

VAUGHN STEWART
Legislative District 19
Montgomery County

CHIEF DEPUTY MAJORITY WHIP

Government, Labor, and Elections
Committee

Vice Chair
Democratic Caucus



The Maryland House of Delegates
6 Bladen Street, Room 151
Annapolis, Maryland 21401
410-841-3528
800-492-7122 Ext. 3528
Vaughn.Stewart@house.maryland.gov

THE MARYLAND HOUSE OF DELEGATES ANNAPOLIS, MARYLAND 21401

Testimony in Support of HB 1584

Delivery Network Companies and Delivery Network Services - Regulation and Transparency

Testimony by Delegate Vaughn Stewart

March 11, 2026 | Economic Matters Committee

A Simple Proposition: What Maryland Already Does for Rideshare Drivers

Last year, this committee passed HB 861, which required Transportation Network Companies—Uber and Lyft—to provide their drivers with itemized weekly earnings statements and to report aggregate data to the Public Service Commission. The goal was straightforward: workers who spend their days on Maryland’s roads, using their own vehicles and paying their own expenses, deserve to know how their pay is calculated.

That law took effect January 1, 2026. HB 1584 applies the same logic to Delivery Network Companies—DoorDash, UberEats, Grubhub, and their peers.

The ask is simple: if it’s right for rideshare drivers, it should be right for delivery drivers too.

The Problem: A Black Box at the Bottom of Every Receipt

Food delivery apps have become a fixture of everyday life in Maryland. Tens of thousands of Marylanders depend on these platforms—not as a side hustle, but as a primary source of income. Yet despite the explosive growth of this industry, almost no one—not drivers, not consumers, not policymakers—can fully see what is happening with the money flowing through these platforms.

Consider what a Washington Post investigation found when reporters placed identical orders on DoorDash, Grubhub, and UberEats and tried to reconcile the receipts. Fees were vague or unlabeled. Service charges were described only in the broadest terms. As one expert the Post quoted put it, the opacity is “a feature, not a bug” of these systems. Customers pay more than they expect. Restaurants keep less than they hope. And drivers often have no way to verify whether what they received is what they were promised.

A 2024 University of California, Berkeley study on gig delivery drivers found that most drivers have significant difficulty understanding their compensation due to unclear fee structures, variable incentives, and

limited access to earnings data. A Georgetown University survey found that 100% of drivers surveyed experienced barriers to calculating their actual net pay.

And the industry is not small. DoorDash alone controls 67 percent of the U.S. food delivery market and reported \$10.7 billion in revenue in 2024—posting a 24 percent year-over-year growth rate. These are not struggling startups. They are dominant platforms extracting value from Maryland workers and consumers while operating almost entirely without transparency obligations.

What the Bill Does

HB 1584 creates a framework of basic transparency for delivery network companies. It mirrors the structure of HB 861 and applies it to the DNC context. Specifically, the bill:

- Requires DNCs to provide itemized digital receipts to both operators and consumers on a per-delivery basis, showing the total customer cost, all fees charged, total operator compensation broken down by base pay, bonuses, and tips, and the amount retained by the company.
- Requires pre-acceptance disclosure to operators, so that before a driver accepts a delivery, they can see the estimated distance, time, and pay—along with information about how tips may be modified after delivery.
- Requires weekly earnings statements summarizing total customer payments, operator compensation, tips received, company retention, total miles and delivery time, and operator compensation expressed as a percentage of total customer payments.
- Requires annual statewide and county-level reporting to a commission, including average and median hourly earnings, courier share of customer payments, and system-wide delivery time and mileage data.
- Codifies tip pass-through protections, prohibiting companies from reducing base pay in response to tips—a documented practice that effectively allows platforms to redirect customer gratuities to their own bottom line.

A Note on the Sponsor Amendment

As introduced, HB 1584 includes permitting and licensing requirements for DNCs that go beyond the intended scope of this legislation.

The intent of HB 1584 is narrow and specific: to apply the same pay transparency rules the House passed last year for TNCs, and extend them to DNCs. That's it. The goal is not to create a new licensing regime or impose additional regulatory overhead on these companies. I will be offering a sponsor amendment to remove the licensing provisions and ensure that the bill focuses exclusively on the transparency and reporting requirements that are its heart and purpose.

With that amendment, what remains is not a burden on the industry—it is simply information. Information that drivers need to manage their livelihoods. Information that consumers deserve before they pay.

And information that this legislature needs to make sound policy in a sector that has grown rapidly without meaningful oversight.

Why This Is Pro-Business and Pro-Worker

Opponents may argue that transparency requirements harm the industry. The evidence does not support that claim. States that have enacted minimum wage floors for delivery drivers—like Seattle—have seen unintended consequences from those wage mandates. But transparency requirements are categorically different from wage mandates. Knowing what you earn is not the same as being guaranteed a higher wage. This bill does not set a wage floor. It does not reclassify workers. It does not restrict how platforms set their pay models.

It simply requires that all parties—drivers, consumers, and policymakers—can see what is actually happening. Platforms that treat their drivers fairly have nothing to fear from transparency. Platforms that do not will have to justify their practices.

Conclusion

Maryland has already made a statement that gig workers deserve to know how their pay is calculated. This bill keeps that promise for the fastest-growing segment of the gig economy. The amendment I am offering ensures we stay focused on that goal without creating unnecessary regulatory complexity.

I respectfully urge a favorable report on HB 1584, with the sponsor amendment.