

Board of County Commissioners

MEMORANDUM

To:	Board of County Commissioners
From:	Nick Robles, Commissioners' Office Policy Team
	Mark Ruzzin, Commissioners' Office Policy Team
	David Hughes, County Attorney's Office
Subject:	Consideration of Local Minimum Wage Ordinance #2023-4
Date:	October 30, 2023

INTRODUCTION

Ordinance #2023-4 proposes to implement a local minimum wage in unincorporated Boulder County beginning January 1, 2024. The ordinance was developed through review and analysis of the two local minimum wage ordinances that have been adopted in Colorado, in the cities of Denver and Edgewater, and incorporates feedback collected through the county's community engagement efforts of the past three months.

BACKGROUND

On the heels of the passage by Colorado voters of Amendment 70 in 2016, which required a gradual increase in the state minimum wage to \$12.00 per hour beginning in 2020, members of the Colorado General Assembly continued to grapple with Colorado's high cost of living and the fact that despite the increasing state minimum wage, many Colorado workers struggled to afford the basic necessities of life.

In response, during the 2019 legislative session, the General Assembly considered and adopted <u>House Bill 1210</u>, which removed the state preemption that prohibited local governments from adopting a local minimum wage. HB19-1210 established that addressing the wage needs of employees is a matter of both state and local concern, recognized that the cost of living can vary significantly from one community to another across Colorado, and identified local minimum wages as an important tool for addressing these cost-of-living disparities.

The local government authority to exceed the state minimum wage provided by HB19-1210 does come with a number of restrictions and constraints, including:

- A local minimum wage will apply to individuals working 4 or more hours per week in the given jurisdiction.
- In the case of county governments, the local minimum wage will only be applied in the unincorporated areas of the county.
- The local minimum wage must provide a tip offset (commonly referred to as a tip credit) of \$3.02 for employees of any business that prepares and offers for sale food or beverages for consumption on or off premises.

- Before enacting a local minimum wage law, a local government is required to consult with surrounding local governments and engage specific stakeholders, including chambers of commerce, small and large businesses, businesses that employ tipped workers, workers, labor unions, and community groups.
- A local minimum wage may only take effect on the same date as a scheduled increase in the statewide minimum wage, which is every January 1.
- The increase in local minimum wage is limited to the greater of \$1.75 per hour or 15 percent of the state minimum wage, and upon establishment of a local minimum wage, no greater than 15 percent per year above the prior year's minimum wage.

To date, two Colorado cities, Denver and Edgewater, have utilized the HB19-1210 authority to designate a local minimum wage. Denver adopted its local minimum wage ordinance in November 2019. After an initial three-year schedule of increases, the Denver minimum wage now increases annually at the rate of inflation; Denver's 2024 minimum wage will be \$18.29 per hour, \$3.87 per hour above the 2024 state minimum wage of \$14.42 per hour. Edgewater, a western suburb of Denver, adopted its local minimum wage ordinance in May 2023. Edgewater's 2024 local minimum wage will be \$15.02 per hour, \$0.60 per hour above the 2024 state minimum wage in 2029, whereafter it will increase annually at the rate of inflation.

COMMUNITY ENGAGEMENT CAMPAIGN

As noted above, HB19-1210 requires local governments to consult with a number of key stakeholders as it considers adoption of a local minimum wage, including surrounding local governments, chambers of commerce, small and large businesses, businesses that employ tipped workers, workers, labor unions, and community groups. While the Boulder County Consortium of Cities briefly took up the topic of a local minimum wage just as the COVID pandemic was breaking, it wasn't until 2022 that the Consortium again revisited the topic in earnest. Throughout 2022 the Consortium – whose membership includes Boulder County, Boulder, Erie, Jamestown, Lafayette, Longmont, Louisville, Lyons, Nederland, Superior, Ward, and Broomfield – explored the policy and economic implications of a local minimum wage, received updates at its bi-monthly meetings, and hosted a Local Minimum Wage webinar in September 2022 for local elected officials that included presentations from the Colorado Department of Labor & Employment, National Employment Law Project, and Colorado Center on Law & Policy.

In 2023, county staff began participating in a staff-led working group to formally explore the implementation of a local minimum wage across the local jurisdictions of Boulder County. Membership in this working group eventually grew to include staff from the cities of Boulder, Longmont, Louisville, Lafayette, and the town of Erie. The working group updated the Consortium of Cities at its meetings and made presentations to city councils and town boards on the policy opportunity afforded to local governments by HB19-1210.

In August, the county commissioners announced their intention to adopt a local minimum wage to begin January 1, 2024. With this direction, county staff embarked on a significant effort to meet the community engagement requirements of HB19-1210. This effort included the following components:

Online Survey

County staff worked with the elected officials and staff from the cities and towns in the county as well as other key stakeholders to design and conduct an online survey to gather input on implementation of a local minimum wage in Boulder County. The survey, which was administered in both Spanish and English, was available from September 7 through October 16, 2023. The county and stakeholder organizations advertised the survey across multiple platforms, leading to responses from 355 unique individuals. Please find a detailed analysis of the survey as Attachment A.

Listening Sessions

The county utilized listening sessions as a second tool to collect feedback from key community stakeholder groups. The county co-hosted five online webinar-style listening sessions in collaboration with the Small Business Development Center, the Latino Chamber of Commerce, the Boulder County Self-Sufficiency Wage Coalition, and the Human Services Alliance. Each listening session lasted one hour and included a presentation on the local minimum wage followed by a question-and-answer session with the webinar attendees. Attendees included business owners, employers, employees, and nonprofit organization leaders.

Town Hall

The county commissioners incorporated the local minimum wage proposal into its Town Hall meeting held on October 12 in Niwot. Numerous county residents attended the town hall to express their perspective about the local minimum wage in addition to other issues.

A listing of the various community engagement activities and events held over the past 14 months can be found in Attachment B.

