

Labor and Public Employees Committee

JOINT FAVORABLE REPORT

Bill No.: SB-1221

AN ACT MAKING CHANGES TO THE CONNECTICUT RETIREMENT

Title: SECURITY PROGRAM.

Vote Date: 3/6/2025

Vote Action: Joint Favorable

PH Date: 2/6/2025

File No.:

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SPONSORS OF BILL:

Labor & Public Employees Committee

REASONS FOR BILL:

The reason for this bill is to make several changes to the Connecticut Retirement Security Program, including extending the program to cover PCAs who work as part of a state-funded program, changes the default contribution rate for new participants enrolling in the program, allows the comptroller to provide an applicable retirement saving vehicle for participants who receive a federal Saver's Match contribution; and creates a notice requirement and financial penalty for noncompliant employers. These changes are designed to ensure that PCAs have the ability to access the program, and thus save for retirement, and also make various overall improvements to the program's efficacy.

RESPONSE FROM ADMINISTRATION/AGENCY:

Commissioner Andrea Barton Reeves, Department of Social Services: Supports the bill and states that this legislation would allow Personal Care Attendants (PCAs) to participate in the Connecticut Retirement Security Program. Connecticut Medicaid offers self-directed PCA services under a program that allows a Medicaid member or their representative to become an employer of the PCA and self-direct their care. These Medicaid members then hire their own staff and employ one or more PCAs to provide the services outlined in their care plans. DSS has over 7,000 Medicaid members employing over 10,000 PCAs to provide these vital home and community-based services through its Medicaid self-directed program. The PCA workforce is a critical part of the Department's service delivery system and keeps Medicaid members at home and in the community, avoiding or delaying institutionalization.

Offering PCAs the option to participate in the MyCTSAvings Program provides this workforce with a portable, voluntary retirement planning option that will remain available to them should their employment circumstances change. The Department supports this legislation as part of Connecticut's ongoing efforts toward the financial stability and well-being of our state's healthcare workforce.

Sean Scanlon, State Comptroller: Supports the bill and reiterates the history and importance of the program, and how it has expanded in the past years. States what type of companies are eligible and how they enroll their workforce. States the 4 technical changes in the bill that are important. Proposal 1: Allow state-sponsored program personal care assistants (PCAs) to enroll in MyCTSAvings. Currently 12,000 State sponsored PCAs in the State, but because they are hired by their patient they do not qualify under current law. Proposal 2: Follow Federal standards for program contributions. Proposal 3: Allow for receipt of federal Saver's Match contributions. States that The Secure 2.0 Act of 2022 created new contribution standards for private sector employer-sponsored retirement plans, and this change would ensure MyCTSAvings does not fall behind. Proposal 3: Allow for receipt of federal Saver's Match contributions. The Secure 2.0 Act of 2022 also created the Saver's Match, a federal matching contribution for certain low-income retirement savers beginning in 2027. A significant proportion of MyCTSAvings participants will qualify for Federal matching contributions they are entitled to receive; however Saver's Match dollars cannot be deposited into a Roth IRA, and current statute only allows for MyCTSAvings to open Roth IRAs. This proposal would allow the program to open traditional IRAs solely for the purpose of receiving the federal matching dollars for participants who claim the Saver's Match. Proposal 4: Program Compliance, Public Act 16-29 gives the Comptroller the power to take non-compliant businesses to court. States the office seeks reasonable and less severe enforcement mechanisms using reasonable financial penalties. Penalties would only be assessed after repeat notifications are sent to the business, giving employers ample opportunity to either elect their own private plan or join MyCTSAvings.

NATURE AND SOURCES OF SUPPORT:

Tamara Christensen, Business Director, KidsPlay Children's Museum: Supports the bill. States they have 6 full time employees, and 20 part time. States they do not have the ability to offer independent retirement benefits, but MyCtSAvings is an easy program to sign people up for and work with. States support of the bill saying it will help the program to be successful.

Norma Martinez-HoSang, Director of Connecticut For All: Supports the bill. Stating MyCtSAvings would offer Personal Care Attendants and other workers an opportunity to start setting aside their own money and save for retirement and that it is a minimal step as it simply makes other eligible to a plan that already exists. Stating PCA's take care of the most vulnerable people in our communities and as they age, they can't look towards retiring with some sense of security. It's time we change this.

