



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

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

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

CAROLINE CADIRAO
DIRECTOR
Executive Office on Aging

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**Testimony COMMENTING on HB1972 HD1
RELATING TO TAXATION**

COMMITTEE ON ECONOMIC DEVELOPMENT AND TECHNOLOGY

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

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

Hearing: Wednesday, February 18, 2025, 9:30 A.M., Conference Room 423

- 1 **EOA Position:** The Executive Office on Aging (EOA), an attached agency to the Department of
- 2 Health (DOH), appreciates the intent of this measure. EOA requests that this appropriation not
- 3 conflict with, reduce, or replace priorities identified in the executive budget.
- 4 **Fiscal Implications:** Appropriates \$100,000 to the Department of Taxation for FY2026-2027 for
- 5 infrastructure and implementation of the tax credit claims.
- 6 **Purpose and Justification:** In Hawai'i, 23% of adults, about 260,000 people, care for a loved one.
- 7 According to AARP, caregivers provide 144 million hours of unpaid care annually, valued at
- 8 approximately \$2.6 billion. Caregiving tasks include managing medications, preparing meals,
- 9 assisting with bathing and toileting, providing transportation, and handling financial and legal
- 10 matters. Caregivers also spend about 26% of their income on these activities. Their support allows
- 11 loved ones to remain at home and age in place, reducing reliance on formal long-term care services.

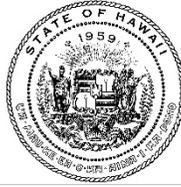
1 The cost savings are significant. The 2024 Genworth Cost of Care Survey reports that home health
2 services in Hawai'i average \$97,240 annually, while nursing home care costs about \$181,000 per
3 person for a semi-private room. Despite their immense contribution, unpaid caregivers rarely receive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

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

8 Thank you for the opportunity to testify.

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION
Ka 'Oihana 'Auhau
P. O. BOX 259
HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

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

TESTIMONY ON THE FOLLOWING MEASURE:

H.B. No. 1972, H.D.1, Relating to Taxation.

BEFORE THE:

House Committee on Economic Development & Technology

DATE: Wednesday, February 18, 2026
TIME: 9:30 a.m.
LOCATION: State Capitol, Conference Room 423

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

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 1972, H.D.1, for your consideration.

Section 2 of H.B. 1972, H.D.1, adds a new section to chapter 235, Hawaii Revised Statutes (HRS), establishing a non-refundable tax credit for eligible unpaid family caregivers. The credit is equal to seventy-five percent 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 credit for any care recipient in a taxable year. In addition, an eligible taxpayer may claim only one 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 taxpayer," "instrumental activity 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, personal care attendants, transportation services, health care equipment, and assistive technology such as alerts and reminders. Under subsection (g), a taxpayer may not claim qualified expenses under this section that are claimed as expenses for household and dependent care services necessary for gainful employment under section 235-55.6, HRS.

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 (i) to qualify as a care recipient for purposes of the taxpayer providing the care services to qualify to claim the credit.

Further, DOTAX is required 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 cost of the credit during the prior year.

This bill has a defective effective date of July 1, 3000, with the credit to apply to taxable years beginning after December 31, 2026, and funding, under section 3 of the bill, to take effect on July 1, 2026.

DOTAX notes that it can administer the credit for taxable years beginning after December 31, 2026.

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



February 17, 2026

Position: **SUPPORT** of **HB1972 HD1**, Relating to Taxation

To: Representative Greggor Ilagan, Chair
Representative Ikaika Hussey, Vice Chair
Members of the House Committee on Economic Development and Technology

From: Llasmin Chaine, LSW, Executive Director, Hawaii State Commission on the Status of Women

Re: Testimony in **SUPPORT** of **HB1972 HD1**, Relating to Taxation

Hearing: Wednesday, February, 18, 2026, 9:30 a.m.
Conference Room 423, State Capitol

The Hawaii State Commission on the Status of Women is dedicated to advancing gender equity and supporting the well-being of women across Hawaii. The Commission **supports HB1972 HD1** because family caregiving responsibilities disproportionately fall on women, often leading to economic insecurity, reduced workforce participation, and long-term impacts on financial stability. Establishing a family caregiver tax credit directly addresses these challenges by recognizing and valuing the essential, unpaid labor provided by family caregivers.

Research consistently shows that unpaid caregiving is a critical but often overlooked component of our social fabric, with women comprising the majority of unpaid family caregivers. By providing a tax credit, this bill **acknowledges the economic value of caregiving** and **offers tangible support to those who sacrifice earnings and career advancement to care for loved ones**. This aligns with the Commission's goals of reducing gender-based economic disparities.

