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Maryland's Minimum Wage Should Not Leave Tipped Workers Behind

Letter of Information Regarding Senate Bill 823

Given before the Finance Committee

Most Marylanders agree that working hard should leave you and your family with enough to afford the basics, and lawmakers and Gov. Moore affirmed this principle by enacting the Fair Wage Act of 2023. However, the tipped subminimum wage – a relic of racist New Deal-era compromises – forces too many workers to make do with wages that cannot support a family, let alone appropriately compensate for the hard work their jobs require.

The Maryland Center on Economic Policy recommends passing legislation to:

- Eliminate the subminimum wage and instead guarantee tipped workers full minimum wage protection
- Require transparency regarding the distribution of restaurant service charges
- Maintain current tax policy