

Economic Indicators for Montgomery County and Surrounding Jurisdictions January 2026 Update

OLO Report 2026-1

January 13, 2026

[Bill 28-17](#), Human Rights and Civil Liberties – County Minimum Wage – Amount – Annual Adjustment enacted November 7, 2017, phased in annual increases to Montgomery County’s minimum wage culminating in a rate of \$17.15 per hour for large employers (51 or more employees), \$15.50 per hour for mid-sized employers (11-15 employees) and \$15.00 per hour for small employers (10 or fewer employees) effective on July 1, 2024. The law requires annual adjustments to the County’s minimum wage based on the rate of inflation as measured by the consumer price index (CPI) for the Washington-Baltimore region.

Bill 28-17 also requires the Office of Legislative Oversight (OLO) prepare a report to the Council by January 31 of each year “related to implementation of the County minimum wage and the local economy.” The Council wanted a way to monitor how Montgomery County businesses and the County’s economy as a whole may be impacted by the minimum wage increases. The Council envisioned an annual report that could provide an early warning to the Council about any adverse economic changes. Accordingly, in 2019 OLO identified 17 high-level economic indicators that could be used to monitor the County’s economic performance and compare it with the performance of nine area jurisdictions. OLO updated the initial 2019 report in January 2019, January 2020, January 2021, January 2022, January 2023, January 2024, and January 2025.

Of note, last year, the U.S Bureau of Economic Analysis (BEA) discontinued collecting County-level data for four indicators presented in previous years’ versions of this report. County-level data are no longer available for total workplace employment, wage and salary employment, retail trade workplace employment, and accommodations and food services workplace employment. In addition, OLO relied on data from other Federal Government sources, most notably, the US Census Bureau and the Bureau of Labor Statistics for most other indicators included in previous years’ versions of this report. As of the writing of this 2026 update, the agencies responsible for collecting these data had yet to publish data because of government restructuring and delays caused by the recent shutdown of the Federal Government.

As a result, OLO was unable to update most of the indicators presented in previous years’ versions of this report by the January 31 deadline specified in the County Code. This 2026 report is an abbreviated document that includes data retrieved from the Maryland Department of Labor on wages for three occupational groups with a high percentage of minimum wage workers. This report also includes updated information about minimum wage rates in Montgomery County and surrounding jurisdictions.

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Office of Legislative Oversight Memorandum Report 2026-1

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Chapter 1. Minimum Wage Rates in Montgomery County and Surrounding Jurisdictions

This chapter provides a brief overview of federal, state, and Montgomery County minimum wage rates.

Federal Minimum Wage

The U.S. Fair Labor Standards Act (FLSA) of 1938 first established a federal minimum hourly wage rate. Since 1938, the FLSA has been amended dozens of times to raise the rate and/or expand the workers covered by the law. The last rate increase was in 2007 when the federal minimum wage was set at its current level of \$7.25 per hour. FLSA covers most, but not all, employees in the public and private sectors. FLSA includes exemptions that allow subminimum wages for some classes of workers.

State of Maryland Minimum Wage

States may set labor standards that are more protective of employees than federal statutes. Most states and the District of Columbia have a minimum wage above the federal minimum rate of \$7.25 per hour. Maryland has had an established state minimum wage since the 1960s. The Maryland Minimum Wage Act of 2014 enacted a multi-year phase-in of higher state rates through July 1, 2018. In March 2019, Maryland enacted a new set of scheduled increases to the state minimum wage rate. Effective June 1, 2019, Senate Bill 280/House Bill 166 incrementally increases the state minimum wage rate over a multiyear period. On January 1, 2024, the rate increased to \$15.00 per hour for all employers.¹

