DISABILITY AND COMMUNICATION ACCESS BOARD
Ka ʻOihana Hoʻokaʻaʻike no ka Poʻe Kīnānā

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February 5, 2026

TESTIMONY TO THE HOUSE COMMITTEE ON HUMAN SERVICES & HOMELESSNESS

House Bill 1972 – Relating to Taxation

The Disability and Communication Access Board (DCAB) supports House Bill 1972 which establishes a Family Caregiver Tax Credit for nonpaid family caregivers. It requires the Department of Taxation to submit annual reports to the Legislature. It appropriates funds to the Department of Taxation. And it applies to taxable years beginning after December 31, 2026 and shall take effect on July 1, 2026.

Family caregivers play a critical role in supporting and caring for relatives with disabilities. In addition to the daily care, caregivers manage their relatives' personal finances and/or pay for out-of-pocket caregiving expenses.

A family caregiver tax credit would help alleviate some of the financial burdens and recognize the increasing need to support caregiving services provided by nonpaid family caregivers.

This bill provides some financial relief for family caregivers and helps to sustain their ability to continue providing care to their loved ones.

DCAB supports the efforts to ease the financial strain on caregivers, as their work is essential to maintaining health, dignity, and independence for their loved ones with a disability.

Thank you for the opportunity to testify.

Respectfully submitted,

Kristine Pagano

KRISTINE PAGANO
Acting Executive Director

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

STATE OF HAWAIʻI
DEPARTMENT OF TAXATION
Ka ʻOihana ʻAuhau
P.O. BOX 259
HONOLULU, HAWAIʻI 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

TESTIMONY OF
GARY S. SUGANUMA, DIRECTOR OF TAXATION

TESTIMONY ON THE FOLLOWING MEASURE:
H.B. No. 1972, Relating to Taxation.

BEFORE THE:
House Committee on Human Services & Homelessness

DATE: Thursday, February 5, 2026
TIME: 9:30 a.m.
LOCATION: State Capitol, Room 329

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

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 1972 for your consideration.

H.B. 1972 adds a new section to chapter 235, Hawaii Revised Statutes (HRS) establishing a new non-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 $3,000 per taxable year. Only one eligible taxpayer per household may claim the tax credit for any care recipient in a taxable year. In addition, an eligible taxpayer may claim only one tax credit per taxable year, regardless of the number of care recipients for whom care is provided. Excess credit over income tax liability may not be carried forward and claims must be filed within twelve months after the tax year ends.

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 "activity of daily living," "care recipient," "eligible taxpayers," "instrumental activities of daily living," “licensed health care provider,” "qualified expenses," and "relative."

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 provides that DOTAX may require the taxpayer to provide a letter from a licensed health care provider confirming that the care recipient meets the criteria listed in subsection (h) to qualify as a care recipient for purposes of the taxpayer providing the care services to qualify to claim the credit.

The bill will require DOTAX 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.

Additionally, section 3 of the bill appropriates $3.1 million, $100,000 of which is to be used by DOTAX for development and implementation of the credit and the remaining $3 million is for DOTAX's "certification of claims for tax credits under the family caregiver tax credit."

This bill is effective upon approval, with the credit to apply to taxable years beginning after December 31, 2026, and funding from July 1, 2026.

DOTAX notes that section 3 of the bill appears to impose a $3 million aggregate cap for the tax credit. DOTAX is unable to administer aggregate caps. Accordingly, DOTAX requests that the bill be amended to require a third party certify claims for the credit and administer the aggregate cap, or that the aggregate cap be deleted.

Further, if the aggregate cap is maintained and a third party is identified to certify the credit, DOTAX requests that the third party also certify the qualified expenses, as DOTAX does not have the subject matter expertise or capacity to determine what expenses claimed by the taxpayer providing care to a person with impairments of activities of daily living, instrumental activities of daily living, or substantive cognitive impairments may be reasonably related or acceptable for purposes of properly administering the credit.

DOTAX also suggests making the amount of the credit equal to a percentage of the taxpayer's expenses to discourage waste and abuse. Credits awarded for less than actual expenses encourage taxpayers to seek cost savings through competition pricing. DOTAX recommends that under section 2, on page 3, subsection (b) be amended as follows:

(b) The family caregiver tax credit shall be equal to _________ per cent of the qualified expenses of the eligible taxpayer, up to a maximum of $3,000 in any taxable year; provided that married individuals who 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.

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

JOSH GREEN, M.D.
GOVERNOR OF HAWAIʻI
KE KIAʻĀINA O KA MOKUʻĀINA ʻO HAWAIʻI

KENNETH FINK, MD, MGA, MPH
DIRECTOR OF HEALTH
KA LUNA HOʻOKELE

STATE OF HAWAIʻI
DEPARTMENT OF HEALTH
KA ʻOIHANA OLAKINO
EXECUTIVE OFFICE ON AGING
NO. 1 CAPITOL DISTRICT
250 SOUTH HOTEL STREET, SUITE 406
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CAROLINE CADIRAO
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Testimony COMMENTING on HB1972
RELATING TO TAXATION

COMMITTEE ON HUMAN SERVICES AND HOMELESSNESS
Rep. Lisa Marten, Chair
Rep. Ikaika Olds, Vice Chair

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

Hearing: Thursday, February 5, 2025, 9:30 A.M., Conference Room 329

EOA Position: The Executive Office on Aging (EOA), an attached agency to the Department of Health (DOH), appreciates the intent of this measure. EOA requests that this appropriation not conflict with, reduce, or replace priorities identified in the executive budget.

