



Delaware-Maryland Synod
Evangelical Lutheran Church in America
God's work. Our hands.

Testimony Prepared for the
Finance Committee
and the
Budget and Taxation Committee
on
Senate Bill 555
March 2, 2023
Position: **Favorable**

Misters Chairmen, and members of the Committees, thank you for this opportunity to testify about the right to a sufficient livelihood. I am Lee Hudson, assistant to the bishop for public policy in the Delaware-Maryland Synod, Evangelical Lutheran Church in America. We are a faith community with three synods in every part of our State.

As advocates for living wages in numerous prior sessions of the General Assembly, we have supported the use of public funds to pay adequate wages. A reduced standard of living as public policy is paying for poverty. It won't help the State's economy, or State finances, to increase demand for public assistance with its labor market.

The current minimum wage scale in Maryland does not adequately reflect a minimum living wage, that is, the cost of survival in Maryland's prosperous context. That means it has fallen below an actual cost-of-living.

Further, the current U.S. inflationary episode is detached from wage. Workers are being edged toward the margins independent of their work-value and -opportunity. The only consensus policy for addressing inflation is wage suppression. The signature of inequity, therefore, is rising costs and flat, or declining wages. Meaning everything is extracting value out of the working economy except workers.

Wage suppression is a rush to the bottom, an economic dystopia that shifts the costs of a sufficient livelihood (which is the stated interest of our community) onto the public. **Senate Bill 555** modestly adjusts these givens by accelerating a State minimum wage increase previously agreed to by the MGA. Its indexing provision *may*, according to DLS, result in a wage increase of about \$3 over ten years. No one really expects actual living costs to be as moderate. So, the modesty of this bill's effect argues for its reasonableness; and the timeliness of its influence on wage floors, for its relevance. We urge your favorable report.

Lee Hudson