Government of the District of Columbia Office of the Chief Financial Officer



Glen Lee

Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson

Chairman, Council of the District of Columbia

FROM: Glen Lee

Chief Financial Officer

DATE: October 20, 2023

SUBJECT: Fiscal Impact Statement - Minimum Wage Clarification Amendment Act

of 2023

REFERENCE: Bill 25-134, Draft Committee Print as provided to the Office of Revenue

Analysis on October 3, 2023

Conclusion

Funds are sufficient in the fiscal year 2024 through fiscal year 2027 budget and financial plan to implement the bill.

Background

Under current law¹, a person is considered employed in the District if more than 50 percent of an individual's hours are worked in the District. Workers may be paid the minimum wage of the state where they are considered employed, which may be less than the District's minimum wage.

The bill clarifies that the District's minimum wage must be applied when an individual works two hours or more in the District, provided the work occurs in one work week for the same employer.

Financial Plan Impact

Funds are sufficient in the fiscal year 2024 through fiscal year 2027 budget and financial plan to implement the bill. The Department of Employment Services' Office of Wage and Hour engages in audits and investigates complaints of non-compliance for all wage laws, and the agency expects it can fold in enforcement of this change within current resources.

¹ D.C. Official Code § 32–1003(b).