



May 4, 2023

Dear Senator Grohoski, Representative Perry, and Members of the Joint Standing Committee on Taxation,

I join you today on behalf of the Maine Women's Lobby. For over forty years, the Maine Women's Lobby has advocated for gender equitable public policies.

We write today **in support of LD 1544, "An Act to Improve Economic Security for Maine Children by Establishing the Maine Dependent Tax Credit."** We thank House Majority leader Terry for sponsoring this bill.

Approximately 60 to 87 percent of family caregivers are women.¹ Caregiving has real economic implications on the lives of women who support their families in this way: the total individual lost wages for a woman who leaves the labor force early because of caregiving responsibilities equals \$142,693. When the loss of Social Security benefits is factored in (estimated at approximately \$131,351), along with lost pensions (approximately \$50,000), **an individual female caregiver can experience an economic loss of around \$324,000.**² This contributes to a significant gender gap in retirement: older women are twice as likely to live in poverty as older men in Maine,³ and the median income of the average older woman - \$22,059 - is not enough to meet basic needs.⁴

Maine relies on a network of family caregivers to support our communities. **In 2019 family caregivers provided \$2.2 billion worth of care.**⁵ As Maine's population ages we will be depending on this system more than ever, but family caregivers need more support to do this work sustainably. Compared to the value that family caregivers bring to our state, a tax credit is a comparably small investment in a critical piece of our health infrastructure.

¹ Morhardt, D. (unk). Gender differences in family caregiving. Northwestern University. Retrieved from: <https://www.caregiving.org/wp-content/uploads/2017/04/9NAC-Morhardt.pdf>

² MetLife Mature Market Institute. (2011). The MetLife study of caregiving costs to working caregivers. Retrieved from <https://www.caregiving.org/wp-content/uploads/2011/06/mmi-caregiving-costs-working-caregivers.pdf>

³ Cutler Institute of Health Policy. (2022). The Economic Security of Older Women in Maine: A Databook. Retrieved from <https://static1.squarespace.com/static/5fe258011006361ee2898809/t/63ece2d8506ed15686878f5d/1676468953281/Economic%2BSecurity%2BOlder%2BWomen%2Bin%2BMaine%2BReport--FINAL%2B%282%29.pdf>

⁴ The 'Elder Economic Security Index' shows that an older person in 'poor health' living in Maine, who owns their own home with no mortgage needs \$24,492 each year to meet their basic living needs. www.elderindex.org.

⁵ AARP Public Policy Institute, Reinhard, S. C. R., Feinberg, L. F. F., Houser, A. H., Choula, R. C., & Evans, M. E. (2019, November). Valuing the Invaluable: 2019 Update Charting a Path Forward. <https://www.aarp.org/content/dam/aarp/ppi/2019/11/valuing-the-invaluable-2019-update-charting-a-path-forward.doi.10.26419-2Fppi.00082.001.pdf>

The burden of family caregiving has more than simply an economic impact. Studies show that female caregivers have greater interference and limitations in their work and social life due to caregiving, and that **the disproportionate burden of caregiving leads to greater health problems, less positive outlook on life, and greater need for external supports.**⁶ There are real emotional and financial costs associated with these outcomes.

In some families, family-based care may be a choice to ensure family support and connection, but in many circumstances, family-based care may be literally the only option available to them, due to financial or other barriers. When financial need requires family caregiving, and the family caregiving itself extracts an added financial burden, this means that some families face a Hobson's choice – one poor option, or nothing at all.

Maine can do better. **LD 1544 offers an important support for these families, and for our caregiving structure as a whole.** Please join me in supporting this reasonable solution to a critical problem.

We hope you will vote 'ought to pass' on LD 1544.

Sincerely,

Destie Hohman Sprague, Executive Director
Maine Women's Lobby / mainewomen.org

⁶ Morhardt, D. (unk). Gender differences in family caregiving. Northwestern University. Retrieved from: <https://www.caregiving.org/wp-content/uploads/2017/04/9NAC-Morhardt.pdf>