

Testimony for House Appropriations regarding S.40

Current Law Minimum Wage Path			
	CPI Inflation (Consensus)	Projected under Current Law	Inflation-Adjusted Amount as of 2018
2018	2.5%	\$10.50	\$10.50
2019	2.9%	\$10.80	\$10.50
2020	2.8%	\$11.11	\$10.50
2021	2.5%	\$11.38	\$10.50
2022	2.3%	\$11.65	\$10.50
2023	2.2%	\$11.90	\$10.50
2024	2.2%	\$12.16	\$10.50

S.40 Minimum Wage Path		
	Nominal Amount in S.40	Inflation-Adjusted Amount as of 2018
2018	\$10.50	\$10.50
2019	\$11.10	\$10.79
2020	\$11.75	\$11.11
2021	\$12.50	\$11.53
2022	\$13.25	\$11.95
2023	\$14.20	\$12.44
2024	\$15.00	\$12.95

Question:

How many workers under contract for the State would have to get to \$15 by 2024 and how much will it cost the State? In particular, what happens with employees at designated agencies or home health care aides?

Note that hourly wages for workers in the Designated Agencies and Specialized Service Agencies are already at \$14 per hour.

ARIS: Cost to Raise Wages Up to New Minimum Wage Only -- Does Not Address Wage Compression						
Includes FICA, etc						
Fiscal years	2019	2020	2021	2022	2023	2024
Additional cost in 2018 dollars	\$89,930	\$223,041	\$829,574	\$1,657,262	\$2,831,532	\$4,162,694
Share of budget	0.1%	0.3%	1.3%	2.6%	4.4%	6.5%
# employees affected	1,179	3,093	3,753	3,920	4,831	5,167
Share of employees	13%	35%	42%	44%	54%	58%
NOTES						
ARIS FY18 budget	\$64,250,251					
Total hourly personnel	8,958					

ARIS Solutions provides financial, payroll, and tax related services to assist individuals, families, and non-profit organizations

Partial list of programs served by ARIS

Adult Family Care Respite, Integrated Family Services Respite, Family Managed Respite

Choices for Care, Moderate Needs, Personally Directed Attendant Care

Children’s Personal Care Services

Designated Services Waiver (developmental disabilities), Traumatic Brain Injury