

Environment and Transportation Committee
Delegate Marc Korman, Chair
Delegate Regina T. Boyce, Vice Chair
Friday, March 1, 2024

Written Testimony for Uber Technologies, Inc. on HB1215

In recent years, consumers have grappled with historically high inflation. The increase in costs have impacted families all across the country, including in Maryland. While some costs have started to decline, a recent report shows that inflation numbers have not slowed at anticipated rates. Because of this, it is important to consider the impact new fees will have on consumers as they go about their everyday lives.

As written, House Bill 1215 would place a 50-cent fee on every rideshare trip and a 50-cent fee on every retail delivery made in the state. While the goal of the bill is to help fund much-needed transportation projects, these fees will likely have unintended consequences, such as making critical services more expensive for residents who need them. Uber opposes this bill because: (1) there are currently three proposals which have the potential to substantially increase the costs of rides and delivery orders in Maryland; and (2) high inflation is impacting consumers throughout the state and increased fees could have unintended consequences for the drivers and delivery people who rely on the Uber platform to earn supplemental income, as well as for consumers who are already struggling with affordability.

As previously mentioned, the state is currently considering 3 proposed increased fees on rideshare platforms just this year. The first increase is on trips taken to and from Baltimore/Washington International Thurgood Marshall Airport. Starting in February, airport riders saw a 40-percent increase in their trip fee, from \$2.50 to \$3.50. Additionally, the General Assembly is considering SB0505 and HB1133, which would allow counties to increase their TNC per trip fee from 25-cents to 50-cents. While these fees alone may seem insignificant, those proposals—in addition to this one—would mean that Marylanders could see an additional \$1 to \$2 added to every trip before a ride is even requested. And, these increases would come at a time when consumers are already facing high costs.

A final important consideration for the Committee is the adverse impact increased fees can have on those who use the Uber platform to earn supplemental income. If riders choose to reduce the number of trips they take due to higher prices, or users choose to order less, that could lead to drivers and delivery people seeing a reduction in demand, as well as a corresponding reduction in their earnings. For these aforementioned reasons, Uber opposes House Bill 1215 and asks the Committee to reject this proposal.