



February 26, 2026

Opposition to HB1229 - Consumer Protection and Labor and Employment – Food Service Facilities and Minimum Wage

To the Members of the House Government, Labor & Elections Committee,

My name is William Chambers, and I am the President / CEO of the Salisbury Area Chamber of Commerce, representing 735 businesses in thirteen Maryland counties. I am writing in opposition to HB1229.

Our members understand that the intent of this bill is to raise worker earnings, and they care deeply about their employees. But this proposal would create economic consequences many businesses simply cannot absorb - threatening jobs, increasing costs, and undermining stability.

Raising the minimum wage to \$25 per hour by 2030 – a 67% increase – is not a small adjustment. For our businesses, that would mean:

- An estimated annual payroll increase of approximately 28%
- Pressure to raise prices to their customers
- Difficult decisions about staffing levels, hours, automation or expansion

This would not only affect entry-level positions. It would impact wages across our member businesses due to wage compression.

In addition, eliminating the tip credit would fundamentally change how all of our restaurants compensate their servers/tipped employees, even though they currently earn an average of \$45.00 per hour with tips included.

Embedding all of this into the State Constitution will effectively lock in sweeping economic mandates with little ability to course correct if the consequences prove damaging. That level of permanence is risky for employers, workers and communities alike.

We are not opposed to fair wages. We are concerned about sustainability – and whether our business members will be able to continue operating and employing Marylanders under this structure.

I respectfully ask you submit an unfavorable report on HB1229.

Thank you for your time and consideration.

Respectfully,

William R. Chambers President/CEO

SALISBURY AREA CHAMBER OF COMMERCE

The Voice for Business on Delmarva