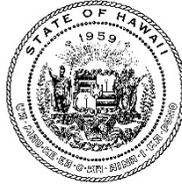


**JOSH GREEN M.D.**  
GOVERNOR

**SYLVIA LUKE**  
LT. GOVERNOR



**GARY S. SUGANUMA**  
DIRECTOR

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

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

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

**TESTIMONY ON THE FOLLOWING MEASURE:**

H.B. No. 1972, H.D.2, Relating to Taxation

**BEFORE THE:**

House Committee on Finance

**DATE:** Thursday, February 26, 2026  
**TIME:** 2:00 p.m.  
**LOCATION:** State Capitol, Conference Room 308

Chair Todd, Vice-Chair Takenouchi, and Members of the Committee:

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 1972, H.D.2, for your consideration.

Section 2 of the bill adds a new section to chapter 235, Hawaii Revised Statutes (HRS), establishing a nonrefundable tax credit for eligible unpaid family caregivers. The credit is equal to 75 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 12 months after the close of the tax year.

To be eligible for the credit, a taxpayer must have a federal adjusted gross income of \$75,000 or less (or \$125,000 if filing jointly) and undertake the care, custody, or physical assistance of their relative who is a "care recipient." To set forth applicable criteria for determining credit applicability, the bill defines "activities 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 also claimed under section 235-55.6, HRS, as expenses for household and dependent care services necessary for gainful employment.

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.

Further, DOTAX is required to report, no later than 20 days before the start of each annual legislative session, the number of eligible taxpayers claiming the credit and the cost of the credit during the prior taxable 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 if this new credit takes effect as proposed for taxable years beginning after December 31, 2026, the estimated revenue loss is as follows:

**General Fund Impact (\$ millions):**

<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</b>	<b>FY 2031</b>	<b>FY 2032</b>
-	-\$397.0	-\$397.0	-\$397.0	-\$397.0	-\$397.0

DOTAX further 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.

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



**CAROLINE CADIRAO**  
DIRECTOR  
Executive Office on Aging

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

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

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**Testimony COMMENTING on HB1972 HD2**  
**RELATING TO TAXATION**

[COMMITTEE ON FINANCE](#)

Rep. Chris Todd, Chair

Rep. Jenna Takenouchi, Vice Chair

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

Hearing: Wednesday, February 26, 2026, 2:00 P.M., Conference Room 308

- 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 measure does not
- 3 conflict with, reduce, or replace priorities identified in the executive budget.
- 4 **Purpose and Justification:** In Hawai'i, 23% of adults, approximately 260,000 people, provide care
- 5 for a loved one. According to AARP, caregivers deliver 144 million hours of unpaid care each year,
- 6 valued at an estimated \$2.6 billion. Their responsibilities range from managing medications and
- 7 preparing meals to providing personal care, transportation, and support with financial and legal
- 8 matters. Caregivers spend about 26% of their income on these activities, enabling their loved ones to
- 9 remain at home and age in place, thereby reducing reliance on formal long-term care services.
- 10 The 2024 Genworth Cost of Care Survey reports that in Hawai'i, annual costs average \$97,240 for
- 11 home health services and \$181,000 for a semi-private nursing facility room. Despite the essential role

1 caregivers play, they rarely receive financial compensation, recognition, or adequate support. States  
2 must acknowledge their contributions and adopt strategies to reduce the financial burden of  
3 caregiving.

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

6 Thank you for the opportunity to testify.



February 25, 2026

Position: **SUPPORT** of **HB1972 HD2**, Relating to Taxation

**To:** Representative Chris Todd, Chair  
Representative Jenna Takenouchi, Vice Chair  
Members of the House Committee on Finance

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

**Re:** Testimony in **SUPPORT** of **HB1972 HD2**, Relating to Taxation

Hearing: Thursday, February 26, 2026, 2:00 p.m.  
Conference Room 308, 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 HD2** 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, helps to offset some of these costs 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 HD2.**

Thank you for this opportunity to submit testimony.



