



HB1769 HD2
RELATING TO TAXATION
Senate Committee on Health and Human Services

March 15, 2024

1:00 p.m.

Conference Room 225

The Office of Hawaiian Affairs (OHA) **SUPPORTS HB1769 HD2**, which would implement a refundable Family Caregiver Tax Credit designed to recognize the invaluable contributions of non-paid family caregivers. This initiative holds particular significance for Native Hawaiians, whose cultural values center around ‘ohana and aloha.

Native Hawaiians, like many other communities, face unique challenges in caring for their loved ones, particularly as they age or experience health-related issues. The tradition of caring for our kūpuna (elders) at home is deeply ingrained in our culture, reflecting not only our respect for our elders but also our commitment to preserving familial bonds and cultural heritage. However, this responsibility often comes at great personal and financial sacrifice for caregivers, many of whom must juggle caregiving duties with employment and other responsibilities. This is likely why being able to provide high-quality keiki and kūpuna was one of the resounding needs that came out of the development of our strategic plan, Mana i Maui Ola.

Implementing a refundable Family Caregiver Tax Credit would provide much-needed financial relief and recognition for the selfless dedication of non-paid family caregivers, many of whom are Native Hawaiians. **By offering a refundable tax credit we ensure that caregivers who may have limited or no taxable income still receive the full benefit, thus addressing economic disparities and promoting equity within our communities.**

Moreover, this tax credit may also incentivize and support caregiving within families, fostering stronger bonds and healthier relationships. By acknowledging the vital role of caregivers in our society, we affirm our commitment to upholding the values of ‘ohana that are foundational to Native Hawaiian culture.

Therefore, OHA urges this Committee to **pass HB1769 HD2**. Let us honor and support those who dedicate themselves to caring for our kūpuna and loved ones, ensuring they receive the recognition and assistance they deserve. Mahalo 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

March 15, 2024

TESTIMONY TO THE SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

House Bill 1769 HD2 – Relating to Taxation

The Disability and Communication Access Board (DCAB) supports House Bill 1769 HD2 – 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

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

Telephone
(808) 586-0100

Fax
(808) 586-0185



Testimony COMMENTING on HB1769 HD2
RELATING TO TAXATION

COMMITTEE ON HEALTH AND 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: Friday, March 15, 2024, 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 is providing comments.
- 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.

1 EOA is willing to cooperate and provide guidance to the Department of Taxation on 1) how
2 DoTAX can develop a system for certification and 2) assist in defining expenditures that are
3 eligible for the tax credit.

4 EOA has two recommendations: 1) sticking out page 5, line 10 through 12, item (2) is not
5 covered by any comparable government or private home- and community-based care service,
6 except or excluding kupuna care services and 2) strike out page 6, lines 19 “Kupuna care
7 services” has the same meaning as defined in 20 section 349—16.

8 The tax credit should not be tied to programs and services that a care caregiver may need.

9 **Recommendation:** EOA supports this measure as it is a cost saving, alternative to supporting
10 our caregivers, their loved ones, and the community. We recommend language changes to the
11 bill and defer to the Department of Taxation for implementation.

12 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. 1769, H.D. 2, Relating to Taxation.

BEFORE THE:

Senate Committee on Health and Human Services

DATE: Friday, March 15, 2024
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 ("Department") offers the following comments regarding H.B. 1769, H.D. 2, for your consideration.

H.B. 1769, H.D. 2, amends chapter 235, Hawaii Revised Statutes, 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 an unspecified limit 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." In addition to definitions for "care recipient," "eligible taxpayers," "qualified expenses," 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.

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.

The bill would also require the Department to report no later than twenty days before the start of each annual legislative session on the number of eligible taxpayers claiming the credit and the credit's cost during the past year.

This bill has a placeholder effective date of July 1, 3000 and upon approval would apply to taxable years beginning after December 31, 2023.

The Department notes that making the credit nonrefundable is preferable, as refundable credits are more susceptible to waste, fraud, and abuse.

The Department also suggests amending the bill by making the amount of the credit equal to a percentage of the taxpayer's expenses to discourage waste.

The Department further notes that the House Committee on Human Services, in its committee report, identified the Executive Office on Aging ("EOA") as a subject-matter expert willing to assist the Department as this measure progresses. The Department will coordinate with the EOA going forward, maintaining that the Department does not possess subject-matter expertise in healthcare, caregiving, or social services, and requesting 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.

Finally, if this measure is passed, the Department requests that the effective date be amended 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.

