

HB18_Maryland Center on Economic Policy_FAV.pdf

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Position: FAV

App-Based Drivers Deserve Basic Pay Protections

Position Statement in Support of House Bill 18

Given before the House Environment and Transportation Committee

Most Marylanders agree that working hard should leave you and your family with enough to afford the basics. The General Assembly has taken important steps in recent years to make this vision a reality, such as raising the minimum wage, guaranteeing paid sick time, and requiring pay stub transparency. However, these protections generally apply only to employees. Meanwhile, workers who are classified as independent contractors – often illegally – are left without basic protections, and are responsible for payroll taxes that employers typically pay. House Bill 18 would establish fair pay standards for app-based drivers, one group of workers often classified as independent contractors. **For these reasons, the Maryland Center on Economic Policy supports House Bill 18.**

Uber drivers nationwide took home only \$9.21 per hour in wage-equivalent pay in between 2015 and early 2017, according to an analysis by the Economic Policy Institute.ⁱ That is equivalent to only \$12.56 per hour today, adjusted for inflation, or \$13.95 per hour in 2024, adjusted for geography and wage growth.ⁱⁱ This is equal to only 56% of their gross pay after Uber fees and commissions. In short, many app-based drivers likely take home less than Maryland's minimum wage, and far below the amount needed to afford a basic living standard.

House Bill 18 would guarantee app-based drivers basic pay protections: at least \$1.66 per mile (\$2.84 per mile for trips in a wheelchair accessible vehicle) plus \$0.40 per minute, with a minimum of \$5.00 per ride. For a trip from the Maryland House Office Building to the Annapolis Mall (3.6 miles, 12 minutes in early afternoon), this adds up to \$10.78 in a non-wheelchair-accessible vehicle.

However, this overstates the driver's net income:

- It includes the driver's operating expenses for both the trip distance and any unpaid miles driven to reach the pickup location. A 2021 study on Uber drivers in Chicago found that drivers travel more than half a mile to reach the pickup location, on average.ⁱⁱⁱ
- If the driver is classified as an independent contractor – which is common but in many cases likely illegal – it includes self-employment tax that wage employees are not responsible for.^{iv}
- Drivers classified as independent contractors also do not receive any employer contribution for retirement, health, or leave benefits. They must pay the full cost of these out of cash income.

- While the ride itself lasts 12 minutes, the driver may have spent an indeterminate amount of time waiting for a customer – working – beforehand. The Chicago study found average between-customer wait times of nearly 6 minutes – almost half the time for the example trip itself.^v

Adjusting for trip-distance expenses and self-employment tax – but not expenses for unpaid miles, missing benefits, or unpaid work time – the driver’s net pay for this trip is about \$8.50 under House Bill 18.^{vi}

While only limited data on app-based drivers’ demographics exist, they suggest that this group is demographically similar to the broader workforce. A 2022 survey of California app-based drivers found:^{vii}

- 56% of drivers are men and 44% are women.
- Drivers are more likely to be Black than other California workers and less likely to be Latinx. Other racial and ethnic groups were close to their shares of the overall workforce.
- Drivers include workers of all ages, with 23% under 30 and 29% at least 50 years old.

House Bill 18 would likely improve racial pay equity among app-based drivers by raising drivers’ base pay and therefore reducing their reliance on tips:

- There is robust evidence of racial discrimination in tipping in other industries such as restaurants.^{viii}
- A 2016 study of taxi drivers in New Haven, CT, found that Black and Latinx drivers took home lower tips than their white counterparts.^{ix}
- Uber itself has speculated that customers would engage in tip discrimination.^x

App-based drivers work hard. Just like all other workers, they deserve basic pay protections.

For these reasons, the Maryland Center on Economic Policy respectfully requests that the House Environment and Transportation Committee make a favorable report on House Bill 18.

Equity Impact Analysis: House Bill 18

Bill summary

House Bill 18 establishes minimum pay requirements for transportation network company drivers:

- \$1.66 per mile, or \$2.84 for trips in a wheelchair accessible vehicle, plus
- \$0.40 per minute
- Not less than \$5.00 per trip

These standards are updated annually for inflation beginning in July 2027.

Background

There are approximately 175,000 app-based drivers in Maryland, according to the Department of Legislative Services. However, many app-based drivers work part time, and only part of the year, based on an analysis of Uber administrative data, with each driver representing only about one-eighth of a full-time equivalent worker.^{xi}

Maryland has enacted two major pieces of legislation regulating transportation network companies:

- Chapter 204 of 2015 established a regulatory framework, requiring licensure for transportation network companies and putting them under the jurisdiction of the Public Services Commission.
- Chapter 506 of 2025 required companies to issue drivers weekly wage and earnings statements.

