



THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

**HB0018: Transportation Network Companies – Transportation Network Operators –
Minimum Payments for Passenger Trips**

Environment and Transportation Committee

Tuesday, February 3rd - 2:00 pm

Chairman Korman, Vice Chair Guyton, and Members of the Environment and Transportation Committee,

A growing share of Americans are finding work on rideshare apps like Uber and Lyft. Gig work of this kind can provide much-needed flexibility and freedom to workers in a digital age. However, without proper regulations, drivers risk exploitation by dominant transportation companies like Uber and Lyft.

HB0018 sets a minimum pay standard for drivers in Maryland at \$1.66 per mile and \$0.40 per minute. For wheelchair accessible rides, compensation increases an additional \$1.18 per mile. Regardless of the duration or distance, drivers are guaranteed \$5 per ride and are owed at least 80% of any cancellation fee charged to customers. In line with Uber and Lyft policies, an additional per mile and per minute rate applies when a driver must travel over 10 miles and/or wait longer than 5 minutes for a passenger at the pick up location. To ensure wages remain livable, minimum pay rates are tied to the consumer price index.

Unlike other careers in the transportation sector, rideshare drivers are responsible for the bulk of job related expenses like vehicles, gas, phone plans, and maintenance. These costs reduce drivers' take home pay dramatically. A study conducted by the UC Berkeley Labor Center analyzed over 52,000 trips by 1,088 drivers and concluded that rideshare drivers earned well below the minimum wage. After expenses, drivers bring home an average \$7.12/hour.¹ To address this, states and municipalities have set minimum compensation requirements for drivers that reflect the nature of rideshare work. In Minnesota, rideshare drivers are compensated \$1.28 per mile and \$0.31 per minute.² In New York City, drivers earn \$1.241 per mile and \$0.659 per minute within city limits.³

¹ Jacobs et al., "[Gig Passenger and Delivery Driver Pay in Five Metro Areas](#)," UC Berkeley Labor Center.

² Uber, "[TNC drivers have the right to minimum compensation under Minnesota law](#)," Uber Blog.

³ NYC Taxi and Limousine Commission, "[Driver Pay Rates](#)," NYC.gov.



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Over the last few years, drivers have seen their wages stagnate, while Uber and Lyft increase their profit. According to a UCLA Labor Center report, Uber and Lyft kept 9% of a passenger fare in 2019. In 2022, they more than doubled their portion of earnings, taking home 20.7% of passenger fares.⁴ During this period, median driver pay increased 31%, due in part to the first driver pay rules implemented in 2019. Increases in passenger fares, however, outpaced driver wages, increasing by 50%.⁵

While these companies have publicly claimed that minimum pay standards lead to higher fares, independent analyses of Uber and Lyft's own data disputes these claims. A comparison of passenger fares in New York City and Chicago—two of Uber and Lyft's largest markets—found that base fares in Chicago increased by a higher percentage than in New York City where pay standards were implemented.⁶ Since 2019, however, Uber has shifted from its growth-over-profit strategy to focus on shareholder profit. In August of last year, Uber authorized \$20 billion in stock buybacks in addition to the \$7 billion package earlier in the year. During the 2025 Q2 earnings call, Uber CFO Prashanth Mahendra-Rajah announced stock buybacks to “make it clear that returning the cash generated from this enterprise to shareholders remains our number one concern.”⁷ Profit seeking is well within Uber and Lyft's right as private companies. However, it is important that the workers generating these profits see their fair share. The General Assembly has a responsibility to ensure that Marylanders afford to live in our state.

I urge the Committee to give a favorable report on HB0018.

⁴ Wharry, Emily Jo, “[UCLA Labor Center Report Finds that Uber & Lyft are Pocketing a Larger Share of Passenger Fares for NYC Trips](#),” *UCLA Labor Center*

⁵ Wharry, Emily Jo, “[UCLA Labor Center Report Finds that Uber & Lyft are Pocketing a Larger Share of Passenger Fares for NYC Trips](#),” *UCLA Labor Center*

⁶ “[Uber Takes Us for a Ride](#),” *PowerSwitch Action*

⁷ “[Uber Q2 25 Earnings Call Transcript](#),” *Uber*