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

March 14, 2024

Senator Joy A. San Buenaventura, Chair
Senator Henry J.C. Aquino, Vice-Chair
Hawaii State Capitol
415 South Beretania Street
Honolulu, HI 96813

Re: Support of HB1769 HD2, RELATING TO TAXATION
1:00 P.M., March 15, 2024, Conference Room 225 & Videoconference

Dear Senator San Buenaventura and Members of the Committee on Health & Human Services:

The unpaid family caregiver provides the backbone of the long-term care system in Hawai'i. The many hours of care that range from bathing and dressing, the preparation of meals, and medical visits are but a few of the daily tasks 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 with English not her first language. To caring for 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 HD2 would be to those caregivers who would qualify under this bill.

As an Area Agency on Aging, the Hawai'i County Office of Aging fully supports the passage of HB1769 HD2. The tax credit provided by HB1769 HD2 will help ease the financial expenses that unpaid caregivers incur for their loved ones daily.

Thank you for the opportunity to submit testimony in favor of this measure again.

William H Farr

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.



1001 Bishop Street | Suite 625 | Honolulu, HI 96813-2830
1-866-295-7282 | Fax: 808-536-2882
aarp.org/hi | aarphi@aarp.org | twitter.com/AARPHawaii
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The State Legislature
Senate Committee on Health and Human Services
Friday, March 15, 2024
Conference Room 225, 1:00 p.m.

TO: The Honorable Joy San Buenaventura, Chair
FROM: Keali'i Lopez, State Director, AARP Hawaii
RE: Support for H.B 1769 HD 2 -Relating to Taxation

Aloha Chair San Buenaventura, Vice-Chair Aquino, 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 HD2 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 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. HD2.**

To: Senate Committee on Health and Human Services
Re: **HB 1769 HD2 – Relating to Taxation**
Hawai'i State Capitol & Via Videoconference
March 15, 2024, 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 1769 HD2**. 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.¹

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,² and those numbers will continue to increase as our population ages.

This bill would provide up to a \$5,000 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 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

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

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

2024 Hawaii Leadership Board

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

Testimony to the Senate Committee on Health and Human Services Friday, March 15, 2024; 1:00 p.m. Hawaii State Capitol, Conference Room 225, and Videoconference

RE: HOUSE BILL NO. 1769 HOUSE DRAFT 2 – RELATING TO TAXATION

Chair Joy San Buenaventura, Vice Chair Henry Aquino, 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 House Draft 2.

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 35,000 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 caregivers' critical role to their loved ones and the community. We ask you to pass House Bill No. 1769 House Draft 2.

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



**Testimony to the Senate Committee on Health and Human Services
Friday, March 15, 2024; 1:00 p.m.
State Capitol, Conference Room 308
Via Videoconference**

RE: HOUSE BILL NO. 1769, HOUSE DRAFT 2, 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. 1776, House Draft 2, 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 a refundable tax credit for nonpaid family caregivers.

This measure would take effect on July 1, 3000.

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.

Testimony on House Bill No. 1769, House Draft 2
Friday, March 15, 2024; 1:00 p.m.
Page 2

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.



Chamber *of* Commerce HAWAII
The Voice of Business

**Testimony to the Senate Committee on Health and Human Services
Friday, March 15, 2024, at 1PM
Conference Room 225**

RE: HB1769 HD2 Relating to Taxation

supports HB1769 HD2



COMMITTEE ON HEALTH AND HUMAN SERVICES

BILL HB1769 HD2
POSITION: SUPPORT

Hearing Date: March 15, 2024, 1pm, Room 225

Aloha Chair Buenaventura, Vice Chair Aquino, and Committee Members:

Aloha United Way strongly supports HB1769 HD2, which establishes a refundable tax credit for nonpaid family caregivers.

Hawaii has the highest cost of living in the nation and imposes one of the highest tax burdens on low-income households and the essential goods they need to survive. 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 childcare and kupuna care 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 HD2 have been shown to be effective tools to decrease poverty and stabilize families. This tax credit will go a long way to helping ALICE families in Hawaii and will put a meaningful amount of money back into the pockets of working families to cover the real costs of unpaid caregiving and help with essential housing, food, and medical costs.

Thank you for the opportunity to testify and for your action to support ALICE families. We urge you to pass HB1769 HD2.

Sincerely,

A handwritten signature in black ink that reads "Suzanne Skjold".

Suzanne Skjold
Chief Operating Officer
Aloha United Way

A handwritten signature in black ink that reads "Adam Reeder".

