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SB 994 - Maryland Predictable Scheduling Act

Senate Finance Committee

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SUPPORT

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Maryland State and DC AFL-CIO

Madame Chair and members of the Committee, thank you for the opportunity to submit testimony in support of SB 994. My name is Donna S. Edwards, and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of Maryland's 300,000 union members, I offer the following comments.

SB 994 offers quality of life and peace of mind to workers by offering "predictability pay" for last minute schedule changes by employers. Covered employers must provide two weeks advance notice of employee's schedules. Schedules must also include sufficient rest of 11 hours between closing and opening shifts or provide time and half pay. These systems work in tandem to incentivize employers to schedule workers responsibly and work to resolve scheduling issues in advance. Without SB 994, workers in the restaurant, retail, and hospitality businesses have difficulty anticipating pay, planning beyond a day or two, adjusting childcare and establishing a healthy work life balance.

New technology allows businesses to track sales and customer data with precise details. Some employers use algorithms based on predicted customer traffic to maintain the least amount of staff possible by scheduling workers for minimal hours requiring them to be on call at the last minute or directing them to leave shifts early. These algorithms can be used to provide workers better schedules if given the right incentives. Companies with 500 or more employees nationwide or 30 or more restaurant establishments typically use digital scheduling and payroll processing services that can easily comply with the bill's requirements. Some payroll and scheduling softwares have the ability to help minimize the number of shifts that would result in premium pay for workers, helping businesses to save money while offering employees better schedules. David Reischer, an Attorney and CEO of LegalAdvice.com, said that "Employers benefit from a lower turnover rate when workers have greater job satisfaction by knowing their schedule."

Jobs offering unpredictable and unstable work schedules are more likely to be filled by women, especially women of color. She is more likely to face wage gaps and chronic economic loss from being in low paid jobs and she is most likely a single mother. The volatile scheduling complicates and stifles her ability to plan for her children's safe care, attend training or classes to improve skills or even hold a

second job to keep her family economically stable. A study conducted at the University of California demonstrates that one policy change makes a huge difference: making employers guarantee that workers' schedules are at least two weeks in advance and compensate workers for last-minute changes.

Opponents of predictable scheduling legislation blame staffing shortages as the real culprit behind bad schedules. But an article in Restaurant Dive last year states "Most workers are leaving the restaurant industry for these three reasons: to receive higher pay (28%); for access to a more consistent schedule/income (23%); and because they lack access to professional development and promotional opportunities (17%), according to Black Box/Snagajob." To solve the staffing shortages, we must address predictable scheduling.

Studies and the industry's own data demonstrate that fair scheduling promotes retention, better economic and well-being for the workers, and improves the industries' staffing shortages. A National Bureau of Economic Research paper following the lives of workers in Emeryville, California after their fair scheduling law was implemented found no effect on the total hours worked per week, but found that it "successfully lowered the frequency of changes in shift start times and end times and in surprise shifts that got added to workers' schedules at the last minute." If our state values and respects the dignity of all work, the requirements within this bill should be completely non-controversial.

We urge a favorable report on SB 994.