ORDINANCE OVERVIEW

Ordinance #2023-4 proposes to implement a local minimum wage in unincorporated Boulder County beginning January 1, 2024. The ordinance includes the following components:

- The Boulder County Local Minimum Wage will be set at \$15.69 per hour.
- Beginning in 2025, the ordinance contemplates alignment of the county Local Minimum Wage consistent with the minimum wage and annual rate of increase adopted by municipalities within Boulder County, which as noted above, are exploring the adoption of their own local minimum wages for 2025 implementation.
- The wage will apply to all adults or minors performing, or expected to perform, four or more hours of work per week for any employer within the unincorporated county.
- The ordinance allows employers to partially offset the payment of the minimum wage for food and beverage workers, as defined in the ordinance, through a "tip credit" of \$3.02 per hour.
- Employers must post notice of the Local Minimum Wage and maintain records to demonstrate compliance with the wage requirement.

• The county will rely on the Colorado Department of Labor and Employment for enforcement of the Local Minimum Wage, in much the same way it does now for enforcement of the state minimum wage.

Please see Attachment C for the First Reading Ordinance adopted on October 17, 2023.

CONCLUSION

Should the county commission adopt the First Reading Local Minimum Wage Ordinance or some iteration of it at the November 2, 2023 public hearing, county staff will conduct a community outreach campaign to raise awareness in employers, employees, and the general public regarding the new county local minimum wage. Staff expects to continue working with the key stakeholders who assisted with the community engagement campaign, and will utilize community and social networks to raise awareness.

ATTACHMENT A

Analysis of Boulder County Public Survey on 2024 Minimum Wage Changes

Summary

In late 2023, the Boulder County Board of County Commissioners (BOCC) conducted a public survey, in English and Spanish, to gather feedback on a plan to raise the minimum wage in unincorporated Boulder County in 2024. The survey asked a variety of open-ended and selection-based questions to understand their positions on whether and by how much the minimum wage should be changed, whether increases should apply to unemancipated minors, and their thoughts on impacts to the community and businesses. They also asked about the respondents - where people lived and worked, whether they were workers, business owners, or other types of residents, what type of jobs they held, and what type of business they owned.

The survey received 355 responses, 99% of which were on the English language version of the survey. Respondents, 64% of whom identified as workers and 13% of whom identified as business owners, favored a minimum wage increase to \$25/hour above all options (51%), though this was not true of business owners, whose top choice for a minimum wage increase option was "Other". The highest number of respondents worked in Boulder (53% of workers), followed by Longmont (26%). Business owners were split evenly between Boulder and Longmont. There were few responses from people in unincorporated Boulder County. Respondents across all categories are in favor of including (90%) unemancipated minors in minimum wage increases. When asked to comment on the plan, many respondents discussed the high cost of living and housing in Boulder and their struggles to pay for basic needs. Many expressed gratitude and enthusiasm for the BOCC plan. There were also many respondents not in favor of increases to minimum wage who argued that costs of living will increase across the board which will especially impact people on fixed or lower incomes. Small business owners described their anticipated struggles with continuing to operate and pay a higher minimum wage without being forced to close, move, reduce staff, raise prices, or eliminate opportunities for young/entry-level staff.

Background

This report summarizes the analysis of a public survey conducted by Boulder County in 2023 to gather feedback on a plan to raise the minimum wage in unincorporated Boulder County in 2024. The survey was open from early September through mid-October 2023. The survey comprised of 18 quantitative selection-based questions, plus four additional clarifying "If you answered..." open-ended questions, and seven qualitative/open-ended questions.

This report contains results and interpretation for all quantitative questions, with important questions further broken out by jurisdiction and the role of the respondent (e.g. Business Owner, Worker). The first open-ended question, "**Do you have comments on the Commissioners' plan to introduce a local minimum wage (15% increase from current minimum wage) for unincorporated Boulder County to start January 1, 2024?**", produced rich information and was thoroughly analyzed for themes and patterns. The subsequent more specific open-ended questions were frequently answered by respondents with themes repeated from their responses to the first question. Given time and resource constraints, these questions were only superficially reviewed for direct answers to the questions posed; additional analysis over coming weeks may provide additional data of interest. Finally, the appendix contains the full text of the survey.

Results

Who Responded?

The survey received 355 responses:

- 352 99% English Survey
- 3 <1% Spanish Survey
- 355 Total Responses

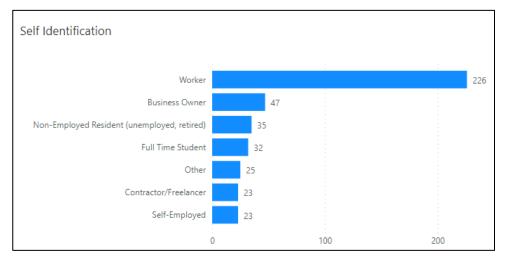
Most respondents live or work in Boulder County. (Question = "Do you live or work in Boulder County?")

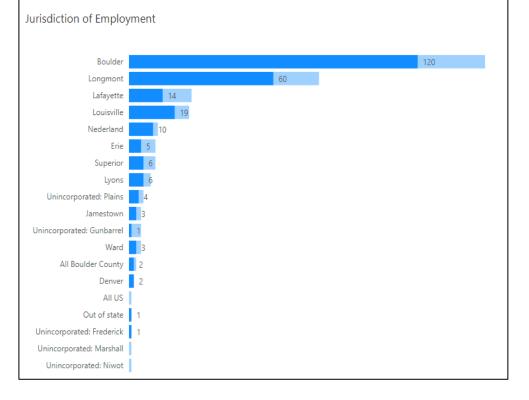
- 347 98% Yes
- 8 2% No

Respondents were asked which of the following describe them and were allowed to select multiple options. The vast majority of respondents identify as workers (64%), with the next most identifying as business owners (13%). (Question = *"Self-Identification (Check all that apply)."*)

Respondents were asked in which Boulder County jurisdiction they work. In the chart to the right responses from Workers are shown in bright blue. Responses from everyone else are shown in light blue. Boulder was by far the most frequent response, followed by Longmont. Fourteen (14) people work in Unincorporated Boulder County, six of whom are Workers.

