

Workers, Wages, and Labor Policy Memo

Prepared for: JOBS/LABOR POLICY COMMITTEE

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A STRATEGY TO ADVANCE THE MOORE-MILLER PRIORITIES FOR PROTECTING, SUPPORTING AND EMPOWERING MARYLAND'S WORKING FAMILIES.

A coalition of Maryland stakeholders developed action steps to assist the Moore-Miller Administration and the state of Maryland to address key workforce and worker protection opportunities. The work groups focused their recommendations on creating access to apprenticeships, creating inclusive workforce programming that empowers Maryland's working families, setting up agencies and programs for a stronger focus on worker protections, and ensuring that all workers who are harmed are made whole and protected from retaliation. The workgroups included representatives from labor, legal services, and advocacy organizations. The strategies identified align with the [Moore-Miller administration's workers, wages, and labor priorities of:](#)

“TRANSFORM MARYLAND'S WORKFORCE DEVELOPMENT SYSTEM.”

“MAKE HIGHER EDUCATION MORE AFFORDABLE.”

“LIFT UP EVERY MARYLAND FAMILY.”

“APPOINT A LABOR RELATIONS LIAISON.”

“EMPOWER MARYLAND'S DEPARTMENT OF LABOR TO FULLY EXECUTE ITS MISSION.”

Please note, our coalitions did not discuss these Moore-Miller Administration Priorities:

- “ATTRACT AND RETAIN LEADING INDUSTRIES AND TALENT TO MARYLAND.”
- “SUPPORT AND GROW SMALL BUSINESS.”
- “INVEST IN EARLY CHILDHOOD EDUCATION.”
- “LEVERAGE OUR STATE'S PURCHASING POWER...”

KEY TAKEAWAYS FROM THIS MEMO

- Coordination and collaboration through local workforce investment boards, local school districts, unions, and community colleges is critical to improving workforce development efforts across the state.
- Workforce shortages in sectors such as home health and health care aren't only an economic issue, they create barriers to care, contribute to health disparities, and hamper our health care institutions.

- Public sector workers are a large, important workforce too. Even when workers aren't state employees, publicly funded jobs should be good jobs that include workers in the social safety net and allow workers to support themselves and their families.
- Focus of the Department of Labor should shift from counseling businesses to asserting and protecting workers rights.
- More stakeholder engagement is needed; seek input from labor and people who work in the industry when developing standards and regulations.
- Maryland Occupational Safety and Health (MOSH) needs to function as its mission intended.
- Ensure workers who are harmed are made whole, and they are protected from retaliation.

STRATEGY RECOMMENDATIONS

Moore-Miller Administration Priority: “TRANSFORM MARYLAND’S WORKFORCE DEVELOPMENT SYSTEM.”

- “Create new pathways to the workforce by expanding access to short-term credentialing programs.”
- “Increase funding for apprenticeships.”

Why These Priorities are Important

“To meet world-class standards, Maryland needs to [grow the number of workers in apprentices](#) each year from less than 12,000 today to at least 80,000 (equivalent to the rates in the UK and Australia).” That will require sustained commitment, substantial public investment in both the infrastructure of apprenticeships and the related instruction, and public embrace of career pathways based on skills, not just degrees. The Blueprint for Education establishes a plan to scale up high school registered apprenticeships through Career and Technical Education (CTE) related classroom instruction and establishes a benchmark of at least 45% of high school graduates completing a high school level apprenticeship by 2031.

Key Strategies

- Set numerical goals and timetables for apprenticeships by sector beginning with sectors with the highest needs such as IT, health care, construction, business and public services (includes accounting, HR, public safety, and education).
- Establish a minimum 5 year investment in creating performance-based incentives for public and private apprenticeship intermediaries to: start up more apprenticeships; market apprenticeships to employers; help design the programs; recruit the apprentices; advise employers; find the appropriate academic coursework, called “related instruction”; and build high quality local career counseling and matching agencies and state apprenticeship staff to support them.
- Direct Maryland colleges and licensing boards to accept apprenticeships in any field as credits and provide incentive funding for them to implement this sooner.

