

Date: March 2, 2023

To: Senator Melony Griffith, Chair, Senate Finance Committee and All Committee Members

From: Rob Malone, Chief Executive Officer, The Arc Prince George's County

Re: Testimony In Favor of SB 555, With Amendments

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Dear Committee:

Thank you for the opportunity to submit testimony in favor of the 2023 Fair Wage Act, Senate Bill 555. I support this bill with an amendment to ensure that future community service provider rate increases will have a floor that is indexed to the minimum wage increases.

I am in support of this bill because I don't believe we should place the burden of care and support of our most vulnerable citizens on the backs of poor people. The direct care workforce is meeting a significant need. Moreover, there is significant demand for their services as evidenced by a waiting list of a few thousand of our residents.

I hope that bolstering our state's minimum wage demonstrates and reinforces the type of society we want to have and the value we place on everyone who is willing to work. It may cause short term problems, loss of jobs and some impact to small businesses. However, over time, it will create a new norm where everyone is truly valued for their work.

I believe you feel the same way I do. Your heart breaks as you see people who work hard and for many hours and they have very little to show for it. They are exhausted. And, their families are challenged and strained by the things that take away their attention – like overdue bills, unreliable childcare. With regards to DSPs working in disability services, it's actually unsafe to have these workers working two to three jobs. DSPs are responsible for advancing the health and safety of people with complex medication conditions. They don't have the mental or emotional capacity to meet the needs of people they support after working those numbers of hours.

In many ways, the DSP role has been significantly degraded over time. It is not a minimum wage job, based on the highly sensitive nature of the work and training required. Years ago, this job required a college degree. However, providers have abandoned that criteria as funding to support people with disabilities has been inadequate – despite an increase in duties, responsibilities and compliance requirements. The margin above minimum wage for this position has dropped from 70% some years ago to less than 20% today. And, the vital supports that DSPs provide to around 20,000 people with disabilities in Maryland enable parents and family members to work and remain economically self-sufficient.

Our support of this minimum wage bill includes support for a funding mechanism to maintain starting wages for Direct Support Professionals at a level where vacancy rates and turnover rates are below 20%.

Thank you for taking my remarks and the sentiment of thousands of workers in our state to heart. Raising the minimum wage to \$15 an hour is the just thing to do and it will raise the quality of life for residents in our state.

I do want to note that even if SB 555 is not passed, the DDA rates need to be raised by more than 4%. Please reference the 1-page summary that reflects the state of services and the lack of supports available to people in Prince George’s County as evidence. The data demonstrates the following:

- Turnover rates of ~30% for direct support professionals
- More than 200 people and their families/caretakers are waiting for services – even though they have already been accepted and removed from the DDA waiting list. They will not receive services unless providers can hire and retain the staff required to support them.

Simply put, a 4% increase is not sufficient to ensure our system of supports is available to all those we wish to support.

In addition, the following charts demonstrate how the pace of minimum wage increases has already overshadowed rate increases for the DD rates.

Year	2015	2016	2017	2018	2019	2020	2021	2022	CAGR Calc
<b>Change in DDA Rate</b>	2.0%	3.0%	3.5%	3.5%	3.5%	3.5%	4.0%	4.0%	
Rate Value	1.02	1.05	1.09	1.13	1.16	1.21	1.25	1.30	3.6%
Minimum Wage	\$ 8.25	\$ 8.75	\$ 9.25	\$ 9.25	\$ 10.10	\$ 11.00	\$ 11.75	\$ 12.50	
<b>Change in Min Wage</b>	0.0%	6.1%	5.7%	0.0%	9.2%	8.9%	6.8%	6.4%	
Rate Value	1.00	1.06	1.12	1.12	1.22	1.33	1.42	1.52	6.1%

The chart below shows that a continuation of 4% rate increase will only continue to leave the system of supports for people with disabilities in dire straits.

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR Calc
<b>Change in DDA Rate</b>	2.0%	3.0%	3.5%	3.5%	3.5%	3.5%	4.0%	4.0%	4.0%	4.0%	4.0%	
Rate Value	1.02	1.05	1.09	1.13	1.16	1.21	1.25	1.30	1.36	1.41	1.47	3.7%
Minimum Wage	\$ 8.25	\$ 8.75	\$ 9.25	\$ 9.25	\$ 10.10	\$ 11.00	\$ 11.75	\$ 12.50	\$ 13.25	\$ 14.00	\$ 15.00	
<b>Change in Min Wage</b>	0.0%	6.1%	5.7%	0.0%	9.2%	8.9%	6.8%	6.4%	6.0%	5.7%	7.1%	
Rate Value	1.00	1.06	1.12	1.12	1.22	1.33	1.42	1.52	1.61	1.70	1.82	6.2%

And, this final chart shows that we could recover and restore meaningful, quality supports to people with disabilities and their families if we would be progressive in increasing rates at 10%

for the next couple of years. This progressive effort also addresses an equity lens in worker advocacy.

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR Calc
<b>Change in DDA Rate</b>	2.0%	3.0%	3.5%	3.5%	3.5%	3.5%	4.0%	10.0%	10.0%	10.0%	10.0%	
Rate Value	1.02	1.05	1.09	1.13	1.16	1.21	1.25	1.38	1.52	1.67	1.84	6.1%
Minimum Wage	\$ 8.25	\$ 8.75	\$ 9.25	\$ 9.25	\$ 10.10	\$ 11.00	\$ 11.75	\$ 12.50	\$ 13.25	\$ 14.00	\$ 15.00	
<b>Change in Min Wage</b>	0.0%	6.1%	5.7%	0.0%	9.2%	8.9%	6.8%	6.4%	6.0%	5.7%	7.1%	
Rate Value	1.00	1.06	1.12	1.12	1.22	1.33	1.42	1.52	1.61	1.70	1.82	6.2%

It is our hope that we will, in fact pass SB 555, and support the Governor’s budgeted DDA rates increases associated with accelerating minimum wage. We also hope that you will continue to escalate the DDA rates in a similar fashion to minimum wage in future years.

We are hoping that you recognize the urgency to act. Direct service providers and the families who need them – **deserve aggressive action**. Your actions will be the backdrop for whether families have hope or despair.

Please move SB 555 forward with a favorable report with amendments.

Rob Malone  
 Executive Director  
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