11.17-11.20

Sayers, Margery

From:

Kevin Cropper < kevincropper@yahoo.com>

Sent:

Saturday, November 20, 2021 8:16 AM

To:

CouncilMail

Subject:

CB82-2021: Minimum wage

[Note: This email originated from outside of the organization. Please only click on links or attachments if you know the sender.]

I certainly agree that the balance of income to expenses for some families is out of whack, with some pay for some breadwinners certainly not keeping up with costs. However, I'm not certain that the goals as shared by Councilwoman Rigby will all be met - and in some cases will be counterdicted, by raising minimum wage. For example, every summer, many communities rely upon neighborhood pools for fun, relaxation, cooling down, exercise, and enjoyment. Those pools (whether CA or Parks and Rec or community) are generally staffed not by breadwinners for families but by single youth, often teenagers in high school as a summer job. By pushing the organizations running these pools to pay staff more (typically non-breadwinner staff), those organizations (CA, neighborhood clubs, etc.) must either higher fewer staff (either decreasing safety or limiting hours) or raise the rates they charge the community members who enjoy those facilities, which results in either fewer people able to afford to enjoy them or they have a need to find higher paying jobs themselves. This "trickle-up" effect is a never-ending result of addressing the symptom (pay doesn't cover costs for some families) instead of the root issue (basic costs should be covered).

Perhaps adjustments (e.g., the minimum wage requirement is omitted or delayed for seasonal positions, ones that are more likely to be held by non-breadwinners) or different solutions (e.g., universal basic income for families / breadwinners) could be considered.

thanks kevin (Allview)

Kevin Cropper

PMP CUA CXA Returned Peace Corps Volunteer Panama, 2007-2009 443-745-5606

From:

Baker, Kevin

Sent:

Thursday, November 18, 2021 3:55 PM

To:

Sayers, Margery

Subject:

FW: Testimony In Support of CB82

Attachments:

Handley testimony in Support of CB82.pdf

For Related Documents under CB82.

From: James Handley <jdhandle85@gmail.com> **Sent:** Wednesday, November 17, 2021 7:56 PM

To: Walsh, Elizabeth <ewalsh@howardcountymd.gov>

Subject: Testimony In Support of CB82

Councilmember,

Good evening. I hope you and your family are doing well. Tonight I testified in support of CB82 and was luckily second in the queue to speak. I thought I heard someone mention you hadn't made it to the hearing yet. If that's the case I wanted to provide a copy of my testimony, which is attached.

The Ellicott City & Western Howard Democratic Club fully supports CB82 and the Living Wage Coalition's goal of ensuring a living wage in the County. We hope that you will support the measure. Thank you.

Best,

James Handley
President of the EC&WH Democratic Club

James Handley's Testimony in Support of CB82 (Min. Wage Increase) – 11/15

Good evening, Chair Walsh, Vice Chair Jones, and Councilmembers. Thank you for taking the time tonight to hear from citizens on legislative issues. My name is James Handley. My wife, Garima and son, Aakash live in Ellicott City in District 1. I'm an attorney, before law school I was cavalry officer in the United States Army. I'm currently the President of the Ellicott City & Western Howard Democratic Club.

Tonight, I'm testifying in support of CB82. A bill which has the Ellicott City & Western Howard Democratic Club's full support. Recently, along with several other local democratic clubs, we've joined the Living Wage Coalition.

CB82 is a great first step towards ensuring all workers earn a living wage in one of the wealthiest counties in the country. Our club's leadership and members enthusiastically support this bill and the Living Wage Coalition's goal of ensuring a living wage in the County because it represents a key democratic party tenet.

Since the New Deal built the modern American middle class, the Democratic Party has stood for working Americas. Especially in our renewed Gilded Age, with astronomical wealth inequality, our leaders must stand for a living wage.

Our statewide leaders in Annapolis recently recognized this fact and succeed in passing the "fight for fifteen" minimum wage bill. While a great step, it is only an initial step. Indeed, Howard County workers wouldn't see \$15 an hour until 2025.

As noted in other testimony, this bill will have real, material benefits for Howard County workers, including benefiting a quarter of all Howard County workers. To our Club members and leadership support for a living wage is a core principle. Thank you to Councilmember Jones and Rigby for co-sponsoring the bill and we hope that their collogues will join them in supporting this important first step towards a living wage in Howard County.

From:

Baker, Kevin

Sent:

Thursday, November 18, 2021 3:04 PM

To:

Sayers, Margery

Subject:

FW: My testimony from last night

For Related Documents under CB82.

From: Melissa Affolter < melissa.affolter@gmail.com >

Sent: Thursday, November 18, 2021 2:07 PM

To: Walsh, Elizabeth <ewalsh@howardcountymd.gov>; Jones, Opel <ojones@howardcountymd.gov>; Rigby, Christiana

<crigby@howardcountymd.gov>; Jung, Deb <djung@howardcountymd.gov>; Yungmann, David

<dyungmann@howardcountymd.gov>
Subject: My testimony from last night

I didn't have time to print copies of this for you yesterday, so I have pasted the text of my testimony below. Thank you for giving me the opportunity to testify.

FDR said "No business which depends for existence on paying less than living wages to its workers has any right to continue in this county. By living wages I mean more than a bare subsistence level, I mean the wages of a decent living."

Teddy Roosevelt said "No man can be a good citizen unless he has a wage more than sufficient to cover the bare cost of living and hours of labor short enough so after his day's work is done, he will have the time and energy to bear his share in the management of the community, to help in carrying the general load."

And MLK said "I have the audacity to believe that peoples everywhere can have three meals a day for their bodies, education and culture for their minds, and dignity, equality, and freedom for their spirits.

