Appropriates funds to the EOA for fiscal year 2025-2026 and the same sum  
4 for fiscal year 2026-2027 for the certification of tax credits.

5 **Purpose:** This measure establishes a tax credit for nonpaid family caregivers and requires the  
6 Department of Taxation to process those claims, provided the EOA certify the claim for the tax  
7 credit. The Act shall apply to taxable years beginning after December 31, 2025.

8 EOA recognizes the important contribution that unpaid caregivers provide and supports  
9 policies that can help to alleviate some of the financial burdens they face in caregiving. We do  
10 not have the expertise or the experience in the “certification of tax credits” and need some time  
11 to research, identify, and develop the necessary requirements, forms, procedures, and instruction

1 for the certification of the tax credit. Additionally, if the tax credit is intended to be permanent,  
2 EOA will need an appropriation to continually administer the certification claims. While EOA  
3 appreciates the funding appropriation from the legislature, this measure only provides funding  
4 for two years.

5 With appropriate funding, EOA is willing to work with partners such as DoTax and  
6 AARP to find a successful approach to the certification of the claims.

7 **Recommendations:** EOA supports the intent of this measure and requests the following  
8 amendments for your consideration:

- 9 1) Amend the effective date so the new tax credit applies to taxable years beginning after  
10 December 31, 2026, to allow EOA sufficient time to research and develop the necessary  
11 requirements for the certification of the tax credits; and
- 12 2) Appropriate \$100,000 for fiscal year 2026 - 2027 for infrastructure development and  
13 implementation; and the same sum as may be necessary in future years for the ongoing  
14 certification of the claims. Thank you for the opportunity to testify.

**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  
FAX NO: (808) 587-1560

**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. 701, H.D.3, Relating to Taxation.

**BEFORE THE:**

Senate Committee on Health and Human Services

**DATE:** Monday, March 17, 2025

**TIME:** 1:00 p.m.

**LOCATION:** State Capitol, Room 225

Chair San Buenaventura, Vice-Chair Aquino, and Members of the Committee:

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 701, H.D. 3, for your consideration.

H.B. 701, H.D. 3, adds a new section to chapter 235, Hawaii Revised Statutes, establishing a new nonrefundable tax credit for eligible unpaid family caregivers. The tax credit would be equal to an unspecified percentage of the taxpayer's qualified expenses, subject to an unspecified maximum cap amount, per taxable year. The credit is limited to one taxpayer per household for a care recipient, per taxable year. Excess credit over income tax liability may be carried forward a maximum of five years from the taxable year that the expenses were incurred.

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." To set forth criteria for determining credit eligibility, the bill defines "care recipient," "eligible taxpayers," "qualified expenses," "relative," "activity of daily living," and "instrumental activities of daily living."

Expenses that 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. The Executive Office on Aging (EOA) will certify claims for the tax credit.

The bill will require DOTAX to report no later than 20 days before the start of each legislative session on the number of eligible taxpayers claiming the credit and the credit's cost during the past year.

This bill has a defective effective date of July 1, 3000, and would apply to taxable years beginning after December 31, 2025.

DOTAX will consult with the EOA on this new tax credit, and coordinate on the adoption of forms and rules, and guidance on reasonable supporting documentation.

DOTAX can administer this measure for taxable years beginning after December 31, 2025, which will provide sufficient time to make the necessary form, instruction, and computer system changes while providing guidance to taxpayers about this new credit.

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

**HB-701-HD-3**

Submitted on: 3/11/2025 6:01:00 PM

Testimony for HHS on 3/17/2025 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
GARY SIMON	Testifying for Policy Advisory Board for Elder Affairs (PABEA)	Support	Written Testimony Only

Comments:

Dear Chair San Buenaventura, Vice Chair Aquino, and Honorable Members of the Senate Committee on Health and Human Services:

I am Gary Simon, a member of the Policy Advisory Board for Elder Affairs (PABEA), which is an appointed board tasked with advising the Executive Office on Aging (EOA). My testimony does not represent the views of EOA but of PABEA. Also, I am testifying as an individual who has worked in healthcare for over thirty-five years.

