

The Maryland State Teachers Association

Testimony in Support of HB 430 State Procurement Contracts – Living Wage

House Economic Matters Committee

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Robert L. Rankin, Sr.

Government Relations

The Maryland State Teachers Association supports HB 430 proposing to require certain employers who obtain certain procurement contracts from the state to pay each of their employees a living wage of at least \$11.95 per hour with annual adjustments indexed to the consumer price index.

Whenever decisions concerning the expenditure of public dollars are under consideration, there needs to be a realization of the consequences that extend beyond the basic action of purchase and consumption. Expending public dollars provides an opportunity to confront multiple aspects that impact the quality of life that we constantly strive to improve in our state. Selectively spending public dollars with an emphasis on keeping the dollars within Maryland allows for an economic recycling of dollars many times over through multiple transactions and is a self-stimulating economic tool. Moreover, at every level of recycling public dollars within Maryland, there remains the opportunity for state and local taxation with the application of sales, excise or payroll taxes and is a self-generating revenue tool.

The Maryland State Teachers Association supports HB 430 because of the opportunity it provides for many children to be better prepared for learning. Employees receiving livable wages and family health care are better prepared to meet the many challenges of raising a family. Children who live in households of high poverty, frequent unemployment, and inadequate health care often have greater difficulty learning in school. Studies conclude that areas of high concentrations of poverty have a serious detrimental impact on children and impede their level of educational achievement. Children cannot learn when they are so hungry that their ability to think suffers. Children cannot learn when they suffer from illnesses or miss school from sicknesses that drag on due to lack of treatment. Teachers cannot teach to an empty desk because the child's family is continuously moving to find work. According to the MD State Dept. of Education's Student Mobility Report of 2204, some school systems have a mobility rate in excess of 25%, meaning one-fourth of the students that begin school in September are in a different school by the end of the school year. Stable employment and a living wage will greatly reduce the number of families faced with the harsh reality of unplanned relocation.

Every child deserves an opportunity to learn in our public schools. Every person in Maryland deserves an opportunity to work and earn a living wage so they may properly care for their family. Establishing a living wage provision on state procurement contracts is a public policy decision that demonstrates a willingness of the State of Maryland to invest in itself. Improving employment opportunities will strengthen families and will help to reduce some of the barriers that children and teachers face as they pursue a quality education.

We urge you to issue a favorable report on House Bill 430.