

## **Testimony of Caitlin Connolly**

National Employment Law Project

# ***Support for Health Facilities - Residential Service Agencies - Compliance with State Labor Laws (HB 1415)***

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## **Hearing before the Maryland the House Economic Matters Committee**

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The National Employment Law Project (NELP) is non-profit, non-partisan research and advocacy organization that for more than fifty years has specialized in employment policy and supports. We partner with workers and federal, state, and local lawmakers and partners on a wide range of workforce issues. Across the country, our staff is recognized as policy experts in areas such as unemployment insurance, wage and hour enforcement, minimum wage, and workplace protections for underpaid workers. NELP's work has long included a special focus on supporting home care workers who provide essential services and are fighting to improve their working conditions at the federal, state, and local level.

We are writing to share NELP's support for the *Health Facilities - Residential Service Agencies - Compliance with State Labor Laws (HB 1415)*. This legislation will help to improve the quality of personal care jobs by ensuring that Residential Service Agencies (RSAs), which employ tens of thousands of Maryland workers, abide by Maryland employment law. This legislation is a win for workers, for individuals and families receiving care, and for the state.

This bill will require every RSA to read a plain-language explanation of how Maryland's definitions of employee and independent contractor apply to personal care aides and RSAs. It will also require RSAs to report their pay practices to the state. While the bill does not change an employer's responsibility to know the law, the guidance document can prove a helpful tool. RSAs will certify annually that they read a short guidance document explaining how the concept of independent-contractor misclassification applies to personal care aides and confirm that they are complying with the law. We also support the legislation's inclusion of collecting additional data on workers' employment classification, pay rate, and overtime pay rate through a small expansion of the system that MDH already uses. This data is critical to the state's efforts to attract and retain the workers needed.

Maryland personal care aides provide critical services and supports to seniors, people with disabilities, and their families. We must ensure that these workers, who provide an estimated 70 to 80 percent of paid, hands-on care, are supported in their critical role.<sup>1</sup>

By 2030, Maryland's projected population of residents over 60 will be increase to 25.4 percent of the state's population and individuals between the ages of 80-84, those who are more likely to need home care, are the fastest growing segment of the population.<sup>2</sup> As Maryland's population ages, the demand for caregivers will dramatically grow with the state needing to attract nearly 40 percent more direct services workers by 2024.<sup>3</sup>

Attracting and retaining workers will require that the quality of these jobs improve. HB 1415 is an important component to making that happen. **NELP urges a FAVORABLE report.**

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<sup>1</sup> PHI, Facts 3: America's Direct-Care Workforce, November 2013. <https://phinational.org/wp-content/uploads/legacy/phi-facts-3.pdf>

<sup>2</sup> Maryland Department of Aging, *2017-2020 State Plan on Aging*, September 22, 2016. [https://aging.maryland.gov/Documents/MDStatePlan2017\\_2020Dated092216.pdf](https://aging.maryland.gov/Documents/MDStatePlan2017_2020Dated092216.pdf)

<sup>3</sup> PHI, *The Direct Services Workforce in Long-Term Services and Supports in Maryland and the District of Columbia*, September 21, 2018. <https://phinational.org/resource/the-direct-services-workforce-in-ltss-in-md-and-dc/>