Equity Implications

There is evidence that app-based drivers typically take home low wages:

- Uber drivers nationwide took home only \$9.21 per hour in wage-equivalent pay in between 2015 and early 2017, according to an analysis by the Economic Policy Institute. That is equivalent to only \$12.56 per hour today, adjusted for inflation, or \$13.95 per hour in 2024, adjusted for geography and wage growth.
- App-based drivers' gross pay significantly overstates their income, due to factors including vehicle operating expenses and tax shifting through independent contractor misclassification. The Economic Policy Institute analysis found that wage-equivalent pay was only 56% of gross pay.
- Classifying app-based drivers as independent contractors – in many cases likely illegally – allows companies to shift their share of payroll taxes onto workers, and excludes workers from basic minimum wage and other labor protections.

While only limited data exist, app-based drives likely reflect the overall workforce in racial and age composition. App-based drivers are more likely to be men than other workers.

Reliance on tips may lead to racial pay discrimination among app-based drivers, based on evidence from other tip-heavy industries and transportation network companies' own statements. Increasing drivers' base pay would reduce the impact of this discrimination.

Higher minimum payment per mile for drivers using wheelchair accessible vehicles may increase incentives for drivers to use these vehicles, improving access for riders with disabilities.

Impact

House Bill 18 would likely **improve economic and racial equity** in Maryland.

ⁱ Lawrence Mishel, "Uber and the Labor Market," Economic Policy Institute, 2018, <https://www.epi.org/publication/uber-and-the-labor-market-uber-drivers-compensation-wages-and-the-scale-of-uber-and-the-gig-economy/>

ⁱⁱ MDCEP analysis of Bureau of Labor Statistics CPI-U inflation data and Occupational Employment and Wage Statistics (OEWS). Inflation adjustment based on the average value of CPI-U between January 2015 and March 2017. OEWS adjustment is based on taxi drivers (occupation code 53-3054, which includes app-based drivers), comparing nationwide wages in May 2016 to Maryland wages in May 2024. Note that the median hourly wage for taxi drivers in Maryland was \$16.79 in May 2024. This is still well below a basic living standard in Maryland, and includes non-app-based workers who may be paid more.

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- ⁱⁱⁱ Cody Cook, Rebecca Diamond, Jonathan Hall, John List, and Paul Oyer, “The Gender Earnings Gap in the Gig Economy: Evidence from over a Million Rideshare Drivers,” *The review of Economic Studies* 88(5), 2021, <https://academic.oup.com/restud/article-abstract/88/5/2210/6007480>
- ^{iv} The 7.65% self-employment tax for Medicare and Social Security is equivalent to an 8.3% wage reduction. Arithmetic details available upon request.
- ^v Cody et al., 2021
- ^{vi} MDCEP estimate. Assumes after-tax expenses of \$0.42 per mile, based on 2024 AAA estimates for a medium sedan and a 25.3% marginal tax rate. The insurance component of mileage cost is reduced by one-half to reflect partial insurance coverage by the transportation network company during certain periods. See <https://newsroom.aaa.com/wp-content/uploads/2024/08/YDC-Brochure-FINAL-9.2024.pdf>
- ^{vii} Taner Osman and Samuel Maury-Holmes, “An Analysis of App-Based Drivers in California,” Center for Economic Forecasting and Development at UC Riverside, 2022, https://protectdriversandservices.com/wp-content/uploads/2022/03/UCR_CEFD_CA_AppDrivers_Analysis_2_17_2022-41.pdf
- ^{viii} See for example Michael Lynn, Michael Sturman, Christie Ganley, Elizabeth Adams, and Mathew Douglas, “Consumer Racial Discrimination in Tipping: A Replication and Extension,” Cornell University, 2008, <https://ecommons.cornell.edu/server/api/core/bitstreams/bde97497-3441-4fc6-b511-2257e1a714eb/content>
- ^{ix} Ian Ayres, Frederick Vars, and Nasser Zakariya, “To Insure Prejudice: Racial Disparities in Taxicab Tipping,” *The Yale Law Journal* 114(1613), 2016, [https://ianayres.yale.edu/sites/default/files/files/To%20Insure%20Prejudice %20Racial%20Disparities%20in%20Taxicab%20Tipping\(3\).pdf](https://ianayres.yale.edu/sites/default/files/files/To%20Insure%20Prejudice%20Racial%20Disparities%20in%20Taxicab%20Tipping(3).pdf)
- ^x “Our Approach to Tipping,” Uber Under the Hood, 2016, <https://medium.com/uber-under-the-hood/our-approach-to-tipping-aa0074cofdde>
- ^{xi} Mishel, 2018