PABEA strongly supports HB 701 HD 3, which establishes a Family Caregiver Tax Credit for nonpaid family caregivers; requires the Department of Taxation to report to the Legislature; and appropriates funds to the Executive Office on Aging to certify claims for the credit.

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 families spend each year in out-of-pocket caregiver costs.

We urge you to support the family caregiver tax credit for non-paid family caregivers and HB 701 HD 3, and we urge you to recommend its passage.

Mahalo for seriously considering the bill.

Gary Simon

PABEA Board Member

# TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

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SUBJECT: INCOME TAX; Family Caregiver Tax Credit

BILL NUMBER: HB 701 HD 3

INTRODUCED BY: House Committee on Finance

EXECUTIVE SUMMARY: Establishes a Family Caregiver Tax Credit for nonpaid family caregivers. Requires the Department of Taxation to report to the Legislature. Appropriates funds to the Executive Office on Aging to certify claims for the credit.

SYNOPSIS: Adds a new section to chapter 235, HRS, to establish a nonrefundable family caregiver tax credit equal to \_\_\_\_\_% of “qualified expenses” of the taxpayer, up to a maximum of \$\_\_\_\_\_ in any taxable year.

An eligible taxpayer may claim the tax credit for every taxable year or part thereof that the eligible taxpayer:

- 1) Provides care to a care recipient during the taxable year,
- 2) Has personally incurred uncompensated expenses directly related to the care of the care recipient, and
- 3) Has not claimed the care recipient as a dependent for the purpose of a tax deduction in the same taxable year.

Only one tax credit shall be claimed in any one taxable year, regardless of the number of care recipients receiving care from the eligible taxpayer.

If the tax credit exceeds the taxpayer’s income tax liability, the excess may be used as a credit against the taxpayer’s income tax liability for 5 subsequent years after qualified expenses are incurred.

Requires the director of taxation to prepare any forms necessary to claim a credit, may require a taxpayer to furnish reasonable information to validate a claim for the credit, and adopt rules pursuant to HRS chapter 91. Requires claims for the credit, including any amended claims, to be filed on or before the end of the twelfth month following the taxable year for which the credit is claimed. Failure to comply with the foregoing provision shall constitute a waiver of the right to claim the tax credit. The department of taxation shall report prior to the convening of each regular legislative session, the number of eligible taxpayers claiming the tax credit and the total cost of the tax credit during the past year.

Defines “care recipient” as an individual who: (1) is either a U.S. citizen or qualified alien; (2) does not reside in a long-term care facility, and (3) 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 because the individual behaves in a manner that poses a serious health or safety

hazard to the individual or another person. The term includes a person with a “disability” as defined in section 515-2, HRS.

Defines “eligible taxpayer” as any relative of a care recipient who 1) has a federal adjusted gross income of \$75,000 or less, or \$125,000 if filing a joint tax return and 2) has undertaken the care, custody, or physical assistance of the care recipient.

Defines “qualified expenses” as out-of-pocket expenses directly incurred by the eligible taxpayer in providing care to a care recipient that have not been reimbursed, credited, paid or otherwise covered by another. Includes 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.

Defines “relative” as a spouse, child, parent, sibling, legal guardian, a reciprocal beneficiary, partner or any other person who is related to a care recipient by blood, marriage, or adoption, including a person who has a hanai or substantial familial relationship to the care recipient.

EFFECTIVE DATE: July 1, 3000 and shall apply to taxable years beginning after December 31, 2025.

STAFF COMMENTS: The bill includes unspecified credit rates and otherwise contains blanks for important information. The bill cannot be scored for revenue gain/loss in its current form, and cannot be vetted properly unless numbers are inserted.

A tax credit currently exists 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.

Additionally, a credit would require changes to tax forms and instructions, reprogramming, staff training, and other costs that could be massive in amount compared to the benefit expected to accrue because of the creditable activity.

