

February 13, 2023

Senate Finance Committee
Senator Melony Griffith
3 East
Miller Senate Office Building
Annapolis, Maryland 21401

RE: SB 0803 - Labor and Employment – Payment of Minimum Wage – Tipped Employees – Oppose

Dear Senator Griffith:

This will be ultimately remove the tip credit available to employers when paying wages to tipped employees.

Currently, if a tipped employee's wages for the work shift do not at least meet the applicable minimum wage for hours worked, the employer must make up the difference between the tip credit and the applicable hourly wage.

Given the fact that tipped employees often make well more in tips than minimum wage, the provision of the tip credit has been beneficial to employers in sectors that support tipping. Removing the credit will be an unnecessary increase in operating costs to businesses and decidedly business-unfriendly. Current laws already ensure that all employees will receive at least the minimum wage.

The Carroll County Chamber of Commerce, a business advocacy organization of over 700 members, opposes this bill and therefore requests that you give it an unfavorable report.

Sincerely,



Mike McMullin
President
Carroll County Chamber of Commerce

CC: Senator Justin Ready
Delegate April Rose