- Community colleges and four-year institutions need to work with apprenticeship sponsors to develop and scale up degree programs as related instructions in apprenticeships.
 - Provide permanent public funding for apprenticeship-related instruction including:
 - Implementation of the Blueprint for Maryland’s Future re-invention of high school CTE;
 - Reform of community college workforce training;
 - Creation and scaling of degree apprenticeships in occupations where degrees are required (nursing, teaching, accounting, etc.); and
 - Direct funding to non-public education training providers (union, employer, and nonprofit apprenticeship sponsors).
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Moore-Miller Administration Priority: “MAKE HIGHER EDUCATION MORE AFFORDABLE.”

- **“Increase funding for financial aid.”**
- **“Create new pathways to higher education by making Maryland’s Community College Promise Program more accessible.”**
- **“Implement a Service Year Option program.”**

Why These Priorities are Important

The workgroup did not have sufficient membership with educational expertise and did not discuss these topics in depth, but supports the priorities identified by the incoming administration. Below are a few strategies regarding higher education that support these goals.

Key Strategies

- Invest in community colleges, which are an essential component of both our workforce development system and our system of public higher education.
 - The state should strengthen its investments in community colleges and ensure that students are not locked out by unaffordable tuition, fees, living expenses, or administrative hurdles.
 - Increase funding of Promise Scholarships to ensure no eligible student pays community college tuition out of pocket.
 - Maryland can create degree apprenticeships in any field, simply by directing the colleges and licensing boards to accept the credits and providing incentive funding to do it sooner rather than later.
 - [Coordinate service delivery](#) so learners can seamlessly transition to education, training, and careers. This would involve establishing cross-training among a wide array of service providers, so that staff members making referrals are aware of the range of services and participation requirements.
 - The state should also strengthen support for higher education (including community colleges and four-year institutions) to [prevent continued, unaffordable growth in tuition and fees.](#)
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Moore-Miller Administration Priority: “LIFT UP EVERY MARYLAND FAMILY.”

- “Accelerate the minimum wage increase to \$15 per hour.”
- “Ensure passage of a comprehensive Paid Family and Medical Leave program.”

Why These Priorities are Important

In 2019, the General Assembly passed legislation to increase [Maryland's minimum wage](#) to \$15 an hour by January 1, 2025 for employers with 15 or more employees and by Jan 1, 2026 for employers with 14 or employees giving employers 5-6 years to each the \$15 minimum wage. Some local jurisdictions (Montgomery, Prince George's and Howard counties, and Baltimore City) have passed local minimum wage increases accelerating and/or exceeding the state minimum wage. While Maryland's minimum wage law is better than most states, it's far behind the estimated \$19.74 [identified by MIT](#) as the average “living wage” for a single adult with no dependents in the state of Maryland. Unfortunately, [a \\$15 minimum wage is already not enough](#), and by the time the \$15 minimum wage is standard across the state, the minimum wage will be even further behind the living wage. Maryland must accelerate implementation of the \$15 minimum wage, eliminate the tipped worker exemption, and index the minimum wage to inflation to move the state closer to a living wage for all.

The Maryland General Assembly in 2022 passed the [Time to Care Act](#), which establishes a Family and Medical Leave Insurance (FAMLI) program that will allow some categories of employees to take up to 12 weeks of paid leave from their jobs to care for new children, other family members with serious health conditions or disabilities, the circumstances surrounding a family member's military deployment or for themselves.

Outstanding issues in implementation of the law remain, including the contribution rate, the share of the contribution to be paid by the employer and employee, and technical fixes to the 2022 legislation.

Key Strategies

- Accelerate the minimum wage increase to \$15 per hour by the end of 2023 and restore the categories of workers cut out of the 2019 bill.
 - Restore categories of workers excluded including agricultural workers and young workers under 20 years of age.
 - Eliminate the training wage.
 - Remove language exempting seasonal employers.
 - Apply the minimum wage law equally regardless of employer size.
 - Index future minimum wage increases to inflation.
 - Pass legislation to eliminate the subminimum wage for tipped workers, currently capped at \$3.63 per hour.
- Prioritize legislation that [increases wages for Medicaid-funded direct care workers](#), similar to “living wage” laws in effect in Maine and D.C.
- Implement the [Time to Care Act](#) including setting a reasonable contribution rate and equitable share to be paid by employer and employee as well as passing legislation to make technical fixes to last year's [Time to Care Act](#).
- Convene an advisory group to assist with regulation development and program planning.