Digested: 3/13/2025





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**The State Legislature  
Senate Committee on Health and Human Services  
Monday, March 17, 2025  
Conference Room 225, 1:00 p.m.**

TO: The Honorable Joy San Buenaventura, Chair  
FROM: Keali'i Lopez, State Director, AARP Hawaii  
RE: Strong Support for H.B 701, HD3 -Relating to Taxation

Aloha Chair San Buenaventura, and Members of the Committee:

I am Keali'i Lopez, State Director for AARP Hawai'i. AARP is a nonprofit, nonpartisan, social impact organization dedicated to empowering people fifty and older to choose how they live as they age. We advocate at the state and federal level for the issues that matter most to older adults and their families. On behalf of our nearly 135,000 members statewide, thank you for the opportunity to share our testimony.

**AARP strongly supports H.B. 701,HD3 which establishes a 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 for qualifying caregiving tax credits.**

Family caregivers are struggling to hold up Hawaii'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. By caring for loved ones at home where they want to be, these family caregivers are keeping kūpuna out of expensive Medicaid funded care homes. They save the state significant dollars. An estimated 154,000 family caregivers in Hawai'i provide \$2.6 billion of unpaid care.<sup>1</sup> These unpaid heroes manage medications, prepare meals, help with bathing, feeding and dressing, providing transportation to medical appointments, and managing financial and 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.<sup>1</sup> 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.

In a 2024 AARP poll among Hawai'i registered voters aged 40 and above, 45% identified as current or former family caregivers. Notably, 90% of these caregivers incur costs to care for a loved one and expressed support for a state income tax credit to alleviate their financial burden.<sup>2</sup> While we can never fully repay our family caregivers for all they do, the State can begin by offering them a modest tax credit. These caregivers need and deserve our support.

Thank you very much for the opportunity to testify in **strong support of H.B. 701, HD3.**

1. Source: AARP Family Caregivers Need Support Fact Sheet

2. Source: 2024 AARP Survey of 1,002 Hawai'i Voters Aged 40-Plus



**Testimony to the Senate Committee on Health and Human Services  
Monday, March 17, 2025; 1:00 p.m.  
State Capitol, Conference Room 225  
Via Videoconference**

**RE: HOUSE BILL NO. 0701, HOUSE DRAFT 3, RELATING TO TAXATION.**

Chair San Buenaventura, Vice Chair Aquino, 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. 0701, House Draft 3, 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 measure, as received by your Committee, would establish a tax credit for nonpaid family caregivers.

This measure would take effect on July 1, 3000, and apply to taxable years beginning after December 31, 2025.

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 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.

To: Senate Committee on Health and Human Services  
Re: **HB 701 HD3 – Relating to Taxation**  
Hawai'i State Capitol & Via Videoconference  
March 17, 2025, 1:00 PM

Dear Chair San Buenaventura, Vice Chair Aquino, and Committee Members,

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in **SUPPORT of HB 701 HD3**. This bill establishes a refundable Family Caregiver Tax Credit for nonpaid family caregivers and requires the Department of Taxation to report to the Legislature before the convening of each Regular Session.

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 for lower- to middle-income families, help reduce financial hardship.

Hawai'i has 154,000 unpaid caregivers for adult family members, providing 144 million hours of care worth \$2.6 billion per year,<sup>2</sup> and those numbers will continue to increase as our population ages.

This bill would provide a tax credit for expenses incurred by family caregivers to care for a loved one at home. To qualify, taxpayers could earn up to \$75,000 per year for single filers or \$125,000 for married couples.

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

Sincerely,

Nicole Woo  
Director of Research and Economic Policy

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<sup>1</sup> <https://www.auw.org/about/alice-initiative/alice-reports/>

<sup>2</sup> <https://www.aarp.org/pri/topics/ltss/family-caregiving/valuing-the-invaluable-2015-update/>

2025 Hawaii  
Leadership Board

## Testimony to the Senate Committee on Health and Human Services Monday, March 17, 1:00 PM Hawaii State Capitol, Conference Room 225, and Videoconference

