



MARYLAND STATE & D.C. AFL-CIO

AFFILIATED WITH NATIONAL AFL-CIO

7 School Street • Annapolis, Maryland 21401-2096

Office. (410) 269-1940 • Fax (410) 280-2956

President

Donna S. Edwards

Secretary-Treasurer

Gerald W. Jackson

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

SUPPORT

**Donna S. Edwards
President**

Maryland State and DC AFL-CIO

Chairman and members of the Committee, thank you for the opportunity to submit testimony in support of HB 698 – Labor and Employment – State Minimum Wage Rate - Increase. My name is Donna S. Edwards, and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of Maryland’s 340,000 union members, I offer the following comments.

If Congress had continued to increase the minimum wage in line with productivity growth since 1968 (the historical high point of the minimum wage), today it would be over \$22 per hour¹. Our lowest paid workers have not enjoyed the increase in wealth in this country, nor are they the recipients of the benefits of their increased productivity.

The General Assembly had the foresight to pass “Fight for \$15” in the 2019 Session with a slow phase-in of the minimum wage increase until we reached \$15 per hour by 2026. Additionally, The Board of Public Works was given the ability to stop the annual phase-in, should they determine that it was somehow having a deleterious effect on business in the State. This was groundbreaking legislation for Maryland, and a great start on the path toward honoring the dignity of workers. Workers, however, need the process to accelerate.

With HB 698 we have the opportunity to undo the unnecessary phase-in and bring up the minimum wage to \$15/hour starting this summer, to give more relief to low-paid workers and their families. The bill also removes the BPW from any ability to stop workers from getting the wages owed for their labor. HB 698 fixes “Fight for Fifteen” by bringing the wage up to where it should have been set in 2019 and removes unneeded bureaucracy from the process.

¹ <https://www.epi.org/blog/the-minimum-wage-has-lost-21-of-its-value-since-congress-last-raised-the-wage/>

A common criticism of a minimum wage increase is that “these are jobs held by teenagers”. However, that is only true of 20% of those who are paid minimum wage. 80% of minimum wage workers are over the age of 18, with half of them being over the age of 25². In fact, the typical worker who would benefit from a \$15 minimum wage is a *35-year-old woman with some college-level coursework who works full time*³. Low pay creates “the working poor” – those who hold down two, and sometimes three, jobs just to make ends meet.

The time to raise the minimum wage to \$15/hour is now.

For frontline workers, for working families struggling to make ends meet, and for the good of Maryland’s entire economy, we ask for a favorable report on HB 698.

² Bureau of Labor Statistics

³ Economic Policy Institute - <https://www.epi.org/publication/why-america-needs-a-15-minimum-wage/>