



House Economic Matters Committee
March 4, 2025
House Bill 1400 – *No Tax on Tips Act*
POSITION: OPPOSE

On behalf of the LifeSpan Network, the Maryland Association of Adult Day Services, and the Maryland-National Capital Homecare Association, we oppose the provision contained in House Bill 1400 that increases the State's minimum wage to \$20/hour. Our collective organizations care for the State's most vulnerable elderly and disabled residents within a system that has historically been underfunded and does not adequately reimburse providers for the cost to provide care.

Unlike the previous initiative to increase the minimum wage to \$15/hour, this bill fails to provide an increase in Medicaid rates to offset the additional cost to providers. While we understand the intent of the bill, we are gravely concerned that this provision will put many senior care facilities out of business, especially home- and community-based services, which allow residents the opportunity to age at home or within their communities. Providers simply cannot incur this type of fiscal operating increase at a time when other cost items, such as electricity, insurance, and food, are increasing exponentially. Therefore, we urge an unfavorable vote on House Bill 1400 as it relates to the increase in minimum wage.

For more information:

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