

# Testimony HB 849 – Economic Development - Eligibility for State Job Creation Incentives Ways & Means February 23, 2022 Support

AFSCME Council 3 supports HB 849. This legislation would provide real "teeth" to the concept of creating good jobs, with good wages and benefits in return for job creation tax credits and grants.

All too often job creation incentives fall short of creating the types of employment that would be considered "good jobs." To address this shortcoming, HB 849 would establish that job creation tax credits and grants must create "qualified positions" in order to be eligible. A "qualified position" must meet the following standards:

- The position located in the State;
- is full-time and pays at least the prevailing wage rate if applicable or, if not applicable, 150% of the State minimum wage;
- provides career advancement training for specified workers;
- affords the employee the right to collectively bargain for wages and benefits and applies labor peace standards on the job site;
- provides paid leave;
- is considered covered employment for purposes of unemployment insurance benefits;
- entitles the employee to workers' compensation benefits;
- offers employer-provided health insurance benefits with monthly premiums that do not exceed 8.5% of the employee's net monthly earnings;
- offers retirement benefits; and
- provides fair scheduling.

If Maryland is to expend resources to create jobs and enhance its economy, it should ensure the return on investment is justified. HB 849 ensures that this investment is a worthy one for all Marylanders. We ask the committee for a favorable report of this legislation.

Every AFSCME Maryland State and University contract guarantees a right to union representation. An employee has the right to a union representative if requested by the employee. 800.492.1996



### Amalgamated Transit Union LOCAL 1300

126 WEST 25TH STREET • BALTIMORE, MARYLAND 21218 Affiliated with AFL-CIO-CLC

> (410) 889-3566-67 Fax: (410) 243-5541

**TESTIMONY IN SUPPORT OF HB 849** Eligibility for State Job Creation Incentives

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February 23rd, 2022

TO: Hon. Vanessa Atterbeary, Chair, and members of the House Ways and Means Committee

FROM: Steven Glasscho, Financial Secretary-Treasurer/ ATU Local 1300

Greetings Chairperson Atterbeary and the members of the House Ways and Means Committee. I would first like to thank this committee for taking the time to address this important piece of legislation and what it can do to get our economy back to running again. It gives the people the hope that with these incentives that we can work together and trust that we are all in this together. With these being trying times with the epidemic we have to do business differently from now on. In supporting this legislation gives the people the feeling that businesses do care about its employees and their well being which gets people excited about going back to work and growing our tax base back to the levels it once was. This could be the tool needed to spark a new industrial revolution one where we work in harmony that creates new opportunities for incredible growth and spur on the economy.

In closing I ask of you to support this incredibly important legislation for a brighter future for the next generation for growth and prosperity of our country and its citizens.

In Solidarity,

Steven Glasscho-Financial Secretary-Treasurer A. M. M. ATU-Local 1300 ATU-Local 1300





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#### Maryland House of Delegates Ways and Means Committee

Chair: Vanessa Atterbeary Vice Chair Alonzo T. Washington

### **House Bill 849** Economic Development – Eligibility for State Job Creation Incentives

Position: SUPPORT

The Baltimore DC Metro Building Trades Council supports HB 849. The American Labor movement is the greatest social movement ever created to confront infant mortality, child labor and poverty. The 8 hour workday, the 40 hour week, weekends, holidays, wages and benefits with health care for themselves and their dependents and retirement to provide a person the means to live a middle class life and achieve the American dream and retire with dignity. House bill 849 will extend the means of achieving those qualities of life that we all strive for and will make them more accessible and attainable to the least of brothers and sisters. There is the obvious correlation of income to poverty, impecuniousness, and penury that only fair wages, benefits and job conditions can absolve. The Labor standards of good faith collective bargaining, prevailing wages, health and retirement benefits, outreach to our under served communities creating a path to the middle class with contractor compliance to Maryland law are what we strive for and promote to achieve. The adoption and protection of these laws will empower the American middle class.