1001 Bishop Street #625 | Honolulu, HI 96813  
866-295-7282 | [aarp.org/hi](http://aarp.org/hi) | [hiaarp@aarp.org](mailto:hiaarp@aarp.org) |  
[Twitter.com/aarpHawaii](https://twitter.com/aarpHawaii) | [facebook.com/aarpHawaii](https://facebook.com/aarpHawaii)

**The Thirty-Third State Legislature  
House Committee on Finance  
February 26, 2026  
Conference Room 308, 2:00 p.m.**

TO: The Honorable Chris Todd, Chair  
FROM: Keali'i S. López, State Director  
RE: Strong Support for H.B. 1972, HD2 Relating to Taxation

Aloha Chair Todd 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, HD2, 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.<sup>1</sup> 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.<sup>2</sup>

- 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](http://states.aarp.org)]

February 26, 2026

H.B. 1972, HD2 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.<sup>2</sup>

H.B. 1972, HD2 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, HD2 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, H2.

#### References

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



**HB-1972-HD-2**

Submitted on: 2/24/2026 11:02:08 AM

Testimony for FIN on 2/26/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
GARY SIMON	Hawai'i Family Caregiver Coalition	Support	Written Testimony Only

Comments:

Dear Chair Todd, Vice Chair Takenouchi, and Honorable Members of the House Committee on Finance:

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 2, 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 2, 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](mailto:garysimon@hawaii.rr.com)

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Leadership Board

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*Construction Trade Council*

Gordon Takaki, *Past*  
*President Hawaii Island*  
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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 Finance**  
**Thursday, February 26, 2:00 PM**  
**Hawaii State Capitol, Conference Room 308 and Videoconference**

**RE: House Bill No. 1972 HD2 – RELATING TO TAXATION**

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Chair Todd, Vice Chair Takenouchi, 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 HD2, 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 HD2. 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



## HIPHI Board

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*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 24, 2026

To: Rep. Chris Todd, Chair  
Rep. Jenna Takenouchi, Vice Chair  
Members of the House Committee on Finance

Re: Support for HB 1972 HD2, Relating to Taxation

Hrg: February 26, 2026 at 2:00 PM in Conference Room 308

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Hawai'i Public Health Institute (HIPHI)<sup>1</sup> **supports HB 1972 HD2**, 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.<sup>2</sup>

### 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.<sup>3</sup>

### 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.<sup>4</sup> 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.<sup>5</sup>

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<sup>1</sup> 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.

<sup>2</sup> "[Older Hawai'i Voters Overwhelmingly Support Caregivers](#)", AARP Hawai'i, 2025.

<sup>3</sup> "[The Huge Financial Toll of Family Caregiving](#)", AARP, November 2025.

<sup>4</sup> "[Valuing the Invaluable 2023 Update: Strengthening Supports for Family Caregivers](#)", AARP.

<sup>5</sup> "[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.<sup>6</sup> 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).<sup>7</sup> 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

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<sup>6</sup> ["Financial and Workplace Security for Family Caregivers"](#), National Academy for State Health Policy, 2021.

<sup>7</sup> [Nebraska Department of Revenue](#), 2026.

# 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 HD2

INTRODUCED BY: ECD

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 \$ an unspecified dollar amount of general funds necessary for the infrastructure development and implementation of the credit.

EFFECTIVE DATE: July 1, 3000 for taxable years beginning after December 31, 2026; and 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: 2/24/2026

**HB-1972-HD-2**

Submitted on: 2/24/2026 1:55:58 PM

Testimony for FIN on 2/26/2026 2:00:00 PM

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.

Asyou 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. Caregiver 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, PABEA Legislative Committee Chair

February 24, 2026

House Committee on Finance  
Chair Chris Todd  
Vice Chair Jenna Takenouchi  
Members of the Committee

**Re: HB 1972 HD 2 – Relating to Taxation – SUPPORT**

Aloha kākou!