People work hard. People want to work hard. And for their work, people deserve to be compensated to a level that allows them to have a life when they are done with their work day. I don't care if someone is doing "unskilled" labor, the kinds of jobs that are usually paid the minimum wage, those jobs are still work that needs to be done, and someone shouldn't have to work three of those jobs to be able to keep a roof over their heads. Because that's what we're talking about here. At \$15 an hour, a person's monthly takehome pay for 40 hours per week would be ~\$1560. For the WHOLE MONTH. No one can live on that. No one. So we aren't even talking a subsistence level wage.

We can do better than that. What a great community would this be if everyone had a good wage - enough to house, feed, and clothe their family. Have dependable cars that they aren't always worried are going to break down and then how will they get to work because the public transportation system in this county isn't that great but that's a completely different issue to tackle. Have time outside of work to spend with their kids to do things like help with homework, go to school music recitals, cheer them on when the kids are on a varsity team. Take a vacation. Make memories together as a family.

Essentially, we're here debating over how much below the poverty line we want to keep people, whether we should pay people 40% below the poverty line or if we can give them a raise so they're living only 30% below the poverty line. That's shameful. And, low income is closely linked with poorer outcomes in things like health and education, so they're a great way to systemically keep people in poverty. That's cruel. It's cruel. It comes down to this – everyone does better when EVERYONE does better. If your business model depends on paying your employees less than a living wage, you don't have a viable business model. ALL PEOPLE deserve the right to be paid for their work so that they can have a life, not spend their entire life working. It's human decency.

Kindest regards, Melissa

Everyone does better when EVERYONE does better. All of us need all of us to make it.

From:

Kenwalsh@comcast.net

Sent:

Thursday, November 18, 2021 1:04 PM

To:

CouncilMail

Cc:

info@livingwagehoco.org

Subject:

Please pass CB82-2021 to raise the minimum wage in Howard County!

[Note: This email originated from outside of the organization. Please only click on links or attachments if you know the sender.]

Dear Howard County Council, I am writing to urge you to VOTE YES on CB82-2021 and raise the minimum wage in Howard County. Howard County is one of the wealthiest in the country, however, more than 1 in 4 households struggle to meet basic needs. Every person deserves the dignity of a paycheck that reflects the importance of their work and provides for their essential needs. Wages that fall well below the level needed to afford these basic living costs create additional barriers to employment and access to opportunities to achieve economic prosperity. Too many of our neighbors are struggling now, and cannot wait until the state-level mandate of a \$15/hour minimum wage fully takes effect as late as 2026. Other Maryland counties have already raised their minimum wage beyond the state-mandated minimum, and Howard County should follow suit. I urge you to pass CB82-2021 without delay, to provide essential support for Howard County residents and move Howard County closer to ensuring a living wage for all workers. Thank you for your consideration. Sincerely,

Sent from my iPhone

From:

Laurie S. Coltri < lscoltri@verizon.net>

Sent:

Thursday, November 18, 2021 10:24 AM

To:

CouncilMail

Cc:

info@livingwagehoco.org

Subject:

YES, PLEASE!! Please pass CB82-2021 to raise the minimum wage in Howard County!

[Note: This email originated from outside of the organization. Please only click on links or attachments if you know the sender.]

Dear Howard County Council,

I am writing to urge you to VOTE YES on CB82-2021 and raise the minimum wage in Howard County.

As a comfortable retired person and the parent of two children who grew up in the Howard County schools, I feel that our minimum wage workers -- our hospital, restaurant, janitorial, highway, etc. workers -- do an outsized job of making our our county the beautiful, liveable place that it is. It is deeply unfair -- immoral -- that these hard workers and their families have to struggle. I would be glad to pay more for goods and services if I could be certain it would help to give our essential workers a true living wage. During the height of the pandemic, we chose to buy our groceries via home delivery and gave very large tips for this reason. But every stressed worker should be able to secure nutritious food, habitable and comfortable shelter, utilities, medical care and clothing.

Howard County is one of the wealthiest in the country, however, more than 1 in 4 households struggle to meet basic needs. Every person deserves the dignity of a paycheck that reflects the importance of their work and provides for their essential needs. Wages that fall well below the level needed to afford these basic living costs create additional barriers to employment and access to opportunities to achieve economic prosperity.

Too many of our neighbors are struggling now, and cannot wait until the state-level mandate of a \$15/hour minimum wage fully takes effect as late as 2026. Other Maryland counties have already raised their minimum wage beyond the state-mandated minimum, and Howard County should follow suit. I urge you to pass CB82-2021 without delay, to provide essential support for Howard County residents and move Howard County closer to ensuring a living wage for all workers.

Thank you for your consideration.

Sincerely,

Laurie S Coltri, JD, PhD Columbia (Thunder Hill), Maryland

From:

Christopher Meyer <cmeyer@mdeconomy.org>

Sent:

Wednesday, November 17, 2021 7:51 PM

To:

CouncilMail; Harris, Michael

Subject:

Response to CM Yungmann Q on heterogeneous employment effects

[Note: This email originated from outside of the organization. Please only click on links or attachments if you know the sender.]

Good evening,

This email is in response to CM Yungmann's question regarding the Cengiz et al. (2019) study cited in my testimony (https://academic.oup.com/qje/article/134/3/1405/5484905).

If I recall correctly, his question concerned whether the study found any impacts on employment for minimum wage increase events where either the size of the increase was large or the new minimum wage was high.

The answer is no. The study found no meaningful impact on employment, for small and large increases alike.

The relevant discussion is located in Subsection III.C "Event-Specific Estimates" and Online Appendix D.