Travis Kikuchi, *Chair*  
*Senior Vice President*  
*Central Pacific Bank*

Lori McCarney, *Immediate*  
*Past Chair Community*  
*Advocate*

Tricia Medeiros, *Past Chair*  
*Chief Operating Officer*  
*The Plaza Assisted Living*

Gina Fujikami, *MD*  
*The Queen's Medical*  
*Center*

Kai Ohashi,  
*Financial Advisor Edward*  
*Jones*

Michael Robinson,  
*Vice President Hawaii Pacific*  
*Health*

Kimberly Soares, *Vice*  
*President Atlas Insurance*

Gino Soquena,  
*Executive Director*  
*Hawaii Building and*  
*Construction Trade Council*

Gordon Takaki, *Past*  
*President Hawaii Island*  
*Chamber of Commerce*

Cary Tanaka,  
*Past President*  
*Island Insurance*  
*Companies*

Caroline Witherspoon,  
*President Becker*  
*Communications*

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

### RE: HB701 HD3 – RELATING TO TAXATION

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Chair San Buenaventura, Vice Chair Aquino, and Members of the Committee:

My name is Coby Chock, and I am testifying on behalf of the Alzheimer's Association Hawaii Chapter in **STRONG SUPPORT** of HB701 HD3, which provides a tax credit for family caregivers.

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 to medical visits. In addition, many caregivers pay for their loved one's care out of their own pocket. The average cost of assisted living with memory care in Hawaii is approximately \$7,036 per month which is substantially higher than the national average. This cost can be a significant financial burden on families.

The number of people living with Alzheimer's disease in Hawaii is 31,200, with 60,000 caregivers providing \$1,907,000,000 in unpaid care. This number is growing. The proposed tax credit would provide much-needed relief for family caregivers, helping them cover expenses such as adult day care fees, medical supplies, transportation, respite care, and other health and personal care services.

As an organization dedicated to supporting individuals and families affected by Alzheimer's disease and other dementias, we understand the critical importance of financial security in ensuring quality care and support. This tax credit would be a small but significant step in recognizing and supporting the invaluable contributions of family caregivers.

Please support these unsung heroes by passing HB 701 HD3. They all deserve our support. Mahalo for the opportunity to testify in support! If you have questions, please contact me at 808-451-3410 or [ckchock@alz.org](mailto:ckchock@alz.org)



Coby Chock  
Director of Public Policy and Advocacy  
Alzheimer's Association - Hawaii



## TESTIMONY IN SUPPORT OF HB701 HD3, RELATING TO TAXATION

### SENATE COMMITTEE ON HEALTH & HUMAN SERVICES

March 17, 2025

Aloha Chair San Buenaventura, Vice Chair Aquino, and Members of the Health & Human Services committee:

The Democratic Party of Hawai'i **SUPPORTS** HB701 HD3, RELATING TO TAXATION. Pursuant to the Platform of the Democratic Party of Hawai'i, the Party endorses policies that make it more accessible for caregivers to provide the quality care that our kūpuna deserve.

This measure will reduce the financial difficulties of a large number of individuals who have chosen to take care of loved ones, all the while managing competing priorities or even through putting their personal lives on hold. This bill, through implementing a tax credit for unpaid caregivers, will offset the out of pocket costs associated with essentials needed to care for our kūpuna and loved ones. This will alleviate the burdens and stressors placed on caregivers, allowing them to have more time and energy to be there for their loved ones.

Mahalo nui loa for the opportunity to testify in Support of HB701 HD3, RELATING TO TAXATION. Should you have any questions or require further information, please contact the Democratic Party of Hawai'i at [legislation@hawaiidemocrats.org](mailto:legislation@hawaiidemocrats.org).

DEMOCRATIC PARTY OF HAWAII

PO Box 2041 • Honolulu, HI 96805 • [www.hawaiidemocrats.org](http://www.hawaiidemocrats.org)



March 12, 2025

Hawai'i Senate Committee on Health and Human Services  
Senator Joy A. San Buenaventura, Chair  
Senator Henry J.C. Aquino, Vice Chair  
Senators Troy N. Hashimoto, Jarrett Keohokalole, and Kurt Fevella, Committee Members

**RE: HB 701 RELATING TO TAXATION – SUPPORT**

Dear Chair San Buenaventura, Vice Chair Aquino, and Committee Members,

I am submitting this letter in support of HB 701 on behalf of Easterseals Hawaii. Easterseals Hawaii served 2,025 Hawaii community members with intellectual and developmental disabilities (I/DD) in 2024. Our purpose is to create a more equitable world where people with I/DD can choose their own path.