LeadingAge Pacific West is pleased to support House Bill 1972 HD2 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 friend<sup>1</sup>. 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 HD 2 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 HD 2 and urges you to pass this important measure.

Sincerely,  
Amber King  
Vice President, Legislative Affairs

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



February 26, 2026

House Committee on Finance  
Rep. Chris Todd, Chair  
Rep. Jenna Takenouchi, Vice Chair

**RE: HB1972 HD2, Relating to Taxation**

Chair Todd, Vice Chair Takenouchi, and members of the committee –

Navian Hawaii is a nonprofit organization supporting the needs of Hawai'i's aging population, including through hospice, palliative care, and integrated support services. We appreciate the opportunity to provide testimony **in support of** HB1972 HD2, Relating to Taxation. This bill would establish a family caregiver tax credit for unpaid family caregivers.

Hawai'i is undergoing a major demographic shift, with a rapidly aging population that will have profound implications for our healthcare infrastructure. In 2023, over 21% of Hawai'i's residents were aged 65 and older – a proportion that has been increasing and is projected to reach one in four by 2035. The fastest-growing segment includes those over 80 years old.

Accordingly, the demand for caregiving will only intensify. Without adequate support, families face increased burnout and financial strain. Providing a targeted tax credit acknowledges the economic value of caregiving and offers meaningful relief to households absorbing these costs.

Supporting family caregivers also has broader system-level implications. Our Kailua Home serves individuals who do not have the means for care at home and cannot afford to pay for a dedicated facility. Oftentimes, these are people whose family members - for financial reasons or otherwise - do not have the means to care for them. Because of the current high demand, we often have to turn away patients in need.

This measure would help our State better meet demand, supporting family caregivers who frequently provide care to older parents, spouses, and other loved ones.

As our State's demographics change, it will require an all hands on deck approach to meet our care needs. HB1972 is a strong step in the right direction.

**Thank you for the opportunity to submit testimony.**

To: House Committee on Finance  
Re: **HB1972 HD2 – Relating to Taxation**  
Hawai'i State Capitol & Via Videoconference  
February 26, 2026, 2:00 PM

Dear Chair Todd, Vice Chair Takenouchi, and Committee Members,

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in **SUPPORT of HB1972 HD2**. This bill establishes a family caregiver tax credit for nonpaid family caregivers, appropriates funds, and requires annual reports 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,<sup>1</sup> 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.<sup>2</sup>

That's where tax credits come in. They help people keep more of their hard-earned money, and when targeted for lower- to middle-income families, help reduce financial hardship.

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

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<sup>1</sup> <https://www.aarp.org/content/dam/aarp/ppi/2023/3/valuing-state-estimates.doi.10.26419-2Fppi.00082.009.pdf>

<sup>2</sup> <https://www.auw.org/about/alice-initiative/alice-reports/>

**HCAOA  
Hawaii Chapter Board**

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**TO:** Representative Todd, Chair  
Representative Takenouchi, Vice Chair  
Members of the House Committee on Finance

**RE:** HB1972 HD2 - RELATING TO TAXATION  
(Family Caregiver Tax Credit)

**HEARING DATE:** February 26, 2026, 2:00PM

**POSITION: SUPPORT WITH COMMENTS**

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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 HD2, 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 HD2, 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  
Hawaii Chapter Board**

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Alison Lee  
*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 HD2, 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.



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

# ALS Network

Formerly ALS Golden West

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Sheri Strahl, MPH, MBA

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Hawaii State House of Representatives  
Committee on Finance

Thursday, February 26, 2026

2:00 PM

Chair Todd, Vice-Chair Takenouchi, and members of the Committee:

The ALS Network respectfully submits testimony in strong support of HB 1972 HD2. This bill would establish a family caregiver tax credit for nonpaid family caregivers.

ALS Network is a nonprofit, nonpartisan organization serving individuals and families living with ALS in Hawaii. Through Care, Research, and Advocacy, we work to ensure people affected by ALS have access to comprehensive support, advance scientific progress toward treatments and cures, and promote policies that strengthen access to care. In Hawaii, our focus includes providing direct care services and support to families navigating this devastating disease. On behalf of the communities we serve, thank you for the opportunity to provide testimony.

