

## Prince George's County Council Agenda Item Summary

---

**Meeting Date:** 11/27/2013  
**Reference No.:** CB-094-2013  
**Draft No.:** 3  
**Proposer(s):** Harrison, Campos, Davis, Franklin, Lehman, Olson, Patterson, Turner, Toles  
**Sponsor(s):** Harrison, Davis, Franklin, Lehman, Olson, Patterson, Turner, Toles  
**Item Title:** An Act concerning Labor – Minimum Wage for the purpose of specifying the amount of the County minimum wage that is in effect for certain periods and generally relating to the payment of wages.

---

**Drafter:** Colette R. Gresham, Legislative Officer  
**Resource Personnel:** Rodney C. Streeter, Legislative Aide District 5

---

### LEGISLATIVE HISTORY:

|                            |                  |                          |
|----------------------------|------------------|--------------------------|
| <b>Date Presented:</b>     | 10/1/2013        | <b>Executive Action:</b> |
| <b>Committee Referral:</b> | 10/1/2013 - PSFM | <b>Effective Date:</b>   |

**Committee Action:** 10/17/2013 - FAV(A)

**Date Introduced:** 10/22/2013  
**Public Hearing:** 11/19/2013 - 10:00 AM

**Council Action (1)** 11/27/2013 - ENACTED  
**Council Votes:** WC:-, DLD:A, MRF:A, AH:A, ML:A, EO:A, OP:-, IT:A, KT:A  
**Pass/Fail:** P  
**Remarks:**

---

### AFFECTED CODE SECTIONS:

13A-117

---

### COMMITTEE REPORTS:

#### Public Safety and Fiscal Management

**Date 10/17/2013**

Committee Vote: Favorable as Amended 4-0 (In Favor: Council Members Toles, Franklin, Harrison and Lehman)

This bill increase the minimum wage for employees in the County to \$8.75 per hour beginning July 1, 2014, \$10.25 per hour beginning July 1, 2015, \$11.50 per hour beginning July 1, 2016, and beginning July 1, 2017, the minimum wage shall be adjusted for inflation in accordance with the Consumer Price Index (CPI), or the minimum wage pursuant to the Fair Labor Standards Act (FLSA), whichever is greater. Staff provided an overview of the federal and state minimum wage laws and the exemptions for certain employees. Pursuant to the FLSA the minimum wage is \$7.25 per hour effective July 24, 2009. The Maryland Wage and Hour Law is the State complement to the FLSA and specifies that an employee must be paid the greater of the FLSA wage or \$6.15 per hour. The Committee heard testimony from Kirk McCauley, WMDA; Bob Ross, Prince George's County NAACP; David C. Harrington, President and CEO, Prince George's Chamber of Commerce; Melvin Thompson, Restaurant Association of Maryland; United Food Local 400; Ellen Valentino, Mid-Atlantic Petroleum Distributors' Association; Doug Murdock; Ed Gibbs, Six Flags of America, and Joslyn Williams, Metropolitan Washington Council, AFL-CIO. Letters were also received from AOB, DavCo Restaurants, Inc., and the Maryland Hotel and Lodging

Association. Lisa Jackson, County Executive's Office, stated the Executive supports a statewide increase to the minimum wage and will make it a priority during the 2014 General Assembly session. The Committee members discussed whether there should be an exemption for seasonal employees and employees at non-profits with an annual budget of \$25,000 or less. The sponsor of the bill recommended amendments to the bill to provide clarifying language on exemptions, specifically for individuals under the age of 18 years employed no more than 20 hours in a week.

During the worksession the bill was amended as follows:

1. On page 1, line 18, after "pursuant to the" insert "Maryland Wage and Hour Law or the" and on page 2, lines 2, 5 and 9, after "the" insert "Maryland Wage and Hour law or the"
2. On page 2, line 9 insert "(e) Exclusions. The County minimum wage requirements shall not apply to an employee who: (1) is exempt from the minimum wage requirements of the Maryland Wage and Hour Law or the Fair Labor Standards Act; or (2) is an individual under the age of 18 years and is employed no more than twenty (20) hours in a week."

The Office of Law has reviewed this legislation and finds it to be in proper legislative form with no legal impediments to its enactment.

The enactment of CB-94-2013 will not have an adverse fiscal impact on the County.

---

#### **BACKGROUND INFORMATION/FISCAL IMPACT:**

(Includes reason for proposal, as well as any unique statutory requirements)

The Fair Labor Standards Act ("FLSA") is the federal law that establishes standards for minimum wages, overtime pay, recordkeeping, and child labor. FLSA requires employers of covered employees who are not otherwise exempt to pay these employees a minimum wage of not less than \$7.25 per hour effective July 24, 2009. The Maryland Wage and Hour Law is the State complement to the federal FLSA. State law specifies that an employee must be paid the greater of the federal minimum wage or \$6.15 per hour. The State and local governments are considered employees under the Wage and Hour Law. The proposed legislation would increase the minimum wage for employees in the County to \$8.75 per hour beginning July 1, 2014, \$10.25 per hour beginning July 1, 2015, \$11.50 per hour beginning July 1, 2016, and beginning July 1, 2017, the minimum wage shall be adjusted for inflation in accordance with the Consumer Price Index, or the minimum wage pursuant to FLSA, whichever is greater.