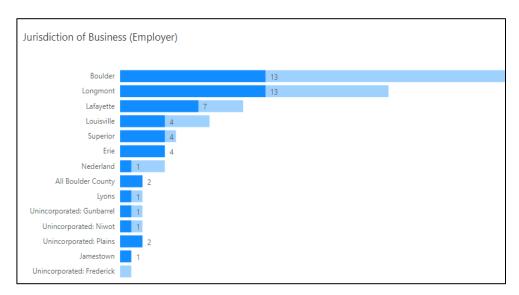
Legend	
Workers	
Everyone else	





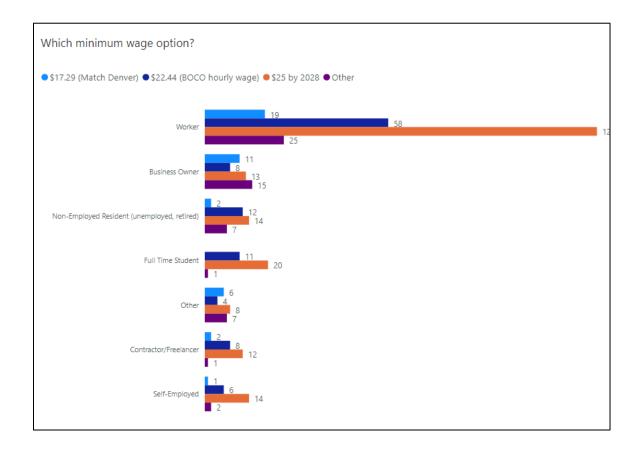
The pattern for business jurisdiction was similar, with most people selecting Boulder, followed by Longmont, then Lafayette and Louisville. Business Owners, however, were evenly split between Boulder and Longmont.



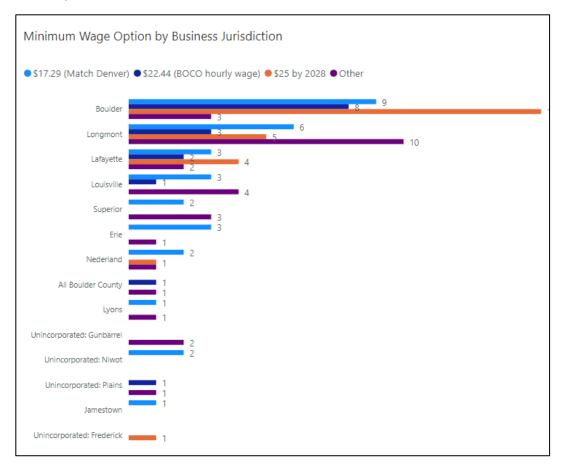


Overall Feedback

When asked which minimum wage option they preferred, the most frequently selected response was "*Reach \$25 by 2028*" (PUT %), followed by "*Reach \$22.44*," then "*Other*." However, this wasn't consistent across groups, as seen in the chart below, with Business Owners choosing "*Other*" most frequently. Note that the options did not include a selection to not increase minimum wage; as discussed below, many people chose "Other" and indicated in the comments following that they are against any increase to minimum wage.



This pattern largely held true across employee/work jurisdictions, but there was some variation in responses across business jurisdiction, as shown below.



Early in the survey, respondents were asked two open-ended questions:

- "Do you have comments on the Commissioners' plan to introduce a local minimum wage (15% increase from current minimum wage) for unincorporated Boulder County to start January 1, 2024?"
- *"Do you have any comments regarding the long-term wage options in the previous question?"* which immediately followed the question about which minimum wage option they preferred.

In response to the first question asking for comments on the plan, people mostly indicated they were in favor of the plan (202), 47 people indicated they were against raising the minimum wage, and 16 people offered mixed comments.

People offering comments in favor of the plan largely discussed the high cost of living (30), particularly housing (28), and that workers should be able to earn a living wage (35). There were 23 people who said the increase should be more. People offering comments against the plan discussed concerns about downstream increases in the cost of living (11), negative impacts on businesses, particularly small businesses (11), and the impact of higher prices on people on limited incomes, retired people, and people with disabilities (8). Fourteen (14) people said that minimum wage should be raised across the county, not just in unincorporated areas, and 9 people said that raising the minimum wage should be part of a larger plan to lower the cost of living. Responses also included passionate and detailed discussions about the impact on small farms (3), childcare costs (4), and the disproportionate impact of a low minimum wage on people of color (2). The table below lists the most common themes that stood out from the comments.

Position	Theme	Responses	% All Respondents
Overall	In favor of raising minimum wage	202	57%
Position	Against raising minimum wage	47	13%
In favor	Workers should be paid a living wage	35	10%
of raising	High cost of living generally	30	8%
minimum	High cost of housing: rent, home ownership, taxes	28	8%
wage	Should be more	23	6%
	People should be able to live where they work	10	3%
	Will help attract workers/address worker shortages	10	3%
	Burden of inflation	9	3%
	Needed to address growing wage/wealth gap	9	3%
	High cost of food	8	2%
	High cost of childcare	7	2%
	Will decrease poverty/homelessness	7	2%
	Overdue	5	1%
	High cost of healthcare	4	1%
	Needs to keep up with inflation over time	4	1%
	Current wage requires people to have multiple jobs	3	1%
	Lower wages disproportionately affect BIPOC workers.	2	1%
	People shouldn't have to choose between affording basic necessities	2	1%
	Positive environmental impact	2	1%
	Will increase diversity and help community thrive	2	1%
	Include tipped employees	1	0%
	Will decrease crime	1	0%
Against	Businesses will have to raise prices/increased cost of living	11	3%
raising	Negative impact on businesses, esp. small ones	11	3%
the minimum	Resultant higher prices will disproportionately affect people on fixed incomes, retired people, people with disabilities.	8	2%
wage	Free market should drive wages, not government	7	2%
	Unskilled workers shouldn't be paid as much/should be incentivized to improve skills	5	1%
	Will reduce jobs/job hours	5	1%
	Higher minimum wage will make it hard for businesses to afford giving a chance to low-skill/young/disabled staff	4	1%
	Kids don't need a living wage/ shouldn't be paid as much	4	1%
	Will cause businesses to close/leave Boulder	4	1%
	Will directly translate to higher childcare costs/burden on parents	4	1%
	Already high burden of non-wage costs for employers (e.g. workers comp)	3	1%
	Concerns about impacts on tipped employees	3	1%
	Negative impact on small farms	3	1%
	Disproportionate burden on unincorporated businesses	2	1%
	Health/mental care reimbursement rates can't keep up with minimum wage increases	2	1%
	Complaints about migrant workers	1	0%
	Should instead be encouraging growth	1	0%
	Will cause salary compression for higher skilled workers.	1	0%
	Will reduce competitiveness of Boulder County businesses	1	0%