HB 701 would establish a tax credit for nonpaid family caregivers to claim for qualified expenses related to the care of an individual with disability. Hawai'i is home to approximately 154,000 family caregivers who provide invaluable, unpaid care to their loved ones with disabilities.<sup>1</sup> In doing so, they bear costs for expenses such as transportation and respite care. These expenses usurp a significant portion of caregiver income, compounding financial burdens caused by Hawai'i's rising cost of living.<sup>2</sup> Considering such circumstances, this bill would provide much-needed financial relief to families.

Easterseals Hawaii supports HB 701 and respectfully requests your "aye" vote. Mahalo for the opportunity to submit this letter.

A handwritten signature in black ink, appearing to read "Rachel Liebert Lewis".

Rachel Liebert Lewis  
Director, Public Policy and Advocacy  
Easterseals Hawaii  
PublicPolicyAndAdvocacy@eshawaii.org

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<sup>1</sup> [www.civilbeat.org/2024/03/lawmakers-should-listen-to-constituents-and-support-family-caregivers/#:~:text=AARP%20estimates%20there%20are%20154%2C000,most%20people%20want%20to%20age.](https://www.civilbeat.org/2024/03/lawmakers-should-listen-to-constituents-and-support-family-caregivers/#:~:text=AARP%20estimates%20there%20are%20154%2C000,most%20people%20want%20to%20age.)

<sup>2</sup> [www.cnn.com/2024/11/03/states-highest-living-cost-realtor-com.html#:~:text=Hawaii%20has%20the%20highest%20cost,and%20expensive%20goods%2C%20expert%20says&text=Realtor.com%20listed%20the%20states%20with%20the%20highest%20cost%20of%20living.&text=The%20most%20expensive%20state%20in,t%20New%20York%20or%20California.](https://www.cnn.com/2024/11/03/states-highest-living-cost-realtor-com.html#:~:text=Hawaii%20has%20the%20highest%20cost,and%20expensive%20goods%2C%20expert%20says&text=Realtor.com%20listed%20the%20states%20with%20the%20highest%20cost%20of%20living.&text=The%20most%20expensive%20state%20in,t%20New%20York%20or%20California.)



**HB-701-HD-3**

Submitted on: 3/11/2025 6:01:43 PM

Testimony for HHS on 3/17/2025 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Deanna Espinas	Individual	Support	Written Testimony Only

Comments:

I support this measure. Thank you!

**HB-701-HD-3**

Submitted on: 3/12/2025 7:50:49 AM

Testimony for HHS on 3/17/2025 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Katherine Buckovetz	Individual	Support	Written Testimony Only

## Comments:

Aloha Chair Buenaventura and Committee Members, as a Kailua Kona kupuna who cared for my parents for 7 years without financial support, I experienced the challenge of caring for aging kupuna who need assistance from personal care, exercise, housekeeping, meals, social interaction, bill paying, transportation, mobility assistance to love of family and friends as they approach end of life. We had little funds to meet their increasing needs, so I retired early and moved to help them. It took a toll on me financially, emotionally and physically. A Tax Credit would have done wonders to help us provide more supports to them. Most do not understand the stressful impact of Caregiving until they find themselves facing the issue, often suddenly. You can make a meaningful difference for Hawai'i families by providing this tax credit. It also helps prevent draining the Caregiver's finances used to help care recipients, which leaves them with less resources to help themselves as they age.

Mahalo nui loa for your support of HB 701, HD3 and the needs of family caregivers in Hawaii.

