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Montgomery County Council Approves Increase In Minimum Wage to $15 Per Hour

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On November 7, 2017, the Montgomery County Council unanimously passed a bill to increase the County's minimum wage to $15 per hour by 2021 for employers with more than 50 employees (the "Bill"). Mid-size businesses, with 11 to 50 employees, must phase in the higher wage by 2023. Small businesses (those with fewer than 11 employees) will have until 2024 to phase in the higher minimum wage. The Bill, however, allows the County Executive to temporarily suspend scheduled minimum wage increases based on economic conditions.

Montgomery County is the first county in Maryland to require a $15 minimum wage and follows Washington, D.C.'s approval of a $15 minimum wage last June. The county's current minimum wage is $11.50 per hour.

As noted in our prior posts, previous efforts to raise the minimum wage stalled after Montgomery County Executive Isiah Leggett vetoed similar legislation in January over concerns about competitive disadvantage and harm to small businesses. At that time, Leggett explained that he would approve a minimum wage increase bill that:

- Was based on an expeditious study of the direct and indirect financial impacts on private employers, non-profits, and the County government;
- Included an exemption for small business;
- Included an exemption for youth workers; and
- Provided for reaching $15 per hour in 2022.

After the Bill's passage, Leggett released a statement that the Bill is "close enough to the conditions" he set for his support that he will sign the measure into law.

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