HB18_FAV.pdf

Uploaded by: Donna Edwards

Position: FAV



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HB 18 - Transportation Network Companies - Transportation Network Operators - Minimum Payments for Passenger Trips

House Environment and Transportation Committee

February 3, 2026

SUPPORT

Donna S. Edwards

President

Maryland State and DC AFL-CIO

Chairman and members of the Committee, thank you for the opportunity to submit testimony in support of HB 18. On behalf of our 700 affiliated unions, I offer the following comments.

Transportation Network Company (TNC) operators connect passengers to their destinations safely and efficiently, providing an essential service that many of our residents rely on for their everyday transportation needs. Despite the essential nature of their work, driver pay does not meet the changing cost-of-living, which leaves operators earning less sustainable wages.

Oftentimes, workers do not know how their pay is calculated, why rates change, or why a trip that once paid a fair amount no longer does. This lack of transparency leaves drivers with no method of recourse when something is wrong with their pay. HB 18 directly addresses this by establishing a fair minimum payment standard for every trip originating in Maryland.

By setting baseline per-mile and per-minute rates, guaranteeing a minimum trip payment, and ensuring drivers receive a majority of cancellation fees, this bill brings transparency and stability to a growing industry. States such as New York, Washington, Minnesota, and Massachusetts have implemented similar policies, recognizing the importance of these workers to their states.

Maryland must establish basic, transparent pay standards for the drivers who support our transportation system. For these reasons, we urge a favorable report on HB 18.



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Vogel Testimony - Rideshare Worker Pay.pdf

Uploaded by: Joe Vogel

Position: FAV



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.



THE MARYLAND HOUSE OF DELEGATES ANNAPOLIS, MARYLAND 21401

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*

ATU 689 Written Testimony- Favorable HB 18-Gig Wor

Uploaded by: Matthew Girardi

Position: FAV

Amalgamated Transit Union Local 689



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Statement of the Amalgamated Transit Union (ATU) Local 689

HB 0018

February 3rd, 2026

TO: The Honorable Marc Korman and Members of the Environment and Transportation Committee

FROM: Matthew Girardi, Political and Communications Director, ATU Local 689

ATU Local 689 supports HB 18 and urges the Environment and Transportation committee to issue a favorable report. This bill is a necessary and fair measure for rideshare workers and riders in the state of Maryland.

At Local 689, we represent over 15,000 transit workers and retirees throughout the Washington DC Metro Area performing many skilled transportation crafts for the Washington Metropolitan Area Transit Authority (WMATA), MetroAccess, DASH, and MTA Commuter Bus among others. Our union helped turn low-wage, exploitative transit jobs into transit careers. We became an engine for the middle-class of this region.

Throughout the Union's history, we have had to fight tooth and nail to get fairness for our members. Be it a living wage, a secure retirement system, quality health insurance, or stable hours, Local 689 has been on the front lines of the fights to bring a decent quality of life to blue-collar workers throughout the transportation and transit industry. Indeed, when transit workers themselves began organizing, we were not given the same rights we have today. Transit workers were often intentionally isolated and not allowed to talk with each other. There wasn't transparency in pay. Firings were at will and hiring was discriminatory. There wasn't even a minimum wage. We sadly see these practices echoed in the ways that rideshare is being allowed to operate currently.

Today, across the state of Maryland, rideshare is a prevalent part of our transportation networks. However, unlike single personal use vehicles, rail, bus, or traditional for-hire vehicles, gig workers do not have these same protections. These workers come from a variety of backgrounds and many rely on driving to make a living and support themselves and their families. However, the app-based transportation industry has little to no transparency regarding driver compensation and working conditions, leading many passengers to be unaware of how little drivers earn on each trip. HB 18 is a step in the right direction by requiring minimum compensation which accomplishes two things.

First if enacted, HB 18 would increase transparency and accountability to the benefit of the riding public. Passengers would be better informed about the actual cost of their trip and be better equipped to determine if the trip fare is reasonable. Second, HB 18 would start to lift up these marginalized workers and move the industry forward into a more just future. Gig drivers play an important role in Maryland's economy and fair compensation recognizes their contributions.

Consistently, we have seen that these workers are paid wages that are below either Maryland or even federal minimum wage. In fact, one study from UC Berkeley showed that drivers took home an estimated

average of \$7.12/hour after expenses. Likewise, we have also seen Uber, Lyft, and other companies take an even greater share of fares per trip, despite them arguing that the people behind the wheel are solely independent contractors. We cannot allow for a whole group of workers to be marginalized and have little to no protections for minimum wage for their work.