Adam Reeder
Manager, Safety Net
Aloha United Way

HB-1769-HD-2

Submitted on: 3/14/2024 10:37:01 AM

Testimony for HHS on 3/15/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
John Fink	Testifying for Aloha United Way	Support	Written Testimony Only

Comments:

It is vital to support this piece of legislation for many reasons. The costs and ripple effects in not doing so will be problematic. Thank you.

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 HD 2

INTRODUCED BY: House Committee on Finance

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 \$[unspecified], providing that individuals married that do not file a joint tax return shall only be entitled to claim the tax credit to the extent that they would have been entitled to claim the tax credit had they filed a joint return.

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.

Defines “relative” as a spouse, child, parent, sibling, legal guardian, a reciprocal beneficiary as defined in section 572C-3, a partner as defined in section 572B-1, 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.

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: 3/12/2024

HB-1769-HD-2

Submitted on: 3/12/2024 8:25:14 PM

Testimony for HHS on 3/15/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan L Baylois	Individual	Support	Remotely Via Zoom

Comments: 'Mahalo for allotting me this time to testify in strong support of this bill My name is Susan Baylois of Makawao, Maui, a fulltime caregiver. First of all, I am a self-employed massage therapist with lots of experience and training that allowed me a modest income in Honolulu, Oahu. It was a lifestyle I surrendered to return to Maui in 2020 after mom suffered a life-altering stroke that rendered her incapable of the simplest functions we all take for granted. Mom has been a housewife all her life. Shortly after, dad became very forgetful and was finally diagnosed with Alzheimer's which as you know, has garnered much attention worldwide. Dad is a decorated Vietnam veteran having been awarded a Bronze Star as well as a Purple Heart as a member of the U.S. Army Special Forces. Dad is 86 years old and a shadow of his former self. Caring for them has been rewarding but a financial struggle for me as well. Hawaii State Compensation Guide points to 154,000 caregivers that account for an estimated \$2.6 billion in unpaid annual service. Also, the Kupuna Caregivers Act of 2017 offers \$70 per day for caregivers that also hold down a full-time job. I am not one of those "full-time" job holders and that Act passed over seven years ago, which is why I support the passage of the Care Giver Tax Credit that actually saves public funding otherwise. Being a full-time welfare recipient is not my goal, but a little assistance goes a long way not only for me, but the quality care I seek for mom and dad." Mahalo again for your time.

HB-1769-HD-2

Submitted on: 3/12/2024 3:13:03 PM

Testimony for HHS on 3/15/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ellen Godbey Carson	Individual	Support	Written Testimony Only

Comments:

The Family Caregiver Tax Credit is one of the most effective ways we can induce cost-effective care for kupuna and disabled persons who need personal caregiving to survive. Families can provide residential, personal care in a home setting, without all the additional expenses and hardship of out-placement for medical care. I support this tax credit as a way to better meet our community's needs for care.

Thank you for consideration of my testimony

Ellen Godbey Carson, Honolulu, Hawai'i

SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES
Senator Joy A. San Buenaventura, Chair
Senator Henry J.C. Aquino, Vice Chair

NOTICE OF HEARING
DATE: Friday, March 15, 2024
TIME: 1:00 PM

Re: HB 1769, HD2 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 1769 HD2. 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 HD2. They deserve this help. We know eventually all of us will be there.

Mahalo for the opportunity to testify!

Linda Dorset
Wailuku, Maui

Testimony on House Bill No. 1769, House Draft 2

RELATING TO Taxation

Friday, March 15, 2024 at 1:00 pm

Conference Room 225 & Videoconference

State Capitol

415 South Beretania Street

Chair Joy San Buenaventura, and Members of the Committee:

My name is Beverly Gotelli, and I was a former caregiver to my mother. I am in **STRONG SUPPORT of HB 1769 HD 2 which establishes a family caregiver tax credit for non-paid family caregivers.**

No one expects to be a caregiver, but it happens at one point in our lives. You may consider me to be fortunate that I was already retired when my mother took ill. She was a vibrant woman who was never ill. When she suddenly could no longer walk and there was nothing that could help her medically, she came home. She was a fighter and through all of this I took care of her. As I noted, I was retired, had I not been I would have exhausted my sick leave then, if need be, go on leave without pay. And rely on my savings to care for her. I did not have to use this as I was retired. This does not happen to many caregivers in our community. Many are still working and providing for their family.

