



TO: The Honorable Dereck E. Davis, Chairman
Members, House Economic Matters Committee

FROM: Shawn McIntosh
Executive Director, Sugar Free Kids Maryland
Representing LOCAL Maryland

DATE: March 10, 2020

RE: **Opposed** – House Bill 965 –
Labor and Employment – Minimum Wage – Allegany and Garrett Counties

I am writing as the lead representative of LOCAL (Let Our Communities Act Locally) Maryland, a statewide coalition of community, labor, faith, and business organizations, committed to protecting the ability of local elected officials to pass laws that support healthy families, a clean environment and good jobs for the people of our state. Because our membership includes organizations from multiple sectors, ranging from the American Heart Association to the Maryland Center for Economic Justice, there is a broad spectrum of positions on minimum wage legislation. Our stance as a coalition is not based on the merits of various wage rates, but instead on a philosophy that the state law should be setting a universal floor and that local jurisdictions should have the ability to exceed it.

Maryland law does not allow for a locality to set a standard that is lower than what the state has set. There are good reasons for that and setting precedent to allow counties to adopt lower standards would be a slippery slope. What would be next? Perhaps the counties of the Eastern Shore would like to have looser gun restrictions? Maybe we could pass a law that would allow certain localities to have more relaxed lead paint restrictions because it's just too costly to pay for remediation?

In July of 2019, the U.S. House of Representatives passed a \$15 minimum wage bill that, if it were to become law, would make the federal minimum wage \$15 by 2025. It has not passed in the US Senate, and most likely will not in the next year. If it were to pass any time soon, that wage rate would set a new floor for Maryland that reaches \$15 before the current state law would. The federal law would preempt any state or locality from setting a lower minimum wage. How would we reconcile this law with the new federal standard?

LOCAL Maryland recognizes that one size will not always fit all when it comes to our state laws. Maryland's cities and counties are extremely diverse. Counties and cities should have the ability to pass laws that support healthy families, a clean environment and good jobs for people in the community. However, just as we think that local governments need the ability to respond to cost of living changes with wage increases, we also believe in the state's role in assessing the needs of all Maryland residents and setting the minimum standards to meet those needs. We do not support local government attempts to go below standards set by the state legislature.

The business community argued for preemption of local wage laws in 2019, stating that having a patchwork of wage regulations is too difficult and it will cause businesses to leave Maryland. Now, the business community would have you believe that these two counties need their own, lower wages. The patchwork of regulations argument is clearly one of convenience. Therefore, LOCAL Maryland opposes HB 965.