11/27/2013 - CB-94-2013 (DR-2) was amended on the floor as follows:

1. On page 1, line 16 delete "July" and insert "October", on line 18 delete "\$8.75" and insert "\$8.40"
2. On page 2, line 1 delete "July" and insert "October", on line 2 delete "\$10.25" and insert "\$9.55"
3. On page 2, line 4 delete "July" and insert "October", on line 5 delete "\$11.50" and insert "\$10.75"
4. On page 2, line 7 delete "July" and insert "October", after "2017" delete "and each succeeding fiscal year beginning July 1st", on line 9 delete "adjusted for inflation in accordance with the Consumer Price Index (CPI)" and insert "\$11.50"
5. On page 2, line 16 delete "18" and insert "19"
6. On page 2, line 17 insert the following language "(f) Tipped wages. The computation of tipped wages for the minimum wage required under this Section shall be the same as the manner of computation of tipped wages in Section 3-419, Labor and Employment Article, Annotated Code of Maryland (the Maryland Wage and Hour Law).

CB-94-2013 (DR-3) was then adopted.

---

#### **CODE INDEX TOPICS:**

---

**INCLUSION FILES:**

---

**COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND**

**2013 Legislative Session**

Bill No. CB-94-2013

Chapter No. \_\_\_\_\_

Proposed and Presented by Council Members Harrison, Campos, Davis, Franklin,  
Lehman, Olson, Patterson, Toles and Turner

Introduced by Council Members Harrison, Davis, Franklin, Lehman, Olson,  
Patterson, Toles and Turner

Date of Introduction October 22, 2013

**BILL**

AN ACT concerning

Labor – Minimum Wage

For the purpose of specifying the amount of the County minimum wage rate that is in effect for certain time periods and generally relating to the payment of wages.

BY adding:

SUBTITLE 13A. LABOR CODE.

Section 13A-117,

The Prince George's County Code

(2011 Edition; 2012 Supplement).

SECTION 1. BE IT ENACTED by the County Council of Prince George's County, Maryland, that Section 13A-117 of the Prince George's County Code be and the same is hereby added:

**SUBTITLE 13A. LABOR CODE.**

**DIVISION 2. MINIMUM WAGE.**

**Sec. 13A-117. Payment of minimum wage required.**

(a) Except as provided in the Maryland Wage and Hour Law, as of October 1, 2014, the minimum wage required to be paid to any employee by any employer in Prince George's County shall be \$8.40 per hour, or the minimum wage pursuant to the Maryland Wage and Hour Law or the Fair Labor Standards Act, whichever is greater. The term "employer" includes a person who acts directly or indirectly in the interest of another employer with an employee and includes a

1 governmental unit.

2 (b) As of October 1, 2015, the minimum wage required to be paid to any employee by any  
3 employer in Prince George's County shall be \$9.55 per hour, or the minimum wage pursuant to  
4 the Maryland Wage and Hour Law or the Fair Labor Standards Act, whichever is greater.

5 (c) As of October 1, 2016, the minimum wage required to be paid to any employee by any  
6 employer in Prince George's County shall be \$10.75 per hour, or the minimum wage pursuant to  
7 the Maryland Wage and Hour Law or the Fair Labor Standards Act, whichever is greater.

8 (d) As of October 1, 2017, the minimum wage required to be paid to any employee by any  
9 employer in Prince George's County shall be \$11.50, or the minimum wage pursuant to the  
10 Maryland Wage and Hour Law or the Fair Labor Standards Act, whichever is greater.

11 (e) Exclusions. The County minimum wage requirements shall not apply to an employee  
12 who:

13 (1) is exempt from the minimum wage requirements of the Maryland Wage and Hour  
14 Law or the Fair Labor Standards Act; or

15 (2) is an individual under the age of 19 years and is employed no more than twenty  
16 (20) hours in a week.

17 (f) Tipped wages. The computation of tipped wages for the minimum wage required  
18 under this Section shall be the same as the manner of computation of tipped wages in Section 3-  
19 419, Labor and Employment Article, Annotated Code of Maryland (the Maryland Wage and  
20 Hour Law).

21 SECTION 2. BE IT FURTHER ENACTED that this Act shall take effect forty-five (45)  
22 calendar days after it becomes law.

Adopted this 27th day of November, 2013.

COUNTY COUNCIL OF PRINCE  
GEORGE'S COUNTY, MARYLAND

BY: \_\_\_\_\_  
Andrea C. Harrison  
Chair

ATTEST:

\_\_\_\_\_  
Redis C. Floyd  
Clerk of the Council

APPROVED:

DATE: \_\_\_\_\_ BY: \_\_\_\_\_  
Rushern L. Baker, III  
County Executive

KEY:

Underscoring indicates language added to existing law.

[Brackets] indicate language deleted from existing law.

Asterisks \*\*\* indicate intervening existing Code provisions that remain unchanged.