



State of Connecticut
HOUSE OF REPRESENTATIVES
STATE CAPITOL
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SUPPLEMENTAL
Statement of Brian S. Becker
State Representative for the 19th Assembly District
in support of
RHB 5453
An Act Concerning Employers and Home Care Workers

At the public hearing on March 11, 2014 concerning RHB 5453, An Act Concerning Employers and Home Care Workers, Chairman Teroyak asked several questions about the current state of the law related to paying home care workers in comparison to the law as it will be on and after January 1, 2015. The discussion centered around pay for sleep time and *per diem* rates. Elaine Reid and I tried to answer the questions. Our answers were muddled and created confusion. We apologize and would like to clarify our response.

The current federal exemption for "companionship services" exempts home care workers who work for an agency from minimum wage and overtime requirements. Because of that, when an agency sets a *per diem* rate, the amount can be anything agreed to between the agency and its workers. When Elaine thinks about the *per diem* amount her agency pays, in her head she calculates the *per diem* rate based on a 16-hour day multiplied by a wage rate. Since Connecticut law currently requires payment for all hours an employee is required to be on the work premises, Elaine should be calculating the *per diem* amount based on a 24-hour day at a rate that is two-thirds the amount she uses for her 16-hour calculation (e.g., if Elaine calculates a *per diem* amount of \$120 by multiplying 16 hours x \$7.50 per hour, she could arrive at the same *per diem* amount of \$120 by multiplying 24 hours x \$5 per hour).¹ Since there is no minimum wage or overtime requirement, the ability to think about the *per diem* amount in this way actually works.

As of January 1, 2015, when the minimum wage and overtime requirements become applicable to home care workers who work for an agency, and without any change to the current Connecticut law regarding sleep time, the minimum *per diem* for a live-in worker will be a minimum of approximately \$298 per day ((40 hours x \$9 per hour the 2015 straight-time minimum wage + 128 overtime hours x \$13.50 per hour) divided by 7 days). With the statutory change we are seeking, the *per diem* could be reduced by as much as \$108 per day (56 overtime hours x \$13.50 per hour divided by 7 days).

I hope this helps to clarify this matter. If you need anything further, please let me know.

¹ The rates used in this example are not the actual rates used by Companions for Living, but are for illustrative purposes only.