



Hearing Testimony February 27, 2023
House Economic Matters Committee
Service Employees International Union, Local 500, CtW, CLC

House Bill 549 – Fair Wage Act of 2023

SUPPORT

SEIU Local 500 represents over 20,000 working people in Maryland, Washington D.C., and Virginia. Our union represents the support staff at the Montgomery County Public School system, Family Child Care Providers, Faculty and Staff at several Maryland colleges and universities, staff at non-profits and many other working people across the region. **SEIU Local 500 enthusiastically supports House Bill 549 the Fair Wage Act of 2023.** We thank Governor Moore for making this one of his legislative priorities during his first term. We are grateful that all SEIU Local 500 members who are paid hourly are already making \$15 an hour. But the fight for \$15 belongs to all of us, and we, just like the Governor, believe a rising tide lifts all boats.

For months, Maryland's workers have been contending with inflation, rising costs, and stagnant wages that make it difficult to meet basic needs such as housing, groceries, and child care. Even before today's economic volatility, however, the fact remains that nowhere in Maryland can a single adult who works full time achieve a basic standard of living on less than \$15 per hour. Families with children face even bigger challenges, and today 1 in 10 kids in Maryland has a parent earning less than \$15 per hour.

Yes, the state's General Assembly has laid the groundwork for a \$15 minimum wage by 2026, but Maryland's workers simply cannot afford to wait 2-3 more years before it goes into effect. We are grateful to the Moore Administration for taking on the serious responsibility of ensuring that those earning the state's basement wage are lifted. This effectively gives our state legislators the power to raise wages for 9% of the state's workers. Just as important is Governor Moore's proposal to index wages to the Consumer Price Index (CPI) to make sure that pay keeps pace with the cost of living here on out. Without indexing low-income families will experience a pay cut every year that Maryland experiences inflation.

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If HB 549 is passed, almost a quarter of one million Maryland workers will receive a pay increase – including women, communities of color, and households on the poverty line. This will funnel an additional \$216 million into the state’s economy. Additionally, this legislation would guarantee increased economic security for 151,000 children who live in households that would see their income increase. This is 11% of all kids in Maryland.

It’s no secret that the business community has voiced concerns over the wage increase. But extensive research on the topic makes clear that increased wages benefit local businesses by resulting in additional spending. Fairly compensated workers free from the stress of figuring out how they will make rent or afford groceries are positioned to help a business increase its productivity. It also results in reduced turnover and cultivates a stable, experienced workforce.

With so many of Maryland’s workers facing economic insecurity, we are counting on our legislators to alleviate the growing financial burdens on our communities. Today, we join the chorus of calls urging Maryland’s legislators to help the state’s working families put food on the table; to make sure they can pay for housing; and to assist parents in providing their children with the toys, books, clothes, and tools needed to succeed in school. With the support of the legislature, we can help Maryland’s families do more than survive—together, we can move one step closer to securing a fair wage for our workers and help ensure our state thrives.

Members of the House Economic Matters Committee, we can, and we must do better. **We ask for your support for HB 549 and strongly urge a favorable committee report.** Thank you each for your dedication to our state and for considering our testimony.

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