

Thank you Chair Ram Hinsdale and members of the Senate Economic Development, Housing, and General Affairs for having me today. My name is Dan Fingas and I am the Movement Politics Director at Rights and Democracy.

First off I wanted to thank you all for having members and staff of RAD in your committee during RAD's Lobby Day on Feb 15th. We were able to have 2 dozen members and staff testifying in person and virtually to 8 legislative committees and share their lived experiences. So Thank you.

When RAD was founded in 2015 our first major project was to ensure that all Vermonters got paid sick days, so I'm happy to be here to continue the conversation on how we can make Vermont a place that supports all workers and all forms of work. We have a long way to go to make Vermont a place that everyone is financially secure and can afford to not only survive, but thrive. The bills I'll be discussing today both help us move towards that reality.

Today I am here to talk about S108 the minimum wage and wage study bill and S102 the employment protection and collective bargaining bill.

To start with S108 the minimum wage bill, RAD was the anchor organization for the Vermont Raise the Wage coalition who for 3 years waged a campaign to raise the minimum wage to \$15 by 2025, so we are happy to see Sen Clarkson and the other sponsors of this bill working to finish the job.

The goal of \$15 by 2025 was first initiated in 2018 and thanks to the Raise the Wage bill passed in 2020 after a Governor veto override, we are still on that path. The issue today is that with inflation, costs of consumer goods, and the overall cost of living in Vermont a \$15 minimum wage may no longer be sufficient.

The basic needs budget number for a 2 adult household with no children is already \$15.33 and will likely grow in the next 2 years. 2 adults living with no children in a one bedroom apartment is hardly a typical living situation in Vermont. This means that an adult living alone, 2 adults with children, and many other Vermonters would need more than \$15.33 to survive. A \$15 minimum wage by 2025 with a 5% a year increase after that seems like the least we can do.

While the steady increase in minimum wage after 2025 of 5% or CPI is a good model overall, we don't feel using 5% as a cap when CPI, and therefore the costs of groceries, utilities and other basic needs, can be higher than 5%. This would cause a situation where workers will fall further and further behind.

The other portion of S108 that I want to speak to is the subminimum wage. As many of you know the whole concept of a subminimum wage and a tipped wage are vestiges of slavery. After Emancipation, the restaurant industry sought to hire newly freed Black people without paying them, forcing them to live on tips. This concept was made law, excluding a workforce of mostly Black women from the full minimum wage, even when other workers received the federal minimum wage as part of the New Deal in 1938.

Today, Vermont remains one of 43 states that permits this business model built on slavery, and has allowed a workforce that is overwhelmingly women and disproportionately women of color to continue to receive a subminimum wage. The subminimum wage for tipped workers was a problem long before the pandemic for a workforce of thousands of tipped workers in Vermont who are overwhelmingly women working in restaurants and bars. These workers have struggled with twice the poverty rate of other workers and the highest rates of sexual harassment of any industry because they must tolerate inappropriate customer behavior to feed their families on tips they earn.

With the pandemic, the subminimum wage for tipped workers changed from an economic, race and gender injustice to one of life and death. Customer hostility, health risks and harassment increased. We heard stories of tipped workers being asked to remove their masks so men could judge their looks and their tips on that basis. On top of that tipped workers were put in the impossible situation of having to enforce COVID protocols on the same restaurants from whom they had to get tips to survive.

For decades, 7 states did it differently: CA, OR, WA, NV, MT, AK and MN — all require a full minimum wage with tips on top. These 7 states have higher restaurant job growth rates, higher small business growth rates, and higher tipping averages than Vermont; they also have one half the rate of sexual harassment in the restaurant industry and lost fewer restaurants during the pandemic than Vermont.

Ending the subminimum wage is not only better for the tipped worker, but for Vermont's economy. That's why we need to end the subminimum wage for all workers and create one true minimum wage in Vermont now.

I know S108 calls for a study on these issues, but we really should be looking to end the subminimum wage now for all Vermont workers.

The second bill I wanted to testify about is S102 employment protection and collective bargaining bill. A bill many are calling the VT PRO Act as it has many elements of the

PROact that's been introduced on the federal level. We are excited to see this bill as presented as it addresses many needed worker's rights and workplace issues in Vermont. I wanted to highlight the parts of the bill that are specifically important to our members and are crucial to be kept in the final version of the bill.

The ending of no cause terminations or at will employment. This is a huge step for Vermont workers and helps level out the imbalance between workers and their employers. Requiring verified reasons for termination is not only more fair, it also creates more stability for workers and our communities.

S102 also has important provisions to end wage discrimination and allow for pay transparency in the workplace. Allowing coworkers to discuss their own wages and know that they are being paid fairly is a crucial step to real wage transparency.

We also support the section on 1st amendment rights in the workplace, especially the ending of mandatory participation in meetings to dissuade workers from joining a union. These captive audience meetings are routinely used to wear down workers, feed false information, and disrupt a worker's desire to form a union with their coworkers. We know that these captive audience meetings have been used even recently in the Starbucks workers union campaign in South Burlington. These meetings have no job specific value and should not be mandatory.

Farm and Domestic Worker Right to Collectively Bargain. As we see with the subminimum wage, we have historically decided that certain kinds of workers don't deserve to have the same rights. Which is why it is important that farm workers and domestic workers have the same rights to unionize as all other Vermonters. There is no reason to deny these rights. Especially to 2 classifications of workers whose majority is people of color and women. It's another example of how the economy is set up on systems that are racist and sexist and need to be changed.

The last provision of S102 I like to speak to is Majority Sign Up. That is the provision that if 50% plus 1 public employees petition for an election, then they are granted union recognition. As workers have the right to unionize, it makes sense to allow a majority of public employees in a given workspace the easy ability to do so. We know that union elections can be long processes that take time and money. We don't feel that public institutions should spend taxpayer funding fighting their own workers if a clear majority of those workers want a union.