
March 8, 2026

Subject: Opposition to SB 886 – Consumer Protection and Labor and Employment – Food Service Facilities and Minimum Wage

To the Members of the Maryland Senate Finance Committee,

My name is Andrei Lavrov, and I serve as Co-CEO and CFO of Syntes, Inc., located at 7272 Wisconsin Ave., Suite 900, Bethesda, Maryland. Our company has operated in Maryland for more than five years and currently employs five people. I am writing to express my opposition to SB 886.

I understand and respect the goal of improving earnings for workers. As an employer, I care deeply about the financial well-being of my employees. However, the scale and structure of this proposal would create significant economic challenges for small businesses like ours.

Raising the minimum wage to \$25 per hour by 2030 represents approximately a 67% increase from current levels. For a small startup company, such a change would have several serious consequences:

- A substantial increase in payroll costs—potentially 50% or more by 2030
- Reduced ability to hire and train young or entry-level workers with limited experience
- Pressure to raise prices for our business customers
- Difficult decisions regarding staffing levels, work hours, and business expansion

Importantly, increases at the minimum wage level also create wage compression across the organization. To maintain fair internal pay structures, businesses must often raise wages for many positions—not just entry-level roles—multiplying the overall financial impact.

I am also concerned about the proposal to embed this policy in the Maryland Constitution. Constitutionalizing wage policy would significantly limit the ability of future legislatures to respond to economic changes or unintended consequences. Labor markets and economic conditions evolve, and policy should retain the flexibility to adapt accordingly.

Maryland already faces increasing competition from neighboring states (such as Virginia) for businesses and talent. Policies that significantly raise operating costs could unintentionally make it more difficult for small businesses to grow and remain in the state.

I support fair wages and policies that help workers succeed. At the same time, it is essential that wage policies remain economically sustainable for the small businesses.

For these reasons, I respectfully ask the Committee to oppose SB 886.

Thank you for your time and consideration.

Sincerely,

Andrei Lavrov
Co-CEO and CFO
Syntes, Inc.
Bethesda, Maryland