Tim Ryan, Volunteer AARP Connecticut: Supports the bill. States AARP supports MyCTSAvings, stating that saving for retirement is important, and having access to retirement savings options helps small businesses with hiring and keeping valuable staff. States having access to payroll deduction makes people 15 times more likely to save and 20 times more

likely if it is automatic. States that there are over 25,000 workers that now have savings because of MyCTSA Savings, and that this bill will further expand its success.

Diedre Murch, Vice President SEIU 1199 NE: Supports the bill. States this bill would be life changing for PCAs who dedicate their lives to care for those who can't care for themselves. Stating that there are about 12,000 PCAs in the state, about a third care for a family member, 2two thirds are people of color, and the vast majority are women. Many can't get stable hours and have endless paperwork, even with a pay rise many are near the poverty line. Many struggle with working multiple jobs to secure what they need with rising costs. PCAs lack a retirement account leaving their future uncertain.

Claudette Arthur, Personal Care Attendant, SEIU District 1199 NE: Supports the bill. States they've worked as a PCA for the past 12 years, is 72 years old with no plans to stop working, because of no retirement options. Also states they walk and relies on public transportation to get to work every day sometimes making it challenging to arrive on time, but saving for a car isn't an option, with all extra going toward the day they can no longer work. States that without retirement savings and no paycheck they cannot afford to not work, and that it's time to ensure that PCAs like them can enjoy their lives, including the right to retire with dignity and security in their final years.

Malika Reddick, Personal Care Attendant, SEIU District 1199 NE: Supports the bill. States they are a per-diem PCA that helps others when they are sick or take time off, stating that finding a full-time consumer is difficult to do. States that this process is stressful and paying bills is hard, and that having no retirement option means they worry about having to work the rest of their life.

Terrell Williams, Personal Care Attendant, SEIU District 1199 NE: Supports the bill, states began job as a PCA over a decade ago stating they were young, healthy, and didn't think about the future but since then life has completely changed. The cost of living has continued to rise, forcing me to take on multiple jobs just to stay afloat, causing to be ineligible for certain services like state health insurance. Stating they are diabetic and had to forgo insulin, which led to multiple health setbacks and is now dealing with a serious medical issue, with no way to pay for treatment. States someone who can't afford life-saving medication has no means to save for retirement. States bill would ensure that all healthcare workers, including PCAs, have a safety net for their future and the time to act is now.

Lisa Williams, Personal Care Attendant, SEIU District 1199 NE: Supports the bill. States they have been a PCA for the last 3 years, and we need to make sure everyone has an option for a safe retirement. States they have struggled in the past, but has found their true purpose, to provide loving, trusting, personal care for those who can't care for themselves anymore. States they are 59 and cares for their 93-year-old mother. States they don't want to live in fear of household expenses or medical bills, but with no retirement option for PCAs, that is hard. Stating that social security isn't going to be enough and like all people, they need a nest-egg to handle the unexpected. States their mother is healthy and they want that as well and doesn't want to work forever and wants to enjoy life, we all deserve the chance to enjoy our later years, that's why this bill is important.

Joanna Bracero, Personal Care Attendant, SEIU District 1199 NE: Supports the bill. States they have been a PCA since they graduated High School and has two kids that are

caustic one of whom requires significant assistance, but the child is not her consumer, nor does she qualify for the program. States balancing her child's care and her job is difficult. They make too much to qualify for certain programs but not enough to qualify for others. States that monthly food stamps didn't arrive, and they had to cut their phone off. States support for bill because it will provide security and reassurance that their future is secure.

Kara O'Dwyer, Personal Care Attendant, SEIU District 1199 NE: Supports the bill. States being a PCA is a fulfilling job, but it has many problems. The constant worry of if the paycheck will come on time or if it will be accurate, making saving impossible and overdraft fees common. Many positions are always open and there is no backup when a PCA is sick leaving the consumer alone or at risk of getting sick from their PCA. States PCAs still do the work to help people, but lack essential benefits like health insurance, a pension, and other safety nets. This bill is a start to improve that situation.

Pamela Fairley, Personal Care Attendant, SEIU District 1199 NE: Supports the bill. States they have been a PCA for 2 years, and it is a job they love, and since becoming one they have seen their life get a little better with more job satisfaction, and more pay. States they are worried that social security won't go far enough, and that this bill would help prepare for the future.

