

Testimony for House General 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 raised by the Committee:

How many workers do we have that would have to get to \$15 by 2024 and how much will it cost the State – this is in regard to contracted workers such as, the workers in designated agencies.

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 | \$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

Children’s Personal Care Services

Designated Services Waiver (developmental disabilities), Traumatic Brain Injury

Moderate Needs, Personally Directed Attendant Care