

**JOSH GREEN M.D.**  
GOVERNOR

**SYLVIA LUKE**  
LT. GOVERNOR



STATE OF HAWAII  
**DEPARTMENT OF TAXATION**

Ka 'Oihana 'Auhau  
P.O. BOX 259

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

**KRISTEN M.R. SAKAMOTO**  
DEPUTY DIRECTOR

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

**TESTIMONY ON THE FOLLOWING MEASURE:**

H.B. No. 701, H.D. 1, Relating to Taxation

**BEFORE THE:**

House Committee on Economic Development & Technology

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

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

**LOCATION:** State Capitol, Room 423

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

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 701, H.D. 1, for your consideration.

H.B. 701, H.D. 1, adds a new section to chapter 235, Hawaii Revised Statutes, establishing a refundable tax credit for eligible unpaid family caregivers. The new tax credit is equal to the amount of the taxpayer's qualified expenses, up to a limit of \$5,000 per taxable year. The credit is 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." To set forth applicable criteria for determining credit applicability, 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 bill will require the Department to report no later than twenty 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, 2024.

DOTAX recommends making the credit nonrefundable, as refundable credits are more susceptible to waste, fraud, and abuse. Additionally, as currently drafted, the bill may allow persons without any tax liability in the State, or any connection to the State, to claim the tax credit and obtain a refund. Amending the bill to make the credit nonrefundable would preclude refunds in those instances.

DOTAX also suggests making the amount of the credit equal to a percentage of the taxpayer's expenses to discourage waste.

DOTAX requests that a third-party with sufficient subject-matter expertise certify whether a person qualifies as a "care recipient" and the amount of "qualified expenses" incurred, so this credit can be properly administered. Certification streamlines taxpayers' claims and DOTAX's processing of credits. Furthermore, DOTAX does not have the subject matter expertise to assess whether a person has impairments of activities of daily living, instrumental activities of daily living, or substantive cognitive impairment.

Finally, DOTAX requests the bill be amended so the new tax credit applies to taxable years beginning after December 31, 2025. This provides DOTAX with 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.



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aarp.org/hi | [aarphi@aarp.org](mailto:aarphi@aarp.org) | [twitter.com/AARPHawaii](https://twitter.com/AARPHawaii)  
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**The State Legislature**  
**House Committee on Economic Development and Technology**  
**Wednesday, February 5, 2025**  
**Conference Room 423, 10:00 a.m.**

TO: The Honorable Greggor Ilagan, Chair  
FROM: Keali'i Lopez, State Director, AARP Hawaii  
RE: Strong Support for H.B 701, HD1 -Relating to Taxation

Aloha Chair Ilagan, and Members of the Committee:

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

**AARP strongly supports H.B. 701,HD1 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.<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 Hawaii 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, HD1.**

**1. Source: AARP Family Caregivers Need Support Fact Sheet**

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

**HB-701-HD-1**

Submitted on: 2/1/2025 4:34:55 PM

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

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

Comments:

Chair Ilagan, and Members of the Committee:

My name is Merle Minami-Shima, and my late mother was a caregiver for my father during his illness. I am in STRONG SUPPORT of HB701, HD1 which provides a tax credit for family caregivers.

Several years ago, my father became disabled due to a stroke. Because my mother was retired, she became his full-time caregiver. During this time, I noticed the toll caregiving responsibilities took on my mother's health which deteriorated due to caring for my father 24 hours a day. Sadly, my mother never fully regained her health for the remainder of her life. Had there been a caregiver tax credit, my mother could have hired a personal care attendant to assist her a few hours each week to care for my dad.

Tax credits would also have helped with expenses incurred like construction of a home ramp.

With the aging of boomers, caregiving will affect an increasing number of families. With that, we should provide as much relief as we can to caregivers who sacrifice so much to care for their loved ones.

Mahalo for your consideration.

Merle Minami-Shima, Wailuku, Hawaii

## 2025 Hawaii Leadership Board

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

## Testimony to the House Committee on Economic Development Friday, January 31, 10:00 AM Hawaii State Capitol, Conference Room 423, and Videoconference

### RE: House Bill No. 701 – RELATING TO TAXATION

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Chair Ilagan 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 HB 701, 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. 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 to the House Committee on Economic Development and Technology  
Wednesday, February 5, 2025  
10:00 a. m.  
State Capitol Conference Room 423 and via videoconference

Re: HB 701 HD 1 Relating to Taxation

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

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

**The Hawai'i Family Caregiver Coalition strongly supports HB 701 HD 1**, which establishes a refundable Family Caregiver Tax Credit for nonpaid family caregivers.

The bill will provide financial relief for Hawaii's 154,000 unpaid family caregivers. The tax credit will help defray the thousands of dollars that 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 1, and we urge you to recommend its passage.