The Commission respectfully encourages continued evaluation of the credit's adequacy and impact, with an eye toward further strengthening support for family caregivers in future legislative sessions.

We respectfully **urge this Committee to pass HB1972 HD1**. Thank you for this opportunity to submit testimony.



DISABILITY AND COMMUNICATION ACCESS BOARD

Ka 'Oihana Ho'oka'a'ike no ka Po'e Kīnānā

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

February 18, 2026

TESTIMONY TO THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT AND TECHNOLOGY

House Bill 1972 House Draft 1 – Relating to Taxation

The Disability and Communication Access Board (DCAB) supports House Bill 1972 House Draft 1 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, 3000.

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
Acting Executive Director



HIPHI Board

May Okihiro, MD, MS
Chair

*John A. Burns School of Medicine,
Department of Pediatrics*

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Vice Chair

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Misty Pacheco, DrPH
University of Hawai'i at Hilo

Dina Shek, JD
*Medical-Legal Partnership
For Children in Hawai'i*

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

Danette Wong Tomiyasu, MBA
*Retired, Hawai'i State Department of
Health*

HIPHI Initiatives

Coalition for a
Tobacco-Free Hawai'i

Community-Based Research &
Evaluation

Community Health
Worker Initiatives

Environmental Health

Hawai'i Climate Change and Health
Working Group

Hawai'i Drug & Alcohol-Free Coalitions

Hawai'i Immunization Coalition

Hawai'i Oral Health Coalition

Hawai'i Public Health Training Hui

Healthy Eating + Active Living

Kūpuna Collective/Healthy Aging &
Community Living

Public Health Workforce Development

Date: February 13, 2026

To: Rep. Greggor Ilagan, Chair
Rep. Ikaika Hussey, Vice Chair
Members of the Committee on Economic Development & Technology

Re: Support for HB 1972 HD1, Relating to Taxation

Hrg: February 18, 2026 at 9:30 AM in Conference Room 423

Hawai'i Public Health Institute (HIPHI)¹ **supports HB 1972 HD1**, relating to taxation, which establishes a family caregiver tax credit for unpaid caregivers

Family caregivers are a backbone of Hawai'i's long-term support system. An estimated 154,000 adults in Hawai'i 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, Hawai'i'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 Hawai'i

About 60 % of Hawai'i'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 Hawai'i'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

¹ Hawai'i Public Health Institute's mission is to advance health and wellness for the people and islands of Hawai'i. 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 Hawai'i, 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](#)", Hawai'i 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,

A handwritten signature in black ink that reads '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.



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The Thirty-Third State Legislature
House Committee on Economic Development and Technology
February 18, 2026
Conference Room 423, 9:30 a.m.

TO: The Honorable Greggor Ilagan, Chair
FROM: Keali'i S. López, State Director
RE: Strong Support for H.B. 1972, HD1 Relating to Taxation

Aloha Chair Ilagan and Members of the Committee:

I am Keali'i Lopez, State Director for AARP Hawai'i. 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 Hawai'i, thank you for the opportunity to testify.

AARP Hawai'i is in strong support of H.B. 1972, HD1, 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.

Hawai'i'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 Hawai'i 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 Hawai'i report negative financial impacts such as taking on debt, stopping savings, or being unable to afford basic expenses.²

- 89% of Hawai'i 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]

February 18, 2026

H.B. 1972, HD1 AARP Testimony – Strong Support

Page 2

- 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 Hawai'i 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, HD1 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 Hawai'i urges the Legislature to recognize the vital role of family caregivers and their contribution to our long-term care system. Enacting H.B. 1972, HD1 is a first step and would provide long-overdue financial support and affirmation to the thousands of Hawai'i residents who sacrifice so much for love and family.

Mahalo for the opportunity to testify in strong support of H.B. 1972, HD1.

