

## **Fair Wage Act of 2023**

**Bill Sponsor:** Senate President Ferguson

**Committee:** Finance Committee

**Organization Submitting:** Lower Shore Progressive Caucus

**Person Submitting:** Jared Schablein, LSPC Chair

**Position:** FAVORABLE

I am submitting this testimony in favor of SB0555 on behalf of the Lower Shore Progressive Caucus. The Caucus is a political and activist organization on the Eastern Shore, unaffiliated with any political party, committed to empowering working people by building a Progressive movement on the Lower Eastern Shore.

As we speak our economy faces two significant issues. The first of these issues is that Inflation is the highest it has been in over 40 years, and wages are not increasing fast enough to match the rising cost of living. This is resulting in low wage earners on the Eastern Shore and around the state having to work two to three jobs just to stay afloat.

The second issue is that small businesses are struggling to retain employees due to paying lower wages than many large businesses. That means small businesses are at a competitive disadvantage. This is being seen in a big way on the Shore where due to low wages so many Shore businesses are struggling to find workers because of the low salaries they offer.

The solution to these problems is the passage of this bill because when low wage earners get a raise, they are most likely to immediately spend that money on basic-necessities and goods & services in the local economy. The increased customer base combined with increased spending

in the local community will be *good* for businesses. There is data to back this up the idea that Raising wages will boost the economy as we recover from the economic crisis caused by COVID19. Raising the minimum wage will circulate \$2.6 billion in the Maryland economy through increased consumer spending. It will also lift 152,000 children up the economic ladder, meaning better pay earlier in life.

The Eastern Shore needs this committee to stand with Governor Moore and pass this bill. 90% of minimum wage workers are over the age of twenty and half of the workers who will benefit from this raise are women and people of color, helping to narrow the gender and racial pay gap.

It is for these reasons the Lower Shore Progressive Caucus supports this bill and recommends a **FAVORABLE** report in committee.