Katherine Buckovetz

To: House Committee on Health and Human Services

Date: Monday, March 17, 2025

Re: House Bill 701, HD3 Relating to Taxation

Chair Representative Sam Buenaventura and Members of the Committee

My name is Esther Ueda, and I am writing in STRONG SUPPORT of House Bill 701, HD3 Relating to Taxation.

The Bill establishes a tax credit for nonpaid family caregivers.

Caregiving for a family member can be expensive, and require a caregiver to spend large amounts of their own money to provide this service.

Caregiving can create a hardship on the caregiver's own personal financial situation due to the various expenses required for care of a family member, special food needs, medical supplies and other medical related expenses, loss or reduction of the caregiver's income if they need to cut back or take leave from work and also lead to a possible reduction of their own future retirement benefits. Some of my friends have taken early retirement from their jobs to care for family members.

These impacts on a caregiver's current and potential future income can create a significant hardship on a caregiver and their family. This proposed tax credit can help offset some of their caregiving expenses, provide some financial relief and possibly enable a caregiver to continue working longer while caring for their loved ones.

Please support HB 701, HD3 that provides for a Tax Credit for nonpaid family caregivers.

Thank you.

Sincerely,

Esther Ueda  
Pearl City, Hawaii

**HB-701-HD-3**

Submitted on: 3/12/2025 12:01:55 PM

Testimony for HHS on 3/17/2025 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nai`a NEWLIGHT	Individual	Support	Written Testimony Only

Comments:

**Testimony on House Bill No. 701, HD3**

**RELATING TO TAXATION**

**Monday, March 17, 2025 at 1:00 pm**

**Conference Room 225 & Videoconference**

**State Capitol**

**415 South Beretania Street**

Chair San Buenaventura, and Members of the Committee:

My name is Nai`a Newlight, and I am a in **STRONG SUPPORT of HB 701, HD3 which provides a tax credit for family caregivers.**

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. In addition, many caregivers pay for their loved one's care out of their own pocket. The average cost is \$7,200 per year to cover expenses such as adult day care fees, medical supplies, transportation, respite care and other health and personal care services. This proposed tax credit would provide a small relief for family caregivers. Please support these unsung heroes by passing HB 701. They all deserve our support.

Mahalo for the opportunity to testify!

Nai`a NEWLIGHT

Ha`iku, HI



Testimony on House Bill No. 701, HD3  
RELATING TO TAXATION  
Monday, March 17, 2025 at 1:00 p.m.  
Conference Room 225 & Videoconference  
State Capitol  
415 South Beretania Street

Aloha Chair San Buenaventura and Members of the Committee:

My name is Christina Enoka, and I am a former caregiver for my father who had stage 4 cancer. I am in STRONG SUPPORT of HB 701, HD3 which provides a tax credit for family caregivers.

During my father's illness, my sister and I helped our mother with the daily care and transport to doctor appointments which included chemotherapy and radiation treatment. Because my mother did not drive, it was necessary to help with weekly grocery shopping, errands to pick up medications and other household care. Additionally, home medical equipment was needed as my father was reaching the end stage of his life. The additional expenses experienced during this time of a health crisis were unplanned and stressful.

This past year, my sister's husband was diagnosed with pancreatic cancer. His illness was painfully challenging for my sister and her husband as he was in and out of the hospital numerous times and then needed care at home. My sister became the primary caretaker for her husband and initially did this while working her regular hours. However, as his illness progressed, she needed to take time off from work for more doctor visits, trips to the ER and chemotherapy. Eventually she had to take an extended leave of absence, without pay. The increase in medical equipment purchased, additional medications, with frequent changes due to his health and ambulance transports impacted their finances significantly. A tax credit allowing her to deduct these unplanned expenses would be extremely helpful to her and to other Hawaii residents who are faced with similar challenges.

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. In addition, many caregivers pay for their loved one's care out of their own pocket. The average cost is \$7,200 per year to cover expenses such as adult day care fees, medical supplies, transportation, respite care and other health and personal care services. This proposed tax credit would provide a small relief for family caregivers. Please support these unsung heroes by passing HB 701, HD 3. They all deserve our support.

Mahalo for the opportunity to testify!