ALS is a devastating, fatal disease that robs a person of the ability to move, talk, swallow, and breathe. People diagnosed with ALS gradually become unable to work, care for themselves, communicate, or engage with others in their communities without assistance. Care for people with ALS is complex, and disease progression varies widely. Most individuals diagnosed with ALS remain at home for the duration of their illness. Approximately 15% also experience frontotemporal dementia. The physical, emotional, and financial impact of this disease places extraordinary strain on families.

Most ALS caregivers are already sacrificing their income to provide care – many have reduced work hours or even left their jobs to be full-time caregivers. The result is a double financial hit: lost income and increased expenses. Over the course of an ALS patient's illness (often 2–5 years from diagnosis), a family can exhaust their savings and retirement funds just trying to keep up with care needs. Families frequently incur significant out-of-pocket costs for home modifications, medical equipment, transportation, and other supports not fully covered by insurance. It is not unusual for an ALS family to face tens of thousands of dollars in uncovered expenses.

Hawaii's family caregivers play a critical role in sustaining the state's long-term care system. By providing demanding care in the home, they help prevent costly institutionalization and reduce strain on public programs. While we can never fully repay family caregivers for their priceless contributions, the State can take action to offer them some relief. A family caregiver tax credit would provide meaningful recognition and financial support to those carrying substantial economic and personal responsibility.



California Mailing Address

PO Box 7082

Woodland Hills, CA 91365-7082

Hawai'i Mailing Address

PO Box 11284

Honolulu, HI 96828-0261

[alsnetwork.org](http://alsnetwork.org)

Toll free: 866-750-2572

Fax: 818-865-8066

TAX ID NUMBER: 95-4163338

In summary, we strongly support HB 1972 HD2, and respectfully ask the committee to pass it. Supporting family caregivers strengthens families, preserves community-based care, and promotes dignity for individuals living with serious illness. Thank you for the opportunity to provide testimony on this important measure. We respectfully urge your favorable consideration. Mahalo nui loa for your leadership in supporting Hawai'i caregivers.

Sincerely,

A handwritten signature in blue ink, appearing to read 'S Strahl', with a long horizontal flourish extending to the right.

Sheri Strahl, MPH, MBA  
President & CEO  
ALS Network



**Testimony to the House Committee on Finance  
Thursday, February 26, 2026; 2:00 p.m.  
State Capitol, Conference Room 308  
Via Videoconference**

**RE: HOUSE BILL NO. 1972, HOUSE DRAFT 2, RELATING TO TAXATION.**

Chair Todd, Vice Chair Takenouchi, 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 2, RELATING TO TAXATION.

By way of background, the HPCA represents Hawaii's Federally Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines to over 150,000 patients each year who live in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

This bill, as received by your Committee, would:

- (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.

**HB-1972-HD-2**

Submitted on: 2/25/2026 9:30:44 AM

Testimony for FIN on 2/26/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Dan Gardner	Individual	Support	Written Testimony Only

Comments:

Chair Todd and Members of the Committee:

My name is Dan Gardner and my wife Deborah and I are strong supporters of HB 1972 HD2 which establishes a non-refundable tax credit for nonpaid family caregivers. These dedicated loving caregivers make up a major portion of Hawaii'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 just a portion of the financial burden of caregiving expenses incurred caring for their loved ones. Please support these wonderful family caregivers by passing HB1972 HD2. They are certainly most deserving of this support. Mahalo

Dan Gardner, 1599 Kalaniuka Circle, Honolulu, 96821

**HB-1972-HD-2**

Submitted on: 2/25/2026 9:39:28 AM

Testimony for FIN on 2/26/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
David Ball	Individual	Support	Written Testimony Only

Comments:

I support this legislation.