When the minimum wage is high relative to the median, the events have a bigger bite and a greater number of missing jobs below the new minimum, but also have a nearly equally sized number of excess jobs at or above the new minimum. As a consequence, the employment effect is virtually unchanged (slope = 0.006, std. err. 0.048) as we consider minimum wages that range between 37% and 59% of the median wage, as shown in Figure V, Panel B. Overall, these findings suggest that the level of the minimum wage increases in the United States that we study have yet to reach a point where the employment effects become sizable.

Therefore, while there is considerable heterogeneity in the bite of the policy, the distribution of employment estimates is consistent with the sharp null of zero effect everywhere: only 7 (or 5.3%) of events yield statistically significant overall employment changes: 1 is negative and 6 are positive, and the median estimate is very close to zero.

Note that the use of the word "bite" may cause confusion: The "bite" of a minimum wage increase is the **gross** number of "missing jobs" paying less than the new minimum wage, not the **net** change in jobs across the wage distribution. Thus while larger minimum wage increases have a larger "bite"—they *affect* a larger number of jobs—the researchers find that their ultimate impact on the number of jobs available is nil.

See footnote 2:

When we refer to the "bite" of the minimum wage, or to the extent to which the minimum wage is "binding," we mean how effective the minimum wage is in raising wages at the bottom. Therefore, the bite is a function of (i) how many workers are earning below the new minimum wage, (ii) how many of those workers are legally covered by the policy, and (iii) the extent of compliance.

Thank you for your consideration. I am happy to answer any additional questions.

Christopher Meyer (he/him) Research Analyst Maryland Center on Economic Policy cmeyer@mdeconomy.org (410) 412-9105 ext. 703 1800 N. Charles Street | Suite 310

Baltimore MD 21201

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From:

Sent: Wednesday, November 17, 2021 5:47 PM

To: CouncilMail

Subject: Additional testimony in support of CB-82

[Note: This email originated from outside of the organization. Please only click on links or attachments if you know the sender.]

Katherine Berland <berlandk@gmail.com>

Dear Councilmembers,

I testified at the Council's session on November 15, 2021 in support of CB-82, and with this message I am submitting additional written testimony in support of the measure.

As I sat in the room, I heard many local business owners, primarily those in service industries such as restaurants and hotels, characterize the minimum wage as a wage meant for entry-level or training positions. This characterization ignores both the history of the minimum wage as well as the reality facing the majority of minimum wage workers in Howard County.

I'm sure you are aware that the federal minimum wage was first enacted in the Fair Labor Standards Act of 1938, the same legislation that included other vital worker protections, including requiring overtime pay for a workweek in excess of 40 hours and prohibitions against child labor. From its inception, the minimum wage was designed to be a living wage, one that would ensure that a person could meet the basic needs of food, clothing, and shelter if they had a job. Congress expected that it would be raised periodically, though left flexibility for future lawmakers to enact such increases as they saw fit. Unfortunately, we have seen over time as wages have stagnated and labor unions have eroded, business interests have had an outsized influence on legislation, which has contributed to the minimum wage not being raised in a manner to keep up with inflation, further exacerbating the wage gap between a minimum wage and a living wage. I heard Monday night many of the same arguments made by businesses that are brought up every time a minimum wage increase is contemplated, despite data which shows that raising wages for the lowest paid workers puts more money back into the economy, and ultimately benefits businesses as well as workers.

I want to address the concept of a minimum wage job being one that is designed to be for an entry-level position. Aside from ignoring the history and intent of the minimum wage, this also assumes that individuals who work minimum wage jobs have some other source of sustenance that would allow them to take such a position. This classist position assumes that teenagers and young adults are being supported by family, and that older workers either have savings or another income earner that can subsidize their wages, allowing them to take a position that does not pay a living wage until such time they are able to advance to one that does. Many workers do not have the privilege of taking a low-paying job just in order to gain experience or seniority at a company. I heard several anecdotes about employees at various businesses that started out as minimum wage workers, but I would like to hear from those employers what percentage of their workforce working minimum wage jobs have been promoted through the ranks to make a living wage. The reality is that most minimum wage workers do not earn a living wage unless they are able to move to another job, which usually requires access to additional education or training, both of which are difficult to obtain while working multiple jobs in order to meet basic needs.

Another through line from the testimony given by business owners was that operating costs have increased, leaving few options but to cut (or at least not raise) salaries in order to stay in business. There is much data that shows that raising the minimum wage does not lead to widespread business shutdowns. It's an argument made time and time again, but it does not hold up under close examination. While some individual businesses may be negatively impacted, overall industries do stabilize and businesses do adjust. It is frankly disheartening to hear so many business owners on the one

hand talk about their employees as "family", and on the other advocate for keeping their workers' wages too low to meet their own families' needs. Yes, the cost of doing business has increased, as has the cost of living. Sacrificing workers' ability to meet basic needs which have gotten harder to meet for the very same reasons business costs have increased is morally reprehensible.

Finally, I want to address the contention that the increase proposed by CB-82 is too much, too fast. I heard a couple of people talk about the difficulty meeting the timeframe for the implementation of a \$15/hr minimum wage, and how the schedule for that was carefully negotiated. The "Fight for 15" campaign started nearly a decade ago, and even then, \$15 was barely considered a living wage in most markets. Now, in 2021, \$15 falls well short of a living wage everywhere. The longer wage increases are delayed, the more the gap grows between a minimum wage and a living wage. I would have much preferred that the FLSA of 1938 implemented regular increases based on the consumer price index or at least on a set schedule, but since it didn't, workers have suffered by the inaction of legislators over time. The way to make up for this widening gap is not to implement the increase more slowly. While the gradual increase to \$16 over the next several years for Howard County workers is very much needed by low-wage workers, it is too little, and it is very, very late. I am not currently advocating for a higher starting point than CB-82 proposes, recognizing that there is still a long way to recovery for businesses due to the havoc that COVID created, but I do urge you to put in place the framework (as CB-82 would) to ensure that the minimum wage continues to be addressed by future Councils.

