

Bill No. 12-16
Concerning: Human Rights and Civil
Liberties – County Minimum Wage –
Amount – Annual Adjustment
Revised: 01/17/2017 Draft No. 3
Introduced: April 12, 2016
Enacted: January 17, 2017
Executive: _____
Effective: _____
Sunset Date: None
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Elrich
Co-Sponsors: Councilmembers Leventhal, Riemer, Navarro and Hucker

AN ACT to:

- (1) increase the County minimum wage by a certain amount;
- (2) require the Chief Administrative Officer to adjust the County minimum wage rate each year; and
- (3) generally amend the laws governing the minimum wage

By amending

Montgomery County Code
Chapter 27, Human Rights and Civil Liberties
Article XI. County Minimum Wage
Section 27-68

By adding

Montgomery County Code
Chapter 27, Human Rights and Civil Liberties
Article XI. County Minimum Wage
Section 27-70A

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

Sec 1. Section 27-68 is amended and Section 27-70A is added as follows:

27-68. Minimum Wage Required.

(a) *County minimum wage.* Except as provided in Subsection (b), an employer must pay wages to each employee for work performed in the County at least the greater of:

- (1) the minimum wage required for that employee under the Federal Act;
- (2) the minimum wage required for that employee under the State Act; or
- (3) ~~[\$11.50]~~ \$15.00 per hour.

(b) *Annual adjustment.* The Chief Administrative Officer must adjust the minimum wage rate required under Subsection (a)(3), effective July 1, ~~[[2021]]~~ 2023, and July 1 of each subsequent year, by the annual average increase, if any, in the Consumer Price Index for Urban Wage Earners and Clerical Workers, CPI-W, or a successor index, for the previous calendar year. The Chief Administrative Officer must calculate the adjustment to the nearest multiple of five cents, and must publish the amount of this adjustment not later than March 1 of each year.

(c) *Exclusions.* The County minimum wage does not apply to an employee who:

- (1) is exempt from the minimum wage requirements of the State or Federal Act;
- (2) is under the age of 19 years and is employed no more than 20 hours per week; or
- (3) is subject to an opportunity wage under the State or Federal Act.

~~[(c)]~~(d) *Retaliation prohibited.* A person must not:

- (1) retaliate against any person for:
 - (A) lawfully opposing any violation of this Article; or
 - (B) filing a complaint, testifying, assisting, or participating in any manner in an investigation, proceeding, or hearing under this Article; or
- (2) obstruct or prevent enforcement or compliance with this Article.

* * *

27-70A. Annual impact analysis.

The Office of Legislative Oversight must provide to the Council, by January 31 of each year, an analysis of impact of the County minimum wage on the local economy.

Sec. 2. Transition.

Notwithstanding Section 27-68, as amended in Section 1, except when the scheduled increases are temporarily suspended under subsection (d), the County minimum wage, until July 1, [[2020]] 2022, must be the greater of the minimum wage required under the Federal or State Act or:

(a) for an employer who employs 26 or more employees:

- (1) effective July 1, 2017, \$11.50 per hour;
- [[b)](2) effective July 1, 2018, \$12.50 per hour; [[and]]
- [[c)](3) effective July 1, 2019, \$13.75 per hour[.]]; and
- (4) effective July 1, 2020, \$15.00 per hour.

(b) for an employer who employs 25 or fewer employees:

- (1) effective July 1, 2017, \$11.50 per hour;
- (2) effective July 1, 2018, \$12.00 per hour;
- (3) effective July 1, 2019, \$12.75 per hour;
- (4) effective July 1, 2020, \$13.50 per hour; and
- (5) effective July 1, 2021, \$14.25 per hour.

55 (c) For the purposes of subsections (a) and (b), an employer's number of
56 employees must be calculated based upon the employer's average
57 number of employees per calendar week during the preceding
58 calendar year for any and all weeks during which at least one
59 employee worked for compensation. For employers that did not have
60 any employees during the preceding calendar year, the employer's
61 number of employees must be calculated based upon the average
62 number of employees who worked for compensation per calendar
63 week during the first 90 calendar days of the current year in which the
64 employer engaged in business.

65 (d) (1) On or before January 31 of each year beginning in 2018
66 through 2022, to ensure that economic conditions can support a
67 minimum wage increase, the Director of Finance must make a
68 determination and certify to the Executive and Council whether
69 each of the following conditions is met:

70 (A) total private employment for Montgomery County
71 decreased by 1.5% over the period from April 1 to June
72 30 of the previous year. The calculation must compare
73 total private employment in June to total private
74 employment in April, as reported by the Maryland State
75 Department of Labor, Licensing, and Regulation's
76 Quarterly Census of Employment and Wages data series;

77 (B) total private employment for Montgomery County
78 decreased by 2.0% over the period from January 1 to
79 June 30 of the previous year. The calculation must
80 compare total private employment in June to total private
81 employment in January, as reported by the Maryland

82 State Department of Labor, Licensing, and Regulation's
83 Quarterly Census of Employment and Wages data series;

84 (C) the Gross Domestic Product of the United States, as
85 published by the U.S. Department of Commerce, has
86 experienced negative growth for the preceding two
87 quarters; and

88 (D) the National Bureau of Economic Research has
89 determined that the United States economy is in
90 recession.

91 (2) If, in any year, the Director of Finance certifies that a condition
92 in subparagraphs (A) through (D) of paragraph (1) is met, the
93 Executive may, on or before February 10 of that year,
94 temporarily suspend the minimum wage increases scheduled
95 under subsections (a) and (b) for that year.

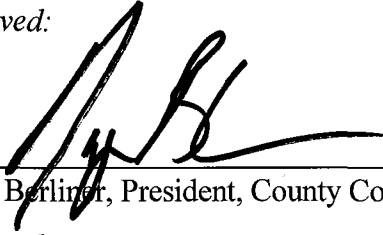
96 (3) If the Executive temporarily suspends the scheduled minimum
97 wage increases for a year, all dates specified in subsections (a)
98 and (b) that follow the temporary suspension must be postponed
99 by an additional year.

100 (4) The Executive must not temporarily suspend scheduled
101 minimum wage increases under this Section more than two
102 times.

103 **Sec. 3. Effective Date.**

104 This Act takes effect on ~~[[October 1, 2016]]~~ July 1, 2017.

Approved:



Roger Berliner, President, County Council

1/18/17

Date

Approved:

Isiah Leggett, County Executive

Date

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

Date