



Bill No: HB39
Title: Residential Service Agencies - Reimbursement - Personal Assistance Services (Homecare Worker Rights Act of 2024)
Committee: Health and Government Operations
Hearing: January 24, 2024
Position: SUPPORT

The Maryland Legislative Agenda for Women (MLAW) is a statewide coalition of women’s groups and individuals formed to provide a non-partisan, independent voice for Maryland women and families. MLAW’s purpose is to advocate for legislation affecting women and families. To accomplish this goal, MLAW creates an annual legislative agenda with issues voted on by MLAW members and endorsed by organizations and individuals from all over Maryland. **HB39 - Residential Service Agencies - Reimbursement - Personal Assistance Services (Homecare Worker Rights Act of 2024)** is a priority on the **2024 MLAW Agenda** and we urge your support.

HB39 will ensure that home care workers (84% of MD’s home care workers are women) who work for agencies that receive Medicaid reimbursements are not misclassified as independent contractors and therefore are entitled to overtime, sick and safe leave, unemployment insurance, and workers’ compensation.

Many personal care aides who provide vital in-home care under Medicaid programs are misclassified as independent contractors, denying them access to the social safety net and reducing job quality when Maryland faces a shortage of these important workers. This large workforce consists of between 20,000 and 30,000 workers, who are vastly women -- about 90% are women and about 70% are Black. This majority women-of-color workforce deserves employee protections.

Currently, many of the agencies that employ these workers illegally misclassify them as independent contractors. When they are misclassified, they are cut out of the social safety net and lose protections like sick leave, workers’ compensation, health insurance, and more – and they face a higher “self-employment” tax when they should be getting a tax refund. Misclassification also hurts those they care for by shrinking the size of the workforce. And it hurts law-abiding RSAs by forcing them to compete on an uneven playing field with RSAs that save money by misclassifying their workers.

This bill is a simple fix for a serious problem. By requiring that their employing agencies properly classify their workers as employees in order to receive Medicaid reimbursements, this will improve the quality of these vital home care jobs.

Workers lose safety net protections when they are classified as independent contractors, and often cite lack of these benefits a reason for leaving the field of home care.

- Health insurance: Independent contractors do not get employer-based health insurance.
- Workers’ compensation: Independent contractors do not have a right to workers’ compensation if they are injured on the job. This is especially harmful for home care workers because workers often injure themselves lifting the people they care for.

- Sick and safe leave: Independent contractors do not have a right to sick and safe leave under the Maryland Healthy Working Families Act.
- Unemployment insurance benefits: Independent contractors cannot get unemployment benefits if they lose their job through no fault of their own.
- Paid family and medical leave: Independent contractors will generally not get paid family and medical leave through Maryland's new FAMILI Program.

By classifying these workers as the employees they are, they will receive all of these protections, which they should be receiving but are not due to illegal misclassification by their agencies.

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For these reasons, MLAW strongly urges the passage of HB39.

MLAW 2024 Supporting Organizations

The following organizations have signed on in support of our 2024 Legislative Agenda*:

1199 SEIU United Healthcare Workers East
AAUW Anne Arundel County
AAUW Kensington-Rockville Branch
AAUW Maryland
AAUW-Garrett Branch
Adolescent Single Parent Program (PGCPS)
Anne Arundel County NOW
Baltimore County Commission for Women
Black Women for Positive Change, Baltimore Chapter
Church Women United, Inc.
Court Watch Montgomery
CTLDomGroup Inc
Engage Mountain Maryland
If/When/How at University of Baltimore School of Law
Les Etoiles in Haiti
Maryland Coalition Against Sexual Assault
Maryland Legislative Coalition
Maryland Network Against Domestic Violence
Miller Partnership Consultants
MomsRising
Montgomery County NOW
National Organization for Women, Maryland Chapter
Prince George's County Public Schools
Rebuild, Overcome, and Rise (ROAR) Center at University of MD, Baltimore
REHarrington Plumbing and Heating
Reproductive Justice Maryland
Stella's Girls
Top Ladies of Distinction Prince George's County
TurnAround Inc.
Women's Equity Center and Action Network (WE CAN)
Women's Law Center of Maryland
Zeta Phi Beta Sorority, Incorporate - Alpha Zeta Chapter
Zonta Club of Annapolis

*As of 1/20/2024