Montgomery County Minimum Wage

In 2013, the County enacted a local minimum wage rate higher than the Maryland (and federal) rates. Bill 27-13 increased wage rates over a three-year period from an initial rate of \$8.40 per hour (effective October 1, 2014) to a final rate of \$11.50 per hour (effective July 1, 2017). In 2017, Montgomery County enacted a new set of scheduled increases to the minimum wage rate, contingent on certain economic conditions. Bill 28-17 increased wage rates over several years. Small, mid-size, and large employers have different schedules to eventually reach \$15.00 per hour. When rates reach \$15.00 per hour, increases are indexed with inflation. Table 1-1 outlines the County's rate schedule.²

Table 1-1. Montgomery County Hourly Minimum Wage Transition Schedule

Date	Large Employers (50+ employees)	Mid-Sized Employers (11-50 employees)	Small Employers (10 or fewer employees)
7/1/2021	\$15.00	\$14.00	\$13.50
7/1/2022	\$15.00 + Inflation	\$14.50	\$14.00
7/1/2023	2022 rate + Inflation	\$15.00	\$14.50
7/1/2024	2023 rate + Inflation	\$15.00 + Inflation + Adjustment*	\$15.00
7/1/2025	2024 rate + Inflation	2024 rate + Inflation + Adjustment*	\$15.00 + Inflation + Adjustment*
7/1/2026	2025 rate + Inflation	2025 rate + Inflation + Adjustment*	\$15.00 + Inflation + Adjustment*

* The minimum wage adjusts annually (beginning in 2024 for mid-sized employers and in 2025 for small employers) by the annual average increase, if any, in the CPI-W for the previous calendar year plus, if the CPI-W increase is less than \$0.50, one percent of the minimum wage required for the prior year, up to a total increase of \$0.50.

Table 2-1 displays scheduled minimum wage rate increases for Montgomery County, the State of Maryland, surrounding jurisdictions, and the nation.

Table 2-1. Statutory Minimum Wage Rate Per Hour, by Jurisdiction³

	7/1/2020	7/1/2021	7/1/2022	7/1/2023	7/1/2024	7/1/2025
Federal Government ⁴	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25
District of Columbia ⁵	\$15.00	\$15.20	\$16.10	\$17.00	\$17.50	\$17.95
State of Virginia	\$7.25	\$9.50	\$11.00	\$12.00	\$12.00	\$12.41
Montgomery County, MD:						
Large Employers (51+ employees)	\$14.00	\$15.00	\$15.65	\$16.70	\$17.15	\$17.65
Mid-sized Employers (11-50 employees)	\$13.25	\$14.00	\$14.50	\$15.00	\$15.50	\$16.00
Small Employers (≤10 employees)	\$13.00	\$13.50	\$14.00	\$14.50	\$15.00	\$15.50
State of Maryland:⁶						
Large Employers (15+ employees)	\$11.00	\$11.75	\$12.50	\$13.25	\$15.00	\$15.00
Small Employers (<15 employees)	\$11.00	\$11.60	\$12.20	\$12.80	\$15.00	\$15.00
Anne Arundel County, MD*	State rates apply	State rates apply	State rates apply	State rates apply	State rates apply	State rates apply
Baltimore County, MD*	State rates apply	State rates apply	State rates apply	State rates apply	State rates apply	State rates apply
Frederick County, MD*	State rates apply	State rates apply	State rates apply	State rates apply	State rates apply	State rates apply
Howard County, MD	State rates apply	State rates apply	State rates apply	State rates apply	\$15.00	\$16.00**
Prince George's County, MD	\$11.50	State rates apply	State rates apply	\$13.25	\$15.00	\$15.00

*County uses Maryland minimum wage rates.

** Howard County's \$16.00/hour minimum wage took effect on January 1, 2025.

Chapter 2. Employment and Wage Estimates by Major Occupational Group

Section 27-70A of the Montgomery County Code requires that OLO provide to the Council, by January 31 of each year, a report containing data related to the implementation of the County minimum wage and the local economy.⁷ To fulfill that requirement, OLO developed a set of 17 economic indicators for Montgomery County and compared them with eight counties in the surrounding area plus Washington, D.C. and the nation where applicable.