Fiscal Implications: Appropriates $3,100,000 to the Department of Taxation for FY2026-2027. Allocates $100,000 for infrastructure and implementation and $3,000,000 for the tax credit claims.

Purpose and Justification: In Hawaiʻi, 23% of adults, about 260,000 people, care for a loved one. According to AARP, caregivers provide 144 million hours of unpaid care annually, valued at approximately $2.6 billion. Caregiving tasks include managing medications, preparing meals, assisting with bathing and toileting, providing transportation, and handling financial and legal matters. Caregivers also spend about 26% of their income on these activities. Their support allows loved ones to remain at home and age in place, reducing reliance on formal long-term care services.

The cost savings are significant. The 2024 Genworth Cost of Care Survey reports that home health services in Hawai‘i average $97,240 annually, while nursing home care costs about $181,000 per person for a semi-private room. Despite their immense contribution, unpaid caregivers rarely receive financial compensation, recognition, or adequate support. States must acknowledge their role and adopt strategies to ease the financial burden of caregiving.

Recommendation: EOA appreciates the intent of this measure to provide some financial relief to our caregivers and their loved ones. We defer to the Department of Taxation for implementation.

Thank you for the opportunity to testify.

ALZHEIMER'S ASSOCIATION®

Testimony to the House Committee on Human Services & Homelessness Thursday, February 5, 9:30 AM Hawaii State Capitol, Conference Room 329, and Videoconference

RE: House Bill No. 1972 – RELATING TO TAXATION

Chair Marten 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 1972, 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 and the cost of skilled nursing is over $15,000 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 HB1972. 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

Coby Chock

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

Alzheimer's Association - Hawaii
677 Ala Moana Boulevard, Suite 301
Honolulu, Hawaii 96813
alz.org/hawaii | 808.591.2771

To: House Committee on Human Services & Homelessness
Re: **HB1972 – Relating to Taxation**
Hawaiʻi State Capitol & Via Videoconference
February 5, 2026, 9:30 AM

Dear Chair Marten, Vice Chair Olds, and Committee Members,

On behalf of Hawaiʻi Children's Action Network Speaks!, I am writing in **SUPPORT of HB1972**. This bill establishes a family caregiver tax credit for nonpaid family caregivers and requires an annual report to the Legislature.

Across Hawaiʻi, tens of thousands caregivers are juggling employment, household responsibilities, and caregiving, often at significant personal expense. Many are members of the "sandwich generation," needing to care for both their keiki and kūpuna.

Hawaiʻi has 154,000 unpaid caregivers for just adult family members, providing 144 million hours of care worth $2.6 billion per year,[1] and those numbers will continue to increase as our population ages.

Meanwhile, nearly half of children in Hawaiʻi 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.[2]

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.

This bill would provide a tax credit of up to $3,000 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.

Establishing this tax credit would help families keep their loved ones safe, comfortable, and connected to their communities while reducing pressure on family budgets, long-term care facilities and the broader healthcare system.

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

Thank you,

Nicole Woo
Director of Research and Economic Policy

[1] https://www.aarp.org/content/dam/aarp/ppi/2023/3/valuing-state-estimates.doi.10.26419-2Fppi.00082.009.pdf
[2] https://www.auw.org/about/alice-initiative/alice-reports/

AARP Hawaii

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The Thirty-Third State Legislature
House Committee on Human Services and Homelessness
February 5, 2026
Conference Room 329, 9:30 a.m.

TO: The Honorable Lisa Marten, Chair
FROM: Kealiʻi S. López, State Director
RE: Strong Support for H.B. 1972 Relating to Taxation

Aloha Chair Marten and Members of the Committee:

I am Kealiʻi Lopez, State Director for AARP Hawaiʻi. AARP is the nation's largest nonprofit, nonpartisan, social impact organization dedicated to empowering people fifty and older to choose how they live as they age. We advocate for the issues that matter most to older adults and their families: health and financial security, and personal fulfillment. On behalf of our 135,000 members in Hawaiʻi, thank you for the opportunity to testify.

AARP Hawaiʻi is in strong support of H.B. 1972, which provides a nonrefundable state income tax credit to help offset the out-of-pocket costs borne by unpaid family caregivers. This measure would offer much-needed relief to caregivers earning under $75,000 (individual) or $125,000 (married), many of whom struggle to balance work, family, and caregiving responsibilities.

Hawaiʻi's long-term care system depends on unpaid family caregivers to keep kūpuna at home—where they want to be and out of expensive nursing homes. About one in four people (23% of adults in Hawaiʻi or approximately 260,000 people)are family caregivers. [1] They contribute more than $2.6 billion in unpaid care each year, helping older adults with meals, bathing, transportation and other tasks that allow their loved ones to remain in their home. More than half perform medical tasks typically handled by trained professionals.