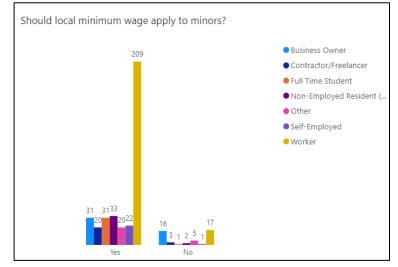
Mixed	Needs to be consistent across Boulder County	14	4%
	Needs to be part of a larger plan to lower cost of living, affordable housing, and support employers	9	3%
	Also need worker protections	3	1%
	Concerns about timing (too fast/too slow)	3	1%

Responses to the second question asking for comments on the three minimum wage options mostly repeated themes from the first question. The main themes were:

- The \$25 option is the most reasonable, as it is the only option that comes close to a living wage.
- Minimum wage increases will be passed on directly to consumers in the form of higher prices and will most negatively impact people on fixed incomes.
- Minimum wage should always have been tied to inflation and should be going forward.
- All workers should be included (contract, gig).
- The increase will not help workers who don't get enough hours.
- The importance of keeping up with Denver's minimum wage
- Please move slowly so small businesses have time to adjust

A few people complained about the structure of the survey. Specifically, they felt that the minimum wage options question only included increases and Other, thereby minimizing the voices of people against a minimum wage increase. One person also commented that agriculture was not included as an option in the list of worker or business industries, yet it will be heavily impacted by the proposed change.

In response to the question "Do you prefer that the local minimum wage applies to unemancipated minors?" the answer was majority yes, amongst all groups. Amongst business owners who currently employ minors (16), nine (9) are in favor of paying the minimum wage to minors and seven (7) are against.



In response to the question *"Do you believe there are additional family/community dynamics that will change as a result of a local minimum wage increase (e.g. more time with family, not having to work multiples jobs, etc.)? If so, please list them below,"* the most common themes were:

- Not having to work multiple jobs
- Better health (physical and mental) and self esteem
- Better quality of life, work/life balance
- More family time
- Harm to families trying to get by because of higher cost of living
- Positive environmental impact due to shorter commutes
- Less crime
- Fewer jobs/fewer hours/more automation

- More women will be able to reenter the work force
- Businesses will be less willing to train entry level people
- Financial independence for adult children living with their parents
- Increased housing stability
- Stronger community due to reduced disparities
- Time for further education
- Worse working environment for workers
- It will not make a difference

The question *"If you currently receive government assistance (TANF, WIC, CCAP, SNAP, etc.), please describe the impact, either positive or negative, of an increased minimum wage,"* received few answers. Themes included:

- I make too much to receive benefits but still can't cover the bills (5 people)
- Social security is not a living wage and/or benefits are not enough (4 people)
- I or people I know will lose benefits (4 people)
- The income limit for receiving benefits should be raised proportionately with minimum wage so people don't lose services (3 people)
- I work but still need assistance (1 person)
- County staff should research the affects rather than asking in a survey (1 person)

Of the respondents, seven (7) said they are currently on SNAP and two (2) said they are on TANF.

In response to the question, *"Please describe any concerns you may have regarding enforcement of the local minimum wage,"* most people referred to their earlier comments, repeated their earlier comments, or indicated that they didn't have an opinion on enforcement. One person asked how workers crossing county lines with different minimum wages would be affected.

In response to the question, "Are there other policies you would like elected officials to consider changing that may offset any impact of an increased minimum wage?" themes included:

- Support for small businesses, such as tax reductions, reduced administrative costs, and rent control.
- More affordable housing, housing supports, and subsidized farm worker housing
- Subsidized childcare and universal Pre-K
- Rent control
- Decrease taxes (property, sales)
- Cut benefits: Housing, food stamps
- Widen the eligibility criteria for government assistance
- A cost of living benefit for the elderly
- Fund subdivision paving maintenance in unincorporated areas
- Incentives to businesses for creating and retaining jobs and providing training.
- Local control of / increases to behavioral health reimbursement rates from Medicaid
- More bike paths in older neighborhoods
- More funding for job skills/education
- Soil improvement on county land
- Subsidizing organic food production

Workers: Who are they?

In addition to the question above about jurisdiction of employment, the survey asked other detailed questions about workers such as their industry, work schedule, wages, and the benefits they receive through their job. Only those responses from people identifying as Workers (226) are shown here (the survey allowed everybody to answer these questions).



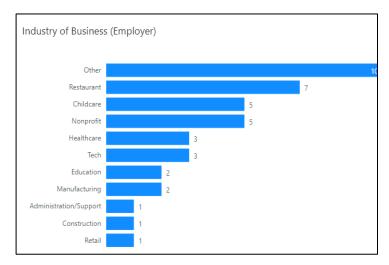
Benefits Provided by Employer	
Paid sick time	158
Employee healthcare benefits (with or without employee contribution)	157
Paid personal or vacation time	155
Uniforms	26
Meals	22
Employee ownership interest	11
Tip sharing	9