We ask the committee for a favorable vote.

Respectfully,

Jeffry Guido

Baltimore-DC Metro Building Trades Council





## **TESTIMONY IN SUPPORT OF HB849** Eligibility for State Job Creation Incentives

**February 23rd, 2022** 

TO: Hon. Vanessa Atterbeary, Chair, and members of the House Ways and Means
Committee
FROM: Diamonté Brown, President of the Baltimore Teachers Union

#### **SUPPORT**

Dear Chair Atterbeary and members of the House Ways and Means Committee,

On behalf of our over 7,000 members in Baltimore City and Maryland, the Baltimore Teachers Union (BTU) supports HB849 which would apply real job standards to all the tax credits and giveaways that taxpayers give to businesses to create jobs in Maryland. If a business would like some money from the state – or to defer their taxes – and the purpose of this is to encourage job creation, then the jobs they create must: pay at least 150% of state minimum wage (or prevailing wage if it's a covered craft), be located in Maryland, provide career advancement training, guarantee the right to collectively bargain, provide paid leave, be covered by Unemployment Insurance and Workers' Compensation, offer employer provided health insurance, have retirement benefits, and provide fair scheduling.

Without such protections and guarantees in place, these tax credits could help fuel a race to the bottom, putting money into the pockets of people who do not properly compensate or care for their workers. HB849's provisions would ensure that these tax credits actually fulfill their stated intentions by uplifting the people actually doing the work on the ground.

For these reasons we respectfully ask the committee to vote favorably on HB849.

Sincerely,

Diamonté Brown, President Baltimore Teachers Union

Dismont M. Bro

Telephone: (410) 358-6600

Fax: (410) 358-2894

Website: www.baltimoreteachers.org



#### Testimony in Support of HB 849

#### Eligibility for State Job Creation Incentives

February 23rd, 2022

TO: Hon. Vanessa Atterbeary, Chair, and members of the House Ways and Means Committee FROM: Shannon Opfer, President CWA Local 2107 and President CWA MD/DC State Council

Chair Atterbeary and members of the House Ways and Means Committee,

House Bill 849 finally applies real job standards to all the job creation grants and credits in state law. Instead of allowing businesses to promise vague "job creation" it forces them to pay 150% of the state minimum wage which leads to living wages for more Marylanders. It requires them to provide career advancement training, guarantee the right to collectively bargain, be covered by Unemployment Insurance and Worker's Compensation, offer employer provided health insurance, provide fair scheduling and have retirement benefits. This leads to improving workers' lives and creating a strong middle class.

A strong middle class leads to a strong economy and a stronger Maryland. CWA is in STRONG support of this bill and encourages you and the members of the committee to vote for this bill.

Thank you

Shannon Opfer

President CWA Local 2107

President CWA MD/DC State Council

#### Mid Atlantic Studio Mechanics and Broadcast Technicians

I.A.T.S.E. Local 487

OFFICE LOCATION: 2301 Russell St., Baltimore, MD 21230 MAILING ADDRESS: P.O. Box 16315, Baltimore, MD 21210



# TESTIMONY IN SUPPORT OF HB 849 Economic Development - Eligibility for State Job Creation Incentives - February 23, 2022

TO: Hon. Vanessa Atterbeary, Chair, and members of the House Ways and Means Committee

Paul Thomas President

#### **SUPPORT - FAVORABLE REPORT**

Justin Unger Vice President Southern Region Mid-Atlantic Studio Mechanics, Local 487, I.A.T.S.E. respectfully extends its' strong support for House Bill 849, Economic Development - Eligibility for State Job Creation Incentives.

**Len Applefeld** Vice President Northern Region The Mid-Atlantic Studio Mechanics and Broadcast Technicians, Local 487, I.A.T.S.E. represent over 1000 technicians who support themselves and their families working in the Motion Picture and Television Industry in Maryland. We have been longtime supporters of more transparency when it comes to tax credits or job creation incentives.

