

MEMORANDUM

March 16, 2026

TO: Economic Development Committee
Health and Human Services Committee

FROM: Jim Ogorzalek, Legislative Attorney

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

PURPOSE: Worksession

Bill 1-26, Human Rights and Civil Liberties – County Minimum Wage – Actual Impact Analysis – Amendments, was introduced on January 20, 2026. Its Lead Sponsor is Council President Fani-González. The bill’s Co-Sponsors are Councilmember Stewart, Council Vice President Balcombe, and Councilmembers Luedtke, Katz, and Sayles. A public hearing on the bill occurred on February 24, 2026, at 1:30 p.m.

Bill 1-26 would:

- (1) remove the requirement that the Office of Legislative Oversight provide an annual report regarding the implementation of the County minimum wage and the local economy; and
- (2) generally amend the law regarding County minimum wage.

Background

In 2017, the County Council enacted Bill 28-17, which increased the County Minimum Wage from \$11.50 to \$15.00. Bill 28-17 also required the Office of Legislative Oversight to provide an annual “report containing data related to the implementation of the County minimum wage and the local economy.” Montgomery County Code § 27-70A. As set forth in OLO’s 2025 report: “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.” OLO Report 2025-3, “Economic Indicators for Montgomery County and Surrounding Jurisdictions January 2025 Update,” at i, available at https://www.montgomerycountymd.gov/OLO/Resources/Files/2025_reports/2025EconomicIndicators.pdf.

Beginning in 2019, to implement the reporting requirement, OLO developed a list of seventeen economic indicators it would monitor post-Minimum Wage law implementation to compare the County’s economic performance to those of neighboring jurisdictions. Since then, OLO has issued six updates to the 2019 baseline indicators. Prior to the issuance of the 2025 report, the U.S Bureau of Economic Analysis “discontinued collecting County-level data for four indicators presented in previous year versions of this report.” *Id.* at ii. Due to the length and timing of the 2025 Federal Government shutdown, a majority of data used for the economic indicators from federal sources were not available on a timeline that could meet the legislative requirements.

Bill Specifics

Bill 1-26 would delete in its entirety § 27-70A, which sets forth the requirement 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.”

SUMMARY OF IMPACT STATEMENTS

Economic Impact. The Office of Legislative Oversight “does not take stances on the potential impacts of legislation that directly affects the office’s internal work program.”

Climate Assessment. The Office of Legislative Oversight “does not take stances on the potential impacts of legislation that directly affects the office’s internal work program.”

Racial Equity and Social Justice. The Office of Legislative Oversight “does not take stances on the potential impacts of legislation that directly affects the office’s work program.”

Fiscal Impact. According to the Office of Management and Budget, “Bill 1-26 is not anticipated to have any fiscal impact.”

SUMMARY OF PUBLIC TESTIMONY

A public hearing was held on February 24, 2026, at 1:30 p.m. No speakers testified on issues relevant to Bill 1-26.¹

ISSUES FOR THE COMMITTEE’S CONSIDERATION²

N/A

¹ No written testimony was submitted by the date of this Staff Report. If written testimony is submitted, it will be available here:

<https://www.montgomerycountymd.gov/COUNCIL/OnDemand/testimony/20260224/index.html>.

² The Committee authorizes Council Legislative Attorneys to make non-substantive technical corrections necessary to fix any typographical, stylistic, formatting, or grammatical errors in Bill 1-26.

This packet contains:

Bill 1-26
Lead Sponsor's Letter to Colleagues
Economic Impact Statement
Climate Assessment
Racial Equity and Social Justice Impact Statement
Fiscal Impact Statement

Circle #

1
3
5
7
9
11

Bill No. 1-26
Concerning: Human Rights and Civil Liberties – County Minimum Wage – Actual Impact Analysis – Amendments
Revised: 1/13/2026 Draft No. 1
Introduced: January 20, 2026
Expiration: December 7, 2026
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: _____
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Council President Fani-González
Co-Sponsors: Councilmember Stewart, Council Vice President
Balcombe, and Councilmembers Luedtke, Katz, and Sayles

AN ACT to:

- (1) remove the requirement that the Office of Legislative Oversight provide an annual report regarding the implementation of the County minimum wage and the local economy; and
- (2) generally amend the law regarding County minimum wage.

