



February 24, 2026

The Honorable Senator Pamela Beidle
Finance Committee

RE: SB0886 Consumer Protection and Labor and Employment - Food Service Facilities and Minimum Wage

POSITION: ***UNFAVORABLE***

On behalf of the Ocean City hospitality industry, I am writing to oppose this bill. This proposal would place unsustainable pressure on many Maryland businesses, leading to higher costs, reduced jobs, and unintended economic harm.

SB0886 would raise the minimum wage to \$25 by 2030, eliminate the tip credit, tie wages to inflation, and embed these changes in the Maryland Constitution.

A 67% wage increase in a short period is a significant shift that would drive up payroll costs, create wage compression, and force difficult decisions around staffing, pricing, and investment. For small and mid-sized businesses, especially in hospitality and other service industries. These changes would be particularly disruptive. Eliminating the tip credit alone would fundamentally change compensation models.

Embedding wage policy in the Constitution is especially concerning, as it removes flexibility to respond to economic conditions or unintended consequences.

This is not about opposing workers, but about ensuring policies support both employees and the businesses that employ them. I respectfully urge you to oppose SB0886.

Sincerely,

A handwritten signature in blue ink that reads "Susan L. Jones".

Susan L. Jones, Executive Director