Mahalo for seriously considering the bill.

Very sincerely,

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

Gary Simon



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

**HB-701-HD-1**

Submitted on: 1/31/2025 3:48:49 PM

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

Submitted By	Organization	Testifier Position	Testify
Hawaii Self Advocacy Advisory Council	Hawaii Self-Advocacy Advisory Council	Support	Written Testimony Only

Comments:

The Hawaii Self-Advocacy Advisory Council stands in strong support of HB 701 HD1





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

**RE: HOUSE BILL NO. 0701, HOUSE DRAFT 1, RELATING TO TAXATION.**

Chair Ilagan, Vice Chair Hussey, 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 1, 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 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.*”

*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.

# 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 1

INTRODUCED BY: House Committee on Human Services & Homelessness

EXECUTIVE SUMMARY: Establishes a refundable Family Caregiver Tax Credit for nonpaid family caregivers.

SYNOPSIS: Adds a new section to chapter 235, HRS, to establish a refundable family caregiver tax credit equal to 100% of “qualified expenses” of the taxpayer, up to a maximum of \$5,000 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.

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. 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, 2024.

STAFF COMMENTS: 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.

We note that the credit as proposed is 100% of qualified expenses. The taxpayer can be thought of as paying nothing where the Hawaii taxpayers pay everything. There is currently nothing to indicate that the taxpayer seeking the credits would have “skin in the game,” and thus does not create any incentive for the taxpayer to do due diligence before incurring expenses, and does not create competition among vendors who then can charge whatever they want because the taxpayer has little motive to seek the most reasonable price.

Finally, the additional 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: 2/1/2025

To: House Committee on Economic Development & Technology  
Re: **HB 701 HD1 – Relating to Taxation**  
Hawai'i State Capitol & Via Videoconference  
February 5, 2025, 10:00 AM

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

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in **SUPPORT of HB 701 HD1**. 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 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

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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/>



COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

Chair Representative Ilagan

Vice Chair Representative Hussey

BILL HB701 HD1

POSITION: SUPPORT

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

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

**Aloha United Way and the ALICE Initiative strongly support HB701 HD1**, which establishes a refundable Family Caregiver Tax Credit for nonpaid family caregivers.

Tax credits like HB701 HD1 have been shown to be effective tools to decrease poverty and stabilize families, especially in times of crisis or when caregiving becomes essential. This tax credit will put a meaningful amount of money back into the pockets of ALICE families to cover their real costs of unpaid caregiving and help with essential housing, food, and medical costs.

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

**40% of Hawaii's residents are ALICE.** We urge you to pass HD701 HD1 and provide needed support to Hawaii's working families who rely on the unpaid labor of family and friends in time of difficulty and are paying a steep financial price for that unpaid time away from work.

Thank you for the opportunity to testify and for your action to support ALICE families. We urge you to pass HB701 HD1.

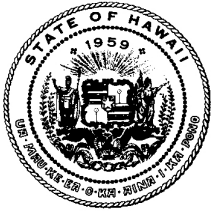
Sincerely,

A handwritten signature in blue ink that reads "Michelle Bartell".

Michelle Bartell  
President & CEO  
Aloha United Way

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

Suzanne Skjold  
Chief Operating Officer  
Aloha United Way



## DISABILITY AND COMMUNICATION ACCESS BOARD

1010 Richards Street, Rm. 118 • Honolulu, Hawai'i 96813  
Ph. (808) 586-8121 (V) • Fax (808) 586-8129 • (808) 204-2466 (VP)

February 5, 2025

### TESTIMONY TO THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

#### House Bill 701, HD1 – Relating to Taxation

The Disability and Communication Access Board (DCAB) supports the intent of House Bill 701, HD1 which establishes a refundable Family Caregiver Tax Credit for nonpaid family caregivers and requires the Department of Taxation to report to the Legislature.

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



**HB-701-HD-1**

Submitted on: 1/30/2025 4:02:19 PM

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

Submitted By	Organization	Testifier Position	Testify
Caroline Kunitake	Individual	Support	Written Testimony Only

Comments:

Support HB701

**HB-701-HD-1**

Submitted on: 1/30/2025 4:21:57 PM

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

Submitted By	Organization	Testifier Position	Testify
Younghee Overly	Individual	Support	Written Testimony Only

Comments:

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

**HB-701-HD-1**

Submitted on: 1/30/2025 7:17:08 PM

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

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

Comments:

Aloha Chair Marten and committee members,

My name is Barbara Service and I reside in SD9 and HD19 and I'm a caregiver for a family member. I write in strong support of HB701 HD1.

Caregivers, especially family caregivers, are critical to enabling elderly persons to remain in their own homes. Caregivers usually make tremendous sacrifices in order to care for their loved ones. Sacrifices may include giving up outside employment which could result in reduced Social Security or pension.