Paula Forrest, Personal Care Attendant, SEIU District 1199 NE: Supports the bill. States they have been a PCA for 10 years and specializes in working with people who have suffered traumatic brain injuries. States they are 66, been working for over 30 years, and is afraid social security won't cover the bills. Has considered getting a roommate, selling the house, and moving into senior housing. States they plan on continuing to work because there is no choice. States they used to have a 401K but has already used that to cover the cost of living and asks for the option to have a retirement safety net.

Licelia Fuentes, Personal Care Attendant, SEIU District 1199 NE: Supports the bill. States they have been the PCA for their daughter since she was diagnosed with MS. The family has burned through all of their savings, and they went from making \$30 an hour to \$18 an hour but states as a parent you do anything for your kids. States they are asking for this bill as a small measure of peace.

Maya Guyton, Personal Care Attendant, SEIU District 1199 NE: Supports the bill. States they are a PCA for their brother and works two other jobs and relies on family just to make ends meet. Worries that they can't make this a long-term career and that their brother will need a new PCA, and worried about that future PCA's future as well. States they are paid poverty wages and has heard stories from other PCAs that makes them worry they will never have a home, kids, or a fighting chance.

Tania Rodriguez, Personal Care Attendant, SEIU District 1199 NE: Supports the bill. States they are a PCA to a former PCA who worked for years and doesn't have any income aside from Social Security which barely covers her living expenses. She has no TV or internet and spends most of her time alone in her apartment because she can't afford much else. States it's a shame the state thinks it's acceptable for caregivers to live in poverty, with no dignity respect or money. States they know they know they'll be next to live like this. It's time for lawmakers to make a change.

Laura Nasser, Personal Care Attendant, Certified Nursing Assistant, SEIU District 1199 NE: Supports the bill. States they have been a PCA for 10 years, starting by becoming their mother's primary caregiver and staying one after their mom's passing. States the job is a true calling but it has led to having health insurance, retirement options or savings. States a fear of being able to afford the cost of living in the future, asks for this bill to pass to make sure PCA's have their needs met.

Zoraida Velazques, Personal Care Attendant, Certified Nursing Assistant, SEIU District 1199 NE: Supports the bill. States they became a PCA after their fourth child was born with several complications requiring significant care. States that it is challenging to make a living on the wages healthcare workers are paid, working as a PCA and at a nursing home, often times 80 hours a week. States they are one of the lucky ones because their nursing home job gives a retirement plan. States it's time to make sure caregivers doing hard work are taken care of.

Pamela Hunt, Personal Care Attendant, SEIU District 1199 NE: Supports the bill. States they have been a PCA for 15 years after taking over their son's care when that PCA changed careers, leaving a state job with benefits to do it. States they are 65 years old now and any retirement account started now will be too late for them but wants to advocate for PCAs coming behind them. States they see dozens of PCAs working into their 70s and that needs to change. Stating Social Security isn't enough, so they continue to work. Stating the state needs to take care of PCAs now, who were called heroes in the pandemic but are now forgotten.

Lyndon Pitter, Personal Care Attendant, SEIU District 1199 NE: Supports the bill. States they have been a PCA for their brother brother-in-law for over the years. States that their autistic brother-in-law needed love and compassion, so they brought him into their home and gave up a career with benefits and security, to fill his life with love, joy, and a family stating he is now thriving. Stating that this decision has put the family at risk, earning near-poverty wage, with no retirement savings or health insurance, stating it feels like the state is punishing them for caring for a family member, why should caregivers have to sacrifice their own security and live in constant fear of how they will survive when the time comes to be cared for?

Cynthia Johnson, Personal Care Attendant, SEIU District 1199 NE: Supports the bill. States they are a PCA for their daughter who is suffering from many health complications and speaks about those challenges. States they gave up their safety net to take this job and doesn't have any retirement or pensions, and wonders who will be there for them later in life.

Loretta Moye, Personal Care Attendant, Certified Nursing Assistant, SEIU District 1199 NE: Supports the bill. States that they are both a PCA and a CNA and must work both jobs to make ends meet, but retirement is not offered at either. Stated that becoming a PCA meant they could join 1199 Union giving some stability like health insurance PTO and increase in hourly pay, but they still need to work two jobs. States they are afraid they must work for the rest of their lives and this vital job needs to provide a safer path to retirement.

NATURE AND SOURCES OF OPPOSITION:

Hidi Brooks, realtor: Opposes the bill for various broad ideological and personal reasons.

George Pope: Opposes the bill for various broad ideological and personal reasons.

Reported by: Ian Graves

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