ATU Local 689 would like to thank Delegate Vogel for championing the bill to address this critical issue. We urge this committee to favorably report HB 18.

Testimony in support of HB0018 - Transportation Ne

Uploaded by: Richard KAP Kaplowitz

Position: FAV

HB0018_RichardKaplowitz_FAV

02/03/2026

Richard Keith Kaplowitz
Frederick, MD 21703

TESTIMONY ON HB#0018 – FAVORABLE

Transportation Network Companies - Transportation Network Operators - Minimum Payments for Passenger Trips

TO: Chair Korman, Vice Chair Guyton and members of the Environment and Transportation Committee

FROM: Richard Keith Kaplowitz

My name is Richard K. Kaplowitz. I am a resident of District 3. I am submitting this testimony in support of HB#0018, Transportation Network Companies - Transportation Network Operators - Minimum Payments for Passenger Trips

This is a worker protection bill that will eliminate the ways in which transportation network companies harm their workers. An AI summary explains what is happening: ¹

Transportation network companies (TNCs) like [Uber](#) and Lyft often structure their business models to maximize flexibility and reduce costs, which can result in significant financial and legal disadvantages for their independent contractors (drivers). TNCs "stiff" contractors by misclassifying them to avoid labor regulations, transferring operational risks, and using algorithms to dictate pay, often leading to lower net earnings.

The National Employment Law Project discusses *Uber State Interference: How Transportation Network Companies Buy, Bully, and Bamboozle Their Way To Deregulation* ² which clearly defines the problems existing with these companies. This bill is Maryland declaring that workers will not and cannot be treated in such a cavalier manner.

The bill accomplishes this purpose by setting monetary guidelines that will require a transportation network company to pay operators, after July 1, 2026, and for any passenger trip originating in the State, \$1.66 per mile and \$0.40 per minute, an additional \$1.18 per mile for an operator using a wheelchair accessible vehicle, at least \$5.00 for any passenger trip, and at least 80% of any cancellation fee charged by a transportation network company; and adjusting the minimum amount paid per mile and per minute by inflation each year.

Maryland can and should make this statement in favor of worker rights.

I respectfully urge this committee to return a favorable report and pass HB0018.

¹ Google Search: "How do transportation network companies stiff their contractors"

² <https://www.nelp.org/app/uploads/2018/01/Uber-State-Interference-How-Transportation-Network-Companies-Buy-Bully-Bamboozle-Their-Way-to-Deregulation.pdf>

Note Jan 30, 2026.pdf

Uploaded by: Shawn Honnick

Position: FAV

Written Testimony in Support of HB 18

My name is Shawn Honnick, and I have worked as a rideshare driver on both major platforms since 2013. In that time, I have completed over 50,000 rides, typically working five to seven days per week.

The physical and financial toll of this work is far greater than most people realize. Between fleet rentals and my own vehicles, I have gone through more than a dozen cars. I've replaced tires more times than I can count, paid for a rack and pinion steering system, costly suspension components, and even had to replace the vehicle computer motherboard on two different cars due to the extreme mileage and wear from rideshare use. These are not minor maintenance items — they are major expenses that come directly out of drivers' pockets.

At the same time, the costs of fuel, insurance, maintenance, and vehicle replacement continue to rise. Driver pay, however, has become increasingly inconsistent and has declined significantly over the years. The compensation no longer reflects the real operating costs required to provide this service. As a result I have to drive longer and harder each week to make ends meet.

HB 18 is important because it would establish a meaningful minimum payment structure that recognizes both the labor and the expenses drivers carry. Without standards like this, more experienced drivers will be forced out because the work is no longer economically sustainable.

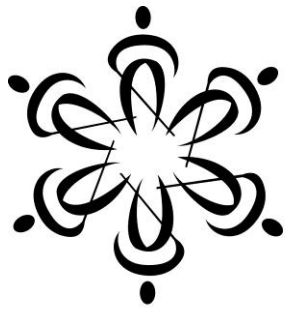
I urge you to support HB 18.

Respectfully,
Shawn Honnick

HB0018 - National Federation of the Blind of MD Ot

Uploaded by: Ronza Othman

Position: FWA



NATIONAL FEDERATION
OF THE BLIND
MARYLAND

Live the life you want.