CB-82 is a necessary starting point, but it cannot be the end point. Workers need the modest and reasonable increase in the minimum wage that CB-82 would put in place, and they need it now. I strongly urge you to pass CB-82. Thank you for your time and consideration.

Sincerely, Katherine Berland Columbia, MD (District 4)

From:

Alissa Barron-Menza <alissa@businessforafairminimumwage.org>

Sent:

Wednesday, November 17, 2021 5:14 PM

To:

CouncilMail

Cc:

Harris, Michael; Facchine, Felix; Holly Sklar

Subject:

CB82: Work Session Cited Research + Links (Min Wage)

Attachments:

BFMW Business and Minimum Wage Research January 2021.pdf

[Note: This email originated from outside of the organization. Please only click on links or attachments if you know the sender.]

Dear Howard County Councilmembers,

Thank you for the opportunity to join today's legislative work session to discuss Council Bill 82-2021, the proposed minimum wage increase. I wanted to follow up with links and summaries of studies I cited today on the impacts of minimum wage increases on pricing and employee turnover. Links and details below.

I'm also including links to some of the studies that Chris Meyers from the Maryland Center on Economic Policy cited referencing decades of research that raising the minimum wage does not lead to job loss.

I've also **attached our longer annotated research summary** on the many business benefits of raising the minimum wage, including on productivity, turnover, service quality, accident rates, and more.

Please let me know if you have any questions. My full contact information is at the base of this email. Many thanks for your time,

Alissa Barron-Menza Vice President Business for a Fair Minimum Wage

(1) PRICING: Good pricing studies on the nominal impact of a higher minimum wage on prices, including in restaurants:

- The Federal Reserve Bank of Boston analyzed 27 metropolitan statistical areas and found that a 10 percent increase in the minimum wage increased prices on the whole by only 0.3 percent. The Local Aggregate Effects of Minimum Wage Increases, Federal Reserve Bank of Boston, July 2018.
- Similarly, the <u>Upjohn Institute for Employment Research published in 2016</u> that "prices grow by 0.36 percent for every 10 percent increase in the minimum wage" and "pass-through is primarily concentrated on the month that the minimum wage hike goes into effect, with no appreciable impact on the month before or after...."

(2) TURNOVER: On the high cost of employee turnover, and how higher wages reduce turnover, save businesses money and increase productivity:

• Adecco, <u>How Wages Impact Your Employee Turnover</u>, February 1, 2019. "There's plenty of research that shows the correlation between low wages and low productivity (and lack of employee engagement). ... It's also worth noting that some lower-paying companies actually spend more than some higher-paying companies when it comes to workforce management. Why? Because the lower-paying companies have higher turnover costs in the form of job ads, onboarding, training and

opportunity costs. Not to mention, poor culture and productivity issues. Our data below found that in addition to higher turnover the lower an organization paid, 50% of that turnover occurred within the first 45 days of a new hire starting a job. That's very little time for an organization to see any ROI from their hires before losing them due to poor wages."

Annie Mueller, <u>The Cost Of Hiring A New Employee</u>, <u>Investopedia</u>, <u>Updated June 16</u>, <u>2020</u>. Excerpted findings:
 "Not every new hire will demand the same process, but even an \$8/hour employee can end up costing a company around \$3,500 in turnover costs, both direct and indirect."

(3) EMPLOYMENT EFFECTS: On the employment effects of minimum wage increases, and how minimum wage increases do not lead to job loss:

• Two studies Chris Meyers cited:

- 1. The Effect of Minimum Wages on Low-Wage Jobs, The Quarterly Journal of Economics, August 2019 by Cengiz, Dube, Lindner and Zipperer. The study of 138 state-level increases over 37 years (1979 to 2016) found "the overall number of low wage jobs remained essentially unchanged over the five years following the increases" and "no evidence of disemployment when we consider higher levels of minimum wages."
- 2. Arindrajit Dube, T. William Lester and Michael Reich, Minimum Wage Effects Across State Borders: Estimates Using Contiguous Counties, Institute for Research on Labor and Employment, Univ. of CA, Berkeley, August 2008. Published by The Review of Economics and Statistics, November 2010. http://irle.berkeley.edu/files/2010/Minimum-Wage-Effects-Across-State-Borders.pdf Compared all neighboring counties in the U.S. located on different sides of a state border with different minimum wage levels between 1990 and 2006 and found no adverse employment effects from higher minimum wages.
- A recent study of neighboring counties with different wage levels: The Federal Reserve Bank of New York studied A-NY border counties after NY's min wage increases (phased to \$15) while PA remained at \$7.25. They found that New York had better employment trends than Pennsylvania.
 Minimum Wage Impacts along the New York-Pennsylvania Border, Liberty Street Economics, Federal Reserve Bank of New York, Sep 25, 2019.
 - oEXCERPT: "In this analysis, we look at counties along both sides of the New York-Pennsylvania border. Since the fourth quarter of 2009, workers in both New York and Pennsylvania have been subject to the federal minimum wage of \$7.25 per hour. Over the last five years, though, New York's minimum wage has gone up. ... Specifically, we evaluate the effects on both employment and average weekly earnings in two industries with lots of lower-wage workers: retail trade and leisure & hospitality. ... As the minimum wage was raised to levels above \$10 per hour, leisure and hospitality employment in New York counties, if anything, *increased* relative to businesses over the Pennsylvania state line. ... Next, we look at retail trade, an industry in which employment has contracted along the New York-Pennsylvania border in recent years. In the chart below, we detect a pattern similar to that for leisure and hospitality: there appears to be a positive divergence in average wages between the states but no discernible divergence in employment trends."

