Maryland Motor Truck Association



HEARING DATE: February 26, 2025

BILL NO/TITLE: HB554: Unemployment Insurance Modernization Act of 2025

COMMITTEE: House Economic Matters

POSITION: Oppose

Maryland Motor Truck Association (MMTA) respectfully offers its opposition to this legislation, which will substantially drive-up unemployment insurance costs on businesses by:

- Increasing the taxable wage base;
- Driving up the weekly benefit amount;
- Indexing amounts to the consumer price index;
- Raising the allowance per child.

Maryland (along with several other states) already has the longest benefit period in the country at 26 weeks; however, unlike many other states, Maryland does not have a one-week waiting period for unemployment benefits, meaning claimants are eligible for benefits the day after they become unemployed.

The trucking industry is suffering from a massive labor shortage of drivers. National data from the American Trucking Associations indicates the current shortfall is close to 80,000 drivers. Virtually every company that operates commercial trucks needs more drivers. We also have significant shortages among vehicle mechanics and technicians. Jobs are readily available.

In lieu of efforts to further disincentivize citizens to actively search for work by increasing unemployment insurance benefits, the state should focus its efforts on getting Marylanders the job training and skills they need to take advantage of opportunities in high demand industry sectors like transportation.

For the reasons noted above, MMTA requests an unfavorable report on this legislation.

<u>About Maryland Motor Truck Association:</u> Maryland Motor Truck Association is a non-profit trade association that has represented the trucking industry since 1935. In service to its 1,000 members, MMTA is committed to support, advocate and educate for a safe, efficient and profitable trucking industry in Maryland.

For further information, contact: Louis Campion, (c) 443-623-5663