In 2024, the U.S Bureau of Economic Analysis (BEA) discontinued collecting County-level data for four indicators presented in previous years' versions of this report. County-level data are no longer available for total workplace employment, wage and salary employment, retail trade workplace employment, and accommodations and food services workplace employment. In addition, OLO relied on data from other Federal Government sources, most notably, the US Census Bureau and the Bureau of Labor Statistics for most other indicators included in previous years' versions of this report. As of the writing of this 2026 update, the agencies responsible for collecting these data had yet to publish data because of government restructuring and delays caused by the recent shutdown of the Federal Government.

As a result, OLO was unable to update most of the indicators presented in previous years' versions of this report by the January 31 deadline specified in the County Code. This 2026 report is an abbreviated document that includes data retrieved from the Maryland Department of Labor on wages for three occupational groups with a high percentage of minimum wage workers.

Federal statistical agencies report economic data using the Standard Occupational Classification (SOC) system, categorizing workers into 23 major occupational groups. Every industry sector employs workers from many occupational groups, and workers in any major occupational group are employed across industry sectors. This report provides economic indicators for three major occupational groups that typically include occupations with lower wages:⁸

- Food Preparation and Serving-Related Occupations (SOC code 35-0000);
- Building and Grounds Cleaning and Maintenance Occupations (SOC code 37-0000); and
- Personal Care and Service Occupations (SOC code 39-0000).

The occupational employment statistics (OES) survey data are provided for selected Maryland workforce regions, as reported by the Maryland Department of Labor.

Maryland Employment and Wage Estimates Categorized by Major Occupational Group

Definition:

The U.S. Office of Management and Budget (OMB) defines the industry categories, occupational groups, and geographic statistical areas used by federal statistical agencies. Federal statistical agencies report data on the U.S. economy using the North American Industry Classification System (NAICS), which categorizes the economy into 20 industry sectors. Federal statistical agencies also report economic data using the Standard Occupational Classification (SOC) system, which categorizes workers into 23 major occupational groups. Every industry sector employs workers from many occupational groups, and workers in a major occupational group may be employed across many industry sectors.

The economic indicators for this report focus on three major occupational groups likely to have low hourly wages:

- Food Preparation and Serving Related Occupations (SOC code 35-0000);
- Building and Grounds Cleaning and Maintenance Occupations (SOC code 37-0000); and
- Personal Care and Service Occupations (SOC code 39-0000).

Food Preparation and Serving Related Occupations. This major occupational group includes occupations such as: Chefs; Supervisors of Food Preparation and Serving Workers; Restaurant, Fast Food, and Short Order Cooks; Institutional and Cafeteria Cooks; Food Preparation Workers; Fast Food Workers; Counter Attendants for Cafeteria, Food Concession, and Coffee Shops; Waiters and Waitresses; Bartenders; Dining Room and Cafeteria Attendants and Bartender Helpers; Dishwashers; and Restaurant and Lounge Hosts and Hostesses.

Building and Grounds Cleaning and Maintenance Occupations. This major occupational group includes occupations such as: First-Line Supervisors of Housekeepers, Janitors and Groundskeepers; Janitors, Maids and Housekeeping Cleaners; Pest Control Workers; Landscaping and Groundskeeping Workers; Pesticide Handlers, Sprayers and Applicators; and Tree Trimmers and Pruners.

Personal Care and Service Occupations. This major occupational group includes occupations such as: First-Line Supervisors of Gaming Workers and Personal Service Workers; Animal Trainers; Nonfarm Animal Caretakers; Gaming Dealers and Service Workers; Projectionists; Ushers and Ticket Takers; Amusement and Recreation Attendants and Workers; Locker Room, Coatroom, and Dressing Room Attendants; Embalmers; Funeral Attendants; Morticians, Undertakers and Funeral Directors; Barbers; Hairdressers, Hairstylists and Cosmetologists; Manicurists and Pedicurists; Shampooers; Skincare Specialists; Porters and Bellhops; Concierges; Tour and Travel Guides; Childcare Workers; Personal Care Aides; Fitness Trainers and Aerobics Instructors; and Residential Advisors.