Alissa Barron-Menza Vice President Business for a Fair Minimum Wage 301-960-5281

Cell: 717-440-2651

alissa@businessforafairminimumwage.org www.businessforafairminimumwage.org

Business and Minimum Wage Research Summary Holly Sklar, CEO, Business for a Fair Minimum Wage

Partially Updated January 2021

Selection of studies regarding the impact of wages on turnover, productivity, employment and more.

Polling

Luntz Global and National Restaurant Association polls, stories and power points provided in separate email

See, for example, Lydia DePillis, Leaked documents show strong business support for raising the minimum wage, Washington Post, April 4, 2016

https://www.washingtonpost.com/news/wonk/wp/2016/04/04/leaked-documents-show-strong-business-support-for-raising-the-minimum-wage/

"The survey of 1,000 business executives across the country was conducted by LuntzGlobal, the firm run by Republican pollster Frank Luntz, and obtained by a liberal watchdog group called the Center for Media and Democracy. (The slide deck is here, and the full questionnaire is here.) Among the most interesting findings: 80 percent of respondents said they supported raising their state's minimum wage, while only eight percent opposed it.

'That's where it's undeniable that they support the increase,' LuntzGlobal managing director David Merritt told state chamber executives in a <u>webinar describing the results</u>, noting that it squares with other polling they've done. 'And this is universal. If you're fighting against a minimum wage increase, you're fighting an uphill battle, because most Americans, even most Republicans, are okay with raising the minimum wage.'"

Some Key Employment Studies/Articles:

Arindrajit Dube and Attila S. Lindner, City Limits: What do Local-Area Minimum Wages Do?, National Bureau of Economic Research, NBER Working Paper No. 27928, October 2020 http://www.nber.org/papers/w27928

"Cities are increasingly setting their own minimum wages, and this trend has accelerated sharply in recent years. While in 2010 there were only three cities with their own minimum wages exceeding the state or federal standard, by 2020 there were 42. ... Early evidence suggests that the impact of the policy on wages and employment to date has been broadly similar to the evidence on state and federal-level minimum wage changes. Overall, city-level minimum wages seem to be able to tailor the policy to local economic environment without imposing substantial distortions in allocation of labor and businesses across locations."

Anna Godøy and Michael Reich, **Are Minimum Wage Effects Greater in Low-Wage Areas?**, Institute for Research on Labor and Employment, IRLE Working Paper No. 106-20, September 2020. (Forthcoming in *Industrial Relations*)

 $\frac{http://irle.berkeley.edu/files/2020/09/Are-Minimum-Wage-Effects-Greater-in-Low-Wage-Areas.pdf}{}$

"In this paper we examine minimum wage effects in low wage counties, where relative minimum wage ratios reach as high as .82, well beyond the state-based ratios in extant studies. ... We find positive wage effects, especially in high impact counties, but do not detect adverse effects on employment, weekly hours or annual weeks worked. We do not find negative employment effects among women, blacks and/or Hispanics. In high impact counties, we find substantial

declines in household and child poverty." (All the states in our sample experience one or more changes to the statutory minimum wage over the 2004-2017 period.)

Elise Gould, Low-wage workers saw the biggest wage growth in states that increased their minimum wage between 2018 and 2019, Economic Policy Institute, March 4, 2020 https://www.epi.org/blog/low-wage-workers-saw-the-biggest-wage-growth-in-states-that-increased-minimum-wage-2018-2019/

Stef W. Kight and Dion Rabouin, "Job loss predictions over rising minimum wages haven't come true," Axios, Nov 25, 2019

https://www.axios.com/minimum-wage-job-loss-predictions-not-true-dcda5eac-996d-4539-a07e-12933eef4bca.html

Jason Bram, Fatih Karahan and Brendan Moore, **Minimum Wage Impacts along the New York-Pennsylvania Border**, Liberty Street Economics, Federal Reserve Bank of New York, Sep 25, 2019

https://libertystreeteconomics.newyorkfed.org/2019/09/minimum-wage-impacts-along-the-new-york-pennsylvania-border.html

"In this analysis, we look at counties along both sides of the New York-Pennsylvania border. Since the fourth quarter of 2009, workers in both New York and Pennsylvania have been subject to the federal minimum wage of \$7.25 per hour. Over the last five years, though, New York's minimum wage has gone up. ... Specifically, we evaluate the effects on both employment and average weekly earnings in two industries with lots of lower-wage workers: retail trade and leisure & hospitality. ... As the minimum wage was raised to levels above \$10 per hour, leisure and hospitality employment in New York counties, if anything, *increased* relative to businesses over the Pennsylvania state line. ... Next, we look at retail trade, an industry in which employment has contracted along the New York-Pennsylvania border in recent years. In the chart below, we detect a pattern similar to that for leisure and hospitality: there appears to be a positive divergence in average wages between the states but no discernible divergence in employment trends."

Greg David, "NY Fed: Minimum wage hikes didn't kill jobs," Crain's New York Business, September 25, 2019

https://www.crainsnewyork.com/greg-david-new-york/ny-fed-minimum-wage-hikes-didnt-kill-iobs

Doruk Cengiz, Arindrajit Dube, Attila Lindner and Ben Zipperer, **The Effect of Minimum Wages on Low-Wage Jobs**, The Quarterly Journal of Economics, August 2019 https://academic.oup.com/gje/article/134/3/1405/5484905

"We estimate the effect of minimum wages on low-wage jobs using 138 prominent state-level minimum wage changes between 1979 and 2016 in the United States ... We find that the overall number of low-wage jobs remained essentially unchanged over the five years following the increase... We also find no evidence of disemployment when we consider higher levels of minimum wages."