- Build capacity at the Department of Labor to administer the paid family and medical leave program and begin collecting contributions to the fund.
 - Claims administration should remain with the Department of Labor (DoL) and not be privatized.
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Moore-Miller Administration Priority: “APPOINT A LABOR RELATIONS LIAISON.”

- “Engage regularly with labor representatives.”
- “Facilitate the quick resolution of issues brought to our attention.”

Why These Priorities are Important

The Hogan Administration approached workforce and labor issues from the perspective of providing counseling and assistance to employers and businesses. This was a shift away from the O’Malley administration’s focus on strong enforcement and balancing the needs of employers with those of workers. The incoming administration will need to re-establish relationships with labor and be prepared to take on long-standing problems beginning with MOSH and the Unemployment Insurance Administration.

Key Strategies

- Hire agency administrators who understand the hazards and stressors of work; especially for essential/frontline work, heat exposure, public health risks such as airborne infections, and stress.
 - Focus on protecting and asserting workers’ rights.
 - Cultivate relationships between enforcement agencies and worker advocates.
 - Establish confidential processes for workers to report unsafe working conditions.
 - Create an Advisory Council or a Director-level position to identify the needs of farmworkers and provide resources to support farmworkers in Maryland.
 - Convene an advisory group to assist with regulation development and program planning of new paid family and medical leave law.
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Moore-Miller Administration Priority: “EMPOWER MARYLAND’S DEPARTMENT OF LABOR TO FULLY EXECUTE ITS MISSION.”

- Build systems to monitor wage theft.
- Track and penalize bad actors.
- Report on trends to prevent future abuse.

Why These Priorities are Important

During Governor O’Malley’s tenure, Maryland was seen as a leader on workplace safety and worker rights, a status the state should seek to achieve again by renewing the focus of the Department of Labor to asserting and protecting workers rights, engaging with all stakeholders, particularly labor and people who

work in the industries being regulated. It should also be the DOL's mission to ensure workers who are harmed are made whole, and they are protected from retaliation.

MOSH is not operating at the same level as it was before the Hogan administration. The issues are so significant that the U.S. Occupational Safety and Health Administration (OSHA) has issued findings in the annual reports from [FY2021](#) and [FY2020](#). In addition, federal law from 2015 requires the state to raise penalties (action requiring legislation); **Maryland has been out of compliance for six years.**

Unlike the wage laws of many other states, Maryland's wage laws lack effective anti-retaliation provisions. As a result, when employers retaliate against workers who complain about unpaid wages, workers are often left without a remedy. This misconduct – wage theft facilitated by actual or threatened retaliation – is prevalent in many low-wage industries.

Key Strategies

- Fund additional staffing for the Maryland Commission on Civil Rights, Employment Standards Service (ESS), Maryland Occupational Safety & Health (MOSH), Department of Labor, and Unemployment Insurance Administration.
- Pass legislation requiring paystub transparency to deter deceptive payroll practices, alleviate misunderstandings between employers and employees about wages due, help identify true wage violations, and level the playing field for law abiding employers.
- Implement retaliation protections for instances including threats of job loss, deportation, demotions, and other retaliation.
- Increase OSHA penalties to align with federal levels as required by federal law in 2016. Maryland is one of a handful of states that is not in compliance.
- MOSH should develop a strategy for ensuring that a safety and/or health hazard investigation or inspection is conducted in accordance with MOSH policies and procedures “**everytime** a whistleblower complainant alleges a safety and health concern.” [FY2021 FAME Report. OSHA](#)
- Combat misclassification of workers as independent contractors in all sectors, particularly low-wage workers, both by passing legislation and through targeted enforcement campaigns by MDOL.
- Utilize MOSH enforcement data to provide more meaningful enforcement tools such as excluding repeat violators of state law from state and local contracts, and enacting criminal penalties.
- MOSH must revise the recently drafted heat stress proposed regulations so that they are protective of workers. There are serious concerns from labor and workers regarding recently drafted heat stress regulations, as noted in [public comments](#).
- MOSH needs to utilize and expand its regulatory process to ensure it is proactively developing, updating and implementing regulations to ensure Maryland workplaces are safe for workers.

Thank you for considering these recommendations. For more details related to these ideas please contact: alice@advancemaryland.org