David Ball

Waiialae-Kahala

**HB-1972-HD-2**

Submitted on: 2/25/2026 9:58:02 AM

Testimony for FIN on 2/26/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ann H Paulino	Individual	Support	Written Testimony Only

Comments:

Aloha,

My name is Ann Paulino, a resident of Hilo, Hawaii. I am a caregiver and know of several relatives and friends who are in the same situation. The worst case scenario amongst us is the out of pocket costs expended. Several cousins needed to stop working to take care of aging parents.. Early retirement has impacted their Social Security because they ended careers prematurely. As a result those funds are considerably reduced. Often they live in multi-generational homes where all employed in the home contribute to utilities,mortgage/rent, food and medical costs. As we all are aware those costs only keep going up. Employed teens and young adults also need to work to help defray costs of an aging kupuna in the household. They continue to take on the filial responsibility without .financial assistance . Their dedication to family members saves the state thousands of dollars from keeping them out of state sponsored care homes. Please pass this bill.

**HB-1972-HD-2**

Submitted on: 2/25/2026 10:07:16 AM

Testimony for FIN on 2/26/2026 2:00:00 PM

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

Comments:

RE: HB1972 HD2

**Aloha,**

**I am in support of this Bill has been amended as H.B. 1972, HD2. I know that it offers eligible family caregivers a \$3,000 tax credit for their out-of-pocket caregiving expenses for a loved one at home. I also know that this is the only tax credit bill alive since the Senate Health and Human Services did not schedule its Companion Bill. In the the process, I tknow that he Senate will wait for this Bill to cross over. Thus, I know that this Bill must bepassed by the House. Please pass it!**

**Mahalo,**

**John A. H. Tomoso+, MSW, ACSW**

**512 Ku'ula St., Kahului, HI 96732-2906**

**john.a.h.tomoso@gmail.com**

**HB-1972-HD-2**

Submitted on: 2/25/2026 11:04:12 AM

Testimony for FIN on 2/26/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
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 essential home necessities and avoid unnecessary hospitalizations. Please pass HB 1972! Thank you for this opportunity to provide testimony.

Kevin Peralta, B.A.

COMMITTEE ON FINANCE  
Rep. Chris Todd, Chair  
Rep. Jenna Takenouchi, Vice Chair

HEARING:

Wednesday, February 25, 2026 at 2:00 pm  
Conference Room 308 and Via Videoconference  
State Capitol

**TESTIMONY IN SUPPORT : HB 1972, HD2, RELATING TO TAXATION.**

Aloha Chair Todd, Vice Chair Takenouchi, my Rep. Miyake for Wailuku, Rep. Yamashita of Maui, and Members of the Committee,

My name is Christine Andrews and I am a long-term resident of Wailuku, Maui and an attorney licensed in Hawai'i for over 25 years. As someone who has sacrificed time and financial resources as an unpaid family caregiver, I write to you today in strong support of HB 1546, HD 1, Relating to Taxation, which establishes a family caregiver tax credit for non-paid family caregivers.

Across Hawai'i, tens of thousands of caregivers like me juggle work, household responsibilities, and caregiving, often at significant personal expense. Many women my age provide unpaid care for both their children and their aging parents. In Hawai'i about 260,000 unpaid caregivers provide 144 million hours of care worth \$2.6 billion per year.<sup>1</sup> Those numbers are projected to grow as our population ages.

Nearly half of children in Hawai'i live in households experiencing financial hardship. Almost 1 in 8 are in poverty, and an additional 1 in 3 cannot afford basic life essentials.<sup>2</sup> Tax credits such as that proposed by HB 1972, HD2 help people struggling financially to keep more of their hard-earned money. House Bill 1972, HD2 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.

It is important to recognize that family caregiving responsibilities fall disproportionately on women like me, 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. By providing a tax credit, this bill acknowledges the economic value of caregiving and offers tangible support to those who, like me, sacrifice earnings and career advancement to care for loved ones. I respectfully urge this Committee to pass HB1972, HD2.