Nearly half (49%) of caregivers in Hawaiʻi report negative financial impacts such as taking on debt, stopping savings, or being unable to afford basic expenses. [2]

- 89% of Hawaiʻi caregivers pay out of pocket for caregiving costs, spending an average of $7,200 per year, or 25% of their income.
- 60% of caregivers are juggling employment while providing care, often reducing hours or leaving the workforce, which jeopardizes long-term financial security. [states.aarp.org]

- 36% report moderate to high levels of emotional stress, and 38% receive no additional help—paid or unpaid—while providing care.

An AARP poll of older voters in Hawaiʻi found nearly 90 percent support a limited state income tax credit for family caregivers and 53 percent said they would be more likely to vote for a candidate who supported a family caregiver tax credit.[2]

H.B. 1972 would provide financial relief to caregivers who take care of their loved one and allow them to age at home. A modest tax credit recognizes and supports their contribution and personal sacrifice. This policy also makes fiscal sense. Caregivers' unpaid contributions delay or prevent the need for expensive institutional care, thereby reducing pressure on the state's Medicaid budget.

AARP Hawaiʻi urges the Legislature to recognize the vital role of family caregivers and their contribution to our long-term care system. Enacting H.B. 1972 is a first step and would provide long-overdue financial support and affirmation to the thousands of Hawaiʻi residents who sacrifice so much for love and family.

Mahalo for the opportunity to testify in strong support of H.B. 1972.

References

1. Caregiving in the U.S. 2025 (AARP & NAC)
2. AARP Hawaiʻi Voter Poll (40+ Registered Voters)

AARP®

HIPHI Board

May Okihiro, MD, MS
Chair
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Dina Shek, JD
Medical-Legal Partnership For Children in Hawaiʻi

JoAnn Tsark, MPH
John A. Burns School of Medicine, Native Hawaiian Research Office

Danette Wong Tomiyasu, MBA
Retired, Hawaiʻi State Department of Health

HIPHI Initiatives

Coalition for a Tobacco-Free Hawaiʻi

Community-Based Research & Evaluation

Community Health Worker Initiatives

Environmental Health

Hawaiʻi Climate Change and Health Working Group

Hawaiʻi Drug & Alcohol-Free Coalitions

Hawaiʻi Immunization Coalition

Hawaiʻi Oral Health Coalition

Hawaiʻi Public Health Training Hui

Healthy Eating + Active Living

Kūpuna Collective/Healthy Aging & Community Living

Public Health Workforce Development

HAWAIʻI PUBLIC HEALTH INSTITUTE

Date: February 3, 2026

To: Rep. Lisa Marten, Chair
Rep. Ikaika Olds, Vice Chair
Members of the Committee on Human Services and Homelessness

Re: Support for HB 1972, Relating to Taxation

Hrg: February 5, 2026 at 9:30 AM in Conference Room 329

Hawaiʻi Public Health Institute (HIPHI)[1] **supports HB 1972**, relating to taxation, which establishes a family caregiver tax credit for unpaid family caregivers

Family caregivers are a backbone of Hawaiʻi's long-term support system. An estimated 154,000 adults in Hawaiʻi provide unpaid care to family members or loved ones, including help with daily activities and medical coordination, while juggling other responsibilities like employment and household tasks. These caregivers deliver care valued at an estimated $2.6 billion annually if it were compensated at market rates.[2]

Economic Value of Unpaid Care

According to the AARP, Hawaiʻi's family caregivers contribute 144 million hours of unpaid care per year, keeping kūpuna out of more costly institutional settings. Additionally, many caregivers incur substantial out-of-pocket costs, including materials, transportation, medical supplies, and home modifications, with some estimates nationally showing caregivers spend more than $7,200 of their own money each year on caregiving expenses.[3]

Workforce Impacts in Hawaiʻi

About 60 % of Hawaiʻi's family caregivers are also employed full- or part-time, with many reducing work hours or leaving the workforce altogether to provide care.[4] These decisions can lessen lifetime earnings, social security benefits, and workplace participation. With Hawaiʻi's population aging rapidly, the strain on unpaid caregivers will only increase. Approximately 16% of adults in our state expect to provide care within the next two years.[5]

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[1] Hawaiʻi Public Health Institute's mission is to advance health and wellness for the people and islands of Hawaiʻi. We do this through expanding our understanding of what creates health of people and place, fostering partnerships , and cultivating programs to improve policies, systems, and the environments where people live, learn, work, age, and play.
[2] "Older Hawai`i Voters Overwhelmingly Support Caregivers", AARP Hawaiʻi, 2025.
[3] "The Huge Financial Toll of Family Caregiving", AARP, November 2025.
[4] Valuing the Invaluable 2023 Update: Strengthening Supports for Family Caregivers, AARP.
[5] "Adults Who Expect to Provide Care for a Loved One With Health Problem in Next 2 Years", Hawaiʻi Health Matters, 2024.

Benefits of a Caregiver Tax Credit
Research in other states shows that caregiver tax credits significantly offset the financial burden of providing unpaid care, making it easier for caregivers to maintain employment and economic stability.[6] Caregiver credits also uplift community-based care options by helping families keep loved ones at home, rather than forcing them to make difficult decisions about balancing their financial security and the long-term needs of aging seniors.

