February 22, 2022

House Bill 698

Labor and Employment- State Minimum Wage Rate-Increase Support With Amendment

Delegate Wilson and members of the House Economic Matters Committee:

Social workers see the desperation and constant struggles which poverty brings to our clients in a very intimate way. Three years ago, we testified in support of the successful effort to incrementally raise the minimum wage in Maryland. However, due to the current rate of inflation, many of the advantages gained by the recent wage increases are being lost. Now is the time to move up the timeline and make sure that the bottom rung of Maryland's wage ladder is raised. Due to the current favorable situation in our state coffers and the plethora of jobs available, this should not be difficult.

Several years ago, the National Employment Law Project found individuals in Prince George's County need at least \$21 an hour just to afford the basics (housing, food, and transportation). The \$15 minimum in this legislation will not meet this need but it will make things better. While many people think low-wage workers are all teens and college kids, this is a misconception. The average worker who will benefit from the wage increase is a 36-year-old woman. We also have to consider the role of the racial wealth gap. Here in Maryland, the average white worker earns 21% more than the average black worker.

As social workers, we know these income differences have exponential consequences in terms of health, stress, and quality of life. This wage increase will not necessarily change a person's life but it will definitely be an improvement. The Federal Reserve published a study which found 40% of American adults can't afford a \$400 emergency. This is unacceptable. Your constituents want a \$15 minimum wage, the legislature recognized the need and passed it in 2019. NASW was a strong supporter of the "Fight for \$15" including tying increases in funding for disability staffing to increases in the state's minimum wage, which we would like to see included in this bill. Let's not postpone this change any longer, let's finish the job and get this done.

We urge you to give HB 698 a favorable with amendment report. Thank you.

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