Mahalo for the opportunity to testify,

Christine L. Andrews, JD  
Wailuku, Maui

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<sup>1</sup> AARP, "Valuing the Invaluable: Number of Family Caregivers, Hours, and Economic Value of Caregiving." <https://www.aarp.org/content/dam/aarp/ppi/2023/3/valuing-state-estimates.doi.10.26419-2Fppi.00082.009.pdf>

<sup>2</sup> 2024 AUW ALICE Report, "Urgent Call for Action to Support Hawai'i's Working Families." <https://www.auw.org/about/alice-initiative/alice-reports/>

Testimony on H.B. 1972, HD2

RELATING TO TAXATION

Wednesday, February 26, 2026 2:00 p.m.

COMMITTEE ON FINANCE

Rep. Chris Todd, Chair

Rep. Jenna Takenouchi, Vice Chair

Aloha Chair Todd, Vice Chair Takenouchi and Members of the House Committee on Finance.

My name is Carol Wakayama and I wish to submit testimony in **STRONG SUPPORT of H.B. 1972, HD2** 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, HD2 establishes non-refundable Family Caregiver Tax Credits for providing family caregiving. If passed, H.B. 1972, HD2 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, HD2 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, HD2 be considered for passage. Thank you.

Carol Wakayama, Punchbowl  
ckwakayama@gmail.com

**Testimony on House Bill No. 1972, HD2**

**RELATING TO TAXATION**

**Thursday, February 26, 2026 at 2:00 pm**

**Conference Room 308 & Videoconference**

**State Capitol**

**415 South Beretania Street**

Aloha Chair Todd and Members of the Committee:

My name is Sai Peng Tomchak. I am a long-time Maui resident and am in support of House Bill no. 1972, HD2.

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 our 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 would.

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

## Research Information Services

Thursday, February 26, 2026  
Conference Room 308 & Videoconference

### House Committee on Finance

To: Chair Chris Todd  
Vice Chair Jenna Takenouchi

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

RE: **Testimony SUPPORTING HB 1972 HD-2**  
**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-2** 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).<sup>1</sup>

### 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.

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<sup>1</sup> 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,

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

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 HD2.

**HB-1972-HD-2**

Submitted on: 2/24/2026 11:17:49 PM

Testimony for FIN on 2/26/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Johnnie-Mae L. Perry	Individual	Support	Written Testimony Only

Comments:

I, Johnnie-Mae L. Perry, Support

1972 HB RELATING TO TAXATION.

**HB-1972-HD-2**

Submitted on: 2/24/2026 2:25:47 PM

Testimony for FIN on 2/26/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Katherine Buckovetz	Individual	Support	Written Testimony Only

Comments:

As a Kailua Kona kupuna and former caregiver for elderly parents and aunt, I strongly support HB1972. Its purpose to provide a modest tax credit to family caregivers will provide additional supports and stress relief for the caregiver and ohana. I had no local resources to help with transportation, food, medical supplies, additional utility usage, and adding house accommodations like ramps, walking shower, wider doorways. Having an additional \$3000 would have helped pay for my out of pocket money used to purchase for much needed items for my needy relatives.

Hawaii beautifully demonstrates the concepts of Aloha and ohana being merged in daily life. This bill would provide a financial boost to help bring relief and joy to caregivers assisting ohana with Aloha. Please support and pass it for our families. You will make a difference

With Aloha, Katherine Buckovetz

Beverly Ann Gotelli  
6286 Opaekaa Road  
Kapaa, HI 96746

Hawaii State Legislature  
Committee on Finance  
February 26, 2026  
2:00 p.m.

TO: The Honorable Chris Todd, Chair  
Members of the State House Committee on Finance

POSITION: Strong Support for H.B. 1972 HD2 – Relating to Taxation

My name is Beverly Gotelli, and I am writing in STRONG SUPPORT of House Bill 1972 HD 2, 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 2, 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 2, 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 2 and support the many unpaid family caregivers across our state.