References

1. [Caregiving in the U.S. 2025 \(AARP & NAC\)](#)
2. [AARP Hawai'i Voter Poll \(40+ Registered Voters\)](#)



2025 Hawaii
Leadership Board

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

Lori McCarney, *Immediate*
Past Chair Community
Advocate

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

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

Kai Ohashi,
Financial Advisor Edward
Jones

Michael Robinson,
Vice President Hawaii Pacific
Health

Kimberly Soares, *Vice*
President Atlas Insurance

Gino Soquena,
Executive Director
Hawaii Building and
Construction Trade Council

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

Cary Tanaka,
Past President
Island Insurance
Companies

Caroline Witherspoon,
President Becker
Communications

LJ R. Duenas,
Executive Director
Alzheimer's Association

Testimony to the House Committee on Economic Development & Technology Wednesday, February 18, 9:30 AM Hawaii State Capitol Conference Room 423, and Videoconference

RE: House Bill No. 1972 HD1 – RELATING TO TAXATION

Chair Ilagan, Vice Chair Hussey, 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 HD1, 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 HD1. 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
Director of Public Policy and Advocacy
Alzheimer's Association - Hawaii

HB-1972-HD-1

Submitted on: 2/14/2026 12:26:40 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
GARY SIMON	Hawaii Family Caregiver Coalition	Support	Written Testimony Only

Comments:

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 offering testimony on behalf of the Hawai'i Family Caregiver Coalition.

The Hawai'i Family Caregiver Coalition strongly supports HB 1972 HD 1, 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 funds.

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 HD 1, and we urge you to recommend its passage.

Mahalo for seriously considering the bill.

Gary Simon

Hawai'i Family Caregiver Coalition

Honolulu, Hawaii

Email garysimon@hawaii.rr.com

February 13, 2026

House Committee on Economic Development & Technology
Chair Greggor Ilagan
Vice Chair Ikaika Hussey
Members of the Committee

Re: HB 1972 HD 1 – Relating to Taxation – SUPPORT

Aloha kākou!

Leading Age Pacific West is pleased to support House Bill 1972 HD1 which would establish a nonrefundable tax credit for nonpaid family caregivers.

LeadingAge Pacific West is a leading advocate for quality, mission-driven housing, care and services for older adults. Our nonprofit members include providers of affordable senior housing, residential care facilities for the elderly (assisted living), life plan communities, skilled nursing care, home and community-based services, home health and hospice care.

According to AARP's Caregiving in the US 2025 report 23% of adults living in Hawaii are providing care to a family member or friend¹. Of the 260,000 caregivers 49% reported experiencing a negative financial impact as a result of their caregiving. HB 1972 HD 1 offers support through a tax credit that will go a long way toward providing some financial stability to low-income family members caring for the state's most vulnerable population. Family caregivers are critical to the state's long-term services and supports system.

As the state's older adult population rapidly grows, it is imperative that support is provided to the unpaid caregivers filling the gaps in their social and health care needs. HB 1972 HD1 is a positive step toward providing financial support to the state's low-income family caregivers. For these reasons, LeadingAge Pacific West is pleased to support HB 1972 and urges you to pass this important measure.

Sincerely,
Amber King
Vice President, Legislative Affairs

¹ AARP Caregiving in the US 2025: [Spotlight on Hawai'i](#)

TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME TAX; Family Caregiver Tax Credit

BILL NUMBER: HB 1972 HD1

INTRODUCED BY: HSH

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 75% of “qualified expenses” in any taxable year with a maximum of \$3,000.

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.

A taxpayer may not claim qualified expenses under this section that are claimed as expenses for household and dependent care services necessary for gainful employment under section 235-55.6, HRS.

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 75% refund of qualified expenses.

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: 2/15/2026

To: House Committee Economic Development & Technology
Re: **HB1972 HD1 – Relating to Taxation**
Hawai'i State Capitol & Via Videoconference
February 18, 2026, 9:30 AM

Aloha Chair Ilagan, Vice Chair Hussey, and members of the committee,

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in **SUPPORT of HB1972 HD1**. This bill establishes a family caregiver tax credit for nonpaid family caregiver, appropriates funds, and requires an annual report to the Legislature.

Across Hawai'i, 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.

Hawai'i 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 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.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/>



**Testimony to the House Committee on Economic Development and Technology
Wednesday, February 18, 2026; 9:30 a.m.
State Capitol, Conference Room 423
Via Videoconference**

RE: HOUSE BILL NO. 1972, 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** of House Bill No. 1972, 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 bill, as received by your Committee, would:

- (1) Establish a nonrefundable tax credit (credit) for nonpaid family caregivers; and
- (2) Appropriate an unspecified amount of general funds for fiscal year 2026-2027 for infrastructure development, and implementation and certification of the credit.

The bill 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@hawaiipca.net.