From: Ronza Othman, President
National Federation of the Blind of Maryland
15 Charles Plaza, #3002
Baltimore, MD 21201 president@nfbmd.org

To: House Committee on Environment and Transportation

The members of the National Federation of the Blind of Maryland urge the House Environment and Transportation Committee to give a favorable report with amendment to HB0018. This bill establishes a minimum dollar amount for network transportation companies to pay their operators.

Without amendment, this bill is particularly problematic for several reasons:

1. It requires companies to pay a higher rate for wheelchair or otherwise accessible vehicles, which will certainly be passed onto passengers who need such vehicles; charging a higher amount for accessible transportation violates the Americans with Disabilities Act.
2. The minimum fee for any ride disproportionately impacts passengers with disabilities, who often need to go short distances. Such a minimum fee will necessarily result in higher transportation costs for individuals with disabilities, many of whom are already on fixed incomes.

Amendment 1: Explicitly state that Network Transportation Companies may not pass on the additional cost for wheelchair or otherwise accessible vehicles to the passenger.

Amendment 2: Strike the minimum per trip cost of \$5.

For those reasons, we ask for a favorable report conditional on the above amendments on HB0018. For questions, please contact me at President@nfbmd.org or at 443-426-4110.

Chamber of Progress_MD HB 18_Oppose.pdf

Uploaded by: Brianna January

Position: UNF



February 3, 2026

The Honorable Marc Korman
Chair
House Committee on Environment and Transportation
Room 251, Taylor House Office Building
6 Bladen Street
Annapolis, MD 21401

RE: Oppose HB 18 - Transportation Network Companies - Transportation Network Operators - Minimum Payments for Passenger Trips

Dear Chair Korman and members of the Committee:

On behalf of Chamber of Progress – a tech industry association supporting public policies to build a more inclusive society in which all people benefit from technological advancements – **I respectfully urge you to oppose HB 18**, which risks raising prices for Maryland riders, reducing earning opportunities for drivers, and threatening rideshare access for the communities that need it most.

We share the bill's goal of supporting rideshare drivers, who provide an essential service for Maryland residents. However, evidence from Seattle, Massachusetts, and New York City tells a consistent and cautionary story: rigid minimum pay mandates often backfire, hurting the very people they intend to help.

Minimum pay standards have raised prices for riders and reduced earnings for drivers

Evidence from cities and states that have adopted rigid minimum pay standards consistently shows higher costs for riders, lower earnings for drivers, and worse outcomes for communities that rely most on rideshare.

Seattle offers the starkest warning. After implementing its "Fare Share" ordinance in 2020, Seattle now has the highest Uber fares in the United States, averaging \$60 for a

30-minute ride.¹ Fares have increased 50-60% compared to pre-pandemic levels.² The result has not been higher driver earnings. Instead, higher fares have discouraged riders, reducing overall demand and leaving drivers with fewer trips and longer idle times, undermining the very goal of the ordinance.³

Massachusetts shows a similar pattern. After a \$32.50 per hour minimum wage for rideshare drivers took effect in 2024, experienced drivers reported working longer hours while taking home less pay.⁴ Increased competition from new drivers drawn in by guaranteed pay reduced available trips and compressed earnings, particularly for veterans who had previously relied on consistent demand.⁵ Research found that the policy reduced earnings for many of the most experienced drivers, suggesting the \$32.50 rate has functioned less as a wage floor and more as an effective earnings cap.⁶

As Maryland residents face an increasingly high cost of living, any policy that raises transportation costs would hit those already struggling the hardest. Rideshare provides affordable, accessible transportation for working families, seniors, and people with disabilities – and HB 18 risks pricing out the very Marylanders who depend on these services most.

HB 18 would raise rideshare costs for Marylanders with disabilities and those who lack transit alternatives

More than 700,000 Marylanders, 11.6% of the state's population, live with a disability, including 327,000 with ambulatory disabilities that limit their ability to walk or climb stairs.⁷ Maryland's senior population is growing faster than the national average, with approximately one million residents aged 65 and older.⁸ Nationally, more than one in five

¹ Alex Didion. "Seattle is most expensive city in US to call Uber ride, report finds." *King5*, Jul. 21, 2025.

<https://www.king5.com/article/money/seattle-most-expensive-city-uber-report/281-51931170-8181-4751-995d-722101a66627>

² Mark Harmsworth. "Why Seattle's regulations have driven up Uber and Lyft prices." *Washington Policy Center*, Jul. 21, 2025.

<https://www.washingtonpolicy.org/publications/detail/why-seattles-regulations-have-driven-up-uber-and-lyft-prices>

³ Mark Harmsworth, Jul. 2025.

