

Written Testimony of Jess Maurer on Behalf of The Maine Council on Aging To Joint Standing Committee on Taxation

In Favor of LD 1677 – An Act to Support Front Line Workers By Adding a Temporary Tax Brackett Affecting High Earners

Submitted in Writing on May 13, 2021

Senator Chipman, Representative Terry and members of the Joint Standing Committee on Taxation:

My name is Jess Maurer and I'm the Executive Director of the Maine Council on Aging (MCOA). The MCOA is a broad, multidisciplinary network of more than 100 organizations, businesses, municipalities, and older community members. The MCOA is a unifying force across sectors that is creating a new narrative about aging and older people in Maine with the goal of building local, statewide, and national support for the systemic changes needed to support our new longevity. I am testifying in favor of LD 1677.

Maine is in the midst of a severe and pervasive workforce shortage of essential support workers. In 2016, the MCOA began a focused effort to address this problem through what ultimately became the Commission to Study Long-term Care Workforce Issues. This Commission issued its report in January 2020 and LD 1593, An Act to Implement the Recommendations of the Commission To Study Long-term Care Workforce Issues, has achieved a Unanimous Ought To Pass as Amended vote out of the Health & Human Services Committee. The HHS Committee recognizes the severity of the shortage of these critical workers and is supporting key changes to help to improve the problem.

The pandemic has made an already challenging problem even more difficult. The COVID crisis has made it even more important to invest in promoting and building a quality essential care workforce ready to meet Maine's care needs. This is because many care professionals have left the profession during the pandemic.

We seem to have lost our way, and some of our humanity, in relation to the care of people with age, disabilities, and behavioral health challenges in Maine. For more than a decade, we've been arguing about how much is too much to pay for the care of people who cannot care for themselves, while the number of people who qualify for care, but who aren't getting care, has grown exponentially.

In any given week, about 10,000 hours of approved care by Personal Support Specialists go undelivered to about 850 older and disabled Mainers, including more than 500 older Mainers who received no staffing at all. These are not people on a wait list – these are people who are supposed to be getting care, who are not getting any care because there are no workers.

Right now, people can work in fast food or stocking shelves in a warehouse or on a customer service role for the same or more money than they could make working in an essential support job. Caring and motivated people just can't afford to do this work, and agencies providing these services can't afford to pay more because reimbursement rates are so low. That means people in need of services don't get them.

While LD 1593 has a strong Committee vote, it then moves to the Appropriations Table where it must be funded. This where LD 1677 and other tax and revenue related bills come in.

One reason we have not made the fundamental changes needed to fix the essential support worker shortage is funding. LD 1677 recognizes the important role that these and other frontline workers have played in the pandemic and will make grants available to these workers. While this is not a sustained solution to the workforce shortage, any additional support for these workers is welcome and may help them to remain in the workforce.

Revenue that makes this support possible is the imposition of a temporary tax bracket that applies only to high earners. The income tax is the largest source of state revenue, which means that even small increases to the income tax on high incomes can raise a lot of money to invest in Maine's people. Maine's income tax treats millionaires the same way it treats middle-class families, middle-class families who are all too often taking care of their older parents, once again, saving the state money. This just isn't fair. We believe this temporary tax bracket on high earners is an appropriate measure to generate the revenue needed to make this investment in our essential support workers and other frontline workers.

The value of letting these essential support workers know that they are recognized and appreciated is incredibly important. It helps with worker resilience and retention and it's only right. We ask, however, that LD 1677 be amended to specifically include Maine's essential support home care workers, who are often left out of the "healthcare worker" definition, but who were required to go to work day, after day during this pandemic, without adequate PPE, with kids at home, and without ever being prioritized for vaccination. Please don't leave these workers out of this bill!

We urge you to vote in favor of LD 1677.

Thank you.

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