

Economic Impact Statement

Montgomery County, Maryland

Bill 1-26: Human Rights and Civil Liberties – County Minimum Wage – Actual Impact Analysis – Amendments

Summary

Bill 1-26 would eliminate the requirement that the Office of Legislative Oversight (OLO) publish an annual report on local economic conditions as part of the Council's adoption of a minimum wage increase in 2017. As required by Section 2-81B of the Montgomery County Code, OLO must prepare an economic impact statement for every Bill introduced by the Council. However, OLO does not take stances on the potential impacts of legislation that directly affects the office's internal work program.

Background and Purpose of Bill 1-26

In 2017, the Council enacted legislation that phased in an increase in the County's minimum wage from \$11.50 to \$15.00 by 2024. As part of this policy change, OLO has been required to publish a report each year that monitors economic conditions to determine if the minimum wage increase is leading to adverse economic impacts.¹

Bill 1-26 proposes to remove the reporting requirement from County Code. In a memorandum to the Council, the Bill's lead sponsor explained she is proposing this policy change due to the completion of the phase-in period, the recent discontinuation of federal data on key indicators tracked in OLO's report, and the reports' lack of policy relevance for the Council.²

The Council introduced Bill 1-26 on January 20, 2026.

Information Sources, Methodologies, and Assumptions

As required by 2-81B of the Montgomery County Code, this Economic Impact Statement evaluates the impacts of Bill 1-26 on residents and private organizations, using the Council's priority economic indicators as the measure. In doing so, it examines whether the Bill would have a net positive or negative impact on overall economic conditions in the County.³ However, since this Bill would impact OLO's internal work program, the office does not take a stance on its potential impacts.

Variables

Not applicable

¹ See Ogorzalek, Jim to County Council, Memorandum, January 15, 2026 in [Introduction Staff Report for Bill 1-26](#).

² See Fani-González, Natali to County Council, Memorandum, January 12, 2026 in [Introduction Staff Report for Bill 1-26](#).

³ Montgomery County Code, "[Sec. 2-81B, Economic Impact Statements](#)."

Impacts

WORKFORCE ▪ TAXATION POLICY ▪ PROPERTY VALUES ▪ INCOMES ▪ OPERATING COSTS ▪ PRIVATE SECTOR CAPITAL INVESTMENT ▪ ECONOMIC DEVELOPMENT ▪ COMPETITIVENESS

Residents

Not applicable

Businesses, Non-Profits, Other Private Organizations

Not applicable

Net Impact

Not applicable

Discussion Items

Not applicable

Caveats

Two caveats to the economic impact analysis conducted here should be noted. First, predicting the economic impacts of legislation is a challenging analytical endeavor due to data limitations, the multitude of causes of economic outcomes, economic shocks, uncertainty, and other factors. Second, the analysis performed here is intended to *inform* the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the Bill under consideration.

Contributions

Stephen Roblin, PhD (OLO) prepared this report.