Richard Florida, **In Praise of a Higher Minimum Wage**, City Lab, April 25, 2019 (includes short summary of Cengiz, Dube et.al) https://www.citylab.com/equity/2019/04/minimum-wage-by-state-jobs-data-employment-economic-research/587992/

Jared Bernstein, "New evidence of the minimum wage doing what it's supposed to do: Help low-wage workers," Washington Post, March 8, 2018

https://www.washingtonpost.com/news/posteverything/wp/2018/03/08/new-evidence-of-the-minimum-wage-doing-what-its-supposed-to-do-help-low-wage-workers/?utm term=.ad5694dc30a0

Sylvia A. Allegretto, Anna Godoey, Carl Nadler and Michael Reich, **The New Wave of Local Minimum Wage Policies: Evidence from Six Cities,** September 6, 2018 https://irle.berkeley.edu/the-new-wave-of-local-minimum-wage-policies-evidence-from-six-cities/

John Schmidt, Why Does the Minimum Wage Have No Discernible Effect on Employment?, Center for Economic and Policy Research, February 2013 http://cepr.net/documents/publications/min-wage-2013-02.pdf

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Obama White House Summary Report, Executive Office of the President, October 2016, Raising the Minimum Wage: A Progress Update PDF attached

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Adecco, How Wages Impact Your Employee Turnover, February 1, 2019

"There's plenty of research that shows the correlation between low wages and low productivity (and lack of employee engagement). ... It's also worth noting that some lower-paying companies actually spend more than some higher-paying companies when it comes to workforce

management. Why? Because the lower-paying companies have higher turnover costs in the form of job ads, onboarding, training and opportunity costs. Not to mention, poor culture and productivity issues. Our data below found that in addition to higher turnover the lower an organization paid, 50% of that turnover occurred within the first 45 days of a new hire starting a job. That's very little time for an organization to see any ROI from their hires before losing them due to poor wages."

https://www.adeccousa.com/employers/resources/increasing-hourly-wages/

Annie Mueller, **The Cost Of Hiring A New Employee**, Investopedia, Updated Jan 28, 2019 "Not every new hire will demand the same process, but even an \$8/hour employee can end up costing a company around \$3,500 in turnover costs, both direct and indirect." https://www.investopedia.com/financial-edge/0711/the-cost-of-hiring-a-new-employee.aspx

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Heather Boushey and Sarah Jane Glynn, Center for American Progress, **There Are Significant Business Costs to Replacing Employees**, November 2012

https://cdn.americanprogress.org/wp-content/uploads/2012/11/16084443/CostofTurnover0815.pdf

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Accident Rates

Christopher D. B. Burt, Chapter 2: New Employee Accident Rates, New Employee Safety: Risk Factors and Management Strategies, Springer, 2015

"At its broadest level, there are three different bodies of research that have addressed new employees' occupational accident rate. All three literatures clearly show that an employee is more likely to have an accident at work in their initial period of employment in a job...." See attached Chapter 2.

https://www.springer.com/us/book/9783319186832

Prices

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The paper explains updated methodology and benefit of being able to incorporate "rich variation in minimum wage policy of the last 10–15 years —including the rise of state and city-level minimum wage changes and the increased use of indexation—to investigate how the extent of price pass-through varies by policy context."

"Our first main finding is that wage-price elasticities are notably lower than reported in previous work: we find prices grow by 0.36 percent for every 10 percent increase in the minimum wage, which is almost half of the previously accepted 0.7 percent. Second, we find that pass-through is primarily concentrated on the month that the minimum wage hike goes into effect, with no appreciable impact on the month before or after. ..."

https://research.upjohn.org/cgi/viewcontent.cgi?article=1278&context=up_workingpapers

Additional studies with pricing data summarized by House Education and Labor Committee staff:

- (Mississippi Case Study) Recent analysis on the impact of a \$15 minimum wage by 2024 in Mississippi estimates that businesses could absorb the remaining payroll cost increases by increasing prices by 0.6 percent through 2024. This price increase is well below the annual inflation rate of 1.7 percent over the past five years. http://irle.berkeley.edu/files/2019/02/The-Employment-Effects-of-a-15-Minimum-Wage-in-the-US-and-in-Mississippi.pdf
- Daniel Cooper, María José Luengo-Prado and Jonathan A. Parker, The Local Aggregate
 Effects of Minimum Wage Increases, Federal Reserve Bank of Boston, Working Paper, July
 2018, original version posted August 2017
 Analysis of 27 metropolitan statistical areas, found that a 10 percent increase in the
 minimum wage increased prices on the whole by only 0.3 percent.
 https://www.bostonfed.org/publications/research-department-working-paper/2017/the-local-aggregate-effects-of-minimum-wage-increases.aspx

www.businessforafairminimumwage.org

From:

DEEBA Jafri <deebajafri@comcast.net>

Sent:

Wednesday, November 17, 2021 1:36 PM

To:

CouncilMail

Subject:

Testimony in support of CB 82-2021

Attachments:

CB82-2021 testimony Deeba Jafri.pdf

[Note: This email originated from outside of the organization. Please only click on links or attachments if you know the sender.]

Please see attached.

Kind regards

Deeba Jafri Elkridge, MD District 2 Dear Chairperson Walsh, Vice-Chair Dr. Jones and members of the county council,

Although I cannot testify in person tonight, it was enlightening to hear business owner testimony on Monday.

You would think from listening to the restaurant owners on Monday night that the junp from \$11.75/hr to \$15/hr was happening immediately. It isn't as you well know. It's over time.

