
ROBERT G. CASSILLY
Harford County Executive



ROBERT S. McCORD
Director of Administration

February 24, 2026

The Honorable Kriselda Valderrama
House Economic Matters Committee
230 Taylor House Office Building
Annapolis, Maryland 21401

Re: Opposition to House Bill 1229 – Consumer Protection and Labor and Employment – Food Service Facilities and Minimum Wage

Dear Chairwoman Valderrama and Committee Members,

On behalf of the citizens of Harford County, I respectfully submit this letter in opposition to House Bill 1229.

HB 1229 proposes sweeping changes to Maryland’s wage laws, including the elimination of the tip credit, a scheduled increase of the minimum wage to \$25 per hour, indexing future increases to inflation, and the creation of a new constitutional “fundamental right” related to minimum wage compensation. While well-intentioned in its effort to support workers, this legislation would have profound and potentially destabilizing economic consequences for local businesses, employees, and taxpayers.

Harford County’s economy relies heavily on small and mid-sized businesses, particularly in the food service, hospitality, and retail sectors. These employers operate on narrow profit margins and are already facing significant cost pressures from inflation, supply chain disruptions, insurance costs, and workforce shortages. Mandating a rapid increase in the minimum wage to \$25 per hour — and eliminating the long-standing tip credit structure — will significantly increase labor costs and could lead to reduced hiring, reduced hours, higher consumer prices, or business closures.

The food service industry in particular has operated under the tip credit model for decades. Eliminating that model fundamentally restructures how restaurants compensate employees and manage payroll costs. The unintended consequences could include fewer tipped positions, automation of services, or consolidation that disadvantages small, locally owned establishments.

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Beyond private sector impacts, HB 1229 would also affect county government operations. Counties employ workers in parks, recreation, seasonal programs, public safety support roles, and other entry-level or part-time positions. Rapid wage escalation would increase personnel costs across multiple departments and place additional pressure on local budgets, potentially leading to reduced services or increased taxes to offset those costs.

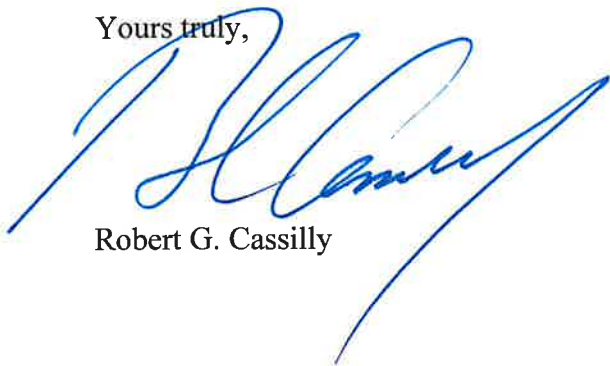
Additionally, embedding minimum wage language into the Declaration of Rights raises significant policy and legal concerns. Constitutionalizing wage policy limits future legislative flexibility and locks in economic mandates that may not be sustainable during economic downturns or recessionary periods. Wage policy is complex and should remain subject to ongoing legislative review and adjustment based on economic conditions.

Harford County supports fair wages and economic opportunity. However, policy changes of this magnitude must be carefully calibrated to avoid unintended harm to local businesses, workers, and taxpayers. HB 1229 represents a dramatic and inflexible shift in Maryland's wage framework that could disrupt local economies and strain public budgets.

For these reasons, I respectfully urge an unfavorable report on House Bill 1229.

Thank you.

Yours truly,

A handwritten signature in blue ink, appearing to read "R. Cassilly", is written over the typed name. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Robert G. Cassilly