



Date

Dear Chairman Abney and Members, House Finance Committee

On behalf of the Senior Agenda Coalition of RI I am pleased to support H7490, The Rhode Island Family Caregiver Tax Credit Act, sponsored by Representatives Donovan, Carson, Spears, McNamara, Ajello, Shallcross Smith, Speakman, Shanley, Vella-Wilkinson, Cotter

The Senior Agenda Coalition of RI works to improve the quality of life of older Rhode Islanders and those who care for them. We do this through advocacy, community organizing and education. The Senior Agenda Coalition has a special focus on promoting home and community-based care and supporting family caregivers who often assist with such care. We have helped end the wait list for respite services by advocating for additional state funding for the program, worked for many years to increase income limits for the state @Home Cost Share program that subsidizes home care and adult day service costs, and supported creating and expanding the state Temporary Caregiver Insurance Assistance Program.

Projections are 58% of older adults may need some type of long term care. The vast proportion of such care is provided by unpaid family caregivers. As the state population grows older supporting family caregivers will become more important than ever. The COVID pandemic highlighted caregiving issues by decreasing the availability of paid homecare workers. The current homecare worker shortage amplifies the need to support family caregivers who often need to provide a more intense level of care.

According to the AARP *Valuing the Invaluable 2023 Update: Strengthening Supports for Family Caregivers report*, the contributions of unpaid family caregivers in RI are estimated at \$2.1 Billion (based on \$18.95/hour by 121,000 caregivers for 113,000,000 hours of care). While family caregivers may get great satisfaction from caregiving, they may incur physical and financial stresses. The report noted average out-of-pocket costs of \$7,200 per year incurred by unpaid caregivers which can be a financial burden for low-income caregivers and older adult caregivers on fixed incomes. A number of states including Missouri, North Dakota and Oklahoma have created caregiver tax credit programs to offset the financial burden of caring for a family member. The latest Long Term Supports and Services State Scorecard Report (2023) includes a new indicator for state caregiver tax credits under the *Supports for Family Caregiver Dimension*. Adding a caregiver tax credit in Rhode Island is another way to demonstrate to our hundreds of family caregivers that we value their contributions and to help offset their financial burden. The credit under H7490 would be available for family caregivers with incomes up to \$50,000 for a single person (\$100,000 couple) caring for persons age 65 and older or on Social Security Disability and needing help with at least two activities of daily living . Eligible expenses would include purchase or lease of medical equipment, and homecare aide services not covered by insurance or government programs. The credit for up to 50% of eligible expenses would be capped at \$1,000.

I ask you to vote to recommend passage of this legislation to give RI caregivers of older adults and persons with disabilities some financial relief.

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Senior Agenda Coalition of RI