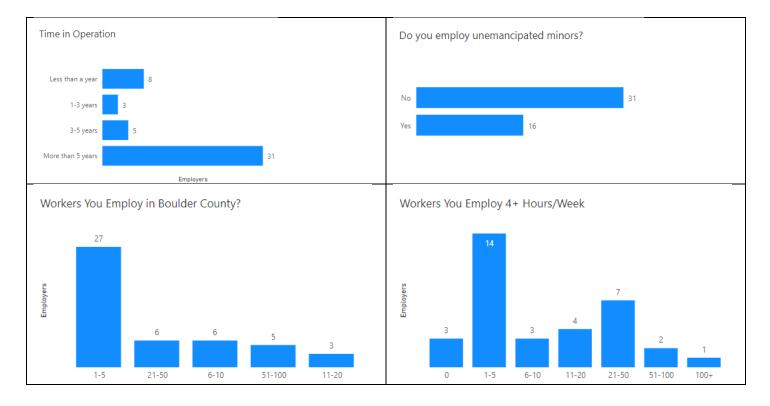
Additional worker benefits listed in the open-ended question "Other benefits not listed above" included:

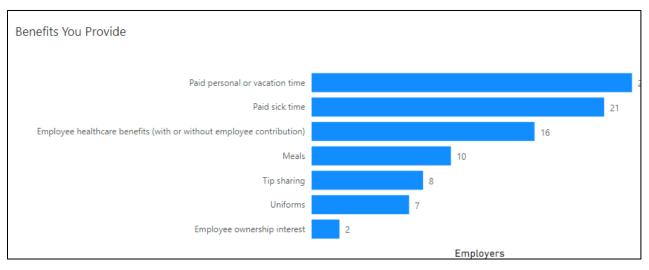
- 401k/retirement plan/retirement matching
- Additional insurance (disability, life, vision, dental)
- Extended leaves such as parental leave and sabbatical
- Additional performance based compensation
- Ecopass
- Education assistance
- Discounts on goods
- Flexible schedule and remote work
- Childcare
- Housing
- Parking
- Food
- Down payment assistance and financial counseling

Business Owners: Who are they?

In addition to the question above about jurisdiction of business, the survey asked other detailed questions about business owners, such as their industry, how many workers they employ, and which benefits they provide their staff. Only those responses from people identifying as Business Owner (47) are shown here (the survey allowed everybody to answer these questions).







Additional benefits provided by the business listed in the open-ended question *"Other benefits not listed above"* included:

- 401k/retirement plan/retirement matching
- Additional insurance (disability, life, vision, dental)
- Extended leaves such as parental leave and sabbatical
- Additional performance based compensation
- Flexible schedule and remote work
- Childcare
- Housing
- Parking
- Food
- Down payment assistance and financial counseling

In response to the question, *"Please describe your administrative costs associated with implementing a new minimum wage,"* most respondents did not answer or said that costs would be passed on to their customers. A few responses listed increases to payroll taxes, liability, and workers comp. Additional responses said that they expected the actual costs of administration to be minimal for their business, though one business owner in Longmont said that they incur a \$50k administrative cost every time wages increase.

Appendix: Full Text of Survey Questions and Options

Question	Туре	Options
Do you live or work in Boulder County?	Yes/No	
Do you have comments on the Commissioners' plan to introduce a local minimum wage (15% increase from current minimum wage) for unincorporated Boulder County to start January 1, 2024?	Open-ended	
Which long-term wage should these local minimum wage efforts reach before the wage adjusts to inflation?	Selection	 Match City/County of Denver, currently at \$17.29 (City of Edgewater is planning to reach Denver's wage by 2029) Reach \$22.44 (Hourly wage that the County Commissioners have adopted as the Livable Wage for Boulder County staff) Reach \$25 by 2028 (Proposed number based on the Colorado Center on Law and Policy's Self Sufficiency Standard for Boulder County) Other
Do you have any comments regarding the long- term wage options in the previous question?	Open-ended	
If you work, in which jurisdiction do you work? (If you have more than one job, choose each jurisdiction that applies.)	Selection (multiple)	 Unincorporated Boulder County City of Boulder Town of Erie Town of Jamestown City of Lafayette City of Longmont City of Louisville Town of Lyons Town of Nederland Town of Superior Town of Ward
If you chose "Unincorporated Boulder County" above, please indicate which part of unincorporated Boulder County.	Open-ended	
Number of persons in home working over 4	Numeric	
hours/week: Are you the primary wage earner in your household?	Yes/No	
Self-identification (Check all that apply.)	Selection (multiple)	 Business Owner Contractor/Freelancer Full Time Student Non-Employed Resident (unemployed, retired) Self-Employed Worker Other
Industry of employment (If you have more than one job, check all that apply.)	Selection (multiple)	Administration/SupportArts/Entertainment, Recreation

What is your typical work schedule?	Selection	 Childcare Construction Education Government Healthcare Hospitality Manufacturing Nonprofit Restaurant Retail Tech Other Under 4 hours/week 4-10 hours/week
		 11-28 hours/week 29-40 hours/week More than 40 hours/week
Describe your hourly wage before taxes and deductions.	Selection	 Less than \$13.65/hour \$13.65 - \$15.69/hour \$15.70 - \$19.99/hour \$20.00 - \$25.00/hour Over \$25/hour
If you currently receive government assistance (TANF, WIC, CCAP, SNAP, etc.), please describe the impact, either positive or negative, of an increased minimum wage.	Open-ended	
Does your employer provide any of the following benefits or compensation additions? (Check all that apply.)	Selection (multiple)	 Employee healthcare benefits (with or without employee contribution) Employee ownership interest Meals Paid personal or vacation time Paid sick time Tip sharing Uniforms
Other benefits not listed above.	Open-ended	
Do you believe there are additional family/community dynamics that will change as a result of a local minimum wage increase (e.g. more time with family, not having to work multiples jobs, etc.)? If so, please list them below.	Open-ended	
In which jurisdiction is your business or organization located? (Choose all that apply.)	Selection (multiple)	 Unincorporated Boulder County City of Boulder Town of Erie Town of Jamestown City of Lafayette City of Longmont City of Louisville Town of Lyons Town of Nederland Town of Superior