Ellen Popiel Secretary/Treasurer

> The Film Production Activity Credit is the most transparent incentive in the State and we are proud to have had a hand in creating that along with your Legislative colleagues. With the Film Production Activity Credit, every single dollar spent in Maryland to qualify must be reported and verified before any money is given to the production entity. For any type of incentive to be successful, there must be accountability.

David M. O'Ferrall Business Agent

We respectfully ask for a favorable report on House Bill 849.

#### INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS - LOCAL UNION No. 24

AFFILIATED WITH:

Baltimore-D.C. Metro Building Trades Council — AFL-CIO
Baltimore Port Council

Baltimore Metro Council — AFL-CIO

Central MD Labor Council — AFL-CIO

Del-Mar-Va Labor Council — AFL-CIO

Maryland State - D.C. — AFL-CIO National Safety Council

• GCC/BT 81-S



BALTIMORE, MARYLAND 21230

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#### **TESTIMONY IN SUPPORT OF HB 849**

**Eligibility for Stat Job Creation Incentives** 

February 21, 2022

To: Hon Vanessa Atterbeary, Chair, and members of the House Ways and Means Committee

FROM: Rico Albacarys, Assistant Business Agent IBEW Local 24

Thank you for the opportunity to submit written testimony in strong support of HB 849.

My name is Rico Albacarys and I'm a member and employee of IBEW Local 24 in Baltimore. I have been fortunate enough to spend the last 11 years of my life earning good, family-sustaining wages. Prior to that I struggled to find work that would support a middle-class lifestyle, which is a problem many Marylanders are still facing. Businesses are often rewarded for creating jobs, with no thought given to the type of job that they've created. I believe, if public money is being used to reward businesses for creating jobs, those jobs should come with certain standards. House Bill 849 ensures our tax dollars are used to incentivize the creation of good jobs.

This is why I'm asking you to vote favorably on HB 849.

Thank you,

Rico Albacarys



# INTERNATIONAL UNION OF OPERATING ENGINEERS

Local 99, 99-A, 99-C, 99-O

AFFILIATED WITH THE AFL-CIO

Engineer Center

9315 Largo Drive West, Suite 200, Upper Marlboro, MD 20774 (202) 337-0099

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#### Honorable Delegates,

I ask that this statement be added to the record as my official testimony in support of **House Bill 849**, Eligibility for State Job Creation Incentives. For far too long, the citizens of Maryland have paid the freight for corporate interests who took Government funds and tax breaks with the nebulous promise of job creation. I am the Business Manager of the International Union of Operating Engineers, Local 99, a Local Union with almost 4,000 members headquartered In Largo, Prince Georges County. We have seen the incredible impact that a good job with a future has on working families. If Government funds are to be used to create jobs, we have the right and indeed the duty to insure they are good jobs. There is absolutely no reason we should be using the tax dollars of hard-working Marylanders for the simple promise of jobs. There is nothing in this legislation that precludes any employer from creating low wages jobs, it simply mandates that it will not be done at tax payer expense.

#### What the proposed law does is:

- 1) Provide that any employer who receives state funds will ensure that at a minimum the jobs pay 150% of the State Minimum Wage.
- 2) Be located in the State of Maryland.
- 3) Provide career advancement training.
- 4) Provide paid leave.
- 5) Allow for the exercise of the employees right to collectively bargain.
- 6) Be covered by Unemployment and Workers Compensation.
- 7) Ensure Retirement and Healthcare benefits.

I urge every member to support this important legislation. Your constituents are counting on you to make sure that no state funds are used to establish poverty wages. For decades Maryland been a state that believes in the rights of working people. I ask us, in light of this great legacy, to support **House Bill 849** and stand for working Marylanders.

