Submitter: BRIAN WILLIAS

On Behalf Of: Capital Manor Retirement Community

Committee: House Committee On Rules

Measure, Appointment or Topic: HB3838

House Rules Committee

HB3838

Good morning, Chair Bowman, Vice Chairs Drazen and Pham and committee members. Thank you for allowing me to speak on House Bill 3838. I oppose its adoption.

I am Brian Williams, a resident of Capital Manor Continuing Care Retirement Community. I am also a member of the Manor's Board of Directors, having been elected to that position by fellow residents. Being both a resident of Capital Manor and a member of its governing Board offers me a unique perspective. I live in the very place that I, as a Board member, assist in overseeing.

Capital Manor is a stand-alone not-for-profit corporation. It is unaffiliated with any other retirement community and got its start 62 years ago, in 1963. The Manor receives no governmental or other outside funding. It is self-contained and self-supporting. Residents are the sole source of the revenue to pay its expenses.

I pay a monthly fee that is adjusted upward, annually, for increased costs, mostly due to inflation. I am sensitive to increases in the Manor's operating expenses. This is because my ability to absorb fee increases is limited. My income is "fixed": I live off savings and Social Security.

As a Board member I have a fiduciary duty to assure Capital Manor provides ongoing high-quality housing and care for seniors provided by qualified, well-trained employees.

House Bill 3838 would set mandatory wage levels. It would remove flexibility for communities to adjust compensation according to the market and to reward individual employee performance.

Compensation for staff makes up about 2/3 of all Capital Manor expense. The Manor pays at or above the market rate for staff to help attract and to retain people. If the Manor were required to pay a substantial increase in compensation, residents on fixed incomes would be hard pressed to provide the required revenue. To provide a balanced budget, some expenses would need to be reduced, and residents' monthly fees would increase. Some staff might be laid off. As a result, residents and remaining staff would suffer.

In addition, HB 3838 dictates scheduling practices, administrative processes and introduces new regulations. Multiple state and federal agencies already closely regulate, monitor and require reporting from Capital Manor. HB 3838 does not solve anything that is lacking. Instead, it would add yet another administrative layer.

As both a resident and a member of Capital Manor's Board of Directors, I oppose HB 3838 because it would increase operational costs and add new administrative burdens. HB 3838 appears to be a solution looking for a problem.

Respectfully,

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