		Town of Ward
If you chose "Unincorporated Boulder County" above, please indicate which part of unincorporated Boulder County.	Open-ended	
Please indicate your industry or industries.	Selection	 Administration/Support Arts/Entertainment, Recreation Childcare Construction Education Government Healthcare Hospitality Manufacturing Nonprofit Restaurant Retail Tech Other
How many workers do you employ in Boulder County?	Selection	 1-5 6-10 11-20 21-50 51-100 100+
How long have you been in operation?	Selection	 Less than a year 1-3 years 3-5 years More than 5 years
How many persons do you employ (W2 claimed workforce) in the operation of your Boulder County business or organization who work in excess of 4 hours/week?	Numeric	
Which of the following benefits do you provide for employees? (Check all that apply.)	Selection (multiple)	 Employee healthcare benefits (with or without employee contribution) Employee ownership interest Meals Paid personal or vacation time Paid sick time Tip sharing Uniforms
Please describe any concerns you may have regarding enforcement of the local minimum wage.	Open-ended	
Do you employ unemancipated minors (typically, minors under the age of 18)?	Yes/No	
Do you prefer that the local minimum wage applies to unemancipated minors?	Yes/No	
Please describe your administrative costs associated with implementing a new minimum wage.	Open-ended	

Are there other policies you would like elected	Open-ended
officials to consider changing that may offset	
any impact of an increased minimum wage?	

Local Minimum Wage in Boulder County: Communications and Engagement

Background: The enabling legislation, <u>HB19-1210</u>, requires that local governments consult surrounding local governments and engage stakeholders, including chambers of commerce, small and large businesses, businesses that employ tipped workers, workers, labor unions, and community groups.

Local Government Engaging in the Local Minimum Wage Conversation

Date(s)	Activity	Channel	Audience
9/21/22	Local Minimum Wage Discussion, including presentations from Colorado Department of Labor & Employment, National Employment Law Project, and Colorado Center on Law & Policy	Zoom, posted on YouTube	Consortium of Cities Membership: Boulder County, City of Boulder, Erie, Jamestown, Lafayette, Longmont, Louisville, Lyons, Nederland, Superior, Ward, Broomfield
1/10/23-	Regional Local Minimum	Virtual Meetings	
Present 5/25/23	Wage meetings Council member Folkerts and Assistant to City Council, Taylor Reimann, Presented Regional Local Minimum Wage Roadshow.	Posted on YouTube	City of Boulder
6/6/23	Council member Folkerts and Assistant to City Council, Taylor Reimann Presented Regional Local Minimum Wage Roadshow. Boulder County Self-Sufficiency Coalition and CCLP presented as well.	Posted on Youtube https://www.youtu be.com/watch?v=j 7HgnhGoA_c	City of Longmont
7/11/23	Council member Folkerts, Assistant to City Council Taylor Reimann and Claire Levy, Presented Regional Local Minimum Wage Roadshow.	<u>Posted on</u> Louisville webpage.	City of Louisville
7/18/23	Council member Folkerts and Assistant to City Council, Taylor Reimann, Presented Regional Local Minimum Wage Roadshow.	Posted on YouTube.	City of Lafayette

8/15/23	Council member	Erie webpage.	Town of Erie
	Folkerts, Assistant to City		
	Council, Taylor Reimann,		
	and Mark Ruzzin		
	Presented Regional Local		
	Minimum Wage		
	Roadshow.		
8/21/23-	Solicited feedback on	Email	
8/28/23	draft survey questions.		
8/24/23	Council member Folkerts	Posted on	City of Boulder
	and Taylor Reimann	<u>YouTube.</u>	
	presented to Boulder		
	City Council to give City		
	of Boulder City Council		
	the opportunity to		
	implement in 2024 along		
	with Boulder County.		

Community Engagement

Date(s)	Activity	Channel	Audience
4/24/23	Boulder County Self-Sufficiency	Zoom webinar	Elected officials in
	Wage Coalition hosted the		Boulder County, Labor
	Boulder Minimum Wage		Unions, employees.
	Community Forum.		
8/4/23	Press Release: "Boulder County to		General community
	Introduce Local Minimum Wage in 2024."		
9/7/23	Press Release: "Share Feedback		General community
	on the Future of the Minimum		
	Wage in Boulder County"		
9/7/23-	Minimum Wage Survey in English	Online survey.	Employees and
10/16/23	and Spanish		Employers within
			Boulder County
9/28/23	1 st Employer Listening Session	Zoom webinar	Employers within
	facilitated by the Small Business		Boulder County
	Development Center		
10/02/23	2 nd Employer Listening Session	Zoom webinar	Employers within
	hosted by the Latino Chamber of		Boulder County
	Commerce		
10/05/23	Partners for a Clean Environment	Electronic Newsletter	Subscribers to the
	(PACE) sent out a reminder about		PACE newsletter
	the Minimum Wage Survey and		
	Listening Sessions in their		
	newsletter.		

10/06/23	3 rd Employer Listening Session facilitated by the Small Business Development Center	Zoom webinar	Employers within Boulder County
10/10/23	The Fall Sustainable Business Program Newsletter from the City of Longmont included an invitation to complete the Boulder County Minimum Wage Survey.	Electronic Newsletter	Sustainable Business Program Newsletter recipients.
10/12/23	Town Hall	In-person meeting in Niwot, CO.	Residents and businesses invited to attend.
10/17/23	Boulder of County Commissioners Business Meeting. First Reading for Ordinance 2023-4: Minimum Wage. Commissioners vote to proceed with Ordinance 2023-4.	Commissioners' Hearing Room and Zoom	Residents and businesses invited to attend.
10/17/23	Labor/Union Listening Session	Zoom Webinar	Employees within Boulder County
10/19/23	Minimum Wage Ordinance published in the Daily Camera	Newspaper	News readers in Boulder County
10/25/25	Human Services Alliance Listening Session	Zoom Webinar	Nonprofits within Boulder County
11/2/23	Public Hearing	Commissioners' Hearing Room and Zoom	Residents and businesses invited to attend.

Feedback from the Community

From August 29, 2023-October 16, 2023, the Boulder County Board of Commissioners email, <u>commissioners@bouldercounty.org</u>, received 25 emails regarding the minimum wage proposal.

