



\$15 MINIMUM WAGE



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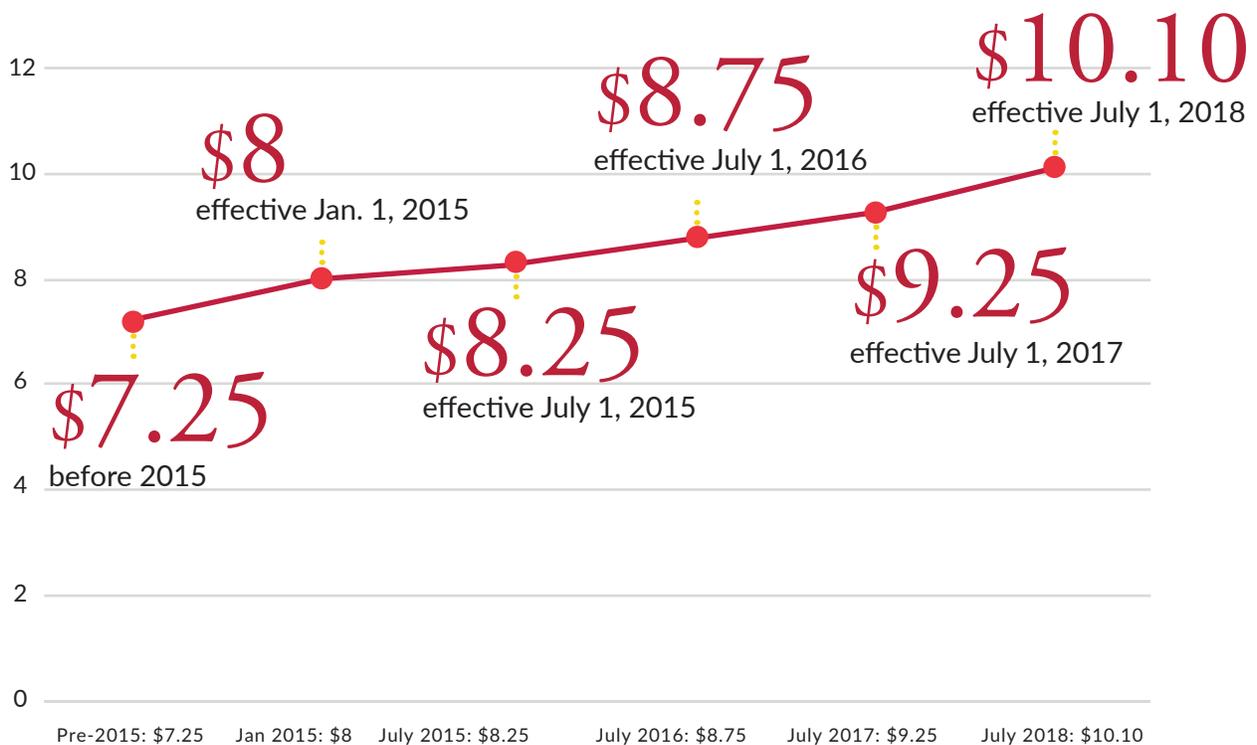
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in numbers