Quoting the article from *The Baltimore Sun*, "If passed, the bill would incrementally raise the minimum wage for workers in Howard County to reach \$16 an hour by 2026. Businesses with 15 or more employees would start at \$14 an hour effective April 1, then increase to \$15 in 2023 and \$16 in 2025. Small businesses with fewer than 15 employees would start at \$13 an hour April 1, then increase to \$14 in 2023, \$15 in 2024 and \$16 in 2026. Howard County government employees would see an increase to \$15 an hour effective July 1 and then \$16 in 2024."

The contradictions on display from restaurant owners on Monday night were quite staggering.

- 1. How can you say your staff are like family to you, and then not pay them a living wage to be able to support their families.
- 2. How can you talk about runaway inflation and staffing shortages and not realize that your employees are dealing with that inflation too, and that maybe you have a staffing shortage because you are not paying a living wage.
- 3. The Mall. There are help wanted signs everywhere. Maybe it's because nobody wants to work at what they are offering? Even my teen has realized that babysitting pays more than retail. She can earn more with fewer hours at work, critical when she is involved in all things high school.
- 4. Montgomery County has already seen the minimum wage increase. Is the sky falling down in our neighboring county? Are we not frequenting those establishments because of price increases? I think not. All my favorites are still operating.
- 5. There's an element of déjà vu in all this too. Think back to the smoking ban in restaurants in Howard County in 2006. Here's a quote from *The Washington Post*. "It's going to close a lot of small businesses," said Joe Barbera, president of the Howard County Restaurant Association and owner of Aida Bistro in Columbia." It did not. Our restaurant scene is strong and the sky did not fall down.

I support CB 82-2021. This is a bill that helps over a quarter of Howard County households. One in four. Think about the dramatic impact that has on our entire community. All boats rise.

It's the right thing to do. Please support CB82-2021.

Deeba Jafri Elkridge, MD District 2. https://www.washingtonpost.com/archive/local/2006/06/06/howard-bans-restaurant-barsmoking/0ca1f7a2-f58d-42c5-894d-9401008772ec/?fbclid=lwAR2M7 pUfgqWlN49RPfB8-7yhecX9uL6QVlgCkxr66iuDRyEav9JSmHhyl

https://www.baltimoresun.com/maryland/howard/cng-ho-minimum-wage-hearing-20211116-4fatrdfrfnhjdkixskhncvlgzi-story.html?fbclid=lwAR34iaCFoKbTqrOup2vSseFYOOQVIV9kul3cFYBIZELieQPS A pR1PR ss

From:

Baker, Kevin

Sent:

Wednesday, November 17, 2021 12:49 PM

To:

Sayers, Margery

Subject:

FW: Council Bill 82-2021

Attachments:

Testimony - Minimum Wage.pdf

For Related Documents under CB82.

From: Jody Lenes < jlenes@eosoutdoorservices.com>
Sent: Wednesday, November 17, 2021 7:52 AM

To Wildle Filtra better consists of the consists

To: Walsh, Elizabeth <ewalsh@howardcountymd.gov>

Subject: Council Bill 82-2021

Ms. Walsh,

I was unable to attend the hearing on Monday night and wanted to submit my testimony in opposition to this Council Bill. I am certainly open to any questions or further discussion.

Sincerely,

Jody



Jody Lenes / Principal jlenes@eosoutdoorservices.com

Eos Outdoor Services, LLC 410-648-2820 13554 Triadelphia Road Ellicott City, MD 21042 www.eosoutdoorservices.com

Outdoor Spaces... Transformed

To: Members of the Howard County Maryland County Council

Re: Bill No. 82-2021 - Minimum Wage

Members of the Council, I appreciate the opportunity to speak to you today. My name is Jody Lenes, and I am a lifelong Howard County Resident and the owner of small business located here in the county as well. I am here today to testify in opposition of this council bill as I believe it put unnecessary additional strain on small businesses.

We strive everyday to have a company that provides opportunities for our employees. We do this with training, advancement, and the ability to grow within our organization. While many of our employees earn well above the proposed minimum, we have some that are below that number. These starting employees are beginning their careers and are learning what is necessary to move up.

One of the concerns from legislation such as this is the additional tracking and administrative expenses that come along with an increase like this. We are already tracking the Maryland sick and safe leave, paid time off and vacation time and more. Adding the necessary requirement that may require us to track time spent working in Howard County versus time worked outside of the county just adds additional time and administrative expenses.

Our business is already facing increased costs with the rising costs of materials, insurance, rents and so much more. Now, being asked to pay a higher minimum than the state even requests with an increase continually that is unknown, just makes working in the county become unfeasible. If we truly pass along the costs of all of these increases, consumers in this county will not want to pay for the product. They are already paying more for everything, and it places additional burden on them. On top of all of the increases, I question the true ability or process for monitoring or enforcing this wage increase. If this truly created a level playing field and companies were forced to pay this, then our customers would have no choice but to pay the increased charges. Without proper enforcement for one specific county versus the state, we are now placed at a disadvantage if we follow the rules.

I would recommend that the county look at solving some of the other issues that prevent employees from our company living in Howard County. They have better access to public transportation living in surrounding counties. In fact, our company has purchased a van to help get our employees around as there is no busses that would bring them to the Glenelg area where our company is located. Just raising wages won't make the county more affordable to live. All it will do is inflate the price of the housing as costs to maintain those properties will increase along with the wages.

I believe additional consideration needs to be put into ways to make the county more affordable. Mandating increasing the minimum wage that we as employers pay to our team members is not the job of this council. Again, as a resident of this county and a business owner in this county, I stand here opposed to this bill and recommend the county look at voting against this legislation.