Several state caregiver tax credits already provide direct financial relief. For example, Nebraska's caregiver tax credit reimburses caregivers for 50% of eligible out-of-pocket caregiving expenditures, up to a maximum credit of $2,000 annually (or up to $3,000 if the care recipient is a veteran or diagnosed with dementia).[7] We should follow suit in Hawai'i, where even modest credits will recognize that caregiver contributions are an essential part of our social safety net.

We urge your committee to support this bill, so that families can continue to assist those they love in financially sustainable ways. Mahalo for the opportunity to testify.

Mahalo,

Kris Coffield

Kris Coffield
Policy and Advocacy Associate

[6] "Financial and Workplace Security for Family Caregivers", National Academy for State Health Policy, 2021.
[7] Nebraska Department of Revenue, 2026.

SUBJECT: INCOME TAX; Family Caregiver Tax Credit

BILL NUMBER: HB 1972

INTRODUCED BY: CHUN, AMATO, BELATTI, COCHRAN, EVSLIN, GARRETT, GRANDINETTI, HARTSFIELD, HASHEM, ICHIYAMA, ILAGAN, IWAMOTO, KAHALOA, KAPELA, KEOHOKAPU-LEE LOY, KILA, LA CHICA, LEE, M., LOWEN, MARTEN, MATAYOSHI, MIYAKE, MORIKAWA, OLDS, PERRUSO, POEPOE, REYES ODA, SHIMIZU, SOUZA, TAKAYAMA, TAM, TEMPLO

EXECUTIVE SUMMARY: Establishes a family caregiver tax credit for nonpaid family caregivers. Requires the Department of Taxation to submit annual reports to the Legislature. Appropriates moneys. The tax credit applies to taxable years beginning after 12/31/2026.

SYNOPSIS: Adds a new section to chapter 235, HRS, to establish a nonrefundable family caregiver tax credit equal to a maximum of $3,000 of "qualified expenses" in any taxable year.

An eligible taxpayer may claim the tax credit 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 the 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 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 shall not be carried over to subsequent years.

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 one of the following (A) two activities of daily living, (B) two instrumental activities of daily living, (C) one activity of daily living and one instrumental activity of daily living, or (D) 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.

Appropriates $3,100,000 of general funds to the department of taxation for fiscal year 2026-2027 to be allocated 1) $100,000 for infrastructure development and implementation of credit; and 2) $3 million for certification of tax credit claims.

EFFECTIVE DATE: Taxable years beginning after December 31, 2026; appropriation of funds effective on July 1, 2026.

STAFF COMMENTS: If tax liability exists, the proposed tax credit is a dollar-for dollar refund of qualified expenses.

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: 2/3/2026

HB-1972
Submitted on: 2/3/2026 7:23:36 PM
Testimony for HSH on 2/5/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
GARY SIMON	Hawai?i Family Caregiver Coalition	Support	Written Testimony Only

Comments:

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

I am Gary Simon, a member of the board of the Hawaiʻi 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 offering testimony on behalf of the Hawaiʻi Family Caregiver Coalition.

The Hawaiʻi Family Caregiver Coalition strongly supports HB 1972, which establishes a family caregiver tax credit for nonpaid family caregivers; requires the Department of Taxation to submit annual reports to the Legislature; and appropriates moneys.

The bill will provide financial relief for Hawaii's 260,000 unpaid family caregivers. The tax credit will help defray the thousands of dollars that families spend each year for out-of-pocket caregiver costs.

We urge you to support the family caregiver tax credit for non-paid family caregivers and HB 1972, and we urge you to recommend its passage.

Mahalo for seriously considering the bill.

Gary Simon

Hawaiʻi Family Caregiver Coalition

Honolulu, Hawaii

Email garysimon@hawaii.rr.com

Testimony to the House Committee on Human Services & Homelessness
Representative Lisa Marten, Chair
Representative Ikaika Olds, Vice Chair

Thursday, February 5, 2026, at 9:30AM
Conference Room 329 & Videoconference

RE: HB1972 Relating to Taxation

Aloha e Chair Marten, Vice Chair Olds, and Members of the Committee:

My name is Sherry Menor, President and CEO of the Chamber of Commerce Hawaii ("The Chamber"). The Chamber supports House Bill 1972 (HB1972), which establishes a family caregiver tax credit for nonpaid family caregivers and requires and annual report to the Department of Taxation.

HB1972 aligns with our 2030 Blueprint for Hawaii: An Economic Action Plan, specifically under the policy pillar for Economic Action. This bill supports increased affordability in Hawaii and provides quality of life improvements for families that rely on a family member to provide essential care without compensation.

Family caregivers provide daily, unpaid support to loved ones while balancing employment, household responsibilities, and rising living costs. Without meaningful policy support, caregiving can become financially and emotionally unsustainable, forcing difficult choices that can negatively impact an entire family's quality of life and, in some cases, certain family members' ability to remain in the workforce. By helping offset out-of-pocket caregiving expenses, the tax credit proposed in HB 1972 improves the economic viability of serving as a family caregiver, allowing more individuals to continue providing care without sacrificing financial stability or quality of life.

We respectfully ask to pass House Bill HB 1972. Thank you for the opportunity to testify.

