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February 22, 2022

To: House Economic Matters Committee

From: Maryland Farm Bureau, Inc.

## Re: <u>Opposition of HB 698 - Labor and Employment - State Minimum Wage Rate - Increase</u>

On behalf of our member families, I submit this written testimony opposing HB 698. This bill accelerates the State minimum wage rates in effect and repealing the authority of the Board of Public Works to temporarily suspend an increase to the State minimum wage rate. Current law has the \$15 minimum wage rate to be in full effect for large employers by 2025 and small employers by 2026. This bill moves the \$15 rate up to July 1, 2022, for large employers and up to July 1, 2023, for small employers. There are no exemptions for Ag employees other than the existing federal Ag worker exemption.

Most of the employees that fill the seasonal farm market jobs are youth between 16 and 18 years old. In most cases, this is their first job. The cost of labor is a major issue with farm profitability especially when the farmer retains ownership in their crop and looks to retail it to the consumer. Even at a retail price, margins are very small. Increasing the minimum wage prevents a farmer from offering youth opportunities to have their first job at their operation.

**MDFB Policy:** We support the passage of legislation to exempt agriculture workers and point of sale workers in agriculture from minimum wage increase requirements.

MARYLAND FARM BUREAU RESPECTFULLY OPPOSES HB 698

Colby Ferguson

**Director of Government Relations** 

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