⁴ Katie Johnson. "Some Uber, Lyft drivers say pay has declined since new minimum wage enacted." *Boston Globe*, Feb. 4, 2025.

<https://www.bostonglobe.com/2025/02/04/metro/uber-lyft-drivers-massachusetts-pay-cut-3250-minimum-wage/>

⁵ Sarah Betancourt and Sam Turken. "Some rideshare drivers say job's 'not worth it' since minimum pay kicked in." *GBH News*, Aug. 26, 2025.

<https://www.wgbh.org/news/local/2025-08-26/some-rideshare-drivers-say-jobs-not-worth-it-since-minimum-pay-kicked-in>

⁶ Katie Johnson, Feb. 2025.

⁷ *Annual Disability Statistics Compendium, 2025* (2023 American Community Survey data). 2025.

<https://www.researchondisability.org/annual-disability-statistics-collection/2025-compendium-table-contents/section-1-population-prevalence-compendium-2025>

⁸ U.S. Census Bureau. "QuickFacts: Maryland." American Community Survey, 2023.

<https://www.census.gov/quickfacts/fact/table/MD/AGE775223>

older adults do not drive.⁹ **For many in these communities, rideshare is not a convenience or a luxury – it is a necessity for reaching medical appointments, grocery stores, and essential services.**

These Marylanders are also disproportionately on fixed or limited incomes, making them the most vulnerable to fare increases. If HB 18 produces even a fraction of the increases seen in cities like Seattle, the cost burden would fall hardest on the Marylanders who can least afford it and who have the fewest alternatives.

Maryland's transit infrastructure cannot serve as a fallback. The state faces a \$3.3 billion shortfall in the six-year transportation budget.¹⁰ Garrett County, with a population of nearly 30,000, has no fixed-route bus service at all, relying entirely on demand-response transit that itself faces a projected deficit of nearly \$490,000.¹¹ The entire Eastern Shore lacks rail connections, and bus service runs only on weekdays with limited Saturday hours.¹² **For residents in these areas, there is no cheaper option to turn to if HB 18 pushes rideshare prices out of reach.**

HB 18 threatens the flexibility that makes rideshare work viable for many drivers

For many drivers, the ability to set their own schedule is not a perk, it's the reason they do this work. Nationwide, 36% of app-based workers also work full-time jobs, and 20% balance unpaid caregiving responsibilities, disproportionately women who depend on the ability to work around family demands.¹³

Pay standards in other jurisdictions have led platforms to implement scheduling systems to align driver supply with peak-demand periods. In New York City, many platforms shifted to scheduled, shift-based work in response to wage floors, leaving thousands on waitlists, with fewer opportunities to earn income.¹⁴ HB 18 jeopardizes the flexibility that makes app-based work viable for parents, students, and those balancing multiple jobs.

⁹ National Aging and Disability Transportation Center. "New National Poll: Inability to Drive, Lack of Transportation Options are Major Concerns for Older Adults, People With Disabilities and Caregivers." Dec. 4, 2018. <https://www.prnewswire.com/news-releases/new-national-poll-inability-to-drive-lack-of-transportation-options-are-major-concerns-for-older-adults-people-with-disabilities-and-caregivers-300761774.html>; AAA Newsroom. "More than 80 Percent of Older Drivers Aren't Talking About Driving Safety." Aug. 17, 2018. <https://newsroom.aaa.com/2018/08/older-drivers-talking-driving-safety/>

¹⁰ "Maryland officials plan to make broad cuts, pause new construction to address \$3.3B transportation budget shortfall." *Baltimore Sun*, Dec. 5, 2023. <https://www.baltimoresun.com/2023/12/05/maryland-officials-plan-to-make-broad-cuts-pause-new-construction-to-address-3-3b-transportation-budget-shortfall/>

¹¹ Garrett County Board of Commissioners. "Commissioners Support Local Transit Services." Jan., 2025. <https://www.garrettcountymd.gov/commissioners/communications/news/2025-01/commissioners-support-local-transit-services>

¹² *Western Maryland Coordinated Transportation Plan*. <https://marylandcoordinatedplans.com/western-maryland-region/>; MUST Bus (Upper/Mid-Shore Transit). n.d. <https://www.mustbus.org/>

¹³ PublicFirst and Flex Association. *U.S. App-Based Rideshare and Delivery Economic Impact Report*. Mar., 2024. <https://www.flexassociation.org/wp-content/uploads/2024/03/Flex-Economic-Impact-Report-2024.pdf>

¹⁴ C. Jarrett Dieterle. "New York's War on the Gig Economy Will Lead to Higher Prices." *City Journal*, Oct. 23, 2025. <https://www.city-journal.org/article/new-york-food-delivery-gig-workers-prices>

HB 18 locks in automatic increases that ignore real-world conditions

HB 18 not only establishes minimum pay rates, but also hardwires automatic annual increases into statute, beginning July 1, 2027. The bill directs annual adjustment of all compensation amounts by the Consumer Price Index. This adjustment is mandatory and one-directional. When inflation rises, costs go up automatically. When inflation cools or falls, there is no mechanism in the bill for rates to come back down.