The Chamber of Commerce Hawaii is the state's leading business advocacy organization, dedicated to improving Hawaii's economy and securing Hawaii's future for growth and opportunity. Our mission is to foster a vibrant economic climate. As such, we support initiatives and policies that align with the 2030 Blueprint for Hawaii that create opportunities to strengthen overall competitiveness, improve the quantity and skills of available workforce, diversify the economy, and build greater local wealth.

HPCA

HAWAI'I PRIMARY CARE ASSOCIATION

Testimony to the House Committee on Human Services and Homelessness
Thursday, February 5, 2026; 9:30 a.m.
State Capitol, Conference Room 329
Via Videoconference

RE: HOUSE BILL NO. 1972, RELATING TO TAXATION.

Chair Marten, Vice Chair Olds, 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 **SUPPORT** of House Bill No. 1972, 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:

(1) Establish a nonrefundable tax credit (credit) for nonpaid family caregivers; and

(2) Appropriate $3,100,000 in general funds for fiscal year 2026-2027 for infrastructure development, and implementation and certification of the credit.

The bill would apply to taxable years beginning after December 31, 2026, and take effect on July 1, 2026.

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@hawaiipca.net.

February 5, 2026

TO: Chair Marten and Members of the House Human Services and Homelessness Committee

FROM: Carl Takamura

RE: HB 1972

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 or their own families, personal health, and financial security. This bill would provide some much-needed support for these unsung heroes.

I urge you to approve this important proposal.

Mahalo,

Carl Takamura

Carl Takamura
Hawaii Kai

HB-1972
Submitted on: 2/2/2026 4:39:41 PM
Testimony for HSH on 2/5/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Lila Mower	Individual	Support	Written Testimony Only

Comments:

I support this proposal.

Testimony on H.B. 1972

RELATING TO TAXATION

HOUSE COMMITTEE ON HUMAN SERVICES & HOMELESSNESS

Thursday, February 5, 2026 9:30 a.m.

Aloha Chair Marten, Vice Chair Olds and Members of the House Committee on Human Services & Homelessness.

My name is Carol Wakayama and I wish to submit testimony in **STRONG SUPPORT of** H.B. 1972 which would establish a non-refundable tax credit for nonpaid family caregivers.

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 out-of-pocket 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. Whether simple or more complicated, these caregiver acts could help the care recipient to remain mobile and independent.

H.B. 1972 establishes non-refundable Family Caregiver Tax Credits for providing family caregiving. If passed, H.B. 1972 could help family caregivers by providing tax credits for purchasing items such as disposable diapers, other hygiene products and groceries.

Passage of H.B. 1972 might also encourage other family members to come forward to provide care to family members, 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. 1972 be considered for passage. Thank you.

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

HB-1972
Submitted on: 2/2/2026 8:24:16 PM
Testimony for HSH on 2/5/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Tanya Aynessazian	Individual	Support	Written Testimony Only

Comments:

I strongly support HB 1972, which recognizes that family caregivers are the backbone of Hawai‘i’s long-term care system and deserve meaningful financial support. As the bill notes, more than 260,000 Hawai‘i residents provide over $2.6 billion in unpaid caregiving each year, often at significant personal, physical, and financial cost.

By establishing a targeted family caregiver tax credit for nonpaid caregivers with modest incomes, HB 1972 helps keep kūpuna and people with disabilities safely in their homes, reduces costly premature institutionalization, and strengthens community wellbeing. This is a smart, compassionate investment that supports families, eases pressure on public systems, and reflects Hawai‘i’s values of care, responsibility, and ‘ohana.

Tanya Aynessazian

HB-1972
Submitted on: 2/2/2026 8:47:47 PM
Testimony for HSH on 2/5/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Raelene Tenno	Individual	Support	Written Testimony Only

Comments:

HB1972 SUPPORT

I caregived for my Uncle and Aunty. Although Uncle paid into a HMSA Long Term Care policy for years, the provisions only provided for a few hours a day. He fell and became bedridden and needed care support for hygiene. We hired what could be afforded on the policy and their income. Utimately, it was discovered the hired caregivers were not providing him with basics such as water to drink and taking him to the toilet. I had to rush him to the ER when I discovered his diaper had blood in it, he passed a few days later.

Then it was discovered my Aunty could not live in the House alone after I stopped her from trying to heat up rice by putting the pot into the microwave. We commuted from Kaneohe to the house in town several times a day, I was constantly exhausted and lead to me not being able to fully perform the work duties required. Then Aunty was officially diagnosed with Dementia. That was a challenge with the personality changes. For me if the tax credit was in place at the time, it would be a gesture that I would take as a gift from Uncle and Aunty.

Thank you for this opportunity to submit testimony and share a real life experience.

Testimony on House Bill No. 1972

RELATING TO TAXATION

Thursday, February 5, 2026 at 9:30 am

Conference Room 329 & Videoconference

State Capitol

Aloha Chair Marten and Members of the Committee:

I am in support of House Bill no. 1972.

My husband and I were co-caregivers of my mother-in-law, who had severe dementia. Before becoming a caregiver, I never imagined the level of involvement of a caregiver in someone else's life. We took mom to adult daycare, numerous doctor appointments, checkups, lab tests, and even emergency rooms. We spent 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 took 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 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.

