

## Hearing Testimony March 2, 2023 Senate Finance Committee Service Employees International Union, Local 500, CtW, CLC

## Senate Bill 555 - Fair Wage Act of 2023

## **SUPPORT**

Good afternoon, members of Senate Finance Committee. My name is Pia Morrsion and the President SEIU Local 500, a Montgomery County Schools employee and a proud Prince George's County Resident. SEIU Local 500 represents over 20,000 working people in Maryland, Washington D.C., and Virginia. Our union represents the support staff at the Montgomery County Public School system, Family Child Care Providers, Faculty and Staff at several Maryland colleges and universities, staff at non-profits and many other working people across the region. SEIU Local 500 enthusiastically supports Senate Bill 555 the Fair Wage Act of 2023. We thank Governor Moore for making this one of his legislative priorities during his first term as Governor. While all our members at SEIU Local 500 that are paid hourly are already making \$15 an hour we, like the Governor, believe a rising tide lifts all boats.

For months, Maryland's workers have been contending with inflation, rising costs, and stagnant wages that make it difficult to meet basic needs such as housing, groceries, and child care. Even before today's economic volatility, however, the fact is that nowhere in Maryland can a single adult who works full time achieve a basic standard of living on less than \$15 per hour. Families with children face even bigger challenges, and today 1 in 10 kids in Maryland has a parent earning less than \$15 per hour. I'm willing to bet that every single person here today would agree that Maryland's families deserve financial security.

Yes, the state's General Assembly has laid the groundwork for a \$15 minimum wage by 2026, Maryland's workers simply cannot afford to wait 2-3 more years before it goes into effect. We are grateful to see that during the first term of the Moore Administration he is taking on the serious responsibility of ensuring that those earning the state's basement wage are lifted. This effectively gives our state legislators the power to raise wages for 9% of the state's workers. Just as important is Governor Moore's proposal to index wages to the Consumer Price Index (CPI) to make sure that pay keeps pace with the cost of living here on out. Without indexing low-income families will experience a pay cut every year that Maryland experiences inflation.

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If SB 555 is passed almost a quarter of one million Maryland workers will receive a pay increase – including women, communities of color, and households on the poverty line. This will bring in an additional \$216 million that will go into the state's economy. Additionally, this legislation would guarantee increased economic security for 151,000 children who live in households that would see their income increase. This is 11% of all kids in Maryland.

Additionally, this policy is overwhelmingly popular with voters in Maryland. According to polling conducted by HITstrategies in 2023, approximately 80% of Maryland voters support Governor Moore's proposal to both accelerate but also index the minimum wage to ensure that minimum wage will rise with the cost of living.

It's no secret that the business community has voiced concerns over the wage increase. But extensive research on the topic makes clear that increased wages benefit local businesses by resulting in additional spending. Fairly compensated workers free from the stress of figuring out how they will make rent or afford groceries are positioned to help a business increase its productivity. It also results in reduced turnover and cultivates a stable, experienced workforce.

With so many of Maryland's workers facing economic insecurity, we are counting on our legislators to alleviate the growing financial burdens on our communities. Today, we join the chorus of calls urging Maryland's legislators to help Maryland's working families put food on the table, to make sure they can pay for housing, and to assist parents in providing their children with the toys, books, clothes, and tools needed to succeed in school. We call on the legislature to support Maryland's working families, we can help Maryland's families do more than survive—together, we can move one step closer to securing a fair wage for our workers and help ensure our state thrives.

Members of the Senate Finance Committee, we can, and we must do better. <u>We ask for your</u> support for SB 555 and strongly urge a favorable committee report. Thank you each for your dedication to our state and for considering our testimony.

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