



NEW YORK STATE SENATOR

John W. Mannion

## Senator Mannion Introduces Legislation To Provide Up To \$5,000 In Refundable Tax Credits For Direct Care Workers To Stabilize Workforce, Stop Residential Closures, And Prevent Cuts To Services For New Yorkers With A Disability

JOHN W. MANNION January 10, 2022

| ISSUE: **DISABILITIES, DISABILITIES SERVICES, WORKFORCE, NEW YORK WORKFORCE**

ALBANY, NY – Senator John W. Mannion (D-Geddes,) Chairman of the Disabilities Committee, today announced legislation (S-7643) to provide up to \$5,000 in refundable tax credits for Direct Care Workers to stabilize the workforce, stop residential closures, and prevent cuts to services for New Yorkers with a disability.

The creation of a refundable tax credit would provide a significant pay boost to almost all individuals working in the field. Senator Mannion's bill creates a new subsection of section 606 of the tax law. Direct Support Professionals (DSPs) who have an Adjusted Gross Income less than \$50,000 would receive a refundable tax credit for \$5,000. For every \$1,000 increase in salary received over \$50,000, an individual would receive \$100 less. The tax credit is phased out at \$100,000.

The extra money will provide a living wage and is part of a broader strategy to recruit and retain employees to work with New Yorkers with disabilities.

Senator John W. Mannion said, “We must attack this workforce crisis with bold and decisive action, and that’s what this tax credit legislation will do. Decades of disinvestment heightened by the hardships of the pandemic have left the entire service delivery system for people with Intellectual or Developmental Disabilities - including children - on the brink. I won’t allow New Yorkers with disabilities to lose their homes or the services they need.”

DSPs provide supports and services to help individuals live enriched and fulfilling lives. The DSPs are the backbone of the service delivery system and provide care to over 130,000 individuals with disabilities.

Currently, volunteer provider agencies are estimating a 25 percent staff vacancy rate and the state operated system is estimating a 12 percent staff vacancy rate. Without necessary staff levels, agencies are mandating overtime to ensure continuity of care for vulnerable individuals. Mandated overtime leads to stress, burnout, and workers leaving the profession. According to the 2019 National Core Indicators Staff Stability Survey report, the annual turnover rate of DSPs in New York State is 36.2%. With the recent investments by the State and Federal government in fiscal year 2021-2022, this legislation would recognize the hard work of DSPs who take on this critical job by providing a refundable tax credit.

In addition to providing a living wage, New York must build a career ladder for DSPs that includes partnerships with academia to create a pipeline for students while professionalizing this vocation. This effort must also include tuition credits and mentoring programs.

“As a safety net service provider, the state of New York is charged with caring for citizens with the most serious developmental disabilities and most profound treatment needs. With limited financial means, they depend on state services for their care,” said Wayne Spence, President of the New York State Public Employees Federation. “Over the last several years, more than 80 facilities operated by OPWDD have closed or suspended services due to the ongoing staffing crisis. This has left hundreds of individuals with developmental disabilities without appropriate residential care or quality day treatment programs. This legislation establishes the first tangible staff attraction and retention program designed to help staff the state-operated facilities that support our most vulnerable citizens. We hope that this benefit, as well as other needed supports that have been already provided to private providers like hazard pay and other benefit improvements, will be passed this legislative session so the state can again attract and retain the high caliber staff needed to reopen these facilities and to ensure that these individuals can receive the continuity and quality of care they need and deserve.”

“As families who have watched the dedicated DSPs who care for our loved ones leave to take a higher paying job in fast food or a big box store we strongly support Senator Mannion’s legislation that would help to stabilize the workforce by providing a refundable tax credit of up to \$5000 to these workers,” said Margaret Raustiala, parent advocate, Long Island Advocacy Network for the Developmentally Disabled (LIANDD).

“A tax credit for Direct Support Professionals is an important first step in reversing the devaluation of their crucial work that took place during the previous administration,” said Meri Krassner, parent advocate and Executive Steering Committee - NYC FAIR, “They deserve higher wages and more respect but we can start with this tax credit right now.”

“For more than a decade, New York’s I/DD community has been contending with a workforce crisis of Direct Support Professionals, who are the backbone of our system of support. Senator Mannion, a dedicated champion for the I/DD community understands this, and his introduction for a refundable tax credit for direct care workers is an essential first step in solving this crisis,” said Tom McAlvanah, President of the New York Disability Advocates and Executive Director of the Interagency Council of Developmental Disabilities. “As we enter the 2022 Legislative session, we look forward to continuing our work with Senator Mannion and the New York State Legislature to ensure that individuals with intellectual and developmental disabilities are a deemed a priority for the State, continuing this momentum and providing long-term solutions to end our crisis once and for all.”

"In western New York we are experiencing an alarming staff crisis where group homes have closed or new homes can't open," said Rhonda Frederick, President of the Developmental Disabilities Alliance of WNY. "We applaud Senator Mannion for his innovative refundable tax credit legislative proposal for DSPs, which will help them financially and will allow individuals with developmental disabilities to get the critical services they deserve," said Frederick.

“The creation of a refundable tax credit is a major step toward reflecting the true societal value of DSPs,” said Michael Seereiter, President & CEO of the New York Alliance for Inclusion and Innovation. “The legislation speaks to New York’s prioritization of frontline workers who go above and beyond the call of duty to provide supports and services for New Yorkers with disabilities. We commend Senator Mannion and celebrate this beginning step towards financial viability of the direct support profession.”

“New Yorkers with disabilities rely on our Direct Support Professionals to ensure they receive quality care and are afforded lives of opportunity,” said Erik Geizer, CEO of The Arc New York. “We are facing an unprecedented workforce crisis that has put that system of supports in jeopardy. We need to address this crisis with creative solutions from all angles. This proposed tax credit makes progress toward our goal of recognizing and compensating our dedicated staff as the skilled professionals they are. We thank Senator Mannion for introducing this important legislation, supporting our essential workforce and being a fierce advocate for New Yorkers with I/DD.”

“This proposal makes huge strides in restoring the State’s commitment to the critical work being done by New Yorkers supporting people with disabilities across the State,” said Mike Alvaro, Executive Director of Cerebral Palsy Associations of NYS. “We thank Senator Mannion for taking that critical first step in recognizing not only the complexity of the work being done in our field, but also the need for New York State to literally provide a credit to our workers as New York State starts on the road back to prioritizing the needs of people

with disabilities.”

“Thank you to Senator Mannion for prioritizing New York’s direct care workers with the introduction of this legislation. For too long the direct care workers, and subsequently New York’s I/DD community, have not been a priority for the state, which has resulted in our decade long workforce emergency,” said Yvette Watts, Executive Director of New York Association of Emerging & Multicultural Providers. “Direct care workers are essential workers providing life-supporting services day in and day out, and it is time that they are treated accordingly. Senator Mannion understands this, and a refundable tax credit is a vital aspect of the state’s recognition of their services.”

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#### RELATED LEGISLATION

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### **2021-S7643**

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- Introduced
- ◦ In Committee Assembly
- In Committee Senate

- ○ On Floor Calendar Assembly
  - On Floor Calendar Senate
- ○ Passed Assembly
  - Passed Senate
- Delivered to Governor
- Signed By Governor
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Establishes a tax credit for direct support professionals and direct care workers

January 05, 2022

In Senate Committee [Budget and Revenue](#)

Sponsored by [John W. Mannion](#)

Do you support this bill?