Christina Enoka  
Mililani, Oahu  
Ncsmn150@gmail.com



**SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES**

**Senator Joy A. San Buenaventura, Chair**

**Senator Henry J.C. Aquino, Vice Chair**

**AMENDED NOTICE OF HEARING**

**Monday, March 17, 2025**

**TIME: 1:00 PM**

**Re: HB 701 HD3 RELATING TO TAXATION.**

**Aloha Chair San Buenaventura, Vice Chair Aquino, and Members of the Committee:**

**My name is Linda Dorset, a resident of Maui County, and I am in STRONG SUPPORT of HB 701 HD3. 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. 701. They deserve this help. We know eventually all of us will be there.**

**Mahalo for the opportunity to testify!**

**Linda Dorset  
Wailuku, Maui**





**HB-701-HD-3**

Submitted on: 3/14/2025 8:26:23 AM

Testimony for HHS on 3/17/2025 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
mary drayer	Individual	Support	Written Testimony Only

Comments:

important bill that will impact many local families. with the impending cuts by trump to medicaid etc, it's imperative we take action now .

mahalo nui

Mary Drayer

557 Imi Dr

Wailuku HI 96793

Senate Health and Human Services Committee  
Testimony on House Bill No. 701, HD3  
Relating to Income Taxes

Aloha Chair San Buenaventura, Vice Chair Aquino and Members of the Committee:

My name is Deborah M. Oyakawa, and I was a caregiver for my mother who had dementia. I am in **STRONG SUPPORT** of H.B. 701 HD3. The bill provides a tax credit for unpaid family caregivers that can help ease the financial expenses incurred for their loved one's care.

Due to the stress of being a caregiver, my focus and energy level were taxed and I was not performing well at work. I had to reduce my hours significantly. To supplement my income, I tapped into my retirement plan and eventually drained the funds. I am now in my sixties with no retirement money to help support me.

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 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 \$7,200 annually. Please support these unsung heroes by passing H.B. 701, HD3.

Mahalo for the opportunity to testify!

Deborah M. Oyakawa  
Waikoloa, HI 96738  
[deboyakawa@gmail.com](mailto:deboyakawa@gmail.com)

Senate Health and Human Services Committee  
Testimony on House Bill No. 701, HD3  
RELATING TO INCOME TAXATION  
Monday, March 17, 2025 at 1:00 pm  
Conference Room 225 & Videoconference

Aloha Chair San Buenaventura, Vice Chair Aquino, and Members of the Committee,

My name is Lynnette Sakamoto, and I was caregiver to my mother and father for 13 years with an additional 4 years for my father, a total of 17 years of caregiving. My mother had Parkinsons and had had minor strokes, in the end, breaking her hip in a fall. My father was physically challenged with knee problems and eventually broke his hip in a fall. Mom passed at 94 years and Dad at 98 years.

I AM IN STRONG SUPPORT of HB 701, HD3. The bill provides a tax credit for unpaid family caregivers that can help ease the financial expenses incurred for their loved ones' care.

My family was fortunate. Between my monthly retirement and Dad's, we were able to survive the unending expenses that inundate caregivers and their families. It was not easy, but I know from some of my friends and family who are now caregivers that there are those who barely scratch out a living for themselves, who are now struggling to buy diapers, bandages, all the items needed to care for their loved ones, with nothing left to pay for caregivers to relieve them for a few hours a week.

In the end, my father ran out of his savings, and I paid for groceries and other necessities out of my income. There are many caregivers today who are doing the same thing. There are far reaching consequences from that even after our loved ones pass, as it affects the caregiver's later life on many levels. And truthfully, I have not even scratched the surface here. It is estimated caregivers spend approximately \$7200 annually.

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 their family members can remain in their homes and age in place. Please pass H.B. 701 HD3.

Mahalo for the opportunity to testify!

Lynnette Sakamoto  
Kailua, Oahu  
kaisakamoto@hawaii.rr.com

NOTICE OF HEARING  
Monday, March 17, 2025

H.B.701 - RELATING TO TAXATION

Aloha Chair San Buenaventura Vice Chair Aquino and members of the Committee on Finance. My name is Carol Wakayama and I wish to submit testimony in favor of H.B.701, HD3.