Themes from the emails:

- Impact on Small Businesses: Many business owners express concern about the proposed minimum wage increase, stating that it would put a strain on their finances, potentially leading to business closures and job losses. They argue that smaller businesses cannot absorb the increased labor costs and may be forced out of business, leading to negative consequences for both employers and employees.
- Effect on Employment: There is a recurring concern that raising the minimum wage might lead to job losses, reduced working hours, and a decrease in employment opportunities, particularly for younger and less experienced workers. Some argue that businesses might automate processes or reduce staff to cope with the increased costs, potentially leading to unemployment.
- Housing Affordability: While some supporters of the minimum wage increase emphasize the need to address income inequality and help workers afford housing, opponents argue that the

increase might lead to higher costs for goods and services, which could offset any potential benefits, especially in the housing market.

- Need for Communication and Collaboration: Several respondents stress the importance of communication and collaboration between policymakers and the business community. They argue for more discussions, feedback, and careful consideration before implementing significant changes in minimum wage policies to avoid unintended consequences.
- Impact on Local Economy: There are concerns about the impact on the local economy, especially for small, local businesses. Business owners fear that they might lose their competitive advantage over large national chains, which can absorb higher labor costs more easily. Some also express worries about the affordability of goods and services for consumers in the local market.
- Alternative Solutions: Some respondents suggest alternative solutions, such as encouraging developers to lower rents or subsidize housing costs, rather than burdening small businesses with increased labor costs. Others propose a more phased approach to the minimum wage increase, allowing businesses more time to adjust and plan for the changes.
- **Concerns About Decision-Making Process:** Some individuals express dissatisfaction with the decision-making process, emphasizing the need for careful consideration, fact-finding, and community input. They argue that hasty decisions might have long-lasting negative effects on businesses and employment in the area.
- **Recognition of Workers' Contributions:** There is acknowledgment of the hard work and contributions of employees, with some business owners expressing that they already pay their employees above the minimum wage and provide additional benefits.
- **Support for Fair Wages:** On the other hand, there are individuals who support the increase in minimum wage, citing the need for fair wages, reduced income inequality, and the ability of workers to afford basic necessities. They argue that raising wages can improve the quality of life for many individuals in the community.

Questions received during the Listening Sessions:

- Could you explain the process for the county's municipalities adopting self-sufficiency wage? Also, the work of the working group?
- If the goal is to solve the affordable housing issue, do we have studies from Denver showing the impacts of their increasing minimum wages on the Denver housing problem?
- Not a question, just a comment: We as a community cannot rely only on government resources to supply basic human needs but also on employers.
- As the County looks at the future minimum wage, would a separate unemancipated minor wage be up for consideration? I'm hearing from businesses that they will likely just stop hiring high school students because they can't afford the extra support that young adults need + these wages.
- What measures will Commissioners take to offset the potential negative impacts on small businesses?
- We've heard people say higher minimum wage can lead to job loss. How does the County plan to monitor?

- Heard a big concern in industries of landscaping and food, due to changes in their industries (customer preference for electric equipment and law preventing to-go Styrofoam containers in 2024)
- Are there grants, relief with payroll taxes, tax relief? What about us as business owners, what will help us be successful? We can't go up on our price, is there any support?
- Why did the state not have a small business carve out?
- Would you look at some point at how employees are treated in those hospitality industries? It's true wages are relevant and a hot topic right now and our Latino community struggles and endure work environments in which workloads are unreasonable and people fear speaking up for a variety of reasons. These conditions are impacting the well-being of our members and people who live in fear deserve venues to share their realities to hold administrators accountable."
- How do you think this change will affect those already above the minimum wage? How will it affect our current operation?
- Also wondering what interesting conversations have come from the other two listening sessions?
- What will businesses have to do differently?
- Will you tell us more about the advantages of the minimum wage increase in other areas and what the process has been to address any unanticipated matters?
- Which communities within unincorporated Boulder County are expected to be impacted the most by this change?
- From the survey results you have seen so far, can you share of the concerns and other feedback from the community?
- What resources will be available to support small businesses in this transition? Are there discussions taking place to expand current or bring in new resources?

ORDINANCE 2023-4

AN ORDINANCE ESTABLISHING LOCAL MINIMUM WAGE REQUIRMENTS AND RELATED PENALITIES, REMEDIES AND ENFORCEMENT

RECITALS:

A. Despite a statewide minimum wage rate, many working Boulder County residents struggle to afford the basic necessities of life;

B. The health and welfare of all Boulder County residents is benefited and advanced when workers are paid a wage that better enables them to afford their basic needs;

C. The Board of County Commissioners of Boulder County ("the Board") seeks to confront the cost of living affordability in the community;

D. Ensuring that workers in Boulder County can support themselves benefits the Boulder County economy and the well-being of the county;

E. Studies of local minimum wage laws have demonstrated that jurisdictionwide minimum wage laws can increase earnings for workers without negatively affecting overall employment. For example, the 2023 Local Minimum Wage Report by the Colorado Department of Labor and Employment (the "LMW Report") shows that, in 2021 and 2022, as Denver's minimum wage rose significantly, its unemployment rate dropped more than any comparator jurisdiction's. Likewise, in each of the first three years since its local minimum wage took effect, Denver maintained strong wage growth, and stronger wage growth than Colorado and comparator jurisdictions;

F. The State of Colorado, under Colorado Revised Statute §29-1-1401, allows local governments to enact a law establishing a minimum wage for individuals performing work while physically within the local government's jurisdiction;

G. Addressing the minimum wage needs of workers is a matter of significant local concern, especially given the cost-of-living statistics for Boulder County stated in the LMW Report;

H. Boulder County has consulted with surrounding local governments and engaged with community stakeholders, including chambers of commerce, small and large businesses, businesses that employ tipped workers, workers, labor unions, and numerous community groups;

