HB1219-Consumer Protection and Labor and Employment - Food Service Facilities and Minimum Wage
Position: FAV

February 26, 2026

The Honorable Melissa Wells, Chair
Government, Labor, and Elections Committee
Room145, House Office Building
Annapolis, Maryland 21401
cc: Members, Government, Labor, and Elections

Chair Wells and Members of the Committee,

Economic Action Maryland Fund writes in strong support of HB1219 and we thank Del. Stewart for sponsoring this important legislation.

In December 2025 Economic Action surveyed more than 500 Marylanders, including a subset of our clients, on affordability issues. The findings, while startling, are not surprising and reinforce the financial stress identified in several other polls and surveys. Nearly 80% surveyed have said the cost of living crisis has had an impact on their households, with 52% having to cut back on their spending, and another 27% having trouble affording basic necessities.

Households are having trouble meeting current expenses and nearly 18% could not pay an unexpected $500 emergency –they do not have the savings or available credit to do so. Households are experiencing a loss of income, a loss of employment, reduction in hours, and decrease in pay. At the same time, costs for basic goods are soaring. There has been a 25% increase in the cost of basic goods since 2020–in other words, people need to be earning 25% more to afford the same expenses they had five years ago. Groceries, utilities, and rents are rising while wages have remained stagnant.

Nationally, 32% of individuals have maxed out their credit cards as a way to meet rising prices. Individuals can't budget their way out of their financial struggles and no financial literacy course can assist when costs outpace their wages.

HB1229 addresses Maryland's affordability crisis by increasing Maryland's minimum wage to $25 an hour by 2030 as well as tying future increases to the Consumer Price Index (CPI). MIT's Living Wage calculator found that $25 an hour is the minimum that a single person without children would need to support themselves and meet their basic needs. This increase would benefit 306,000 hard-working Marylanders, about 10% of the state's population. This would increase earnings and income for many workers and lift some families out of poverty.

Economic Action (formerly the Maryland Consumer Rights Coalition) champions economic rights and housing justice through advocacy, research, consumer education, and direct service. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

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Raising wages is good for the overall economy as well with the Federal Reserve of Chicago finding that low-wage households spend an additional $2800 the year after a $1 increase in the minimum wage which means increased local spending and more money circulating in the economy.

Minimum wage increases also reduce government assistance. Many minimum wage workers are employed full-time but must still rely on government food and health assistance. As minimum wages rise, utilization of government assistance falls, which saves the state money. It also means that the government is no longer subsidizing the poverty wages previously paid to minimum wage workers.

Contrary to the opposition's arguments, a wealth of research has found that after the minimum wage was increased, the number of low-wage jobs remained relatively unchanged over a five year period. In other words, the sky will not fall and unemployment will not soar if workers are paid a living wage.

At a time when the General Assembly is focused on affordability issues, one of the best things the body can do to address affordability is to raise the minimum wage.

For all these reasons, we support HB1229 and urge a favorable report.

Best,

Marceline White
Executive Director

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