This formula has little to do with how rideshare work actually happens in Maryland. The CPI is a broad consumer index, not tied to driver-specific costs like fuel, vehicle maintenance, or insurance, and it does not reflect changes in local demand or competition. As written, the bill would force higher mandated rates even in periods when drivers' costs are stable or falling, when riders are cutting back, or when platforms need flexibility to keep trips available.

Portable benefits offer a better path forward

Rather than imposing rigid wage mandates, Maryland should consider portable benefits, which allow workers to accrue health insurance, retirement savings, and paid time off across multiple platforms without sacrificing their independent contractor status. Portable benefits expand worker protections while preserving the flexibility that makes app-based work viable.

This model is already being tested in Maryland. In May 2025, DoorDash launched a portable benefits savings pilot with the support of Governor Wes Moore, providing participating Dashers with funds equal to 4 percent of their pre-tip earnings.¹⁵ Earlier pilots in Pennsylvania and Georgia have shown promising results, with 89% of Pennsylvania participants reporting the program was beneficial, and 75% of Georgia participants without prior benefits gaining new access.¹⁶ ¹⁷ Utah, Tennessee, and Alabama have already enacted statewide portable benefits programs.¹⁸

We share the goal of ensuring that rideshare drivers can earn a fair living. But the evidence is clear: in city after city, minimum pay mandates have backfired by raising

¹⁵ DoorDash. "DoorDash Announces Portable Benefits Savings Pilot Program Expanding To Dashers in Maryland." May 15, 2025. <https://about.doordash.com/en-us/news/md-portable-benefits-pilot>

¹⁶ DoorDash. "New Report Showcases The Promise Of Portable Benefits Savings Program For Dashers." Dec. 10, 2024. <https://about.doordash.com/en-us/news/new-report-showcases-the-promise-of-portable-benefits-savings-program-for-dashers>

¹⁷ DoorDash. "Flexible Benefits for Flexible Work: Georgia Portable Benefits Pilot Shows Path Forward for Federal Action." Nov. 13, 2025. <https://about.doordash.com/en-us/news/doordash-georgia-portable-benefits-pilot-report>

¹⁸ Utah State Legislature. *Chapter 57: Portable Benefit Plan (34-57-101–34-57-102)*. May 3, 2023. https://le.utah.gov/xcode/Title34/Chapter57/C34-57_2023050320230503.pdf; Tennessee Senate. *Public Chapter No. 131 (Senate Bill No. 1377): Voluntary Portable Benefit Act*. Apr. 3, 2025. <https://legiscan.com/TN/text/SB1377/id/3204791/Tennessee-2025-SB1377-Chaptered.pdf>; Legislature of Alabama. *Portable Benefits Act (S.B. 86, Enrolled)*. Apr. 1, 2025. <https://alison.legislature.state.al.us/files/pdf/SearchableInstruments/2025RS/SB86-enr.pdf>

prices for riders, reducing earnings opportunities for drivers, and degrading service for everyone. For Maryland, the stakes are high. For a person with disabilities on the Eastern Shore trying to reach a medical appointment, or a working parent in Western Maryland without reliable transit access, rideshare may be the only option. **HB 18 risks making that option more expensive, less available, or both.**

Chamber of Progress respectfully urges the Committee to oppose HB 18. We welcome the opportunity to work with the General Assembly on portable benefits and other approaches that would help support workers without the unintended consequences that come with strict wage mandates.

Sincerely,

A handwritten signature in black ink, appearing to read "Brianna January". The signature is fluid and cursive, with the first name being more prominent.

