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Patrick Moran - President

Testimony
HB 698 – Labor and Employment - State Minimum Wage Rate - Increase
Economic Matters
February 22, 2022
Support

AFSCME Council 3 stands in support of HB 698. This bill would accelerate the increase in the State’s minimum wage to \$15 per hour by July 1, 2022, as well as removing the Board of Public Works ability to suspend wage increases.

Accelerating the phasing in of a \$15.00 an hour minimum wage will be advantageous for the State. Inflation is undercutting any economic gains in the lower income tiers. The wage gap between the lowest and highest wage earners continues to be exacerbated, leading to a wholesale reconsideration of the “worth” of job sectors that have traditionally been able to rely on minimal wages and employee supports. This has led to numerous small businesses and retail outlets suffering from lack of staffing, harming their ability to generate economic activity and growth.

AFSCME Council 3, representing 30,000 employees in Maryland, strongly believes that by raising the minimum wage, you fortify and improve the living standards for all workers in Maryland. In addition to increasing the personal income, it would decrease employee turnover, increase local consumption, and decrease the number of persons receiving social welfare. Moreover, a \$15.00/hr wage floor would boost consumer spending. Council 3 and our labor siblings Council 67 and Local 2250 represent public employees working in our schools, in state and local governments – Marylanders that live paycheck-to-paycheck - existing too close to the poverty line, often folks who must hold down two or three jobs outside of their full-time government employment to make ends meet. Impoverished families are excessively burdened and by financial constraints increasing stress levels and decreasing the amount of time spent enjoying time with family and loved ones. All workers in Maryland deserve better.

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

Some may suggest that small businesses are not in favor of a higher minimum wage, but in fact small businesses see first-hand the importance of paying decent wages and treating their workers fairly. They also know that low-wage workers will spend their increased wages in the communities where they live and are able to be better employees at work without dealing with the inevitable stresses of finances. In Maryland, we are seeing a trend - more and more small and large businesses are choosing Maryland as a place to grow their business. These companies realize the importance of paying workers a livable wage and many have publicly announced their commitment to doing so. Our state should follow suite.

Increasing Maryland's minimum wage to \$15 by July 2022 will help workers meet their basic needs and join the growing list of states, cities and counties across the country that have already enacted legislation increasing the state's minimum wage. It is time for Maryland to continue to once again lead by example.

For these reasons, AFSCME Council 3 supports this bill and requests a FAVORABLE report on HB 698.