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. The proposed tax credit would provide a small relief for family caregivers. Please support these unsung heroes by passing HB 1769. They deserve our support.

Mahalo for the opportunity to testify!

Beverly A. Gotelli

6286 Opaekaa Road

Kapaa, HI 96746

March 14, 2024

TO: Chair San Buenaventura and Committee Members
FROM: Carl Takamura
RE: HB 1769, HD2

My name is Carl Takamura and my sister and I provided care for my mother, especially during the latter years of her life before she passed away at 105. I strongly support this bill that would establish a tax credit for unpaid family caregivers who provide the care needed for a loved one at home.

Family caregivers are a vital and, I believe, an underappreciated component of Hawaii's long term care system. They provide countless hours of care performing daily tasks so that their loved one(s) can continue to live at home and age in place. Many caregivers struggle to provide this care, often at the sacrifice of their own families, personal health, and financial security. This bill would provide some much-needed support for these unsung heroes.

We urge you to approve this important proposal.

Mahalo,

Carl Takamura

Carl Takamura

HB-1769-HD-2

Submitted on: 3/12/2024 10:26:31 PM

Testimony for HHS on 3/15/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Barbara J. Service	Individual	Support	Written Testimony Only

Comments:

Aloha Chair San Buenaventura and committee members. Please pass SB1769, to provide a tax credit to caregivers who provide unpaid care to their loved ones, both adults and children. This is a win-win: families, care recipients, caregivers and the economy.

Barbara J. Service MSW

Child Welfare Services (ret.)

Kupuna Advocate

Kevin L. Johnson, Ko Olina, Hawai'i

Hawai'i Legislature
Senate Committee on Health and Human Services
Friday, March 15, 2024, Conference Room 225, 1:00 p.m.

TO: Senator Joy A. San Buenaventura, Chair
RE: Support for HB 1769 HD 2, Relating to Taxation

I would like to take this opportunity to express my **strong support of HB1769 HD 2, 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 HD 2**.

Sincerely,

Kevin L. Johnson

HB-1769-HD-2

Submitted on: 3/13/2024 6:42:19 AM

Testimony for HHS on 3/15/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kathryn Shawhan	Individual	Support	Written Testimony Only

Comments:

In Support of HB1769 HD2

I am writing to share my caregiving story.

My husband started dialysis about 5 years ago. We are/were both health professionals but that didn't prepare us for what laid ahead.

My husband is still ambulatory, he uses a cane and has limited endurance. However, it seems every week a new care task is added to my list - whether it's shopping for household, carrying out the indoor and outdoor maintenance, managing household bills, creating a more accessible home, going to medical appointments, and transporting him for all needs. The list goes on. I haven't even started the caregiving task of helping him directly in his daily self care tasks such as showering, dressing, etc. I cannot imagine what that will be like.

The biggest burden so far, is the inability to get transportation for him to and from dialysis. Although eligible, Handivan deemed our paved driveway as inaccessible to their vehicle. Three days a week for a 4 hour treatment time. He also cannot be left at home for extensive period given his fluctuating health status. This has forced me to quit most work- very few employers will work around this. I have gradually over the past 5 years had to decrease my work from full time to just recently leaving my part time position. With our current income, we are NOT eligible for most types of assist including utility subsidies, internet subsidies or nutrition subsidies.

If I have to take a trip or cannot be available to my spouse for some reason, we will have to ask the few family members available to cover. They lose their benefits and pay in the process. So a trip rarely happens!

My own self care has suffered at times in all this- But I don't have indulgence in addressing that given the demands of supporting someone in a chronic life threatening illness.

I truly hope the legislators look at this cascading domino impact of these kind of situations. In the long run, without providing support, the costs are higher at the federal and state level with hidden consequences-not only for the identified "patient"- but for all caring family involved. Expanded assist with reimbursement for medical transportation, accessibility renovation, over the counter medical supplies, utility bill assist and access to nutrition would greatly impact so many lives- particularly those who ride the middle income struggle here. These measures could

also potentially stave off the government future costs of drastically increased medical care and financial dependency for all those involved. We need to stop looking at these challenges through one person's needs. We all know this. Hawaii has the value and culture of standing up and caring for our loved ones. Let's not leave holes in that safety net for our families.

Mahalo for allowing me to share this experience. May wise decisions be made on the behalf of struggling Hawaii families.