EXISTING SURVEYS & STUDIES ON MINIMUM WAGE

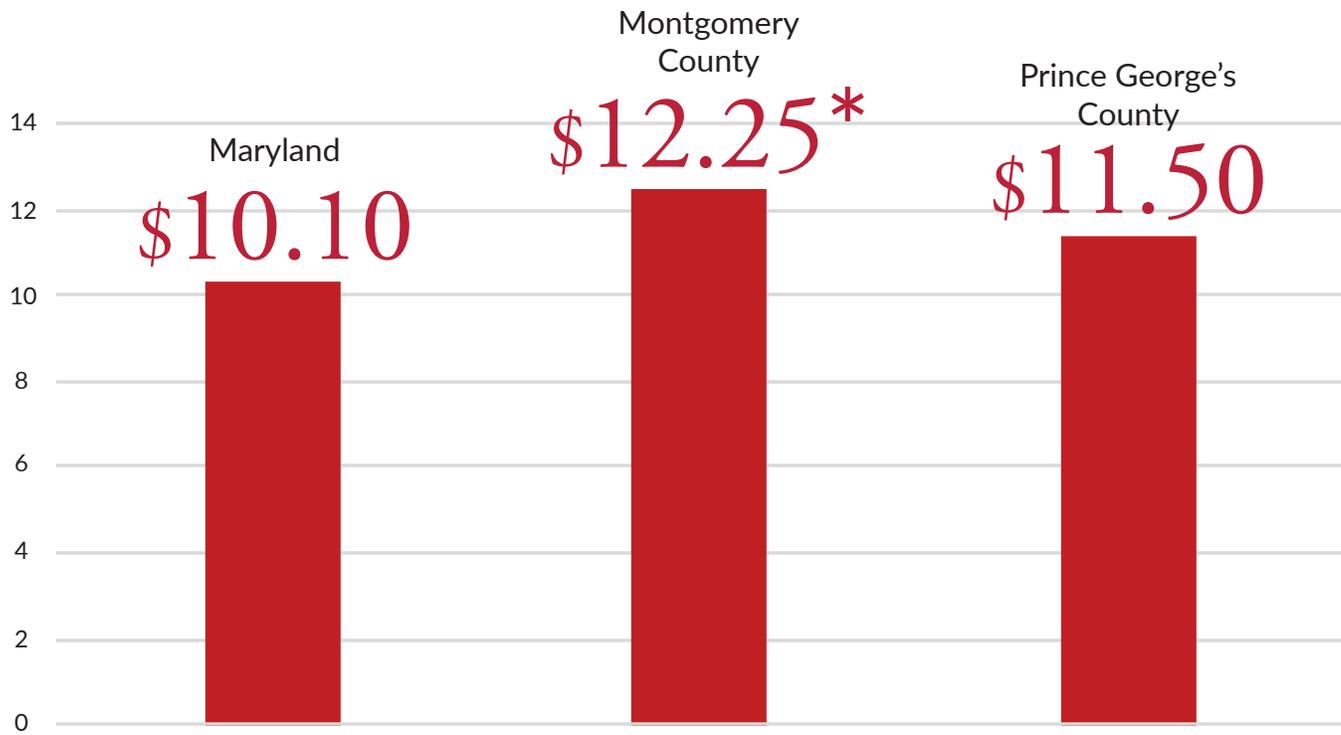
MARYLAND MINIMUM WAGE HISTORY



in numbers: **existing surveys & studies on minimum wage**

MINIMUM WAGE COMPARISONS

Minimum wages for Maryland, Montgomery County, and Prince George's County as of July 1, 2018.

