

March 9, 2026

The Honorable Kris Valderrama
Chair
House Economic Matters Committee
Maryland House of Delegates
231 Taylor House Office Building
6 Bladen Street
Annapolis, MD 21401

RE: HB 1584 (Stewart) - Delivery Network Companies and Delivery Network Services - Regulation and Transparency – Unfavorable

Dear Chair Valderrama and Members of the Committee,

On behalf of TechNet, I'm writing to share concerns on HB 1584.

TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet's diverse membership includes 104 dynamic American businesses ranging from startups to the most iconic companies on the planet and represents five million employees and countless customers in the fields of information technology, artificial intelligence, e-commerce, the sharing and gig economies, advanced energy, transportation, cybersecurity, venture capital, and finance.

The sharing economy is creating income opportunities in every corner of the country, allowing people to work independently and on discretionary schedules, use their personal property and skills to generate income, help them expand their businesses, and provide for themselves and their families. Policymakers should ensure that efforts to regulate the sharing economy protect innovation and individual empowerment, are not overly burdensome, and recognize the unique nature of the sharing economy when compared to traditional providers. The composition of the U.S. workforce is changing as new technologies have provided low-barrier access to flexible, independent work. This type of work allows individuals and families in need of supplemental income, including during periods of unemployment or underemployment, to access work on demand. Over time, in large part due to the availability of the gig and sharing economies, the independent workforce has grown to serve as an important source of supplemental earnings for millions of Americans.

HB 1584 creates unnecessary barriers to entry for individuals looking for supplemental earnings facilitating delivery. At a time when many Marylanders rely on flexible, app-based work to supplement household income amid rising costs, this

bill would impose new bureaucratic hurdles that limit economic opportunity. The bill requires the Maryland Public Service Commission to establish a special license that individuals would need to obtain in order to facilitate app-based delivery services. This requirement is unnecessary since platforms already proactively conduct background checks and the work itself carries no unique safety concerns — delivery services are no different than any individual picking up takeout or shopping and bringing home groceries or other retail goods.

Requiring a special license to provide delivery services would be unprecedented. No other state regulates app-based delivery couriers under a public utilities-style licensing framework that requires individuals to obtain a special permit or license to provide delivery services. Maryland would become an outlier, potentially discouraging platform participation and potentially reducing service availability, particularly in rural or underserved communities.

HB 1584's proposed disclosures to consumers and delivery workers is based on a potential misunderstanding of how delivery platforms operate. The bill requires platforms to inform workers regarding how much consumers paid in fees and inform consumers how much a specific worker earned for the delivery. This appears to be based on the assumption that the platform operates like rideshare — which is a two-sided marketplace where a customer pays the driver, and the platform takes a percentage of the consumer charge. However, app-based delivery is a three-sided marketplace connecting a customer, a delivery worker, and a business. As a result, both the customer and the business pay the platform and the platform separately pays the worker.

For example, delivery fees charged for a specific meal or goods aren't correlated with worker pay. The fees charged to the consumer do not correlate in any way with what the platform pays the courier since fees are determined by the cost of the goods being purchased and delivered. Otherwise, a worker delivering a burger and fries would be paid much less than a worker delivering a steak dinner, even if there is no difference in effort between the two deliveries. Worker pay is typically based on time, distance, and other operational factors, not the retail price of the underlying goods. And, as always, a gig worker will see up front how much they will earn from the delivery, and may accept or reject the delivery as they please.

The bill is unclear on how disclosures would operate for "batched" deliveries. When multiple deliveries are available from the same pickup location or headed to nearby drop-off locations, they may be batched together in a single offer to the delivery worker in order to increase pay and efficiency. Even if delivery platforms operated in a way that the bill contemplates, it is unclear how these disclosures would properly function in these situations since multiple consumers may be involved in what would be a single offer or work opportunity for the worker.

Our industry supports transparency for gig workers operating in the DNC space and our members already have practices in place to ensure safety and transparent pay. For the reasons stated above, TechNet is opposed to HB 1584. Thank you for your

consideration of our concerns and please don't hesitate to reach out with any questions.

Sincerely,

Margaret Durkin

Margaret Durkin
TechNet Executive Director, Pennsylvania & the Mid-Atlantic