Thank you for your time and consideration,

Donald P. Havard

**Business Manager** 

International Union of Operating Engineers, Local 99



7050 Oakland Mills Road Suite 180 Columbia, MD 21046

Phone: 410-290-3890 www.midatlanticpipetrades.o

#### **House Ways and Means Committee**

**To:** Delegate Vanessa Atterberry, Chair; Delegate Alonzo Washington, Vice-Chair; and Members of the Committee. **From:** Jason Ascher, Political Director, Mid-Atlantic Pipe Trades Association.

#### **HB 849 – Economic Development – Eligibility for State Job Creation Incentives**

On behalf of the Mid-Atlantic Pipe Trades Association and our 10,000+ United Association of Plumbers and Steamfitter members across Maryland, I ask you to **SUPPORT HB 849**.

Each year the legislature votes to create incentives to help bring development and jobs to the state of Maryland. These tax dollars go to private companies to help build facilities or tax incentives. Meanwhile, in exchange, these companies create jobs or bring businesses with employees who pay taxes and spend money in the state. The problem is that these construction jobs are often filled with low-wage or out-of-state workers, and the permanent jobs are low-wage with little or no benefits. As a result, when trying to create businesses, workers are always left behind in favor of helping the business owners make more significant profits. HB 849 will help solve this problem.

HB 849 will require all job creation incentives to include labor standards that prioritize workers and protect the community. It would require family-sustaining wages, paid leave, offer employer-provided health insurance, the right to collectively bargain, applies labor peace standards on the job site, and provides retirement benefits, along with several other protections. This legislation would ensure that tax dollars spent on job creation benefit everyone, businesses, workers, and taxpayers. When workers earn better wages, they can spend more money helping local businesses and tax coffers in the community.

For these reasons, I ask you to SUPPORT HB 849.

Sincerely,

Jason Ascher Political Director Mid-Atlantic Pipe Trades Association 7050 Oakland Mills Road, Suite 180 Columbia, MD 21046

#### MID-ATLANTIC PIPE TRADES ASSOCIATION



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### Metro Washington Labor Council, AFL-CIO

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23 February 2022

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House Ways and Means Committee 6 Bladen Street House Office Building Room 131 Annapolis, Maryland 21401

#### TESTIMONY IN SUPPORT OF HB 849 Eligibility for State Job Creation Incentives

Madam Chair Atterbeary, Vice Chair Washington, and esteemed members of the House Ways and Means Committee, I am writing to you today in **support** of House Bill 849.

House Bill 849 is essential to ensuring the continued growth of Maryland's economy and workforce as we all work together to recover from a devastating two-year pandemic. Since March 2020, many of the workers that the Metropolitan Washington Council AFL-CIO represents have lost jobs and are living off their savings, pension, and retirement to supplement their incomes. The passage of HB 849 would encourage the growth of businesses across the state and further provide well-paying jobs needed by so many in the state. In addition, these businesses would benefit from top-level work products from a well-trained workforce.

In closing, HB 849 has the potential to set a new standard for businesses and workers across Maryland. Now is the time to grow Maryland businesses and, more importantly, get Maryland workers back to work. Thank you for your time and consideration. I urge the House Ways and Means Committee to vote favorably on House Bill 849.

In Solidarity,

Dyana Forester President Metropolitan Washington Council AFL-CIO LARRY KASECAMP Legislative Director

TOM CAHILL Assistant Director

JOHNNY WALKER Secretary



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February 23, 2022

The Honorable Chairwoman Vanessa E. Atterbeary and Members of the House Ways & Means Committee

#### REPRESENTATIVES

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BRUNSWICK Local 631 TOM CAHILL

EDMONSTON Local 1470 KENZELL CRAWFORD

BALTIMORE Local 610 JOHNNY WALKER

Local 1949 ERIC BILSON

#### RE: SUPPORT FOR HB-849

As Legislative Director in Maryland for the Transportation Division of the International Association of Sheet Metal, Air, Rail and Transportation Worker's (SMART) we urge your committee to support HB-849 "Economic Development - Eligibility for State Job Creation Incentives."

