

Brigette Dumais

Testimony on HB965

Labor and Employment - Minimum Wage - Allegany County and Garrett County

Position: UNFAVORABLE

Chair Davis and Members of the Economic Matters Committee,

My name is Brig Dumais and I was a Business Organizer with the Fight for 15 Coalition. I am very proud we finally passed a \$15/hour minimum wage¹ in the 2019 Legislative Session, and it is disappointing to see yet another bill proposed to gut the minimum wage increase. Many compromises were made to get the Fight for 15 bill passed, so it is disheartening that efforts to further weaken the wage increase are still being pursued. There are so many important issues to address in Maryland, so it doesn't feel like a productive use of everyone's time and resources to have the same debate every year, especially because we haven't even reached the \$15/hour minimum wage yet. Let's honor the compromises that were made in the original bill and continue to move forward together.

HB965 sets a bad precedent. Adding additional carve-outs after the Fight for 15 bill has already passed will create a slippery slope to further eroding the \$15/hour minimum wage, leaving more and more working families behind. The wage floor was set at \$15/hour because that is the bare minimum needed to cover the cost of living across Maryland. In both Allegany County and Garrett County, a worker needs to earn from \$15.51 to \$16.71 to afford their basic necessities². Ethically speaking, workers deserve to earn a living wage regardless of their zip-code. It is unfair to the residents of Allegany and Garrett Counties to pass legislation telling them they deserve less than everyone else.

In addition to the harm lowering the wage floor can do to working families, creating a different minimum wage in different regions will have an adverse impact on small businesses as well. Regional minimum wages make it difficult for employers to attract and retain employees because workers will prefer to work in counties with higher wages; and regional wages undercut the boost in consumer spending that comes when workers earn living wages, denying businesses of much-needed customers.

Keeping Maryland's minimum wage at \$15/hour minimum wage will be good for business and spur economic growth because:

¹ ...and my personal opinion is that the bill did not go far enough.

² Maryland Center on Economic Policy, Report: "*What a \$15 Minimum Wage Would Mean for Maryland*"

Workers are consumers too. If thousands of people are not earning a living wage, they are not able to spend money at local businesses because they are living paycheck to paycheck. Raising wages enables low wage workers to contribute to the economy.

Keeping wages low puts small businesses at a competitive disadvantage because people make purchases based on what they can afford, and bigger businesses tend to have lower prices.

Higher wages reduce the overall cost of business. Jobs that pay the lowest wages have the highest turnover rates. Retaining employees long term by paying them living wages ultimately saves money by reducing the costs of recruitment and training-- both of which are costly for business owners. Furthermore, long term employees make fewer mistakes, have increased productivity, and produce less waste, saving businesses owners even more money.

Living wages mean better customer service. When workers are less stressed about their income, they are more attentive on the job and more friendly to customers. Workers feel valued when they earn a living wage, and when they feel valued they will contribute more to the success of the business.

Lower poverty rates reduce the strain on social safety-net programs. When workers can't pay their bills, they are often forced to rely on programs like Section 8, SNAP, etc. While it is good to have these programs as a safety net, it is not sustainable for workers to have to rely on them long term, so businesses need to pay their employees enough that they will not need such programs to survive.

Our economy is only as strong as the lowest paid worker. When workers do well, businesses do well.

Lastly, I'd like to address a question posed by a member of The Committee when I was testifying in opposition to another bill diminishing the \$15/hour minimum wage last week. The question to the panel was "What are you so afraid of"? We are not afraid. We have an obligation to defend working people and we stand by our convictions because we know low income Marylanders are struggling, and that a \$15/hour minimum wage will improve their quality of life. Working people cannot afford for this Committee to weaken the \$15/hour minimum wage, so we will continue to advocate for living wages for as long as it takes. Fight for 15 isn't just a catchy slogan, it's a moral imperative.

I strongly urge the Committee to issue an unfavorable report on HB965.

Sincerely,

Brigette Dumais

410-693-3313

bridgettekimberly@gmail.com

718 Homestead Street, Baltimore, MD 21218