Caregivers spend an average of \$7200 per year out of their own pockets to provide this care (i.e. Adult Day Care, respite care, medical transportation, etc.) to keep their loved ones at home.

The proposed tax credit would provide some relief to these dedicated caregivers.

Please support the passage of HB701 HD1.

Mahalo for allowing me to testify!

Barbara J. Service MSW

Child Welfare Supervisor (ret.)

Passionate Kupuna advocate

**HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY**

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

**NOTICE OF HEARING**

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

**TIME: 9:00 AM**

**Re: HB 701, HD1 RELATING TO TAXATION.**

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

**My name is Linda Dorset, a resident of Maui County, and I am in STRONG SUPPORT of HB 701, HD1, which 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, HD1. 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. 701, HD1  
RELATING TO TAXATION  
WEDNESDAY, FEBRUARY 5, 2025, AT 10:00 A.M.  
Conference Room 423 & Videoconference  
State Capitol  
415 South Beretania Street

Aloha Chair Ilagan 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, HD1 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 and other household upkeep purchases. Additionally, I was the primary contact for insurance claims processing. My father's care lasted for 10 months until his death. My father wanted to be at home and my sister, and I did everything we could to accommodate his wishes; this included taking time off from work either using vacation hours or unpaid time. It also involved running a variety of necessary errands often in addition to our own household needs.

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 1. They all deserve our support.

Mahalo for the opportunity to testify!

Christina Enoka  
Mililani, Oahu  
Ncsmn150@gmail.com

**HB-701-HD-1**

Submitted on: 2/2/2025 9:44:48 PM

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

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

Comments:

**Testimony on House Bill No. 701,HD1****RELATING TO TAXATION**

**Wednesday, February 5, 2025 at 10:00 am**

**Conference Room 423 & Videoconference**

**State Capitol**

**415 South Beretania Street**

Chair Ilagan, and Members of the Committee:

My name is Sai Peng Tomchak. I am in **STRONG SUPPORT** of **HB 701** which provides a **tax credit for family caregivers**.

My husband and I are caregivers of my mother-in-law, who has severe dementia. Before being a caretaker, I never imagined the level of involvement of a caretaker 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.

Sincerely,

Sai Peng Tomchak



**HB-701-HD-1**

Submitted on: 2/3/2025 8:44:08 AM

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

Submitted By	Organization	Testifier Position	Testify
Kaili	Individual	Support	Remotely Via Zoom

Comments:

i am in stronng support of this measure beacuse people with disabilty needs to pay the rent and their affordable houseing and the utility please pass the bill thank you

**HB-701-HD-1**

Submitted on: 2/3/2025 8:51:47 AM

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

Submitted By	Organization	Testifier Position	Testify
Angela Serota	Individual	Support	Written Testimony Only

Comments:

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

**My name is Angela Serota. I have lived on Kauai for over 20 years and work with many current caregivers. I am in STRONG SUPPORT of HB701, HD1 which provides a much needed tax credit for family caregivers.**

**Mahalo nui loa for your consideration and support.**

**HB-701-HD-1**

Submitted on: 2/3/2025 10:39:07 AM

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

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

## Comments:

Chair Ilagan and Members of the Economic Development and Technology Committee. My name is Dan Gardner and I together with my wife Deborah, are both in strong support of HB701 HD1 dealing with provision of a tax credit for family caregivers. These dedicated family members provide literally unlimited hours - estimated to be an average of \$7,200 per year - caring for their family loved ones in need. We hope that your continued efforts to deliver a rational tax credit for these important caregivers will be successful. Thank you for the opportunity to provide input on this critical legislation.

To: Committee on Economic Development and Technology

Date: Wednesday, February 5, 2025

Re: House Bill 701, HD1 Relating to Taxation

Chair Representative Hagan, Vice Chair Hussey and Members of the Committee:

My name is Esther Ueda, and I am writing in SUPPORT of House Bill 701, HD1 Relating to Taxation.

The Bill establishes a refundable Family Caregiver Tax Credit for nonpaid family caregivers.

Some of my friends have taken early retirement from their jobs to care for family members. Although this sacrifice was appreciated by their parents and family members, it had a negative impact on their own personal financial situation (not only resulting in a reduction of their current income, but also possibly their future retirement benefits).

This decrease in their income creates a significant hardship on a Caregiver and their family especially in the long run. The proposed tax credit can help them with some of their current caregiving expenses, and possibly enable them to continue working longer while caring for their loved ones.

Please support HB 701, HD1 that will provide a Tax Credit for nonpaid family caregivers.

Thank you.

Sincerely,

Esther Ueda  
Pearl City, Hawaii