

Hucker Amendments

Purposes:

- Provide for the County minimum wage to be adjusted annually for inflation according to the CPI-W for Washington-Baltimore beginning July 1, 2022;
- Define classes of employer, for the purposes of the Transition provisions of the Bill as follows:
 - *Large employer*: an employer who employs 51 or more employees;
 - *Mid-sized employer*: an employer who employs between eleven and 50 employees or who employs eleven or more employees and is a non-profit or provides certain Medicaid services;
 - *Small employer*: an employer who employs 10 or fewer employees.
- Provide that:
 - large employers must pay employees a minimum of \$15.00 per hour by July 1, 2021;
 - mid-sized employers must pay employees a minimum of \$15.00 per hour by July 1, 2023; and
 - small employers must pay employees a minimum of \$15.00 per hour by July 1, 2024.
- Provide for continued “catch-up” increases for mid-sized and small employers so that all employers are ultimately required to pay the same minimum wage.

Amend the Bill as follows:

27-68. Minimum Wage Required.

- (a) *County minimum wage.* Except as provided in ~~[[Subsection (b)]]~~ Subsections (c) and (d), 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 plus any annual adjustments under subsection (b).
- (b) Annual adjustment. The Chief Administrative Officer must adjust the minimum wage rate required under Subsection (a)(3), effective July 1, [[2023]] [[2025]] 2022, 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]] (CPI-W) for Washington-Baltimore, 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]].
- (d) Opportunity wage. An employer may pay a wage equal to 85% of the County minimum wage to an employee under the age of 20 years for the first six months that the employee is employed.

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Sec. 2. Transition.

Notwithstanding Section 27-68, as amended in Section 1, except when the scheduled increases are temporarily suspended under subsection [[(e)] (f)], the County minimum wage[[, until July 1,]] [[2022]] [[2024,]] must be the greater of the minimum wage required under the Federal or State Act or:

- (a) until July 1, 2022, for [[an employer who employs]] [[26]] [[51 or more employees]] a large employer as defined in subsection (d):
- (1) effective July 1, 2018, [[\\$12.50]] ~~[[\\$12.00]]~~ \$12.25 per hour;
 - (2) effective July 1, 2019, [[\\$13.75]] ~~[[\\$12.75]]~~ \$13.00 per hour;
[[and]]
 - (3) effective July 1, 2020, [[\\$15.00]] ~~[[\\$13.50]]~~ \$14.00 per hour~~[[.]]~~;
and
 - (4) effective July 1, 2021, ~~[[\\$14.25]]~~ \$15.00 per hour~~[[; and]]~~;
 - ~~[[5]]~~ effective July 1, 2022, \$15.00 per hour.]
- (b) until the minimum wage under this subsection is equal to the minimum wage required under Section 27-68, [[for an employer who employs]] [[25]] [[50 or fewer employees; has tax exempt status under Section 501(c)(3) of the Internal Revenue Code; or has been designated by the Office of Human Rights as an eligible services provider under]] for a mid-sized employer as defined in subsection [(c)] (d):
- (1) effective July 1, 2018, [[\\$12.00]] ~~[[\\$11.75]]~~ \$12.00 per hour;
 - (2) effective July 1, 2019, [[\\$12.75]] ~~[[\\$12.25]]~~ \$12.50 per hour;
 - (3) effective July 1, 2020, [[\\$13.50]] ~~[[\\$12.75]]~~ \$13.25 per hour;
[[and]]
 - (4) effective July 1, 2021, [[\\$14.25]] ~~[[\\$13.25]]~~ \$14.00 per hour~~[[.]]~~;
 - (5) effective July 1, 2022, ~~[[\\$13.75]]~~ \$14.50 per hour; and
 - (6) effective July 1, 2023, ~~[[\\$14.50]]~~ \$15.00 per hour;
 - (7) effective July 1, 2024 until it is equal to the minimum wage required under Section 27-68, the minimum wage required under this subsection must be adjusted each year, to the nearest multiple of five cents per hour, by:

- (A) the annual average increase, if any, in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for Washington-Baltimore, or a successor index, for the previous calendar year; plus
 - (B) if the increase under subparagraph (A) is less than \$0.50, one percent of the minimum wage required for the prior year, up to a total increase of \$0.50.
- (c) until the minimum wage under this subsection is equal to the minimum wage required under Section 27-68, for a small employer as defined in subsection (d):
 - (1) effective July 1, 2018, \$12.00 per hour;
 - (2) effective July 1, 2019, \$12.50 per hour;
 - (3) effective July 1, 2020, \$13.00 per hour;
 - (4) effective July 1, 2021, \$13.50 per hour;
 - (5) effective July 1, 2022, \$14.00 per hour;
 - (6) effective July 1, 2023, \$14.50 per hour;
 - (7) effective July 1, 2024, \$15.00 per hour;
 - (8) effective July 1, 2025 until it is equal to the minimum wage required under Section 27-68, the minimum wage required under this subsection must be adjusted each year, to the nearest multiple of five cents per hour, by:
 - (A) the annual average increase, if any, in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for Washington-Baltimore, or a successor index, for the previous calendar year; plus

(B) if the increase under subparagraph (A) is less than \$0.50, one percent of the minimum wage required for the prior year, up to a total increase of \$0.50.

[(c)](d) [[An employer who 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, may apply to the Office of Human Rights for designation as an eligible services provider subject to the implementation schedule in subsection (b).]] In this Section:

(1) large employer means an employer who employs 51 or more employees;

(2) mid-sized employer means:

(A) an employer who employs between eleven and 50 employees; or

(B) an employer who employs eleven or more employees and:

(i) has tax exempt status under Section 501(c)(3) of the Internal Revenue Code; or

(ii) 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.

(3) small employer means an employer who employs 10 or fewer employees.

[(d)](e) For the purposes of subsections (a), [[and]] (b), and (c), an employer’s number of employees must be calculated based upon the employer’s average number of employees per calendar week during the

preceding calendar year for any and all weeks during which at least one employee worked for compensation. For employers that did not have any employees during the preceding calendar year, the employer's number of employees must be calculated based upon the average number of employees who worked for compensation per calendar week during the first 90 calendar days of the current year in which the employer engaged in business.

- ~~[(e)]~~(f) (1) On or before January 31 of each year beginning in 2018 through ~~[[2022]]~~ 2024, to ensure that economic conditions can support a minimum wage increase scheduled under Section 2 of this Act, the Director of Finance must make a determination and certify to the Executive and Council whether each of the following conditions is met:
- (A) total private employment for Montgomery County decreased by 1.5% over the period from April 1 to June 30 of the previous year. The calculation must compare total private employment in June to total private employment in April, as reported by the Maryland State Department of Labor, Licensing, and Regulation's Quarterly Census of Employment and Wages data series;
 - (B) total private employment for Montgomery County decreased by 2.0% over the period from January 1 to June 30 of the previous year. The calculation must compare total private employment in June to total private employment in January, as reported by the Maryland State Department of Labor, Licensing, and Regulation's Quarterly Census of Employment and Wages data series;

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

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

(2) If, in any year, the Director of Finance certifies that a condition in subparagraphs (A) through (D) of paragraph (1) is met, the Executive may, on or before February 10 of that year, temporarily suspend the minimum wage increases scheduled under subsections (a), ~~[[and]]~~ (b), and (c) under Section 2 of this Act for that year.

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

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