

NOTICE



EFFECTIVE JULY 1, 2023



Montgomery County, Maryland

MINIMUM WAGE INCREASE

Montgomery County Code Section 27-68

EFFECTIVE DATE	LARGE EMPLOYER	MID-SIZED EMPLOYER	SMALL EMPLOYER
JULY 1, 2023	\$16.70	\$15.00	\$14.50
JANUARY 1, 2024	\$16.70	\$15.00	\$15.00 ¹
JULY 1, 2024	Increased annually by CPI-W	\$15.00 + CPI-W + 1% ²	\$15.00
JULY 1, 2025		Increased annually by CPI-W + up to 1%, until equal to large employers.	\$15.00 + CPI-W + 1% ³
JULY 1, 2026 and subsequent years.			Increased annually by CPI-W + up to 1% until equal to large employers.

A **“Large Employer”** is an employer who employs 51 or more employees. The minimum wage for large employers required under County Code Section 27-68 is adjusted annually on July 1 according to the average increase, if any, in the previous year’s Consumer Price Index for Urban Wage Earners and Clerical Workers for Washington-Arlington, rounded to the nearest five cents.

A **“Mid-Sized Employer”** is:

- an employer who employs between eleven and 50 employees; or
- an employer who employs eleven or more employees and:
 - has tax exempt status under Section 501(c)(3) of the Internal Revenue Code; or
 - provides “home health services” as defined by 42 C.F.R. § 440.70 or “home or community-based services” as defined by 42 C.F.R. § 440.180, and receives at least 75% of gross revenues through state and federal Medicaid programs.

A **“Small Employer”** is an employer who employs 10 or fewer employees.

¹On January 1, 2024, the Maryland Fair Wage Act of 2023 raises the minimum hourly wage for all employers to \$15 statewide. As a result of this change to State law, the \$15 wage rate for Montgomery County small employers must increase on January 1, six months ahead of County law.

²Beginning July 1, 2024, the minimum wage for mid-size employers will be adjusted annually by the average increase, if any, in the previous year’s Consumer Price Index for Urban Wage Earners and Clerical Workers for Washington-Arlington, rounded to the nearest five cents. If the rate increase is less than \$0.50 and the mid-sized employer minimum wage rate does not equal the large employer minimum wage rate, an additional adjustment equal to one percent of the minimum wage required for the prior year will be added to the annual adjustment, up to a combined total increase of \$0.50.

³Beginning July 1, 2025, the minimum wage for small employers will be adjusted annually by the average increase, if any, in the previous year’s Consumer Price Index for Urban Wage Earners and Clerical Workers for Washington-Arlington, rounded to the nearest five cents. If the rate increase is less than \$0.50 and the small employer minimum wage rate does not equal the minimum wage rate for other employers, an additional adjustment equal to one percent of the minimum wage required for the prior year will be added to the annual adjustment, up to a combined total increase of \$0.50.