Indicators' relationship to the local economy and the minimum wage:

The economic indicators for this report focus on three major occupational groups likely to employ workers paid a lower hourly wage, of which a significant portion will have higher wages as a result of the County and state minimum wage increases. Increases to the minimum hourly wage rate could reduce total employment in the lower-wage occupational groups if employers reduce the number of jobs in response to higher labor costs. However, employers might also respond to higher labor costs by reducing the number of hours of employment for each job while keeping the number of jobs constant. A reduction of hours at a higher hourly pay rate could result in a net decrease or increase in total annual wages for any individual worker. Employers might also respond to higher hourly labor costs by passing the costs on through higher prices for goods and services.

Sources of data:

Maryland Occupational Wages Estimates for Workforce Regions. Office of Workforce Information & Performance, Maryland Department of Labor.

Maryland Department of Labor data for the Maryland workforce region estimates is generated from the Maryland Occupational Employment Statistics (OES) Program and the Quarterly Census of Employment and Wages (QCEW) Program, both of which are conducted in cooperation with BLS. All Maryland Department of Labor statistics are based on place of work and represent number of jobs, both full-time and part-time. Occupations covered reflect the Standard Occupational Classification (SOC) System.

Current data:

Table 2-1 shows Maryland Department of Labor data by workforce region as of May 2025 for the three major occupational groups for five Maryland counties: Montgomery, Prince George's, Baltimore, Anne Arundel, and Frederick. Table 2-2 shows Maryland Department of Labor data as of April 2024 and Table 2-3 compares April 2024 data to May 2025 data.

- For **Food Preparation and Serving Related Occupations**, from April 2024 through May 2025, Montgomery County lost 150 jobs, a 0.5% decrease, the only of the five counties to experience a loss of jobs in this occupational group. Prince George's County recorded the highest rate of increase (12.3%) in Food Preparation and Serving employment among the five counties shown in this survey. For Food Preparation and Serving workers in Montgomery County, the median hourly wage increased from April 2024 to May 2025 by 1.8% to \$17.31 per hour, the highest median wage in the survey but only five cents per hour higher than the median rate in Frederick County.
- For **Buildings and Grounds Cleaning and Maintenance Occupations**, from April 2024 through May 2025, Montgomery County gained 20 jobs, a 0.1% increase. Anne Arundel County recorded the highest rate of increase (13.2%) in Buildings and Grounds Cleaning and Maintenance employment among the five counties shown in this survey. For Buildings and

Grounds Cleaning and Maintenance workers in Montgomery County, the median hourly wage increased from April 2024 to May 2025 by only five cents (0.3%) to \$18.05 per hour. Prince George's County had the highest May 2025 Buildings and Grounds Cleaning and Maintenance worker median wage at \$18.26 per hour.

- For **Personal Care and Service Occupations**, from April 2024 through May 2025, Montgomery County gained 12,230 jobs, a 20.1% increase. Prince George's County recorded the highest rate of increase (30.8%) in Personal Care and Service Occupations employment among the five counties shown in this survey. For Personal Care and Service workers in Montgomery County, the median hourly wage increased from April 2024 to May 2025 by 3.5% to \$17.59 per hour. Frederick County had the highest May 2025 median wage for Personal Care and Service Occupations at \$17.69 per hour.

Table 2-1. Employment and Wage Estimates by Major Occupational Group, Updated May 2025

Source: Maryland Department of Labor, Licensing and Regulation (DLLR)

Occupational Employment Statistics Program

Standard Occupational Classification (SOC) Codes: 35-0000, 37-0000, 39-0000.

