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Public Hearing on Bill 28-17, Human Rights and Civil Liberties –
County Minimum Wage Amount – Annual Adjustment
September 26, 2017

OPPOSE

Testimony by Ilaya Hopkins, Vice President Public Affairs
Montgomery County Chamber of Commerce

MCCC advocates on our members' behalf to strengthen our community for the benefit of all. Public policies that support business growth and success create more jobs – and more paths to self-sufficiency - for more residents.

We urge you to rethink this proposal which calls for an additional increase to the local minimum wage above the existing above-market-rate wage of \$11.50.

In Montgomery County, we need laws that support our amazing, diverse, visionary and daring employers who are trying to survive and thrive right here. Their success is the backbone to a strong local economy that in turn builds a strong community with more opportunities for more of our residents.

Here is what we know:

Montgomery County has one of the highest median wages in the country. If you dig deeper, you discover that 181,306 people (53.6% of high-income residents) work **OUTSIDE** of Montgomery County.

Who IS in Montgomery County and impacted by the policies you enact?

Almost 33,000 businesses, the vast majority of which have fewer than 100 employees. These small businesses are diverse and are critical to our economic ecosystem. This is why we advocate on their behalf.

The national push to mandate \$15 by 2020 – the Fight for \$15 - is analogous to casting a big net in the ocean to catch the big tuna. You might get some of the tuna but you also cause unintended harm to dolphins in the process.

Who are the dolphins of Montgomery County? They are the small businesses that are

- training our young people to gain skills in the work place.
- providing health care to their employees who they consider like family members, even though health care coverage costs continue to escalate.
- investing in their talent by helping them develop skills like English language proficiency so they can move up the ladder of opportunity.
- employing people of differing abilities and delivering services to some of our community's most vulnerable populations.

We do not believe that the continued focus to bring this national movement with a catchy phrase to our local economy by mandating additional increases of a local minimum wage answers the important question of how best to support low-wage earners.

An additional increase to the local minimum wage will make it

- more difficult for many of our most vulnerable residents who will be further shut out of the job market and
- more costly for everyone – even for the very people this national movement purports to want to help.

As we have said many times, this additional increase is too much, too fast. The increases in the local minimum wage to date, combined with numerous other local mandates ranging from mandated training, prohibitions on products, myriad taxes, employer-employee relations, have been challenging for these businesses to absorb. This doesn't even take into consideration what is happening at the federal and state level.

The cumulative impact of these mandates is costly and makes it difficult to have a sustainable business model. There is no more room to

- cut costs
- raise prices, or
- dip into any mythical reserves.

We believe a better way to address self-sufficiency is by creating more opportunity.

Unfortunately, that position has been grossly misrepresented.

In the article attached to my testimony from [Maryland Reporter \(7/25/17\)](#), Councilmember Elrich is quoted as saying the members of the Montgomery County Business Coalition are **“perfectly happy to have people earn bad wages and live in poverty.”**

Based on that assertion, it is evident that he has not considered the hours of testimony by us and others who advocate on this issue and other issues for a strong community. We provide powerful examples of our members who are Montgomery County residents and employers investing in their staff and the community. The input and ideas from employers matters in the process of formulating public policy. After all, if a business cannot remain profitable, who will provide jobs to our residents?

In the same article, Councilmember Leventhal says that **‘it is desirable that individuals find adequate income working hard in the private sector.’**

We agree. But does ‘adequate income’ mean minimum wage?

The Council staff report from January 2017 states that prices have increased at a faster rate in our region than in others across the country in the last few years. A higher minimum wage will not be ‘adequate’ to make living in Montgomery County more affordable.

Rather than making it more difficult for employers to grow and succeed, let’s continue to work together to find ways to create more opportunities for more jobs that do provide self-sustaining wages.

We believe a more sustainable approach to creating more opportunities for more residents is through laws that support our business community in Montgomery County. A strong local economy builds a strong community with opportunities for more of our residents.

Therefore, we recommend that you do not pass this proposal as written.