

Testimony to the Senate Finance Committee SB994 - The Maryland Predictable Scheduling Act Position: Favorable

3/11/2024
The Honorable Pam Beidle, Chair
Senate Finance Committee
3 East, Miller Senate Office Building
Annapolis, MD 21401
cc: Members, Senate Finance

Chair Beidle and Members of the Committee:

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a people-centered movement to expand economic rights, housing justice, and community reinvestment for working families, low-income communities, and communities of color. Economic Action Maryland provides direct assistance today while passing legislation and regulations to create systemic change in the future.

I am writing to urge your favorable report on SB994, the Maryland Predictable Scheduling Act, which would provide stability and reliable wages for workers of large companies, require employers to compensate their employees for altering their schedule at the benefit of the company, and establish practices that allow workers to more easily demonstrate their rights in the workplace.

Unpredictable scheduling takes a tremendous toll on both the personal and financial lives of employees. Large companies are able to prioritize profit over their employees in the short run through "just-in-time scheduling" and cutting hours last minute. Nearly one in five wage and salary workers over the age of 15 know their schedules less than one week in advance. Although it might seem arbitrary to some, unpredictable scheduling makes it impossible for many workers to make plans in advance, impacting their familial and social lives. This leads to disparities in mental health outcomes. One study found that employees with the most unpredictable schedules were twice as likely to report psychological distress than employees with stable schedules.

Unpredictable scheduling also impacts the financial stability of workers. Three in four hourly wage workers between the ages of 26 and 32 report that their hours fluctuate from week to week, which means that, not only are their hours unpredictable, but their income is too. Additionally, the fluctuation of hours often means that workers can lose access to social safety net programs like SNAP and TANF due to hourly work requirements. For example, for most workers to qualify for SNAP in Maryland, they need to work at least 20 hours every week, with no averaging. So, if an employer decides to cut hours for just one week without an employee's consent, they lose access to both wages and SNAP benefits. This is especially problematic considering the racial disparities within this issue, with Black and Hispanic women being the most likely groups to face unpredictable scheduling.

The pandemic made it clear that essential workers keep our country running. They should be treated with respect and adequately compensated for their time and dedication to the companies they work for. This first fiscal quarter alone, Starbucks has made over \$1 billion in profit, yet they consistently practice



"just-in-time" scheduling and cut hours last minute to ensure profit maximization. The employers that this bill targets are not mom and pop small businesses, they are companies with over 500 workers that can afford to compensate their employees for these kinds of scheduling adjustments.

Lastly, I just want to share a story from my older brother who has worked in retail for over a decade. When my older brother Kevin worked at Teavana at the Towson mall, the working environment was so bad that all of the key holders except for my brother left. Kevin, who was at the time making \$12 an hour as an assistant manager, needed to keep his job to pay his way through school at Towson. As the only keyholder left, he had to open and close the store every day for three consecutive weeks. However, because he was a part time employee limited to 35 hours a week, and because upper management did not want to pay him overtime, he was scheduled to come in and open every morning, work for a few hours, get off, and then come back at night to close the store. He did not receive any additional compensation for this work. This is not an uncommon occurrence, in fact it happened to my other older brother who worked at a Starbucks. He was the only keyholder left after mass quitting and missed my dad's birthday dinner despite requesting off because he was the only person who could close the store. These stories might seem arbitrary to some, but everyone should be allowed some semblance of work-life balance, or at least be compensated when that balance is uneven. Business practices like these allow multi million dollar companies to pinch pennies at the cost of employee mental health.

For these reasons, I urge a favorable report on SB994.

Best, Zoe Gallagher, Policy Associate

