



Ocean City, Maryland Chamber of Commerce

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TESTIMONY OFFERED ON BEHALF OF THE GREATER OCEAN CITY CHAMBER OF COMMERCE

IN SUPPORT, WITH AMENDMENTS, TO: HB0549 – Fair Wage Act of 2023

Before:

House Economic Matters Committee
Hearing: 2/27/23 at 1:00 PM

On behalf of the Greater Ocean City Chamber of Commerce, representing more than 750 regional businesses and job creators, we are writing to express our **support of House Bill 0549 – Fair Wage Act of 2023, with an amendment to remove the CPI provision.**

Given the nature of the current workforce market, our member businesses are paying \$15/hour (or more, in many cases) to attract staff, so the acceleration of the increase to \$15/hour by October 1, 2023, would not materially affect our members.

However, we respectfully request the General Assembly modify Maryland’s future minimum wage increase by removing the tie to the Consumer Price Index (CPI). By definition “Consumer Price Index” is measured in the DC-VA-MD-WV Metropolitan Area, which is not inclusive of our region, the rural Eastern Shore of Maryland.

This ‘set-it and forget-it’ mentality of attaching the minimum wage to annual increases in the consumer price index (CPI) is viewed as problematic for multiple reasons. States already have very little influence over the health of their economy as they lack the ability to influence monetary policy. Setting Maryland’s labor costs on a perpetual year-over-year increase erects yet another barrier to the Governor’s and legislature’s ability to aid the state during economic stress. These perpetual increases in labor costs add instability and risk to our economy at a time when employers and employees can least afford it.

2/23/2023

HB0549

For these reasons, we strongly urge the Committee to **report HB0549 favorably with an amendment to reject the problematic CPI provision.**

Should the Committee require any additional information, please contact me or Dennis F. Rasmussen, dfr@rasmussengrp.net or 410-821-4445.

Respectfully,

Amy Thompson
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