By repealing

Montgomery County Code
Chapter 27, Human Rights and Civil Liberties
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:

1 **Sec. 1. Section 27-70A is repealed as follows:**

2 **[27-70A. Annual impact analysis.**

3 The Office of Legislative Oversight must provide to the Council, by January 31
4 of each year, a report containing data related to the implementation of the
5 County minimum wage and the local economy.]



MONTGOMERY COUNTY COUNCIL

ROCKVILLE, MARYLAND

MEMORANDUM

To: Councilmembers
From: Council President Natali Fani-González
Date: January 12, 2025
Re: Legislation to eliminate outdated reporting requirement

For your consideration, I am writing to share legislation to eliminate an outdated reporting requirement which repeals Section 27-70A of the Montgomery County Code. This section currently requires the Office of Legislative Oversight (OLO) to provide an annual report on the County minimum wage and local economy.

Why repeal this requirement?

Bill 28-17, enacted in November 2017, increased Montgomery County's minimum wage to \$15 per hour through a phased schedule ending in 2024 and required annual inflation adjustments thereafter. The bill also mandated that the Office of Legislative Oversight prepare an annual report to the Council by January 31 assessing the implementation of the minimum wage and its impact on the local economy.

When the Council enacted Bill 28-17 in 2017, the reporting requirement was intended to provide an early warning system during the phase-in of the \$15 minimum wage. The warning system was intended to alert the county if there were adverse effects that resulted from the \$15 minimum wage increase. OLO developed 17 economic indicators to monitor County performance and compare it with nine surrounding jurisdictions.

That phase-in is now complete, and the report no longer serves its original purpose. Continuing this mandate imposes unnecessary workload without delivering actionable insights.

In addition, the U.S Bureau of Economic Analysis (BEA) discontinued collecting County-level data for four indicators presented in previous year versions of this report, so current year comparisons to the 2017 base year are no longer possible.

In summary,

- The report has outlived its usefulness,
- Relies on data sources that are no longer reliable, and
- Has become burdensome for OLO staff without providing meaningful value to Council deliberations.

What the bill does:

- Removes Section 27-70A from the Code, eliminating the annual reporting mandate.
- No other changes to minimum wage law are proposed.

This is a straightforward, good-government measure that reduces unnecessary workload and focuses resources where they are most needed.

If you have any questions or would like to co-sponsor, please contact Glen Burnett at glen.burnett@montgomerycountymd.gov. We plan to introduce this bill on January 20, so please let us by Wednesday COB if you would like to join as a co-sponsor.

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.

Climate Assessment

Office of Legislative Oversight

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

ANTICIPATED IMPACTS

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.

RECOMMENDED AMENDMENTS

The Climate Assessment Act requires OLO to offer recommendations, such as amendments or other measures to mitigate any anticipated negative climate impacts.³ OLO does not offer recommendations or amendments as Bill 1-26 cannot be evaluated.

CAVEATS

OLO notes two caveats to this climate assessment. First, predicting the impacts of legislation upon climate change is a challenging analytical endeavor due to data limitations, uncertainty, and the broad, global nature of climate change. 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.

PURPOSE OF CLIMATE ASSESSMENTS

The purpose of the Climate Assessments is to evaluate the anticipated impact of legislation on the County's contribution to addressing climate change. These climate assessments will provide the Council with a more thorough understanding of the potential climate impacts and implications of proposed legislation, at the County level. The scope of the Climate Assessments is limited to the County's contribution to addressing climate change, specifically upon the County's contribution to greenhouse gas emissions and how actions suggested by legislation could help improve the County's adaptative capacity to climate change, and therefore, increase community resilience.

While co-benefits such as health and cost savings may be discussed, the focus is on how proposed County bills may impact GHG emissions and community resilience.

CONTRIBUTIONS

OLO staffer Kaitlyn Simmons drafted this assessment.