**HCAOA
Hawaii Chapter Board**

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TO: Representative Ilagan, Chair
Representative Hussey, Vice Chair
Members of the House Committee on Economic
Development & Technology

RE: HB1972 HD1 - RELATING TO TAXATION
(Family Caregiver Tax Credit)

HEARING DATE: February 18, 2026, 9:30 AM

POSITION: SUPPORT WITH COMMENTS

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

The Home Care Association of America (HCAOA) Hawaii Chapter respectfully submits testimony in **SUPPORT WITH COMMENTS** on HB1972 HD1, which establishes a family caregiver tax credit for nonpaid family caregivers. This measure applies to taxable years beginning after December 31, 2026.

Support for the Family Caregiver Tax Credit

HCAOA Hawaii supports recognition of the extraordinary contributions made by family caregivers. In Hawaii, unpaid caregivers provide the vast majority of long-term care, saving the State's Medicaid system billions of dollars annually. A tax credit that offsets the real, out-of-pocket expenses families incur is a welcome step toward valuing this essential work.

Comments - Ensure Professional Home Care Is a Qualified Expense

HCAOA Hawaii respectfully requests that the Committee amend HB1972 HD1, to explicitly list professional home care services provided by a licensed home care agency (as defined under HAR 11-97) as a qualified expense eligible for the tax credit. Our specific concerns and rationale are as follows:

- This income bracket closely matches the population referred to as the "gap group" - families who earn too much to qualify for Medicaid-funded home care but struggle to afford the full cost of professional services. Home care services are generally not covered by Medicare or commercial health insurance and as such many families end up depleting private assets to cover the costs. If the credit can to offset the cost of qualified caregivers who can assist families care for their senior loved one while they are at work, or at times when they need respite from the demands of care, families can continue to support seniors at home and avoid the risks of caregiver burnout and extend the longevity of families caring for seniors in their own homes.

**HCAOA
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Education Co-Chair
BrightStar Care of Honolulu

- The qualifying care recipient profile - individuals with significant activities of daily living (ADL) impairments or cognitive impairment who do not reside in long-term care facilities - is the exact population that home care agencies serve. Excluding professional home care from qualified expenses would be an oversight given the bill's stated goal of supporting those who provide care at home.
- Including professional home care as a qualified expense would create a bridge between unpaid family caregiving and licensed professional support, reducing caregiver burnout and improving safety outcomes for care recipients. Research consistently demonstrates that supplementing family care with professional services delays institutionalization and reduces emergency utilization.

HCAOA Hawaii also requests that the annual report required by the Department of Taxation include data on the types of qualified expenses claimed, which would help the legislature evaluate whether families are able to access professional care through this credit.

We urge the Committee to pass HB1972 HD1, with the requested amendment. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Cecilia Fong

Advocacy Chair, Home Care Association of America - Hawaii Chapter
Administrator, Griswold Home Care for Oahu

About HCAOA Hawaii Chapter

The Home Care Association of America (HCAOA) is a national trade association for home care providers. The HCAOA Hawaii Chapter, established in 2025, represents licensed home care and home health agencies throughout the state that work alongside family caregivers daily, providing professional support that enables kupuna to age safely in their homes.

HB-1972-HD-1

Submitted on: 2/13/2026 10:39:12 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

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

Comments:

RE: HB1972 HD1

Aloha kākou,

I am in strong favor of this Bill. **This Amendment** removes the \$3 million cap allowing more eligible caregivers to claim the credit. With Family Caregiving on the rise in an increasingly "aging" Hawai'i Nei, this is good and far-reaching legislation and public policy.

Mahalo a nui,

John A. H. Tomoso+, MSW, ACSW

john.a.h.tomoso@gmail.com

51 Ku'ula Street, Kahului, HI 96732-2906

Research Information Services

Wednesday, February 17, 2026
Conference Room 423 & Videoconference

House Committee on Human Services and Homelessness

To: Chair, Greggor Ilagan
Vice Chair, Ikaika Hussey

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

RE: **Testimony SUPPORTING HB 1972 HD-1**
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 HD-1** 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 Hawai'i'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.

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

- **The direct financial strain resulting from caregiving is severely affecting the financial planning for future needs:** 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

- **61% of unpaid community caregivers are employed and there are grave consequences for their caregiving**
 - 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.
- **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**
 - 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.

HB-1972-HD-1

Submitted on: 2/13/2026 4:40:08 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

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

Comments:

Thank you for your committee hearing on the Family Caregiver Tax Credit HB1972.