A modest tax credit, such as the one proposed in HB 1972, would give Hawaii caregivers some financial relief. It would also give them some financial incentive to keep their loved ones with disabilities at home. If they send their loved ones to foster homes or assisted living facilities, it would likely initiate Medicaid claims, which would cost a lot more than caregiver tax credit does.

Caregiver tax credit is as needed (if not more desperately needed) by caregivers as child tax credits needed by parents.   I respectively ask you to support and pass this bill.

Mahalo for giving me this opportunity to testify!

Sai Peng Tomchak
Maui resident

Beverly Ann Gotelli
6286 Opaekaa Road
Kapaa, HI 96746

Hawaii State Legislature
House Committee on Human Services
February 5, 2026
9:30 a.m.

TO: The Honorable Lisa Marten, Chair
Members of the State House Committee on Human Services
POSITION: Strong Support for H.B. 1972 – Relating to Taxation

My name is Beverly Gotelli, and I am writing in STRONG SUPPORT of House Bill 1972, which would establish a tax credit for unpaid family caregivers.

I was the primary caregiver for my mother, who had a spine injury that left her without mobility in her legs. This was not the life she wanted, at the age of 92.

I'm not sure if I was fortunate as I was retired and became her caregiver. I think of my children who are working and should the need come when they are put into the role of being my caregiver. Will they be able to take off from work and take care of me. We live on two different islands, them on Maui and myself on Kauai. I'm sure I'm not the only one in this situation.

Reality is it will happen one day. What do we do then.

Family caregivers like me are the backbone of Hawaiʻi's long-term care system. Every day, unpaid caregivers provide countless hours of essential care that would otherwise fall to already overstretched healthcare and long-term care systems. We do this quietly, out of love and responsibility, often at great personal sacrifice.

A modest tax credit, such as the one proposed in H.B. 1972, would not erase these sacrifices—but it would make a meaningful difference. It would help offset unavoidable caregiving expenses, ease financial strain, and acknowledge the vital role that family caregivers play in supporting our kupuna and individuals with disabilities.

By passing H.B. 1972, the Legislature would be taking an important step toward supporting caregivers, strengthening families, and helping more Hawaiʻi residents remain safely in their homes. I respectfully urge you to pass H.B. 1972 and support the many unpaid family caregivers across our state.

Mahalo for the opportunity to share my story and for your consideration.

Beverly Gotelli
6286 Opaekaa Road
Kapaa, HI 96746

Testimony on House Bill No. 1972
RELATING TO TAXATION
Thursday, February 5, 2026, at 9:30 a.m.
Conference Room 329 & Videoconference
State Capitol
415 South Beretania Street

Aloha Chair Martin and Members of the Committee:

My name is Christina Enoka and I am in STRONG SUPPORT of HB 1972 which establishes a non refundable tax credit for unpaid family caregivers.

As a former caregiver for our father, my sister and I endured unanticipated and unplanned expenses while caring for him. During his 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. My father's care lasted for 10 months until his death. He 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 and/or unpaid time. It also involved running a variety of necessary errands often in addition to our own household needs. This brought some peace to my mother as she was able to stay by his side throughout his illness.

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. Many caregivers are still working, struggling to juggle work and caregiving responsibilities. With Hawaii's exorbitant cost of living, a modest tax credit would not eliminate the efforts of the caregiver, however it would certainly help to offset some of the unplanned and unanticipated expenses associated with caregiving. Please support HB 1972.

Mahalo for the opportunity to testify!

Christina Enoka
Mililani, Oahu
Ncsmn150@gmail.com

HB-1972
Submitted on: 2/3/2026 6:39:54 AM
Testimony for HSH on 2/5/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
John A. H. Tomoso	Individual	Support	Written Testimony Only

Comments:

RE: HB1972

Aloha kākou,

I am in strong support of the Family Caregiver Tax Credit. It will offer eligible family caregivers a $3,000 tax credit for their out-of-pocket caregiving expenses for a loved one at home. I know that family caregiving is on the rise, so this is a wide-ranging benefit that needs to be established.

Mahalo,

John A. H. Tomoso+, MSW, ACSW

john.a.h.tomoso@gmail.com, 51 Ku'ula St., Kahului, HI 96732-2906

HB-1972
Submitted on: 2/3/2026 9:58:53 AM
Testimony for HSH on 2/5/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Warren Wong	Individual	Support	Written Testimony Only

Comments:

Just a small impact on the state budget . the least we can do to support caregivers.

HOUSE OF REPRESENTATIVES
COMMITTEE ON HUMAN SERVICES & HOMELESSNESS
Rep. Lisa Marten, Chair
Rep. Ikaika Olds, Vice Chai

NOTICE OF HEARING
Wednesday, February 5, 2026, 9:30am

Re: HB 1972 RELATING TO TAXATION

Aloha Chair Marten and Vice Chair Olds. My name is Linda Dorset, and in **STRONG SUPPORT of HB 1972 which establishes a nonrefundable tax credit for nonpaid family caregivers.**

As a senior citizen resident of Maui I am concerned that the cost of my care, should I become too weak to take care of myself will overburden my already financially struggling son. I'm one of the lucky ones; I do have Long Term Care Insurance that costs me $339/month and will pay 250/day (7,500/month). Sounds pretty good but the current cost of a nursing home is over $12,000/month and assisted living care is about $10,000/month.