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

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

³ Bill 3-22, Legislative Branch – Climate Assessments – Required, Montgomery County Council, Effective date October 24, 2022

Racial Equity and Social Justice (RESJ) Impact Statement

Office of Legislative Oversight

BILL 1-26: HUMAN RIGHTS AND CIVIL LIBERTIES – COUNTY MINIMUM WAGE – ACTUAL IMPACT ANALYSIS – AMENDMENTS

SUMMARY

Bill 1-26 would eliminate the requirement that OLO publish an annual report on local economic conditions as part of the Council's adoption of a minimum wage increase in 2017. OLO does not take stances on the potential impacts of legislation that directly affects the office's work program.

PURPOSE OF RESJ IMPACT STATEMENTS

RESJ impact statements (RESJIS) evaluate the anticipated impact of legislation on racial equity and social justice in the County. RESJ is a **process** that focuses on centering the needs, leadership, and power of Black, Indigenous, and other People of Color (BIPOC) and communities with low incomes. RESJ is also a **goal** of eliminating racial and social inequities. Applying a RESJ lens is essential to achieve RESJ.¹ This involves seeing, thinking, and working differently to address the racial and social inequities that cause racial and social disparities.²

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.³

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.⁴

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

ANTICIPATED RESJ IMPACTS

Bill 1-26 would eliminate the requirement that OLO publish an annual report on local economic conditions as part of the Council's adoption of a minimum wage increase in 2017. OLO must prepare a RESJIS 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 work program.

RECOMMENDED AMENDMENTS

The County's RESJ Act requires OLO to consider whether to recommend amendments to bills that could reduce racial and social inequities and advance RESJ.⁵ OLO does not assess legislation that directly affects the office's work program. As such, OLO does not offer recommended amendments.

RESJ Impact Statement

Bill 1-26

CAVEATS

Two caveats to this RESJIS should be noted. First, predicting the impact of bills on RESJ is challenging due to data limitations, uncertainty, and other factors. Second, this RESJIS is intended to inform the Council's decision-making process rather than determine it. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

¹ Definition of racial equity and social justice adopted from [Marlysa Gamblin et al., "Applying Racial Equity to U.S. Federal Nutrition Programs," Bread for the World](#) and [Racial Equity Tools](#).

² Ibid.

³ [Introduction Staff Report for Bill 1-26](#), Office of Legislative Oversight, Introduced January 20, 2026, pg. 1.

⁴ Memorandum from Council President Natali Fani-González, [Introduction Staff Report for Bill 1-26](#), pgs. (3)-(4).

⁵ [Bill 27-19, Administration – Human Rights – Office of Racial Equity and Social Justice – Racial Equity and Social Justice Advisory Committee – Established, Montgomery County Council](#).



Fiscal Impact Statement

Office of Management and Budget

Bill 1-26

Human Rights and Civil Liberties - County Minimum Wage - Actual Impact Analysis - Amendments

Bill Summary

Bill 1-26 removes the requirement that the Office of Legislative Oversight (OLO) provides an annual report to the County Council related to the implementation of the County minimum wage and its impact on the local economy.

Fiscal Impact Summary

Bill 1-26 is not expected to impact County revenues or expenditures.

Fiscal Year	26	27	28	29	30	31	Total
Personnel Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Fiscal Impact Analysis

Bill 1-26 is not anticipated to have any fiscal impact. Bill 28-17 increased Montgomery County's minimum wage to \$15 per hour through a phased schedule ending in 2024, with annual inflation adjustments thereafter, and required an annual report on its impact in the County. Now that the phase-in has been completed, the annual report no longer serves its original purpose.

Staff Impact

The bill is not expected to impact staff time or duties.

Actuarial Analysis

The bill is not expected to impact retiree pension or group insurance costs.

Information Technology Impact

The bill is not expected to impact the County Information Technology (IT) or Enterprise Resource Planning (ERP) systems.

Other Information

Later actions that may impact revenue or expenditures if future spending is projected

The bill does not authorize future spending.

Contributors

James L. Stowe, Director, Office of Human Rights
Mahnoor Anjum, Office of Management and Budget

