

Testimony for Montgomery County Council

Bill 46-15, Human Rights and Civil Liberties - Building Maintenance Worker - Minimum Work Week

Tuesday July 11, 2017

Good afternoon Council President Berliner and members of the Committee.

My name is Marni von Wilpert. I serve as an Associate Labor Counsel at the Economic Policy Institute. EPI is a think tank that studies the economy and how government policies affect the lives and well-being of America's workers. EPI believes that every working person deserves a good, safe job with fair pay, affordable health care, and retirement security.

I am here today to speak in support of Bill 46-15 and its establishment of a 30-hour minimum work week for certain building maintenance workers.

Since the economy began to recover from the Great Recession, many workers have desired to regain full-time jobs, but end up working only part-time because those are the only positions they can find. Involuntary part-time work among building maintenance workers means that they are not offered enough hours to earn a decent living, and they are being denied access to health insurance.

Often, part-time workers are faced with volatility in their schedules and their weekly income. Irregular schedules that fluctuate from week to week make it nearly impossible for part-time workers to plan for child care or educational opportunities. And unstable hours lead to unstable earnings. For hourly workers, volatile earnings make it harder to meet their regular financial responsibilities like housing, food, childcare, and transportation. [Research](#) has shown that nearly half of working people with volatile monthly earnings cite their irregular work hours as the cause of this hardship.

Data from the Census Bureau's American Community Survey, which provides the most detailed picture of local employment available, shows that building maintenance employers have choices in how they schedule work in this sector.

Metropolitan area	0-19	20-24	25-29	30-34	35-39	40-45	45+	total	30 or more
Montgomery County, MD	10.9	8.8	6.9	10.1	5.3	50.1	8.5	100.0	74.0
Washington, DC	5.3	14.6	9.6	4.3	7.4	54.9	3.8	100.0	70.4
New York City, NY	7.1	7.1	3.4	5.5	9.0	60.7	8.4	100.0	83.5
Chicago, IL	10.5	7.2	4.5	10.0	5.9	57.6	5.8	100.0	79.2
San Francisco County, CA	11.3	5.8	7.8	7.4	7.4	54.3	5.9	100.0	75.1

Source: EPI Analysis of American Community Survey (ACS) data

Looking at the data, it is apparent that the two largest metropolitan areas listed above, New York and Chicago, have nearly eighty percent or more of their janitors working for at least thirty hours each week. In contrast, in Montgomery County there is a smaller share of janitors and building cleaners working 30+ hours than these other metropolitan areas, except in Washington DC, which passed a 30-hour minimum work week law in 2016 to resolve this exact problem. In Montgomery County, janitors and building cleaners are less likely than all workers in Montgomery County to work more than 35 hours (63.9% compared to 65.8%). And more than 40% of janitors and building cleaners in Montgomery County work less than 40 hours. Source: American Community Survey.

These comparisons show that there are differing scheduling options available to employers in the building maintenance industry, but that employers in most of these metropolitan areas provide longer work weeks to the overwhelming majority of workers.

Moreover, a report by real estate economist Hugh Kelly, PhD, CRE found that the labor costs affected by this legislation make up a small fraction of real estate operating costs. He found that the average janitorial and payroll benefit costs per square foot of sampled buildings were not more than 20% of operating expenses. Real estate taxes, utility costs and repair and maintenance expenses each constituted higher costs for building owners. See Hugh F. Kelly, "Report on Montgomery County Better Jobs Act," July 23, 2015.

In addition, Bill 46-15's requirement that employers provide a minimum work week of 30 hours for each employee is integral to building maintenance workers' ability to earn a decent living in the County. In 2015, Montgomery County's poverty rate was 7.5% compared to 14.2% nationally. However, poverty for part time workers is more than 6 times higher within the County than it is for full time workers (9.9% compared to 1.5%).

Montgomery County's minimum wage increased to \$11.50 from \$10.75 on July 1, 2017. The US poverty threshold for a family of four in 2017 is \$24,600

(<https://aspe.hhs.gov/poverty-guidelines>). In order to earn that income at the current Montgomery County minimum wage of \$11.50, a worker would need to work 41 hours per week.

In addition, EPI's [Family Budget Calculator](#) measures the income an individual or a family needs in order to attain a secure yet modest standard of living – basically, earning enough to make ends meet, but with nothing left over for much else, such as savings. Compared with the federal poverty line, EPI's family budgets provide a more accurate and complete measure of economic security in America. For a two-parent, two-child family [in the Maryland suburbs](#) of Washington, DC, it costs **\$6,611** per month (**\$79,330 per year**) to secure a decent yet modest standard of living.

Raising the minimum wage is an important step to help Montgomery County's workers. But providing workers the opportunity to work enough hours to earn a decent living and obtain health care is also vital to ensure that building maintenance jobs are good jobs that support Montgomery County's workers and their families.