I recently participated in a webinar where the speaker reiterated the idea that an overwhelming majority of Hawaii's seniors will not be able to afford assisted living, and counting on being able to pay down assets in order to qualify for Medicaid is out of the question. So it seems relying on a family caregiver is inevitable.

Every day, unpaid caregivers provide countless hours of essential care that would otherwise fall to already overstretched healthcare and long-term care systems. I am fearing the possible day when I can no longer take care of myself and care falls to my son. He would be in danger of sacrificing his free time and possibly his employment.

A modest tax credit, such as the one proposed in H.B. 1972, would not erase these sacrifices—but it would help with caregiving expenses, thereby easing financial strain. I am asking you to acknowledge the vital role that family caregivers play in supporting our kupuna and individuals with disabilities.

Mahalo for the opportunity to testify in support!

Linda Dorset
Maui Senior Citizen

HB-1972
Submitted on: 2/3/2026 3:19:33 PM
Testimony for HSH on 2/5/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Valerie Wood	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Marten and Members of the Committee:

My name is Valerie Wood, and am in **STRONG SUPPORT of HB 1972 which establishes a nonrefundable tax credit for nonpaid family caregivers.**

Family caregivers have expenses that can be significant and many go unseen or talked about. Such as in-home certificated health care services to gas for transportation for medical appointments, hygiene supplies, equipment monitoring devices, co-payments on medical/health expenses to at home living safety items such as ramps, grab bars, and walkers.

Family caregivers are the backbone of Hawaiʻi's long-term care system. Every day, unpaid caregivers provide countless hours of essential care that would otherwise fall to already overstretched healthcare and long-term care systems. We do this quietly, out of love and responsibility, often at great personal sacrifice of time and money.

A modest tax credit, such as the one proposed in H.B. 1972, would not erase these sacrifices—but it would make a meaningful difference. It would help offset unavoidable caregiving expenses, ease financial strain, and acknowledge the vital role that family caregivers play in supporting our kupuna and individuals with disabilities.

Mahalo for the opportunity to testify in support!

Valerie Wood

Paia, HI

HB-1972
Submitted on: 2/3/2026 4:25:24 PM
Testimony for HSH on 2/5/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
BLYTH KOZUKI	Individual	Support	Written Testimony Only

Comments:

TO: The Honorable Lisa Marten, Chair

Members of the State House Committee on Human Services

FROM: Blyth Kozuki, Honolulu, Hawaii

POSITION: Strong Support for H.B. 1972 – Relating to Taxation

My name is Blyth Kozuki, and I am writing in STRONG SUPPORT of House Bill 1972, which would establish a tax credit for unpaid family caregivers.

I was a caregiver to my dear husband 20 years ago. It wasn't a burden but it was quite the lesson. He needed daycare so I could continue working. He needed a water thickener to prevent him from choking and it is not something that goes on sale at Long's/CVS. The point I want to stress is that it's expensive to caretake. I see this bill as sending a message to caregivers that we acknowledge what they do and support the care they are giving. What I don't want is for caregivers to "throw in the towel" and institutionalize their kupuna because they can't continue to make the sacrifice.

A modest tax credit, such as the one proposed in H.B. 1972, would not erase these sacrifices—but it would make a meaningful difference. I respectfully urge you to pass H.B. 1972 and support the many unpaid family caregivers across our state.

Mahalo for the opportunity to share my story and for your consideration.

Blyth Kozuki

Honolulu, Hawaii

HB-1972
Submitted on: 2/4/2026 1:57:22 AM
Testimony for HSH on 2/5/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Michelle R Stefanik	Individual	Support	Written Testimony Only

Comments:

I support this bill.

HB-1972
Submitted on: 2/4/2026 9:27:34 AM
Testimony for HSH on 2/5/2026 9:30:00 AM

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

Comments:

Aloha Chair Marten and committee members

I am Barbara J. Service and I reside in SD9 and HD18.

I am writing in strong support of HB1972Please pass HB1972 to allow nonpaid family caregivers to claim a tax credit, as they attempt to keep their aging and/or infirm loved ones at home where the loved ones are most comfortable.

Mahalo for the opportunity to testify.

Barbara J. Service MSW

Child Welfare Supervisor (ret.)

Passionate Kupuna advocate

LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

Research Information Services

Thursday, February 5, 2026
Conference Room 329 & Videoconference

LATE

House Committee on Human Services and Homelessness

To: Chair, Lisa Marten
Vice Chair, Ikaika Olds

FROM: Melvin Sakurai Ph.D., Research Information Services

RE: **Testimony SUPPORTING HB 1972**
Relating to tax credits for unpaid family caregivers

My name is Melvin Sakurai and I am a management consultant who has been involved with the issue of financing long-term care for more than three decades; co-leading program design and development for the Governor's Executive Office On Aging and principle author of the *1991 Long-Term Care Financing Report to the Legislature*. I also did pro-bono collaborative work on the mandatory financing plan passed by the Legislature in 2003 (SB 1088, SD2, HD2, CD1) that was subsequently vetoed by then Governor Lingle.

I am writing to express **SUPPORT for HB 1972** that will establish a family caregiver tax credit for nonpaid family caregivers.