Volunteer family caregivers come forward to provide help to those they love. Although associated costs - to provide help - can range from hundreds to thousands of dollars, family caregivers currently provide this care without any compensation or tax credits. Family caregivers provide help such as preparing meals, providing hygiene and transportation. It could also be something relatively simple like reading to or talking story with their loved ones.

H.B.701, HD3 establishes a Family Caregiver Tax Credits for providing family caregiving. If passed, the bill would assist family caregivers to provide care/help to those they love. H.B.701 could also encourage others to provide care - even though they are currently financially unable to provide such help to their loved ones.

For reasons mentioned above, I humbly request that H.B.70,HD 3 be considered for passage. Thank you.

Carol Wakayama  
1011 Prospect Street #804  
Honolulu, HI 96822  
ckwakayama@gmail.com

**LATE**

**HB-701-HD-3**

Submitted on: 3/16/2025 1:55:50 PM

Testimony for HHS on 3/17/2025 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Laura Johnson	Individual	Support	Written Testimony Only

Comments:

As a former full-time care-giver for my late husband, I know that many family members struggle to provide all of the equipment, support services, care help, and extras that come with this commitment. For those on fixed incomes that meet the financial requirements for this bill, it may make the difference between being able to afford medications vs. groceries, or providing more of the special equipment needed in the home to care for the loved one.

Please pass a version of this bill that will help Hawaiian residents care for and support their loved ones.

Laura Johnson

**LATE**

**HB-701-HD-3**

Submitted on: 3/16/2025 2:42:09 PM

Testimony for HHS on 3/17/2025 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Merle Minami-Shima	Testifying for AARP Hawaii	Support	Written Testimony Only

Comments:

Chair San Buenventura and Members of the Committee:

My name is Merle Minami-Shima, and I am in STRONG SUPPORT of HB701, HD3 which provides a tax credit for family caregivers.

Family caregivers provide a critical role in Hawaii's long term care system. They provide the daily responsibilities needed to care for our sick, elderly, and disabled family members. Many use their own funds to support this services. The average cost per year is \$7200 which puts a strain on their finances. Providing a tax credit will offer some welcome relief for these caregivers especially if they had to take unpaid leave from their jobs.

Mahalo for your consideration of this measure.

Merle Minami-Shima - Wailuku, HI

**LATE**

**HB-701-HD-3**

Submitted on: 3/16/2025 6:45:10 PM

Testimony for HHS on 3/17/2025 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sai Peng Tomchak	Individual	Support	Written Testimony Only

Comments:

Chair San Buenaventura, and Members of the Committee:

My name is Sai Peng Tomchak. I am a caregiver of my mother-in-law and strongly support **Bill HB 701,HD3 which provides a tax credit for family caregivers.**

My husband and I are co-caregivers of my mother-in-law, who has severe dementia. Before becoming a caregiver, I never imagined the level of involvement of a caregiver in someone else's life. We take mom to adult daycare, numerous doctor appointments, checkups, lab tests, and even emergency rooms. We spend time on managing her bills, doing her laundry, taking care of her hygienic needs and making sure she has as much as companionship as possible. My husband and I have been taking turns to take paid time off from work for mom. Very fortunately together we managed to take care of mom. However, the expenses for caring of mom have mounted, from daily necessities, doctors, emergency care, medication, adult daycare, transportation, and much more. It is hard to imagine how much more difficult it is for individuals who have to take care of their loved ones alone, without help from spouses or other family members.

Bill HB 701 will provide caretakers with some deserved financial relief. This is as much needed (if not more desperately needed) for caregivers as child tax credits needed by parents. I respectfully ask you to pass this bill.

Mahalo,

Sai Peng Tomchak



**LATE**

**HB-701-HD-3**

Submitted on: 3/16/2025 10:31:16 PM  
Testimony for HHS on 3/17/2025 1:00:00 PM

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

Comments:

Please support.