Thairman Phil Mendelson

AN AMENDMENT BILL 20-459, "MINIMUM WAGE AMENDMENT ACT OF 2013" (COMMITTEE PRINT) DECEMBER 3, 2013

AMENDMENT (1): Section 2, Page 1, Line 27 is amended to read as follows:

1 "(a) Section 4(a) is amended as follows:

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""(1) New paragraphs (3), (4), (5), and (6) are added to read as follows:"".

AMENDMENT (2): Section 2, Page 2, Lines 5 -9 are amended to read as follows:

"(6)(1) Except as provided in subsection (h) of this section, beginning on July 1, 2017 and no later than July 1 of each successive year, the minimum wage provided in this subsection shall be increased in proportion to the annual average increase, if any, in the Consumer Price Index for All Urban Consumers in the Washington Metropolitan Statistical Area published by the Bureau of Labor Statistics of the United States Department of Labor for the previous calendar year. Any increase under this paragraph shall be adjusted to the nearest multiple of \$.05."

"(2) The Mayor shall publish in the District of Columbia Register and make available to employers a bulletin announcing the adjusted minimum wage rate as provided in this paragraph. The bulletin shall be published at least 30 days prior to the annual minimum wage rate adjustment".

RATIONALE:

This amendment would require the Mayor to publish any increase to the minimum wage pursuant to any adjustment based on the Consumer Price Index (CPI), and requires that notice of the increase be provided to employers. The amendment also clarifies that the increase is based on the average annual increase to CPI, and is to be rounded to the nearest \$.05.

COUNCIL OF THE DISTRICT OF COLUMBIA Office of the Budget Director



Jennifer Budoff Budget Director

FISCAL IMPACT STATEMENT

TO:

The Honorable Phil Mendelson

Chairman, Council of the District of Columbia

FROM:

Jennifer Budoff, Budget Director

DATE:

December 3, 2013

SHORT TITLE:

B20-459, "Minimum Wage Amendment Act of 2013"

TYPE:

Amendment

REQUESTED BY: Chairman Phil Mendelson

Conclusion

This amendment will not have an adverse impact on the District's budget and financial plan because there is no additional cost associated with this amendment.

The Office of the Chief Financial Officer issued a fiscal impact statement for the underlying bill on November 25, 2013, in which the CFO concluded that the costs of increasing the minimum wage will fall on the private sector. However, certain notice and enforcement provisions in the committee print will have a cost, and their implementation is subject to inclusion in an approved budget and financial plan. This amendment does not change the fiscal effect of the underlying measure.

Background

This amendment would clarify that the increase is based on the average annual increase to CPI for the previous calendar year and that it is to be rounded to the nearest \$.05. The amendment also requires the Mayor to publish minimum wage adjustments in the DC Register.

Analysis of Impact on Spending

This amendment will not adversely impact spending.