

Testimony of Jeanne Lamica
LamCo Cleaning Services LLC
RE: Bills H.93 and H.64

Although I fully understand the desire for a livable wage, so-called, I believe bills H.93 and H.64 are actually counter-productive to achieving that goal.

I am 54 years old and own a small cleaning business. I have always been a person of limited means and though I now own my own business and enjoy a reasonable measure of success, my income continues to be quite modest.

When I first went out on my own, I cleaned commercial establishments as well as residences. I no longer clean residences because the rates most homeowners can pay do not support a commercial business that carries the overhead of liability insurance, workers' compensation, unemployment and payroll. Still, to many hard-working families it is a great relief to have someone come in periodically to clean their house. Raising the minimum wage will make it difficult for many families to hire someone to help them in their homes. This not only will make it harder for the families involved, but also eliminate a very useful position for many people who could use the work. I know for me, cleaning people's homes part-time not only gave me a little extra income when I was working full-time for others, but also provided the foundation -- i.e. good references, effective pricing of work and acquiring the tools and equipment -- I needed in order to move into the more lucrative commercial cleaning field.

Most Vermont businesses are quite small and the owners have to work tremendously hard to be successful. They often recognize the importance to their image and credibility that a clean work space provides, but have a hard time keeping up with the cleaning amidst their other responsibilities. If you increase the minimum wage, it will make the cost of hiring a commercial cleaning business too high for many businesses. This would not only be a shame for those businesses and their customers, but will also put many people, who are the most in need of job experience, out of work.

This not only means more people on public assistance, but makes it harder for such individuals to develop the work habits and skills that they need in order to be able to earn a good wage. Cleaning, particularly for commercial establishments, is an excellent place to learn the skills you need to become a sought-after employee.

Cleaning requires a diligence, attention to detail and care for others that is rare to find. Finding such employees is one of the great difficulties of being a business owner today. Few businesses can afford to pay someone while they learn those skills. That is why businesses like mine are so critical to the economy. Since cleaning is not rocket science, it means that I can take time to teach my employees the basic math,

communication, listening, courtesy and professionalism skills that they lack. Those that learn move on to higher earning positions.

This is not theory, but real practical experience. When I began my business, I employed five female teenagers, ages 15 to 19, part-time at the then Vermont minimum wage of \$9.00 per hour. Frankly, some of them were not worth that wage at the time. During their time with me, however, they each learned how to be responsible, accountable and professional employees. None of them currently work for me, but all have blossomed into very competent employees for others, earning the kinds of wages that you want all Vermonters to earn. Unfortunately, the truth your proposed law seems to miss is that they would not have graduated to the higher wages they now earn without starting at a job like the one I gave them.

Furthermore had the minimum wage been even \$1.00 more, I quite possibly could not have hired them. Remember, when you raise the minimum wage, you are also raising my workers' compensation insurance premiums, my unemployment taxes and my FICA and Medicare taxes. These additional costs then get multiplied through to my clientele. Sadly, a fair number of small businesses can just barely afford to hire me a cleaning service as it stands now. Therefore, if you raise the minimum wage rest assured that myself and other cleaning services will have to lay off people. There is no way around that. It will be the reality on the ground.

If you really want to help Vermont workers' then you should stay out of the business of legislating wages. If you do, more Vermonters will work and have the opportunity to learn the skills they need to earn higher wages. Moreover, many Vermonters who need a part-time, second job to make ends meet will be able to find such work. If you raise the minimum wage you are only going to hurt the most vulnerable Vermonters. I know. I have been such a Vermonter for the better part of the last twenty-five years.

Should you have any questions, do not hesitate to contact me. Thank you for giving me the opportunity to testify about the bills under consideration. I hope that my testimony will help you to see that the legislation you are considering, if passed, will actually hurt the very Vermont workers you state that you intend to help.

Respectfully submitted

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