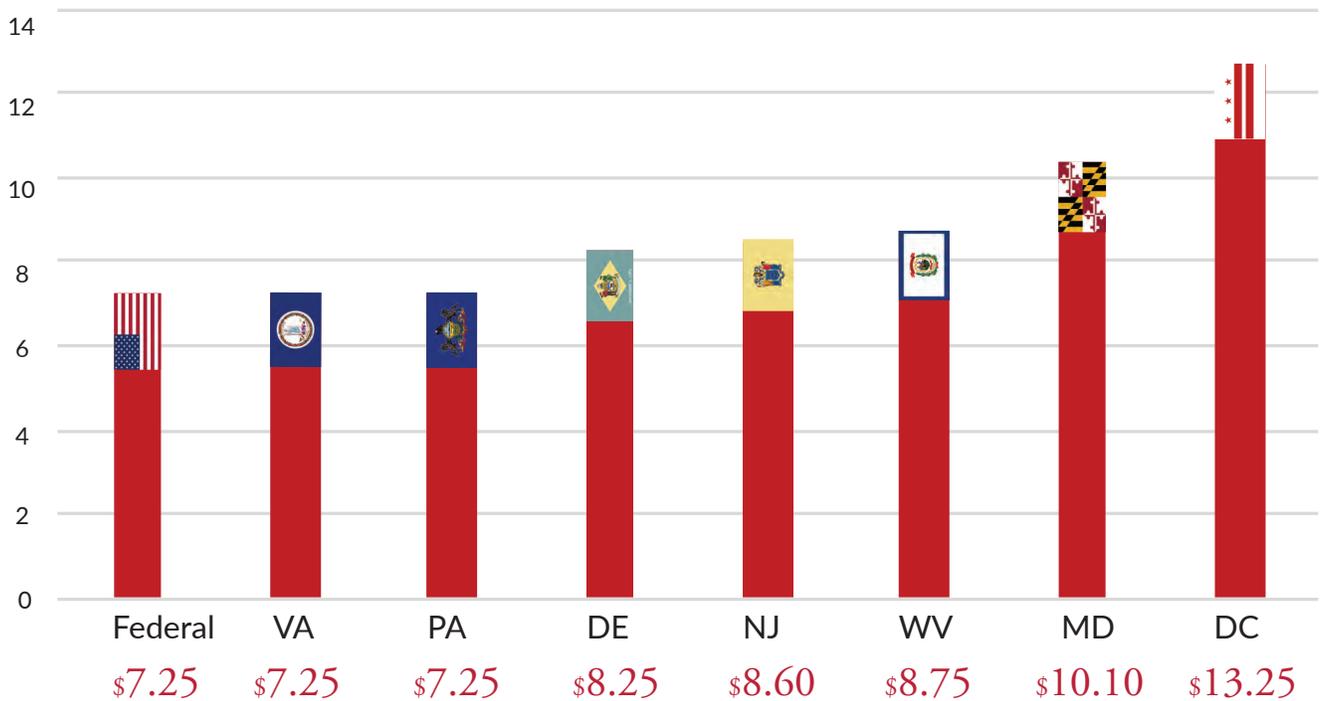


* For employers with more than 50 employees; \$12 per hour for 50 or fewer

in numbers: **existing surveys & studies on minimum wage**

COMPETITIVE STATE AND FEDERAL MINIMUM WAGE

Competitive state and federal minimum wages as of July 1, 2018.



in numbers: **existing surveys & studies on minimum wage**

correspondence examples

LETTER TO LEGISLATOR

Below are suggested templates for letters to your legislator(s) requesting that they vote against a \$15 minimum wage. Please adjust accordingly to fit your concerns and personality.

TEMPLATE 1: MARYLAND MUST BE MORE COMPETITIVE, NOT LESS

Dear Del./Sen. {Name}:

I oppose a minimum wage increase to \$15 and urge you to vote against this measure.

I support my employees and want them to be successful. However, increasing the minimum wage does not make employees better off; rather it just artificially increases the price of labor by forcing employers to grant raises to employees already making close to the minimum wage mark. Those employers then must pass costs on to customers by raising the price of goods or services. I will attempt to keep as many employees as possible on staff; however, every time a new costly mandate is added I have to struggle against reducing staff benefits, available hours, or positions.

I love Maryland, but our neighboring states and economic competitors all have a far lower minimum wage – at least \$2 less than the current wage, and almost half of the proposed \$15 wage. Our state economy cannot be competitive in an environment like that; business owners that might consider operating here would very likely change their minds.

Please vote against a \$15 minimum wage and keep Maryland more competitive.

Sincerely,
{Name}

correspondence **examples**

LETTER TO LEGISLATOR

TEMPLATE 2: A HIGH MINIMUM WAGE ACTUALLY DOES MORE HARM THAN GOOD TO LOW-WAGE WORKERS

Dear Del./Sen. {Name}:

I am concerned about the negative impact of a \$15 minimum wage on Maryland's workforce, and especially its most in need.

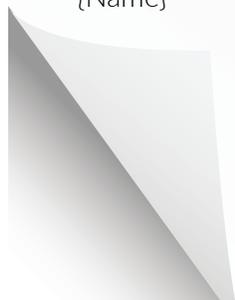
Many employees in minimum-wage positions receive some form of federal anti-poverty means-tested programs. These include the Supplemental Nutrition Assistance Program (SNAP), Medicaid, and Section 8 housing vouchers. Increasing the state minimum wage so far beyond the federal minimum wage means people currently eligible for those programs will become ineligible afterward, and will likely still have to pay more for goods and services as businesses raise prices to offset the high cost of more than doubling the minimum wage since 2014.

For example: If one partner in a marriage works full time at the minimum wage, the couple takes in a gross income of \$19,240 per year. They qualify for Medicaid because the sum is below 138 percent of the federal poverty level. At the current minimum wage, which is \$10.10 per hour, they still qualify, but at \$15 per hour, they become ineligible.

Instead of raising the minimum wage, support initiatives that advance workers out of minimum wage jobs in which they were never meant to make their living. Invest in education, training and workforce development programs, apprenticeship programs, and trades. These are far more sustainable initiatives in the short- and long-term, create a better pipeline from school to work at every level, and provide more meaningful paths to financial stability for Marylanders.

Thank you for your time and your service to the state.

Sincerely,
{Name}



correspondence **examples**

LETTER TO THE EDITOR OF A LOCAL NEWS PUBLICATION (PRINT OR WEB)

Below is a suggested template for a letter to the editor(s) of your local publication(s).