Sincerely,

Kathryn Shawhan

Testimony on House Bill No. 1769, House Draft 2

RELATING TO Taxation

Friday, March 15, 2024 at 1:00 pm

Conference Room 225 & Videoconference

State Capitol

415 South Beretania Street

Chair Joy San Buenaventura, and Members of the Committee:

My name is Dolores Foley and I am a former family caregiver. I am in **STRONG SUPPORT of HB 1769 which establishes a family caregiver tax credit for non paid 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 1769. They deserve our support.

Mahalo for the opportunity to testify!

Dolores Foley
Kailua Oahu

HB-1769-HD-2

Submitted on: 3/13/2024 8:13:02 AM

Testimony for HHS on 3/15/2024 1:00:00 PM

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

Comments:

Chair Joy Buenaventura, Vice-Chair Henry Aquino and Committee members,

My name is Esther Ueda, and I am in strong support of HB1769, HD2 which would provide a tax credit for nonpaid family caregivers.

I understand the heavy personal and financial burdens that come with caregiving. Several of my friends chose to take early retirement in order to take care of their elderly parents. I know that their parents were thankful that they were to continue living at home with their sacrifices, but now my friends are having to deal with the impacts of their early retirement and the reduced benefits for themselves.

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

Please support HB1769 HD2.

Thank you,

Esther Ueda

Pearl City

HB-1769-HD-2

Submitted on: 3/13/2024 8:42:30 AM

Testimony for HHS on 3/15/2024 1:00:00 PM

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

Comments:

Chair San Buenaventura, Vice-chair Aquino and Members of the Health and Human Services Committee:

My name is Dan Gardner and my wife Deborah and I are in STRONG SUPPORT of HB 1769 HD2 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 Hawai'i'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 HD2. They are most certainly worthwhile of this support. Mahalo

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

Hawaii State Legislature
Senate Committee on Health and Human Services

To: The Honorable Joy San Buenaventura, Chair
From: Susan L Baylosis, Makawao, Maui
RE: Support for H.B. H.B 1769, HB 2 -Relating to Taxation

My name is Susan Baylosis and in strong support of H.B 1769, HB2 which establishes a refundable tax credit for nonpaid family caregivers. I am the sole family caregiver for both parents who are in their 80's. I have been caring for my parents these past four years and can personally attest that this proposed tax credit would be deeply appreciated. Due to their medical issues, both parents depend on me for their daily care ranging from bathing, dressing, preparing meals as well as driving them to their medical appointments.

I'm having to use my own money that I was saving for my retirement to help pay for the extra help and other health and personal care supplies that my parents need. Unfortunately, these expenses can add up quickly. I was forced to quit my job to take care my parents full time. Hiring professional caregivers which starts at \$35.00/hour minimum 3 days a week is very expensive. Even if I worked, I would not be able to make enough for the care required as it is 24-7. I have given up everything to care for my parents which, I gladly do as their child. However, having this tax credit would be helpful to me and many other family caregivers who are caring for their loved ones at home.

Thank you for the opportunity to testify in support of HB 1769, HB2.

Contact Information:
Susan Baylosis
Email: leilanismana@gmail.com
Makawao, Hawaii

Senate Health and Human Services Committee
Testimony on House Bill No. 1769, HD2
Relating to Taxation

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. 1769, HD2. 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. 1769, HD2.

Mahalo for the opportunity to testify!

Deborah M. Oyakawa
Waikoloa, HI 96738
deboyakawa@gmail.com

Senate Health and Human Services Committee
Testimony on House Bill No. 1769, HD2
RELATING TO TAXATION
Friday, March 15, 2024 at 1:00 pm
Conference Room 225 & Videoconference

Aloha Chair Joy San Buenaventura, Vice Chair Henry 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 HB1769, HD2. 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 support these unsung heroes by passing H.B. 1769, HD2.

Mahalo for the opportunity to testify!

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

THE SENATE
KA'AHA KENEKOA

THE THIRTY-SECOND LEGISLATURE
REGULAR SESSION OF 2024

COMMITTEE ON HEALTH & HUMAN SERVICES

Senator Joy A. San Buenaventura, Chair
Senator Henry J.C. Aquino, Vice Chair

Hearing: Friday, March 15, 2024, 1:00 p.m.

Aloha Chair San Buenaventura, Vice Chair Aquino and Members of the Committee on Health & Human Services. My name is Carol Wakayama and I wish to submit this testimony in STRONG SUPPORT of H.B. 1769 H.D. 2 (“Relating to Taxation”).

There are thousands of individuals trying their very best to provide care to family members. This care could include providing transportation to their family member; bathing/preparing meals or paying for items/services related to hygiene and other ‘activities of daily living.’ These out-pocket costs can be very costly as the caregivers must also be able to live/afford their own lives, while also being a caregiver to a family member.