This legislation lays the groundwork for minimum standards to be met by businesses who receive grants or tax credits from the state in exchange for creating or maintaining jobs. It would also require the businesses to keep the state informed as to their success of these requirements.

Maryland, as one of the richest states in the nation, should not be supporting businesses with the peoples tax dollars that don't provide at least 150% of state minimum wage (or prevailing wage if it's a covered craft), be located in Maryland, provide career advancement training, guarantee the right to collectively bargain, provide paid leave, be covered by Unemployment Insurance and Workers' Compensation, offer employer provided health insurance, have retirement benefits, and provide fair scheduling. These conditions are really basic to insuring employees don't live in poverty.

Over the last several years, at the federal level the country has moved in the wrong direction when it comes to policies that benefit the working class. The wealth gap has widened and the persons on the lower end of the spectrum have suffered the most. It's time to change this direction.

Maryland has a history of leading when it comes to progressive policies that benefit Marylanders. This legislation would ensure that Maryland continues to lead and would set an example for other states to follow.

We urge a favorable report for HB-849

Sincerely.

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Lawrence E. Kasecamp MD State Legislative Director SMART Transportation Division





# United Food & Commercial Workers Union A voice for working people in Maryland, Virginia, Washington, D.C., West Virginia, Ohio, Kentucky & Tennessee

#### **Testimony in Support of HB 849**

#### **Economic Development – Eligibility for State Job Creation Incentives**

TO: Hon. Chair Atterbeary, Vice Chair Washington, and members of the House Ways and Means Committee

FROM: Kayla Mock, Political Organizer

United Food and Commercial Workers Union, Local 400

Chair Atterbeary and members of the House Ways and Means Committee, I appreciate the chance to share my testimony on behalf of our over 10,000 members in Maryland, working on the front lines of the ongoing pandemic in grocery, retail, food distribution, law enforcement, and health care. The physical and mental toll of the pandemic on our members has been unprecedented, and I appreciate any effort to acknowledge and alleviate these pressures.

#### We support HB 849 and urge you to vote it favorably.

As always, the least among us have been the most impacted by the pandemic, and our members, by being on the front lines, were hard hit by exposures and illness. Our members were finally recognized as the heroes they are, showing up for work and serving the community through the uncertainty.

It is time for Maryland to show up for workers the way workers always show up for Maryland and passing HB 849 to hold companies accountable is a way to start.

So often workers and taxpayers receive false promises of "good job creation," jobs with sustainable wages, affordable healthcare, and quality paid time off from companies advocating for tax breaks. We often hear from businesses that tax incentives will help them invest in the

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# **Jnited Food & Commercial Workers Union**

A voice for working people in Maryland, Virginia, Washington, D.C., West Virginia, Ohio, Kentucky & Tennessee

communities and their employees. However, the truth is that most tax breaks for businesses never trickle down to the employees; they stay in the pockets of the owners or get diverted for other business needs. Good jobs always seem to be used as a carrot, and then tossed aside after the tax breaks are given.

HB 849 holds companies who receive job creation tax credits and grants under current state law accountable to Maryland workers and taxpayers by applying real job standards to them. Instead of good jobs being used as an unachievable carrot, with HB 849 businesses would have to use that money to create jobs that pay at least 150% of state minimum wage (or prevailing wage if it's a covered craft), be located in Maryland, provide career advancement training, guarantee the right to collectively bargain, provide paid leave, be covered by Unemployment Insurance and Workers' Compensation, offer employer provided health insurance, have retirement benefits, and provide fair scheduling.

Good, sustainable jobs will no longer be held up as a carrot to receive tax breaks; they will be real, obtainable, life changing jobs for Marylanders.

On behalf of our members and all of Marylanders, we urge a favorable report for HB 849.

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