



Senate Bill 273

Labor and Employment – Minimum Wage – Establishment by Counties

MACo Position: **SUPPORT**

To: Finance Committee

Date: February 17, 2014

From: Robin J. Clark and Michael Sanderson

The Maryland Association of Counties (MACo) **SUPPORTS** SB 273. This bill would authorize a county to establish a minimum wage rate for employees working in the county. The bill also provides that the State of Maryland's Department of Labor, Licensing and Regulation will enforce the local minimum wage.

Under the Express Powers Act, charter counties have the ability to set their own minimum wage. This past year, Montgomery and Prince George's Counties, in partnership with the District of Columbia, established a new minimum wage that reflects the economic conditions of their metropolitan area. The ability to set a county's own minimum wage will allow for Maryland's local jurisdictions to reflect the very different conditions faced by workers and families across the state.

Maryland encompasses very different economic conditions. Based on data from the Regional Economic Studies Institute of Towson University, unemployment levels in Maryland's five regions have differed by more than 3% over the past three years. The economic drivers in these regions also vary with healthcare, hospitality, higher education, and federal government employment dominating different regions and often spurring uneven growth.

Minimum wage autonomy allows county governments to create a working standard that best suits their communities. This legislation supports local economies by extending minimum wage autonomy to all Maryland counties and by providing wage enforcement support from the Department of Labor, Licensing and Regulation.

For these reasons, MACo **SUPPORTS** SB 273 and recommends the Committee issue a **FAVORABLE** report.