

January 30, 2026

The Honorable Marc Korman
Chair
House Environment and Transportation Committee
Maryland House of Delegates
250 Taylor House Office Building
Annapolis, Maryland 21401

RE: HB 18 (Vogel) - Transportation Network Companies - Transportation Network Operators - Minimum Payments for Passenger Trips - Unfavorable

Dear Chairman Korman and Members of the Committee,

On behalf of TechNet, I'm writing to share comments on HB 18, minimum payments for TNC passenger trips.

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 106 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.

TechNet is opposed to HB 18 for several reasons. Transportation Network Companies (TNCs) are operating under a competitive marketplace, not only competing for riders, but competing for drivers. Therefore, the balance of maintaining high earnings for drivers and low and affordable costs to consumers is essential. Drivers using transportation network companies' platforms are independent contractors and they maintain the right to fulfill or not accept any rides as they please. In most cases, drivers see the earnings for each ride upfront, along with ride details, to help evaluate if they would like to accept it.

We are also concerned that these minimum pay standards will burden consumers, particularly low-income consumers. Imposing minimum-pay requirements is likely to raise costs for consumers, which functions like a regressive tax. It will hit the lower-income households hardest that use TNC apps to get to work, the doctor, or other places that would normally be inaccessible without TNCs.

Seattle passed an app-based worker minimum pay ordinance and the city now sees the highest rideshare prices in the country. Fares have jumped by 40 percent and drivers are earning less per hour than in most major markets due to lack of ride demand. Thirteen weeks after the Seattle ordinance went into effect, sales from local businesses fell \$17.6 million, total app-based delivery orders fell 25 percent, and driver earnings dropped 28 percent per hour logged into the app, on average. It is clear that these well-intentioned proposals have crippling economic effects to communities that use and rely on TNCs regularly.

TechNet seeks to encourage, enable, and advance American leadership in innovation, and is vigilant against vague, overbroad, unnecessary, harmful, or hostile laws and regulations that slow down innovation. We promote policies that encourage the development of entrepreneurship, mobile commerce, and the next wave of innovation in the new economy. Establishing an innovation-friendly policy framework is the key to the competitiveness of the technology industry. For the above stated reasons, TechNet is opposed to HB 18. Thank you for the opportunity to share our comments on HB 18 and please don't hesitate to reach out with any questions.

Sincerely,

Margaret Durkin

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