I am Rick Tabor, a retired Licensed Mental Health Professional who is active in many Kūpuna Advocacy organizations. Before retiring, I was the Operations Manager of an in-home care company. My job was to hire and train Hawaii Care Givers. I did that for 4 years, after a 50 year mental health counselor/supervisor career. I arrived in Hawaii in 1976 and served as a Field Medical Navy Corpsman, stationed with Kaneohe's Marines. Upon discharge I studied at Chaminade while working part-time as a 'Care Giver' in Hawaii's first Adult Family Homes. More recently, my family experienced our parents end of life events. As some of you know, regardless one's expertise, when dealing with your loved one's, every day humbles you.

I stand in strong support of Family Caregiver Tax Credit HB1972.

As an expert in the care giver field, I'm disappointed

In a (related) late 2025 federal proposal. The Trump administration targeted the removal of over 60 rules affecting home health care workers, specifically aimed at overturning 2013 regulations that granted minimum wage and overtime protections to our care giver workers. The initiative, supported deregulation rules for HHS that seeks to reclassify home care care giver workers by reducing labor costs.

Those in the know say this proposal reverses decades of care giver workforce gains creating a loss of professional recognition for our valuable, hard working 'Earth Angels' who are essential care givers that are so hard to find, train and sustain.

The Trump administration states their cuts are part of a broader administration vision to cut federal workplace regulations, framing the current regulations as "unlawful" and unnecessary, with a mission to cut costs to promote industry flexibility. The opposite outcome is predicted by those of us who worked 'in-the-industry.'

Meanwhile, since President Trump took office, the U.S. has significantly increased spending on defense and homeland security, including over \$170 billion in additional funding for DHS in his second term and a 2024 defense budget of \$841.4 billion. Key investments include over \$11 billion for border wall construction and at least \$2 billion in DoD funds for immigration. But I digress to make a point.

What does this have to do with Family Caregiver Tax Credit HB1972? Thank yiu for asking. The Family Caregiver Tax Credit HB1972 is an AARP priority bill that recommends Hawaii State offer eligible family caregivers a \$3,000 tax credit for their out-of-pocket caregiving expenses for a loved one at home. It is hoped to be something that helps a little, in a situation that needs so much more.

As you know, Hawaii is experiencing a critical, growing shortage of care givers to help our Islands rapidly aging population and those living with disabilities. There are currently thousands of vacant positions for nurses, nursing assistants, and home health aide/ care givers. Sadly, there's an extremely high turnover rate related to low wages, and Hawaii's high cost of living driving this crisis. Resulting in long waitlists for in-home services and putting immense pressure on unpaid, untrained family care givers. Note; Studies estimate that between 18% and 40% of caregivers, particularly those caring for spouses with dementia, die before the patient.

Other factors contributing to Hawaii's care giver shortage is our aging workforce, fewer young adults willing to be care givers and an increased loss of immigrant workers. Care giver turnover is up 40-60% nationally. Low pay is a huge deterrent, with home health aide /care giver median wages being around \$12.69/hour in 2018. Note; the federal minimum wage in the United States is \$7.25 per hour, a rate that has been in effect since July 24, 2009. Who, I ask, who can live in Hawaii on that wage?

The Family Caregiver Tax Credit HB1972 is a priority bill that recommends Hawaii State offer eligible family care givers a \$3,000 tax credit for their out-of-pocket caregiving expenses for a loved one at home. Your support would mean a lot to our kūpuna, their families and Earth Angel Care Givers.

Thank you for your thoughtful consideration. I appreciate all you do for Hawaii!

Mahalo Nui Loa,

Rick Tabor

HB-1972-HD-1

Submitted on: 2/14/2026 11:16:03 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jerry Orten	Individual	Support	Written Testimony Only

Comments:

Aloha Honorable Chair Ilagan and Members of the Committee!

My name is Jerry Orten, and in **STRONG SUPPORT of HB 1972, HD1** which will establish a nonrefundable tax credit for nonpaid family caregivers.

I have been a caregiver, but am not presently. I expect to be a caregiver again.

Caregivers give a lot, financially, emotionally and in time and energy. For those with limited means, the financial toll is significant, and caring for loved ones is their priority. Through care, they save the state money, avoiding institutional care. Provide some finalinal support of the state through this tax credit for caregivers in Hawaii and in your district.

Help caregivers offset expenses, ease financial strain, and acknowledge the vital role they play in our state, especially in support ofour kupuna and those with disabilities.

Mahalo!

Jerry Orten, resident in Lihue

Grateful for your public service!

