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February 27, 2023

COMMITTEE: House Economic Matters Committee

BILL: HB 549 – Fair Wage Act of 2023

POSITION: Support

The Horizon Foundation is Howard County's community health foundation and the largest independent health philanthropy in the state of Maryland. We lead community change so everyone in Howard County can live a longer, better life.

The Foundation is pleased to support HB 549 – Fair Wage Act of 2023.

HB 549 will increase Maryland's minimum wage to \$15 per hour for most workers two years ahead of schedule.

According to the Centers for Disease Control and Prevention, economic stability is a social determinant of health – a factor that is necessary for good health in our communities. Rates of chronic diseases like asthma, diabetes, and heart disease are strongly linked to income, meaning poorer Marylanders are often at risk of poorer health outcomes. This is likely because these individuals and families are unable to access higher quality health care, childcare, safe and affordable housing, and advanced education. Making matters worse, low-income Marylanders are often people of color and/or immigrants, further exacerbating historic health inequities in our communities.

In Howard County, HB 549 would help close gaps in health and economic outcomes. According to the Maryland Center on Economic Policy, in Howard County, 33% of Black workers, 51% of Hispanic workers, 25% of Asian and Pacific Islander workers, and 75% of workers in low-income families would benefit from a minimum wage increase. Moreover, study after study shows that raising the minimum wage does not hurt overall employment rates, lessens families' need for government assistance, and provides additional revenue for lower-income individuals to support themselves – money that ultimately will be reinvested in the local economy.

The Horizon Foundation has prioritized access to care and health equity. Along with a broad coalition of health providers, grassroots advocacy organizations, and health institutions, the Foundation supported a successful \$16 per hour minimum wage increase in Howard County, CB82-2021 - with the understanding that higher wages would confer benefits upon all county residents, especially those facing the greatest health and economic uncertainty.

While CB82-2021 contributed to across-the-board economic security, there is some question regarding whether the same holds for HB 549. ***Maryland must ensure that health services providers receiving Medicaid and CHIP reimbursement are able to adequately compensate their workers who provide critical services to our most vulnerable communities.*** Provided these concerns are accounted for, the Horizon Foundation believes HB 549 will markedly improve health outcomes across the state.

HB 549 will increase wages for all Marylanders, providing additional economic opportunity and uplifting our most vulnerable residents' health. For these reasons, the Foundation **SUPPORTS HB 549** and urges a **FAVORABLE** report.

Thank you for your consideration.