

Contact:

Melvin Thompson
Senior Vice President - Government Affairs
443-539-2455 (office direct dial)
mthompson@marylandrestaurants.com



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Position: OPPOSE

Bill 34-23
County Minimum Wage - Wage Commission - Established

The Restaurant Association of Maryland strongly opposes Bill 34-23.

This legislation establishes an unnecessary and unelected commission to study wages and working conditions within the County by industry, and report annually to the County Executive and County Council regarding any recommendations related to minimum wages and working conditions.

The directives for the wage commission regarding minimum wages and working conditions are issues that have traditionally been handled solely by the County Council and through the conventional legislative process, which is open, transparent, and fair. It is unclear why such a wage commission is necessary. Establishing different minimum wages and working conditions by industry would be complicated, and confusing for both employers and employees.

For chain restaurants in particular, this legislation poses a threat that may hinder future restaurant growth in the County. Restaurants seeking new locations may choose other jurisdictions with more favorable business climates. Other industries targeted by such a commission may also consider locating elsewhere.

For businesses to succeed, provide jobs, and contribute to the local economy, they need to retain the flexibility to decide what is best for their business models and employees. And they need to also ensure that the products and services they provide remain affordable to the communities they serve.

Running a successful business is a challenge. Running a successful restaurant business is even more of a challenge because of the amount of labor required and the narrow profit margin. Successful business owners strive to provide good pay, benefits and working conditions for their employees who are critical to the success of the business.

Our industry has spent significant time educating Councilmembers about our business operations, and addressing the misinformation that labor advocates have used in their talking points on tip credit legislation also pending before this Council. We are concerned that a wage commission established by Bill 34-23 would be leveraged by labor advocates using misinformation to advance their policy agenda.

The County Council and its legislative process is the appropriate venue for these policy matters. These types of issues that affect businesses, employees and the local economy should not be ceded to an unelected and unaccountable body. For these reasons, we urge the Council to reject this legislation.