HB-1972-HD-1

Submitted on: 2/14/2026 3:11:02 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Sara Lenzer Medeiros	Individual	Support	Written Testimony Only

Comments:

Our names are Sara and Daniel Medeiros and in **STRONG SUPPORT of HB 197, HD1 which establishes a nonrefundable tax credit for nonpaid family caregivers.**

I am writing on behalf of our son-in-law who is the caregiver for our disabled daughter and her mother who is in her 80s and is struggling with dementia. Although he is extremely capable, he also has to struggle providing for the household. He is able to work part time mostly evenings. During the day, he is full-time care with his mother-in-law and our disabled daughter. Having the small stipend, which is in the form of a tax credit, would greatly help their situation and might allow him to cut back on needing to work to provide for the family. He could instead devote the time to caregiving, and also taking care of himself.

The family is grateful and most appreciative of his sacrifice and skill in taking care of these two important family members who need additional caregiving. Family caregivers like him are the backbone of Hawai'i's long-term care system. Every day, unpaid caregivers provide countless hours of Faithful and essential help.

A modest tax credit, such as the one proposed in H.B. 1972, HD1, 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!

Sara and Daniel Medeiros

Kailua Kona, Hawaii

HB-1972-HD-1

Submitted on: 2/14/2026 3:50:14 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Nadine NEWLIGHT	Individual	Support	Written Testimony Only

Comments:

Testimony on House Bill No. 1972, HD1

RELATING TO TAXATION

Wednesday, February 18, 2026 at 9:30 am

Conference Room 423 & Videoconference

State Capitol

415 South Beretania Street

Aloha Chair Ilagan and Members of the Committee:

My name is Nadine NEWLIGHT, and I am in **STRONG SUPPORT of HB 197, HD1 which establishes a nonrefundable tax credit for nonpaid family caregivers.**

Family caregivers are the backbone of Hawai‘i’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. They 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, HD1, 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 nui loa.

February 18, 2026

TO: Chair Ilagan and Members of the Committee

FROM: Carl Takamura

RE: HB 1972,HD1

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

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

I urge you to approve this important proposal.

Mahalo,

Carl Takamura

Carl Takamura
Hawaii Kai

Aloha Chair Ilagan and Members of the Committee:

My name is Merle Minami-Shima, and in STRONG SUPPORT OF HB1972, HD1 which establishes a nonrefundable tax credit for nonpaid family caregivers.

In Hawaii, the values of 'ohana are a high priority that many of us live by. We step up without hesitation to care for our elderly family members when the need arises. The financial costs of caregiving is a sacrifice that we take upon ourselves because we feel it is our kuleana to care for our kupuna.

Given this, a modest tax credit like the one proposed in HB 1972, HD1, will provide limited relief of the financial burden for family caregiving expenses.

Mahalo for your consideration of this matter.

Merle Minami-Shima

Wailuku, Maui, HI

To: House Committee on Economic Development and Technology

Date: Wednesday, February 18, 9:30 a.m.

Re: House Bill 1972 HD1 Relating to Taxation

Chair Ilagan, Vice-Chair Hussey, and Members of the Committee

My name is Esther Ueda, and I am writing in SUPPORT of House Bill 1972 HD1 Relating to Taxation.

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

Due to the high cost of care facilities in Hawaii many family members choose to take care of their own family members rather than place them in outside facilities.

Some of my friends have taken leave or early retirement from their jobs to care for family members. This has a negative impact on their own personal financial situation (resulting in a reduction of their current income, and in some cases 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 1972 HD1 that will provide a Tax Credit for nonpaid family caregivers.

Thank you.

Sincerely,

Esther Ueda
Pearl City, Hawaii

Testimony on House Bill No. 1972, HD 1
RELATING TO TAXATION
Wednesday, February 18, 2026, at 9:30 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 in STRONG SUPPORT of HB 1972, HD1, which establishes a nonrefundable 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, we 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 we 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 unplanned, but necessary errands 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. 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.

Mahalo for the opportunity to testify in support of HB 1972, HD1.

Christina Enoka
Mililani, Oahu
Ncsmn150@gmail.com

Beverly Ann Gotelli
6286 Opaekaa Road
Kapaa, HI 96746

Hawaii State Legislature
Committee on Economic and Technology
February 18, 2026
9:30 a.m.

