



MONTGOMERY COUNTY, MARYLAND
WOMEN'S DEMOCRATIC CLUB

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House Bill 549 – Fair Wage Act of 2023
Economic Matters Committee – February 27, 2023
SUPPORT

Thank you for this opportunity to submit written testimony concerning an important priority of the **Montgomery County Women's Democratic Club (WDC)** for the 2023 legislative session. WDC is one of Maryland's largest and most active Democratic clubs with hundreds of politically active members, including many elected officials.

WDC urges the passage of [HB0549](#). This bill will expedite the implementation of the State \$15 hourly minimum wage so that it will take effect on October 1, 2023, for both large and small employers, instead of January 1, 2025, for large employers and July 1, 2026, for small employers. This bill also requires that the minimum wage shall be increased by the average percentage growth in the Consumer Price Index (CPI) or 5 percent, whichever is less, beginning July 1, 2025, and for each twelve-month period thereafter. As provided under current law, the Board of Public Works may temporarily suspend an increase in the minimum wage rate if the Board determines that seasonally adjusted total employment is negative.

This bill will ensure that hard working Marylanders will not have to wait to receive a fair wage. By providing for annual wage increases based on the CPI, the wages of lower-income workers will keep pace with inflation without legislative action – something the current minimum wage law does not do.

A job should lift families out of poverty, not keep them in it. Over sixty percent¹ of low-wage workers are women, many working full-time and supporting families. This bill will help reduce their dependence on social safety-net programs that are financed by our tax-payer dollars and subsidize those businesses that pay low wages. It will also help close gender-based pay gaps. In addition, raising the minimum wage will be good for the Maryland economy. An estimated \$2.6 billion will circulate through increased spending by low-wage workers who spend most of their incomes on basic necessities,² often at local businesses. Studies show that when hourly wages are increased to \$15, businesses can attract more potential workers, overall jobs are not lost, and businesses do not close.³

We ask for your support for HB0549 and strongly urge a favorable Committee report.

Diana E. Conway
WDC President

Ginger Macomber
WDC Advocacy Committee

¹ Maryland Women: A Status Report (April 2021). *Maryland Commission for Women*. https://dhs.maryland.gov/documents/MD-Women-A-Status-Report_FIN-2.pdf

² [Maryland Center on Economic Policy Report](http://ff15maryland.org/the-facts/) – The Facts. <http://ff15maryland.org/the-facts/>

³ Ibid.