From:

Rebecca Beall <rjbella358@gmail.com>

Sent:

Wednesday, November 17, 2021 11:23 AM

To: Subject: CouncilMail CB82-2021

[Note: This email originated from outside of the organization. Please only click on links or attachments if you know the sender.]

Good evening. I am submitting written testimony on behalf of Council Bill 82-2021, AN ACT establishing a local minimum wage for employees working in Howard County. Howard County is one of the wealthiest counties in the United States – at the same time, just over 1 out of every 4 of our households (28%) have incomes below a living wage. These are people who tend to work in service jobs here in Howard County. People who take care of our children, and our seniors. People who work in restaurants and stores. People who clean our houses and work places. People who provide necessary services in Howard County. These are people we count on. The pandemic, which isn't over yet, demonstrated to us just how important people who work in service jobs are. As this community heals from the effects of COVID-19, we have the opportunity right now to affect change that will have significant and lasting impact for our community.

Raising the minimum wage, especially in this wealthy county, benefits all of us. Money flows and is circulated in the community, which will improve the economy. Everyone benefits. Everyone is raised up.

Strengthening the minimum wage in Howard County would make an important difference to the workers who keep our local communities going. It supports a strong economic and social recovery, benefiting families and children for decades to come. Isn't that what such a prosperous county should stand for?

I urge you to vote in favor of CV 82-2021

Thank you.

Rebecca Beall 5456 Endicott Lane Columbia, MD 21044

From: Sent: Cathy Hudson <cmhudson@comcast.net>

To:

Wednesday, November 17, 2021 9:21 AM

To:

CouncilMail; Ball, Calvin

Subject:

CB-82

[Note: This email originated from outside of the organization. Please only click on links or attachments if you know the sender.]

I have struggled and agonized over this legislation for the last month. I truly want folks who work so hard to earn a living wage. I really don't like the way upper management salaries have soared while rank and file employees' wages have stagnated. At the same time, this legislation is looking at a systemic problem and applying a small, piecemeal attempt at a solution that will have many unintended consequences.

One assumption that is being made is that money is the most important benefit that employees are looking for. While important, what I am hearing is that many also want a more flexible schedule or that they don't want to have to work long hours or that they don't want a long commute. As a farm employer, because I can hire more people, I have the coverage to give my employees that flexible schedule as well as to not overwork them. They also enjoy the comradery of working with multiple people and not by themselves. If I am mandated to raise wages significantly, then I lose my ability to better meet the needs/wants of my employees in creative ways.

As I have struggled with this issue, I have thought about 2 businesses that I am familiar with that have what I would call essential products and employees, that are childcare providers and farmers.

Childcare centers have struggled mightily during this pandemic. In the 2019 Maryland Child Care Market Rate Survey Report¹ it notes, "The provider's full rate, however, is usually determined by what parents can afford to pay, and not by what it costs the provider to provide high quality child care." And the majority of the costs come from salaries. In 2019 the survey noted that the average weekly cost for an infant in a child care center was about \$400. That infant requires a 1:2 ratio, so that for every \$1 increase in salary that could translate to an extra \$25/week cost. (assuming a 10 hr day for the infant) or \$1300/yr. That weekly cost would go down as the infant gets older and the mandated teacher/student ratio relaxes, but it also doesn't take into consideration salary adjustments for other non teacher staff as well. So whereas this bill might "only" add an extra dollar to the \$5 increase to employee salaries over 4 years, it will add additional stress to already stressed childcare centers, who may or may not be able to stay in business, and or parents-who will either decide that they can pay the additional amount, or will drop out of the workforce or look for alternative care. It will also give an advantage to in-home childcare providers who don't have employees. All are consequences that you need to consider.

As to farmers, most don't make minimum wage at least as far as it is from their growing of food. Yet it is to their benefit (physical and mental) to have some help around the farm. Many, myself included, hire young teenagers-high school and college-aged students seasonally. I look at it as job training, learning life skills, and mentoring as much as it is helping me to grow good food. For most it is their first job. But who is going to pay for the food that I grow if I have to charge how much it costs me to grow it and pay these increasing wages? Especially since they can go several minutes and get a similar product from a farmer in nearby Baltimore or Anne Arundel counties who don't have these overhead costs? And as I stated above, these students aren't looking for lots of money as much as they are looking for real work that they feel has purpose and where they can learn so many things. But they also want that week off to take maybe their last family vacation before adulting. They want to work as a group, not by themselves. They want a job that is close by. That is the kind of sanity and benefits that I want to offer my employees. However, this bill, by only focusing on wages will limit my ability to offer them these options and I will be forced to cut back on the number of employees. This will be another nail in the coffin of local food production.

Also having the automatic rate adjustment geared to the consumer price index for urban wage earners and clerical workers leaves me no hope for the future of local agriculture (as well as many other industries) as we will become less and less competitive with surrounding counties. Likewise, there is no provision for a decrease, so wages can only go up leaving no flexibility in economic downturns.

So my request would be to not have just Howard Co further increase our minimum wage, but watch and study the continuing increase in the statewide minimum wage. That is a significant increase already coming and there will be consequences from that-let's look at what they are and then further act as warranted.

If it is implemented, do it along with carve outs for seasonal employees or young workers, while also looking at ways to encourage employers to employ young workers in their community. And do away with the automatic rate adjustment that can only go up and that gives businesses a huge planning unknown.

1. https://earlychildhood.marylandpublicschools.org/system/files/filedepot/2/market rate survey final report july 2019 sr 07 08 19 pm final pdf 3.pdf

Thank you,
Cathy Hudson
Myrtle Woods Farm
Elkridge, Md 21075