



HEARING DATE: March 11, 2026

BILL NO/TITLE: SB886: Consumer Protection and Labor and Employment - Food Service Facilities and Minimum Wage

COMMITTEE: Senate Finance

POSITION: **Oppose**

Maryland Motor Truck Association (MMTA) is a non-profit trade association with over 900 member companies who offer for-hire trucking services and who use private fleets to deliver their goods. Our members include owner operators, small to mid-size fleets, and national companies. About 90% of our members are small business owners with fewer than 10 trucks. Overwhelmingly, our members pay far greater salaries than the minimum wage. In fact, the trucking industry's average annual wage is approximately \$75,000. A recent survey of our members revealed that only about 10% of them had any employees being paid the minimum wage and, of those companies that did have minimum wage workers, they represented less than 10% of their employees.

Despite the overwhelming data showing that the trucking industry is not made up of minimum wage workers, MMTA is opposed to the minimum wage increase being proposed in this legislation for the following reasons:

- The legislation fails to consider how much an employee makes beyond the base wage. For example, one of our members uses the minimum wage as an hourly starter wage for new employees in one segment of its business. However, those employees are given substantial incentives on a daily and weekly basis. Bonuses are paid for attendance, timely arrival, and meeting production goals. A motivated employee can make nearly double the minimum wage, with regular hourly raises as his time in service with the company increases. If the minimum wage is substantially increased, this member will be forced to revise its entire bonus structure, potentially creating a less motivated and productive employee.
- The highly mobile nature of truck transportation means that we are subjected to significant regional competitiveness. Most adjacent states have not increased their minimum wages, and those that have done so within our region have implemented much more modest increases than the level being considered in Maryland.

Maryland's last phased-in minimum wage increases were completed only a few years ago. The impact of those increases are still being felt. For these reasons and the others noted above, Maryland's trucking industry cannot support a minimum wage increase. As such, MMTA requests that the Committee give this legislation an unfavorable report.

About Maryland Motor Truck Association: Maryland Motor Truck Association is a non-profit trade association that has represented the trucking industry since 1935. In service to its 900 members, MMTA is committed to support, advocate and educate for a safe, efficient and profitable trucking industry in Maryland.

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