



May 15, 2025

Dear Chairman Abney and Members, House Finance Committee

The Senior Agenda Coalition of RI is pleased to support H5233, The Rhode Island Family Caregiver Tax Credit Act, sponsored by Representatives Donovan, Speakman, Cotter, Cortvriend, Spears, Furtado, Edwards, Morales, Ajello, Shallcross Smith

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. Our 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, worked 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 RI Temporary Caregiver Insurance law.

According to the Administration for Community Living someone turning 65 today has almost a 70% chance of needing some type of long term care supports in their remaining years. The vast proportion of such care is provided by unpaid family caregivers. As the state population grows older supporting family caregivers is more important than ever. An ongoing 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 an average out-of-pocket cost of \$7,200 per year being incurred by unpaid caregivers. Such costs 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 2023 Long Term Supports and Services State Scorecard Report included a new indicator for state caregiver tax credits under the *Supports for Family Caregiver* Dimension. Adding a caregiver tax credit in Rhode Island is one way to demonstrate to our hundreds of family caregivers that we value their contributions by helping to offset their financial burden. The credit under H5233 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 who need 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.

Carol Anne Costa, Executive Director
Senior Agenda Coalition of RI