

**2/28/2025**

**HB1400**



**Ocean City, Maryland  
Chamber of Commerce**

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**TESTIMONY OFFERED ON BEHALF OF  
THE GREATER OCEAN CITY MARYLAND CHAMBER OF COMMERCE**

**IN OPPOSITION TO:  
HB1400 – No Tax on Tips Act**

**Before:  
Economic Matters Committee  
Hearing: 3/4/25 at 1:00 PM**

The Greater Ocean City Chamber of Commerce, representing more than 700 regional businesses and job creators, respectfully **OPPOSES House Bill HB1400 – No Tax on Tips Act**. This legislation would prohibit, beginning July 1, 2028, employers of tipped employees from including a tip credit amount as part of the employees' wages. This bill ties this to an increase to minimum wage to \$20 per hour by July 1, 2028, as well.

This legislation would hurt the tipped worker more than anyone. Consumer behavior would shift, and these employees who rely on tips to earn significantly more than minimum wage would be earning a much lower amount. Employers, who would be saddled with paying more per employee per hour, would cut back hours for staff and shift to technology solutions to provide customer service where possible, ultimately hurting the tipped wage earner yet again.

The Greater Ocean City Chamber respectfully requests an **UNFAVORABLE REPORT for HB1400**. Please feel free to contact the Chamber directly on 410-213-0144 should you have any questions.

Respectfully submitted,

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**Legislative Committee Chair**  
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