TO: The Honorable Greg Illagan, Chair
Members of the State House Committee on Economic and Technology

POSITION: Strong Support for H.B. 1972 HD 1 – Relating to Taxation

My name is Beverly Gotelli, and I am writing in STRONG SUPPORT of House Bill 1972 HD 1, 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 Hawai'i'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 HD 1, 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 HD 1, the Legislature would be taking an important step toward supporting caregivers, strengthening families, and helping more Hawai'i residents remain safely in their

homes. I respectfully urge you to pass H.B. 1972 HD 1 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

HB-1972-HD-1

Submitted on: 2/16/2026 11:02:42 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

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

Comments:

This measure is a recognition of your concern for the thousands of caregiving persons in Hawaii who work tirelessly on behalf of those unable to care for themselves. This may make a very large difference in caregiver's and their loved ones' lives by giving them a tax break to help cover the many expenses of care. As a caregiver myself I see increasing demands on my time and my budget that might be alleviated by this measure. Please give the greatest consideration to supporting this bill.

Mahalo Marilyn Seely

marseel@aol.com

808 725 1887

HB-1972-HD-1

Submitted on: 2/16/2026 2:09:44 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Kathleen Wyatt	Individual	Support	Written Testimony Only

Comments:

Chair Ilagan and Members of the Committee:

My name is Kathleen Wyatt, and in very strong support of HB1972, HD1, which establishes a nonrefundable tax credit for nonpaid family caregivers. Family caregivers save our state millions of dollars by keeping their loved ones at home in the community, rather than putting them in an institution that is supported by state funds. The care the families give often comes as a financial burden as well as a strain on the health of the caregiver. The small tax credit proposed would make a meaningful difference to the caregivers and show them that the state appreciates their sacrifices as well as saving the state millions of dollars.

Mahalo for the opportunity to testify.

Kathleen Wyatt, Waipahu, HI



February 18, 2026

Representative Greggor Ilagan, Chair
Representative Ikaika Hussey, Vice Chair
Committee on Economic Development & Technology

Re: H.B. 1972, Relating to Taxation

Hearing: Wednesday, February 18, 2026, 9:30 AM, Conference Room 423 & Videoconference

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

Hawaii Women Lawyers is a lawyer's trade organization that aims to improve the lives and careers of women in all aspects of the legal profession, influence the future of the legal profession, and enhance the status of women and promote equal opportunities for all.

Hawaii Women Lawyers submits testimony in support of H.B. 1972, which establishes a family caregiver tax credit for nonpaid family caregivers.

H.B. 1972 would provide meaningful, targeted relief to unpaid family caregivers by allowing eligible taxpayers to claim a nonrefundable credit equal to 75% of qualified out-of-pocket caregiving expenses, up to \$3,000 per year, subject to income limits. For many households, caregiving is not an occasional responsibility—it is sustained, essential labor that allows loved ones to remain safely at home and in their communities. Women disproportionately shoulder caregiving responsibilities, often while working.¹ The financial burden of caregiving, which includes home modifications, transportation, equipment, respite care, and other services, can be significant and can affect women's career advancement, earnings, and long-term financial stability.

By recognizing caregiving expenses and providing a modest offset, this bill helps caregivers manage costs, supports aging in place, and promotes the health and welfare of families across our state. HWL respectfully offers one consideration for future discussion: because the credit is nonrefundable, the lowest-income caregivers may not be able to fully benefit. As the Legislature evaluates the program over time, HWL encourages consideration of whether a refundable structure or additional mechanisms could better ensure that relief reaches those most in need.

¹ *Gender Differences in Caregiving Among Family*, WORLD J. OF PSYCHIATRY (March 16, 2022)
<https://pmc.ncbi.nlm.nih.gov/articles/PMC4804270/>.

For the above reasons, we support H.B. 1972 and respectfully request that the Committee pass this measure.

Thank you for the opportunity to testify in support of this measure.

Testimony on H.B. 1972, HD1

RELATING TO TAXATION

Wednesday, February 18, 2026 9:30 a.m.

COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

Rep. Greggor Ilagan, Chair

Rep. Ikaika Hussey, Vice Chair

Aloha Chair Ilagan, Vice Chair Hussey and Members of the House Committee on Economic Development & Technology.

My name is Carol Wakayama and I wish to submit testimony in **STRONG SUPPORT of H.B. 1972, HD1** which would establish a non-refundable tax credit for non-paid 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, HD1 establishes non-refundable Family Caregiver Tax Credits for providing family caregiving. If passed, H.B. 1972, HD1 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, HD1 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, HD1 be considered for passage. Thank you.