Brianna January
Director of State & Local Government Relations, Northeast US

pdf_[MD] HB 18_TNCs_TechNet.pdf

Uploaded by: margaret durkin

Position: UNF

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

HB0018_Testimony_Uber_Opposed 2026-2-3.pdf

Uploaded by: Rob Garagiola

Position: UNF

Uber Technologies

Testimony Before the Maryland General Assembly
Committee on Transportation and the Environment
February 3, 2026

Public Hearing:
HB0018 - Transportation Network Companies - Transportation Network Operators -
Minimum Payments for Passenger Trips

LáVita Gardner
Policy Manager
Uber Technologies

Members of the Maryland House Environment and Transportation Committee
From: Uber Technologies, Inc.
Date: February 3, 2026

RE: OPPOSE – HB 0018: Transportation Network Companies – Minimum Payments for Passenger Trips

Chair Korman and Members of the Committee,
Uber respectfully opposes HB 0018. While we support policies that ensure fair earnings for drivers, the mandates proposed in this bill are based on extreme rate structures that would jeopardize the affordability of rideshare for Marylanders and ultimately reduce earning opportunities for the very drivers the bill seeks to support.

Last year, the General Assembly passed HB 861 (Chapter 506), which established a robust framework to ensure drivers have transparency into their earnings and required Transportation Network Companies (TNCs) to submit detailed earnings and fare data to the Public Service Commission (PSC). The first comprehensive report under this law is due this year. We suggest allowing the PSC the opportunity to receive and analyze this upcoming data to ensure any future policy is fully informed by the most recent market insights.

We can look to Seattle's 2020 pay standards as a helpful case study for Maryland. Over the last five years, Seattle has become one of the most expensive rideshare markets in the country, with fares rising by more than 40%. Unfortunately, these higher costs led to a significant decrease in rider demand. As a result, many drivers now spend more time waiting for trips, which has led to lower hourly earnings despite the higher per-trip rates. As Seattle driver Kelly C. observed, she is now 'working more hours to earn a similar amount' because the consistent, back-to-back rides she relied on have slowed down

Rideshare has become a critical link in Maryland's infrastructure. Maryland riders take hundreds of thousands of trips every month to medical appointments, hospitals, pharmacies, and transit hubs—often as their only reliable transportation option. HB 0018 would make Maryland one of the most expensive rideshare markets in the nation, with projected price increases of nearly 40%. Such a spike will inevitably reduce demand, hurting the students, seniors, and workers who rely on Uber, while diminishing the total earning pool for Maryland drivers.

We urge the Committee to issue an unfavorable report on HB 0018.

HB18_Information_PSC.pdf

Uploaded by: Barve Barve

Position: INFO

KUMAR P. BARVE
CHAIR



FREDERICK H. HOOVER, JR.
BONNIE A. SUCHMAN
ODOGWU OBI LINTON
RYAN C. MCLEAN

PUBLIC SERVICE COMMISSION

Chair Marc Korman
Environment and Transportation Committee
250 Taylor House Office Building
Annapolis, MD 21401

RE: HB 18 - Information - Transportation Network Companies – Transportation Network Operators – Minimum Payments for Passenger Trips

Dear Chair Korman and Committee Members:

The Public Service Commission (the “Commission”) appreciates the opportunity to provide this informational testimony for HB 18. The Commission has regulatory authority over transportation companies operating for-hire within the State of Maryland, which includes Transportation Network Companies (TNCs). Under this authority, the Commission, in general, issues permits and licenses to companies and vehicles upon receiving documented evidence of adherence to certain criteria and requires the filing of certain reports on an annual basis by the regulated entities. In addition to other types of for-hire driver’s licenses, the Commission issues licenses for individuals operating for-hire under a Transportation Network Company (“TNC”) permit, and these drivers are identified as Transportation Network Operators (“TNOs”). HB 18 would significantly alter the type and scope of regulatory authority exercised by the Commission over TNCs and TNOs.

HB 18 would add a new Section to the Public Utilities Article of the Maryland Annotated Code (“PUA”). § 10-410 would require that a TNC provide each operator a minimum payment according to the amounts detailed in the bill. As the language as drafted is placed in PUA, the Commission interprets the bill to require the Commission to be the enforcement authority. The Commission does not currently have the knowledge base and training to establish procedural guidelines on how to investigate a complaint based on an operator’s compensation, as it is not currently in the Commission’s purview. Further, there are over 175,000 TNO’s operating in the State. Should only 10% of those operators file only 1 complaint over the course of a year, that could lead to over 17,000 individual investigations and litigated proceedings. The Commission has no resources dedicated to resolving the large number of complaints that might result if this legislation were passed. The Committee should consider moving the enforcement authority to the Division of Labor and Industry in the Department of Labor which handles an array of employment issues, including enforcement of laws concerning compensation.

Please contact Niki Wiggins, Director of Legislative Affairs, at irene.wiggins3@maryland.gov if you have any questions related to this informational testimony.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kumar", with a long horizontal flourish extending to the right.

Kumar P. Barve
Chair, Maryland Public Service Commission