Major Occupational Group	Workforce Region				
	Montgomery	Prince George's	Baltimore County	Anne Arundel	Frederick
Food Preparation and Serving Related Occupations					
Estimated employment	31,430	28,950	27,910	25,240	9,940
Entry wage - hourly	\$15.27	\$15.13	\$15.00	\$15.00	\$15.23
Entry wage - annual	\$31,770	\$31,460	\$31,200	\$31,200	\$31,676
Mean wage - hourly	\$19.17	\$18.80	\$18.14	\$18.39	\$19.14
Mean wage - annual	\$39,881	\$39,114	\$37,727	\$38,257	\$39,804
Median wage - hourly	\$17.31	\$17.00	\$16.63	\$16.73	\$17.26
Median wage - annual	\$36,001	\$35,355	\$34,595	\$34,790	\$35,902
Buildings and Grounds Cleaning and Maintenance Occupations					
Estimated employment	16,620	10,840	10,320	8,300	3,330
Entry wage - hourly	\$16.47	\$16.49	\$15.50	\$15.50	\$16.31
Entry wage - annual	\$34,250	\$34,292	\$32,245	\$32,241	\$33,931
Mean wage - hourly	\$19.79	\$20.08	\$18.74	\$19.01	\$19.76
Mean wage - annual	\$41,155	\$41,767	\$38,978	\$39,536	\$41,102
Median wage - hourly	\$18.05	\$18.26	\$17.42	\$17.69	\$18.12
Median wage - annual	\$37,535	\$37,979	\$36,242	\$36,789	\$37,683
Personal Care and Service Occupations					
Estimated employment	13,310	9,090	8,780	6,140	3,210
Entry wage - hourly	\$16.21	\$15.46	\$15.12	\$15.05	\$15.21
Entry wage - annual	\$33,708	\$32,150	\$31,456	\$31,313	\$31,638
Mean wage - hourly	\$20.54	\$20.22	\$20.20	\$20.72	\$20.76
Mean wage - annual	\$42,725	\$42,065	\$42,019	\$43,089	\$43,175
Median wage - hourly	\$17.59	\$17.44	\$17.44	\$16.97	\$17.69
Median wage - annual	\$36,585	\$36,266	\$36,282	\$35,294	\$36,793

Table 2-2. Employment and Wage Estimates by Major Occupational Group, April 2024

Source: Maryland Department of Labor, Licensing and Regulation (DLLR)

Occupational Employment Statistics Program

Standard Occupational Classification (SOC) Codes: 35-0000, 37-0000, 39-0000.

Major Occupational Group	Workforce Region				
	Montgomery	Prince George's	Baltimore County	Anne Arundel	Frederick
Food Preparation and Serving Related Occupations					
Estimated employment	31,580	25,780	27,540	24,620	9,850
Entry wage - hourly	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00
Entry wage - annual	\$29,530	\$29,546	\$28,512	\$28,287	\$29,368
Mean wage - hourly	\$18.00	\$18.00	\$17.00	\$17.00	\$18.00
Mean wage - annual	\$38,128	\$38,107	\$35,630	\$35,921	\$37,961
Median wage - hourly	\$17.00	\$17.00	\$15.00	\$15.00	\$17.00
Median wage - annual	\$34,976	\$34,898	\$31,639	\$31,663	\$34,922
Buildings and Grounds Cleaning and Maintenance Occupations					
Estimated employment	16,600	10,740	9,500	7,330	3,110
Entry wage - hourly	\$16.00	\$16.00	\$15.00	\$15.00	\$16.00
Entry wage - annual	\$32,404	\$32,731	\$30,440	\$30,281	\$32,320
Mean wage - hourly	\$19.00	\$20.00	\$18.00	\$18.00	\$19.00
Mean wage - annual	\$40,121	\$41,484	\$38,373	\$38,256	\$40,386
Median wage - hourly	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
Median wage - annual	\$37,862	\$38,464	\$36,512	\$36,532	\$37,758
Personal Care and Service Occupations					
Estimated employment	11,080	6,950	8,440	5,930	2,780
Entry wage - hourly	\$15.00	\$14.00	\$14.00	\$14.00	\$14.00
Entry wage - annual	\$31,390	\$29,747	\$29,115	\$28,979	\$29,283
Mean wage - hourly	\$20.00	\$19.00	\$19.00	\$20.00	\$19.00
Mean wage - annual	\$40,695	\$38,600	\$40,168	\$40,621	\$39,459
Median wage - hourly	\$17.00	\$17.00	\$17.00	\$16.00	\$17.00
Median wage - annual	\$35,408	\$34,985	\$34,843	\$33,927	\$34,862