PUBLICATION TIPS:

- *Editors enforce word count limits. Consult your selected publication's editor for that limit before submitting a letter to ensure greater chances of unedited publication.*
- *Check on submission deadlines that may ensure timely publication.*
- *Be aware that editors require an individual's name as a signatory on any letter submitted for publication.*

TEMPLATE: A \$15 MINIMUM WAGE IS ONLY PRETTY ON ITS FACE *Word count: 242 before signature*

Dear {Publication name}:

On its face, a \$15 minimum wage looks good. But a \$15 wage would hurt low-income workers more than it would help them.

Supervisors would need raises. So might those at the next level up. The payroll hike forces employers to cut back on available hours, positions and/or benefits.

One Garrett County small business owner told the Maryland Chamber of Commerce that he pays his 23 employees an average of \$10.25 per hour. He said a \$15 minimum wage would cost \$278,537 more per year. That's nearly 50 percent more in payroll.

To offset that cost, he may scale back on staff and available hours.

Additionally, minimum-wage Marylanders who keep full-time hours would no longer qualify for Medicaid.

Seattle's move toward a \$15 wage is a signal. A University of Washington study showed available hours for minimum-wage workers dropped by nearly 10 percent in nine months once the wage reached \$13.

Meanwhile, the price of goods or services rises to offset the payroll spike, too. Now you pay more for the same things you were buying before. Those who did not get a wage increase lose purchasing power.

Factor in the far-lower minimum wages in the four states bordering Maryland and the state is less attractive for employers, further damaging our economy.

Face value looks nice, but go a little deeper and things turn ugly fast.

{Name}

{Title}

{Organization}

correspondence **examples**

MARYLAND CHAMBER OF COMMERCE TESTIMONY (MARCH 8, 2018 IN SENATE FINANCE)

SB 543 would mandate the state minimum wage be set at \$15 per hour. by July 1, 2023 and increase annually by the percent growth in the Consumer Price Index (CPI) for the Washington-Baltimore region for businesses of any size. Additionally, this bill would raise the tip credit amount to \$15 per hour by July 1, 2025.

Under Section 3-413 of the Labor and Employment Article, amended in 2014, the state minimum wage will increase to \$10.10 per hour on July 1, 2018. Currently, the minimum wage stands at \$9.25 per hour, which is \$2.00 per hour above the Federal, Pennsylvania and Virginia standards, and 50 cents per hour above the West Virginia standard. In 2018, when the minimum wage will increase to \$10.10 hour. it will be one of the highest in the country and will reflect a 39.3 percent increase in just over four years.

Maryland businesses are the job-creating engines our state desperately needs. Subjecting them to a drastic increase after they will have finished this 39.3 percent increase will result in not only continued salary compression for those who make above the minimum wage, but would cause hour, benefit, and position reduction as an adjustment to this massive mandate.

Increasing the minimum wage artificially alters the price of labor and therefore price of goods and services. As a direct result, consumers will see the price of staple goods rise, and those who do not receive a wage boost, will end up losing purchasing power as a result of prices increasing. Minimum wage does not increase the value of wages, but rather increases the prices of goods and services as an adjustment for the increased price of labor.

The U.S. Bureau of Labor Statistics' national data shows that the majority of these earners are between the ages of 16 and 24 and that most of them work in the leisure, hospitality and food service industries. The age of these employees alone illustrates that minimum wage positions are not careers, they are summer, entry and part-time jobs where students or young professionals are given the opportunity to earn a wage and understand the workplace.

{Name}
{Title}
{Organization}



talking points

Use these talking points as a guide for writing your own letters to legislators or editors, social media posts, call scripts, or other communications. Modify them as needed to describe your specific concerns and personality.

COST TO BUSINESSES

REAL EXAMPLES FROM MARYLAND CHAMBER OF COMMERCE MEMBERS

- A Garrett County business employs a staff of 30, with eight full-time employees and 22 part-time employees. The average hourly wage for non-tipped/salaried employees is \$12.61. If the minimum wage goes up to \$15 it will cost the business owner \$75,543 per year in additional payroll.
- Another Garrett County business employs 43 people full- or part-time. The average hourly wage is \$10.25. If the minimum wage goes up to \$15, it will cost \$278,537 per year – a 47-percent increase in payroll.