H.B. 1769 H.D. 2 would provide family caregiver tax credits to eligible taxpayers who are providing care to a family member and who have also incurred uncompensated expenses in order to care for family members.

For nearly 35 years before she retired, my mother worked part-time at a very small company. When my mother retired, she had no pension nor was provided a retirement package.

In my mother’s final years, my sister and I cared for her. The only reason my sister and I were able to financially provide our mother with a comfortable, but, simple life was because - our mother was a widow of a Federal employee. Our father left our mother with his Federal retirement/medical package. But, for ‘incidentals,’ my sister and I also used our own savings (and monies received from our father) to pay for our mother’s ‘non-medical insurance covered’ items. We were somehow able to afford our mother’s care, but, life is so much more expensive now.

Humbly, I request your support of H.B. 1769 H.D. 2. Thank you for the opportunity to provide my testimony.

Carol Wakayama
Honolulu, Hawaii

HB-1769-HD-2

Submitted on: 3/13/2024 11:04:55 AM

Testimony for HHS on 3/15/2024 1:00:00 PM

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

Comments:

Writing in strong support of **HB1769 HD2**

Aloha HHS committee members

My name is Mark Koppel, P O Box 283, Hakalau

Family caregivers are the unsung heroes of our care system. They give up their time, money, mental and physical health, and sometimes their jobs, to care for their family.

Without them, these members would be on medicaid and in nursing homes, costing the state millions.

The least we can do for these people is a tax break, as this bill proposes.

Mahalo for your help.

HB-1769-HD-2

Submitted on: 3/14/2024 7:28:55 AM

Testimony for HHS on 3/15/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Missy Saiki	Individual	Support	Written Testimony Only

Comments:

Testimony on House Bill No. 1769, House Draft 2

Relating to Taxation

Chair Joy San Buenaventura, and Members of the Committee:

My name is Missy Saiki, and I am a former family caregiver. I am in **STRONG SUPPORT of HB 1769 which establishes a family caregiver tax credit for non paid family caregivers.**

Being a family caregiver is a blessing, but it is also financially challenging. In a state where the cost of living is exceptionally high, it is especially so.

Hawaii's family caregivers provide numerous hours of care to family members in their homes. Also, these caregivers pay for related expenses for their loved one's out of their own pockets. The average cost is \$7,200 per year to cover costs 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 Hawaii's family caregivers by passing HB 1769. They greatly deserve our support.

Thank you for the opportunity to testify,

Missy Saiki

Kapaa, Hawaii

HB-1769-HD-2

Submitted on: 3/14/2024 12:24:17 PM

Testimony for HHS on 3/15/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tasha Ham-Deponte	Individual	Support	Written Testimony Only

Comments:

Testimony to the Senate Committee on Health and Human Services

Friday, March 15, 2024

1:00 P.M. HST

State Capitol Conference Room 225 and via Videoconference

Re: HB1769 HD2 – Relating to Taxation

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

My name is Tasha Ham-deponte and I am offering testimony in support of HB1769, which establishes a refundable tax credit for nonpaid family caregivers, thus providing financial relief for Hawaii’s families who spend each year in out-of-pocket costs.

I agree with the bill in that family caregivers are the backbone of the long-term care system in the State, as I had seen it with my grandmother taking care of her Centenarian mother. I was also in the position of needing a caregiver when I was on dialysis from 2019-2023. During this time, it was difficult for me to receive any type of aid due to my age (<40), marital status, child/household status, and because I worked full-time (too expensive to be unemployed and disability income is not a livable wage). It was difficult, but I was lucky to have support, and that my mind and body allowed me to work. In April 2023, I received a dual organ transplant. While thankful for this life-saving surgery, my husband and I had to drop everything for it: time, employment, family, friends, and thousands upon thousands of dollars for out of pocket costs (other than lost wages, our insurance did not cover lodging, transportation, assistive devices, etc.).

Negating the emotional cost of caregiving, I cannot imagine the financial costs for those who need life-long caregiving; it's almost an impossible ask for a caregiver to maintain a full-time job, to operate on a single-incomed, and/or they're ALICE households. For myself, my family, and many others in the State of Hawaii that I know on a personal and professional level, A tax

credit would have GREATLY helped to offset some of those expenses. This is why I am in support of HB1769 moving forward.

Thank you,

Tasha Ham-Deponte