The need for direct financial support is evident in the hidden plight of Hawai'i's unpaid community caregivers

The vast majority of Hawai'i's Long-Term Services & Supports (LTSS) bill is now borne by unpaid community caregivers who shoulder an estimated 74.1% of the total (roughly $2.4 BILLION). By comparison, Medicaid, often portrayed as the primary payer of LTSS, pays for only an estimated 16.7% of Hawaii's total estimated LTSS bill.

While the estimated dollar value of direct care provided by unpaid Hawaii community caregivers (which does not include volunteer services) is daunting, it is not fully reflective of the indirect collateral toll and hardships endured—which are often harsh and physically, mentally, and financially ruinous.

425 South Street, 104 Mauka Honolulu, HI 96813 (808) 599-1555 msakurai@hawaiiantel.net

Our current LTSS financing and services system has largely failed, and some would say abandoned, our unpaid community caregivers. Token caregiver supports like sporadic respite, while better than nothing, can hardly compensate for the often devastating consequences and effects of making up for the shortcomings of a paid LTSS services system that is expensive, underfunded, and has insufficient resources.

National research findings can give us a picture of the plight suffered by unpaid Hawaii community caregivers (there is no reason to believe circumstances for unpaid Hawaii community caregivers would be more benign).[1]

A Toll on Caregiver Well-Being: Creating a New Cohort Needing Care

- **Many caregivers neglect their own health; placing themselves at risk of becoming a new cohort needing care**: 23% (about 1 in 4) of caregivers report having difficulty caring for their own health as a consequence of caregiving. This is not surprising given the care burden they bear and the physical and emotional strains suffered as a result of caregiving. For caregivers who reported difficulties caring for themselves:
    - 48.4, average age of the caregiver
    - 66.2, average age of the care recipient
    - 57% were providing "high intensity" care involving an average of 2.1 ADL and 5.1 IADL deficiencies
    - 32.9 hours of weekly caregiving
    - 55% experienced feeling lonely
    - 38% reported experiencing high physical strain
    - 70% experienced high emotional stress
    - 36% experienced high financial stress
    - 72% indicated they had no choice about taking on care

- **Many caregivers experience emotional stress**: 36% (nearly 4 in 10) of caregivers regard their caregiving circumstance as being highly stressful.

- **Many caregivers experience feelings of being alone and isolated**: 21% (1 in 5) caregivers feel alone and isolated.

[1] AARP, National Alliance for Caregiving, *Caregiving in the U.S,* ; CDC/NCHS, *Summary Health Statistics: National Health Interview Survey, 2018*; BlueCross BlueShield Health of America, *The Economic Consequences of Millennial Health, November 2019,*

These are profoundly serious risks for unpaid community caregivers that could very well result in a new cohort of persons who become in need of care services as a result of their caregiving—amplifying the financial and demand burden for an already overburdened and underfunded LTSS system.

Direct Financial Adversities Suffered by Unpaid Caregivers: Seriously Compromising Financial Planning for Their Own Needs

- **<u>The direct financial strain resulting from caregiving is severely affecting the financial planning for future needs:</u>** 18% (almost 1 in 5) of all caregivers report significant short-term and long-term strain as a consequence of their caregiving. Financial stress is even higher for prime working-age adults 18-49, 34% of whom report suffering financial strains.

  The financial strains and compromises suffered have serious near- and long-term consequences:
  - 28% of caregivers stopped saving
  - 23% of caregivers had to take on more debt
  - 22% of caregivers had to completely deplete personal savings
  - 19% of caregivers had unpaid or late-paid bills
  - 15% of caregivers were forced to borrow from family and friends

Careers Ruined

- **<u>61% of unpaid community caregivers are employed and there are grave consequences for their caregiving</u>**
  - 60% work full time, 15% work between 30-39 hours per week;
  - 35.7 hours per week: average for employed caregivers
  - The ratio of work to caregiving hours is punishing and not sustainable:
    - Caregivers of their parents worked 36.9 hours per week on average while providing 20.8 hours of care.
    - Caregiving spouses worked 35.7 hours per week on average and provided 36 hours of care.

- **<u>The coping behavior of employed caregivers to accommodate their caregiving can be ruinous for their careers, compromise prospects for advancement, and limit pay increases—making financial consequences even worse</u>**
  - 53% reported going in late, leaving early, and taking time off

- 15% shifted to part-time employment or reducing work hours
- 14% had to take leaves of absence
- 8% received performance or attendance warnings
- 7% turned down promotions
- 6% quit working entirely
- 5% retired early
- 4% loss job benefits

The harsh and severe physical, mental, and financial consequences suffered by Hawaii's unpaid community caregivers are especially insidious because they can ruin families, undermine preparing, and have lingering effects for "life after caregiving" (such as bankruptcy, ruined careers and credit ratings, and the onset of chronic health conditions as a result of caregiving).

The irony is that because of financing and service system failures, acts of kindness by Hawaii's unpaid caregivers is contributing to creating the next new cohort of high-need patients who must deal with scarce care resources—in a vicious cycle.

And the specter of creating a new cohort of homeless kupuna as a result of our neglect and harsh Medicaid spend-down rules is unacceptable.

Please support passage of HB 1972.