**Table 2-3. Employment and Wage Estimates by Major Occupational Group
Change from April 2024 to May 2025**

Source: Maryland Department of Labor, Licensing and Regulation (DLLR)

Occupational Employment Statistics Program

Standard Occupational Classification (SOC) Codes: 35-0000, 37-0000, 39-0000.

Major Occupational Group	Workforce Region				
	Montgomery	Prince George's	Baltimore County	Anne Arundel	Frederick
Food Preparation and Serving Related Occupations					
Estimated employment	-150	3,170	370	620	90
Entry wage - hourly	\$1.27	\$1.13	\$1.00	\$1.00	\$1.23
Entry wage - annual	\$2,240	\$1,914	\$2,688	\$2,913	\$2,308
Mean wage - hourly	\$1.17	\$0.80	\$1.14	\$1.39	\$1.14
Mean wage - annual	\$1,753	\$1,007	\$2,097	\$2,336	\$1,843
Median wage - hourly	\$0.31	\$0.00	\$1.63	\$1.73	\$0.26
Median wage - annual	\$1,025	\$457	\$2,956	\$3,127	\$980
Buildings and Grounds Cleaning and Maintenance Occupations					
Estimated employment	20	100	820	970	220
Entry wage - hourly	\$0.47	\$0.49	\$0.50	\$0.50	\$0.31
Entry wage - annual	\$1,846	\$1,561	\$1,805	\$1,960	\$1,611
Mean wage - hourly	\$0.79	\$0.08	\$0.74	\$1.01	\$0.76
Mean wage - annual	\$1,034	\$283	\$605	\$1,280	\$716
Median wage - hourly	\$0.05	\$0.26	-\$0.58	-\$0.31	\$0.12
Median wage - annual	-\$327	-\$485	-\$270	\$257	-\$75
Personal Care and Service Occupations					
Estimated employment	2,230	2,140	340	210	430
Entry wage - hourly	\$1.21	\$1.46	\$1.12	\$1.05	\$1.21
Entry wage - annual	\$2,318	\$2,403	\$2,341	\$2,334	\$2,355
Mean wage - hourly	\$0.54	\$1.22	\$1.20	\$0.72	\$1.76
Mean wage - annual	\$2,030	\$3,465	\$1,851	\$2,468	\$3,716
Median wage - hourly	\$0.59	\$0.44	\$0.44	\$0.97	\$0.69
Median wage - annual	\$1,177	\$1,281	\$1,439	\$1,367	\$1,931

Endnotes

¹ Maryland Department of Labor, [Maryland Minimum Wage and Overtime Law](#).

² Montgomery County Office of Human Rights, [Minimum Wage Notice](#).

³ For a complete list of all state and local minimum wage rates higher than the federal minimum wage, see the [Economic Policy Institute's Minimum Wage Tracker](#).

⁴ The federal minimum wage provisions are contained in the Fair Labor Standards Act (FLSA). See U.S. Department of Labor [Minimum Wage website](#).

⁵ Code of the District of Columbia Chapter 10 Section 32-1003

⁶ Maryland Department of Labor, [Maryland Minimum Wage and Overtime Law](#).

⁷ Montgomery County Code, [Section 27-70A](#).

⁸ Bureau of Labor Statistics, Mid-Atlantic Office, [Silver Spring-Frederick-Rockville](#).