



March 11, 2026

VIA E-mail: AA_FIN@mga.maryland.gov

Senator Pamela Beidle, Chair
Senator Antonio Hayes, Vice Chair
Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, MD 21401

RE: Opposition to HB SB 886

Dear Chair Beidle and Vice Chair Hayes,

On behalf of the Olney Chamber of Commerce and our member businesses, we respectfully express concerns regarding Senate Bill 886 and their potential impact on small and locally owned businesses. The bill's intention to eliminate the tipped wage system in place for many years combined with a significant minimum wage increase to \$25 per hour, with permanent automatic escalators tied to inflation, would directly affect many of our members.

The Olney Chamber represents a broad cross-section of local employers, including landscape companies, fitness and wellness providers, restaurants, cafés, retailers, and service providers deeply rooted in their communities. Many of these small businesses operate on narrow margins and already face significant cost pressures from rising supplies, insurance, rent, utilities, and other operating expenses. A substantial and accelerated increase in the statewide minimum wage would add additional financial strain that many local operators may struggle to absorb.

Unlike large national chains, small businesses often lack the scale and financial flexibility to offset rapid increases in labor costs. In addition, neighboring states such as Virginia and Pennsylvania have not escalated their minimum wages to similar levels. Pennsylvania remains tied to the federal minimum wage, and Virginia's wage remains below \$15 per hour. This creates a regional cost imbalance that places Maryland small businesses at a competitive disadvantage.

As a result, policies such as those proposed in SB 886 may lead to unintended consequences including reduced employee hours, slower hiring, higher prices for customers, delayed expansion plans, or in some cases the closure of long-standing neighborhood establishments.

Small businesses are a critical part of Maryland's economic fabric. They provide local jobs, support community organizations, and contribute to the vitality of neighborhood commercial districts throughout the state. Policies that significantly increase operating costs without sufficient flexibility can disproportionately impact these locally owned enterprises.

The Olney Chamber of Commerce strongly supports fair wages and economic opportunity for workers. At the same time, wage policy should balance those goals with the economic realities faced by small and locally owned businesses that form the backbone of Maryland's local economies.

For these reasons, we respectfully urge the Committee to carefully consider the potential unintended consequences of SB 886 and to oppose these bills in their current form.

Thank you for your time and your continued service to the State of Maryland.

Sincerely,

Olney Chamber of Commerce

A handwritten signature in black ink that reads "Marc Rosendorf". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Marc Rosendorf, Government Affairs Committee Chair

cc: Richard Melnick, Committee Vice-Chair
Matt Hines, Committee Vice-Chair
Matt Quinn, Olney Chamber President
Terri Hogan, Olney Chamber Executive Director