COST TO EMPLOYEES

- A University of Washington study found that Seattle’s move toward a \$15 minimum wage cost low-skilled workers (those earning under \$19 per hour). The number of available working hours dropped by 9.4 percent in three fiscal quarters after the minimum wage reached \$13. That adds up to a loss of 3.5 million hours per calendar quarter. (Source: Minimum Wage Increases, Wages, and Low-Wage Employment: Evidence from Seattle, Jardim et al, 2017)
- Representatives from the Maryland Association of Counties testified: “Many part-time and seasonal employees work in community services, such as after-school activities, summer camps, and community services for vulnerable populations. Accommodating this legislation could result in significant cuts to those programs.”

talking **points**

STAYING COMPETITIVE

- The minimum wage stands at \$10.10, which is almost \$3 above the federal, Pennsylvania and Virginia minimums. Raising it to \$15 would make it more than double those wages. We need to stay competitive with our surrounding states so businesses want to operate in Maryland.
- Higher operational costs contribute to Maryland-based business owners deciding to move to another, less costly state.

COST TO CONSUMERS

- Increasing the minimum wage artificially alters the price of labor and therefore the price of goods and services.
 - Consumers will see the price of staple goods rise, and those who do not receive a wage boost will lose purchasing power as prices increase.
 - Minimum wage does not increase the value of wages, but rather increases the prices of goods and services.

TYPE OF LABOR/NON-CAREER JOBS

- The Bureau of Labor Statistics (BLS) data shows that a majority of minimum wage earners (31,000 in Maryland) are between the ages of 16 and 24 and work primarily in the hospitality, leisure and food services.
 - These are generally not career positions. They are primarily part-time, summer or entry-level jobs.

TOO FAST TOO SOON

- Minimum wage has already risen 39.3 percent in four years.
 - A move to \$15 will be an additional 48.51 percent increase from \$10.10.

$$\begin{array}{l}
 \text{July 2014: } \$7.25 \\
 \text{July 2018: } \$10.10
 \end{array}
 \quad
 \frac{\$15 - \$10.10}{\$10.10} \times 100 = 48.51\% \text{ increase}$$

$$\frac{\$10.10 - \$7.25}{\$7.25} \times 100 = 39.31\% \text{ increase}$$

getting social

Use these suggestions as guidelines, or use them verbatim, in your social media posts. They are written for Twitter's original 140-character limit; you can make them longer for Facebook, LinkedIn, or other platforms if you wish, but it's best to keep them short. Please use the hashtag; it aggregates all mentions of our initiative.

“ Raising [#MDminimumwage](#) to \$15 makes employers choose/move to other states. (66 characters) ”



“ If [#MDminimumwage](#) goes to \$15, prices for goods go up, hours/jobs are cut, purchasing power goes away, and everyone winds up poorer. (131 characters) A \$15 [#MDminimumwage](#) cancels [#Medicaid](#) eligibility for full-time earners. (73 characters) ”

in “ A \$15 [#MDminimumwage](#) would be more than 2x the 2014 wage – too much too soon for employers to afford. (101 characters) ”

“ “ [#MDminimumwage](#) won't help people succeed. Focus on training, workforce development, education and skills to lift people beyond the minimum. (139 characters) ” ”

“ “ If [#MDminimumwage](#) goes to \$15, my company will have to lay off [# of workers] and/or cut [# of hours] to stay in business. (122 characters) ” ”



“ “ A \$15 [#MDminimumwage](#) will mean cutbacks in available hours. (59 characters) Most [#MDminimumwage](#) workers aren't in permanent positions. The wage isn't intended as a permanent primary income. (113 characters) ” ”

business **survey**

COST TO YOUR BUSINESS

Please use this chart to calculate your own costs incurred from a \$15 minimum wage. If you would like the Maryland Chamber to use your information, please scan it and email it to Senior Policy Analyst James McKittrick at jmckitrick@mdchamber.org.

BUSINESS NAME: _____

LOCATION (geographic): _____

TYPE OF BUSINESS: _____
(line of business; year-round/seasonal)

YEARS IN BUSINESS: _____

	EMPLOYEE	FULL-TIME	PART-TIME	HRS WORKED PER WEEK	RATE OF PAY	YEARS OF SERVICE	PRIMARY EMPLOYMENT	SECONDARY EMPLOYMENT	SEASONAL EMPLOYMENT	IF SEASONAL, START & END DATES	IF SEASONAL, EMPLOYEE? Y/N	IF PAID LEAVE CURRENTLY OFFERED, HOW MUCH?	IF PAID LEAVE OFFERED, HOW MUCH?
1													
2													
3													
4													
5													
6													
7													
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The Maryland Chamber of Commerce connects business leaders and policymakers across the state. With extensive resources, advocacy and network-building, we work to make Maryland more business-friendly and nationally competitive.