Carol Wakayama, Punchbowl
ckwakayama@gmail.com

HB-1972-HD-1

Submitted on: 2/16/2026 5:43:20 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

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

Comments:

A friend of mine sold his house and moved into a one bedroom rental to support her mother with some paid healthcare workers. This leg doesn't solve that problem but the financial burden of caregiving expenses shouldn't fall on caregivers who are sacrificing the most

HB-1972-HD-1

Submitted on: 2/16/2026 8:01:35 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

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

Comments:

Aloha Chair Ilagan and Members of the Committee:

My name is Blyth Kozuki, and I am writing in STRONG SUPPORT of House Bill 1972 HD1, which would establish a nonrefundable 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 regular medical & crisis appointments & procedures, incontinent supplies, Boost for nutrition needs and I think you can recognize the rest. The point I want to stress is that it's expensive to caretake and these are all out-of-pocket expenses. Since I continued to work it was manageable but many caregivers are on a fixed income and "affordability" is a big issue. What I don't want is for caregivers to "throw in the towel" and institutionalize their loved one because they can't continue to make the sacrifice.

A modest tax credit, such as the one proposed in H.B. 1972 HD1, would acknowledge and support the sacrifices caregivers make. I respectfully urge you to pass HB 1972 HD1 and support the many unpaid family caregivers across our state.

Mahalo for the opportunity to share my thoughts for your consideration.

Blyth Kozuki

Honolulu, Hawaii

Testimony on House Bill No. 1972, HD1

RELATING TO TAXATION

Wednesday, February 18, 2026 at 9:30 am

Conference Room 423 & Videoconference

State Capitol

Aloha Chair Ilagan and Members of the Committee:

I am in support of House Bill no. 1972, HD1

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, HD1, would benefit caregivers and the State of Hawaii as a whole in several ways:

- It would provide caregivers with some much needed financial relief.
- It would recognize the important role of caregivers in the family oriented communities of Hawaii.
- It would serve as a financial incentive to keep caregivers' 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 the government 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 respectfully ask you to support and pass this bill.

Mahalo for giving me this opportunity to testify!

Sai Peng Tomchak

Maui resident

HOUSE OF REPRESENTATIVES
COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

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

NOTICE OF HEARING
Wednesday, February 18, 2026, 9:30am

Re: HB 1972 RELATING TO TAXATION

Aloha Chair Ilagan and Vice Chair Hussey. My name is Linda Dorset, and I am in STRONG SUPPORT of HB 1972 HD1 which establishes a nonrefundable tax credit for nonpaid family caregivers.

As a senior citizen resident of Hawaii 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 HD1, 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
Hawaii Senior Citizent

HB-1972-HD-1

Submitted on: 2/17/2026 9:52:58 AM

Testimony for ECD on 2/18/2026 9:30:00 AM

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

Comments:

Aloha Chair Ilgan and Members of the Committee:

My name is Dan Gardner and my wife Deborah and I are strong supporters of HB 1972 HD1 which establishes a non-refundable tax credit for nonpaid family caregivers. These dedicated loving caregivers make up a major portion of Hawai'i's long term care system. They provide countless hours of caring for their family's aged, needy and disabled members giving baths, making meals and taking their loved ones to and from medical appointments and enabling them to visit their friends. This credit would help offset a portion of the financial burden of the caregiving expenses incurred caring for their loved ones. Please support these wonderful family caregivers by passing HB1972 HD1. They are certainly most deserving of this support. Mahalo

Dan Gardner, 1599 Kalaniuka Circle, Honolulu, 96821

HB-1972-HD-1

Submitted on: 2/17/2026 5:01:25 PM

Testimony for ECD on 2/18/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Kevin Peralta	Individual	Support	Written Testimony Only

Comments:

I strongly support HB 1972 relating to a Caregiver Tax Credit. My elderly father is still independent and is able to perform simple activities-of-daily-living (ADLs); however, he is developing slight physical and cognitive degradation. We installed home modifications around his home that cost us around \$900 as preparation for long-term care services. This resulted in us to sacrifice some essential necessities, such as less purchasing of quality food, spending savings to cover health services, and less opportunity for my dad to participate in recreation activities that improve his mental health. Health insurance does not usually cover home modifications till after a fall incident. This results to more expensive health emergency bills that could have been easily avoided. Fortunately, through financial sacrifice, our family was able to afford home modifications. I can't imagine families who are of low-social economic status that do not have this opportunity.

With the Caregiver Tax Credit, more families are able to afford home necessities. Please pass HB 1972! Thank you for this opportunity to provide testimony.