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

**HB-1972-HD-2**

Submitted on: 2/25/2026 2:17:18 PM

Testimony for FIN on 2/26/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Sara Lenzer Medeiros	Individual	Support	Written Testimony Only

Comments:

My mother was dying, and we did what we could to help alleviate her suffering. But it really wasn't enough. It turns out she was a "Sundowner" which meant that she needed 24 hour care and some supervision. It was heartbreaking to see her health and cognition deteriorate as rapidly as it did. Mom had been caregiver to our grandmother, and of course our father and us! Five kids. And now she needed care for herself.

My middle sister, Libby a Kailua Oahu Public School special education teacher, elected to take time off without pay, to care for Mom. She didn't think it would a whole year. It turned out that our Dad needed the care too. Although we all helped while we could, three of the five of us had previously moved to the mainland. I had moved to Hawaii Island to raise my children there.

Eventually, Mom's care required hospice. And appropriate care was provided. Meanwhile, my sister had moved in with her daughters to my parent's house. She helped without a paycheck, as eventually her days of leave ran out. Dad too continued to work, even though he also needed assistance with daily living activities.

HB 1972 would have helped our situation in a small but significant way, to help ease the additional burdens of caring for two elderly family members. Having the tax credit would have offset much of the costs associated with special equipment, gas to and from a myriad of doctor's appointments, and the medications that Medicare didn't cover. Parents are gone now.

Thank you for the opportunity to support this important bill. Going forward, as an aging Kupuna myself aged 72 and my husband 84, may realistically need care someday soon. To that end, our son and his family with small children will be moving into our house and create a multi-generational home.

A Family Caregiver Tax Credit would be especially helpful for us. Please consider supporting this important bill.

Mahalo,

Sara Lenzer Medeiros

73-1786 Hao Street

Kailua-Kona, HI 96740

**LATE**

Testimony on House Bill No. 1972, HD 2  
RELATING TO TAXATION  
Wednesday, February 26, 2026, at 2:00 pm  
Conference Room 308 & Videoconference  
State Capitol  
415 South Beretania Street

Aloha Chair Todd and Members of the Committee:

My name is Christina Enoka, and I am in STRONG SUPPORT of HB 1972, HD2, 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, HD2

Christina Enoka  
Mililani, Oahu  
Ncsmn150@gmail.com

February 26, 2026

TO: Chair Todd and Members of the Committee

FROM: Carl Takamura

RE: HB 1972,HD2

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

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

I urge you to approve this important proposal.

Mahalo,

*Carl Takamura*

Carl Takamura  
Hawaii Kai

**Testimony in SUPPORT of HB 1972  
RELATING TO TAXATION**

**COMMITTEE ON FINANCE**

**Rep. Chris Todd, Chair**

**Rep. Jenna Takenouchi, Vice Chair**

Aloha Chair Todd, Vice Chair Takenouchi, and Honorable Members of the Committee,

My name is Tani Salazar and I'm a Social Worker, born and raised in Hawai'i, testifying as an individual in support of HB 1972 which establishes a Family Caregiver Tax Credit for unpaid family caregivers. In my family and with many clients' families, I have personally seen the countless, costly sacrifices that caregivers make to support their care recipient. Many families in Hawai'i need to make impossible choices like taking time off to care for their kupuna vs. going to work to pay for rent, or paying for their kupuna's care supplies vs. having enough to put nutritious food on their own table. Caregivers are the lifeline, irreplaceable, unsung heroes in Hawai'i families and the backbone of the long-term care system, helping their loved ones continue to live at home. Day in and day out, caregivers are giving of their time, energy, heart, and finances to support the needs of many individuals. Unfortunately this weight can negatively affect their well-being physically, mentally, and financially. This measure would offer some financial relief to caregivers, who earn below a threshold, to help those in need offset out-of-pocket costs. This could help relieve some of the financial stress and could mean the difference between making ends meet or not, especially with this extremely high cost of living. Please help our caregivers continue to care

Mahalo for this opportunity to testify.

Sincerely,

*Tani K. Salazar*

**Tani Kalei Salazar, LSW, MSW**