I. Boulder County engaged with multiple community stakeholders by facilitating three listening sessions with the chair of the Board of County Commissioners to engage employers, mountain/rural small employers, and small employers in specific

industries, and held a listening session to engage with the nonprofit community and a listening session to engage with workers. The Board also held a publicly advertised open town hall event on October 12, 2023, where residents and business attended and shared comments and questions. Further, the commissioners have individually met with dozens of community leaders to receive and consider advice and feedback related to a Boulder County minimum wage;

J. Boulder County also solicited feedback through email and an online survey available in English and Spanish;

K. Through its expansive outreach efforts, Boulder County solicited, received, and considered feedback, and revisited the terms of this ordinance based on stakeholder feedback;

L. The Board finds that it should adopt an ordinance to require employers throughout unincorporated Boulder County to compensate workers no less than the Boulder County minimum wage established in this ordinance; and

BE IT ORDAINED, by the Board of County Commissioners of the County of Boulder:

SECTION I: Purpose and Scope

1. The purpose of this ordinance is to address cost of living affordability in Boulder County by ensuring that all workers within Boulder County are paid a sufficient wage relative to the cost of living; to do so in a manner that is mindful of the larger market in which Boulder County is situated; and to establish a local minimum wage requirement in a manner that respects, serves, and protects the interests of employees and employers in the county.

2. Employers must pay, at a minimum, the wage rates established by this ordinance to individuals performing, or expected to perform, four or more hours of work for an employer in any given week within the geographic boundaries of Boulder County's jurisdiction, excluding incorporated cities or towns. This minimum wage requirement does not apply to time spent in Boulder County solely for the purpose of traveling through Boulder County's boundaries to a destination outside of Boulder County's boundaries, with no employment-related or commercial stops in Boulder County's jurisdiction except for refueling or the employee's personal meals or errands.

SECTION II: Definitions

"County" means Boulder County, Colorado. When the terms is used geographically, it excludes incorporated portions of the county except as provided for in Section V.

"Employee" means an adult or minor performing, or expected to perform, four or more hours of work for an employer in any given week within the county. "Employer" means an individual, partnership, firm, corporation, or any other person, group, collective or entity that employs one or more employees.

"Food and beverage worker" means a worker for any business or enterprise that prepares and offers for sale food or beverages for consumption either on or off an employer's physical premises.

"Tips" means a verifiable sum presented directly and customarily by customers as a gift or gratuity in recognition of some service performed for customers by the person receiving the tip.

"Work" means any services performed on behalf of or for the benefit of an employer whether on an hourly, piecework, commission, time, task, or other basis but shall not include services performed by an independent contractor.

SECTION III: Minimum wage required

- 1. Every employer must ensure its employees are paid not less than the Boulder County Minimum Wage. An increase in the Boulder County Minimum Wage takes effect on the same date as a secured increase to the statewide minimum wage required under section 15 of article XVII of the state constitution.
- 2. The Boulder County Minimum Wage is as follows, exclusive of fringe benefits and any other deductions or credits, except as otherwise described in this ordinance:
 - a. Beginning January 1, 2024: \$ 15.69 per hour;
 - b. For subsequent years, the Board intends to amend this ordinance to establish a Boulder County Minimum Wage that is consistent with the minimum wage and annual rate of increase adopted by municipalities within Boulder County.
- 3. Tips regularly and actually received by a food and beverage worker may be applied to an employer's obligation to pay the food and beverage worker the Boulder County Minimum Wage (i.e. tip offset). However, no more than \$3.02 per hour in tip income, or tip credit, may be used to partially offset payment of this wage.
- 4. Nothing in this Ordinance shall lessen any other obligation applicable to an employer to pay a minimum wage under any other law, rule, or regulation, including but not limited to federal and state minimum wage laws. In the event of a conflict with any other applicable wage requirement, the greater wage rate must be paid.

SECTION IV: Employer responsibilities

- 1. Employers must post notice of the currently effective Boulder County Minimum Wage in a prominent place that is easily accessible to all employees. Employers must display the posting in English and Spanish. If display of a physical notice is not feasible, including the situation when an employee does not have a regular workplace or job site, employers must provide the required information on an individual basis, in an employee's primary language, in paper or electronic form that is reasonably conspicuous and accessible.
- 2. Employers must make, retain, and make available to the county or its designee, upon request, payroll records adequate to determine compliance with this ordinance for a minimum of three years for each record.

SECTION V: Violations, enforcement, and penalties

- 1. It is unlawful and a violation of this ordinance to commit, allow, cause, authorize, aid, abet or conceal a violation of this ordinance.
- 2. The Colorado Department of Labor and Employment ("CDLE") is fully authorized to investigate and issue orders to remedy violations as provided by Colorado law. Nothing in this ordinance shall be construed to limit actions or remedies available under Colorado law.

SECTION VI: Intergovernmental Agreement

If Boulder County enters into intergovernmental agreements with one or more contiguous counties or any municipality within the geographic boundaries of Boulder County, the intergovernmental agreement will establish the manner in which the Boulder County minimum wage law will be enforced and administered without the necessity of revising or reenacting this ordinance, and the intergovernmental agreement will supersede any conflicting provision of this ordinance.

SECTION VII: Severability

If any section, paragraph, clause, or phrase of this ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance.

ADOPTED ON SECOND AND FINAL READING on November 2, 2023.

THE BOARD OF COMMISSIONERS OF THE COUNTY OF BOULDER, COLORADO

Claire Levy, Chair

ATTEST:

Clerk to the Board

CERTIFICATION AND ATTESTATION

I, Molly Fitzpatrick, Boulder County Clerk and Recorder, do hereby certify that the foregoing Ordinance No. 2023-04, entitled **AN ORDINANCE ESTABLISHING LOCAL MINIMUM WAGE REQUIRMENTS AND RELATED PENALITIES, REMEDIES AND ENFORCEMENT** is a true, correct and complete copy from the records in my office, that said ordinance was duly adopted by the Board of County Commissioners of the County of Boulder. The first reading of Ordinance 2023- 04 took place on ______, 2023, at a regular Board of County Commissioners Meeting. It was published in full in the ______ on _____, 2023. The Ordinance was adopted on second reading at a public hearing held before the Board of County Commissioners on ______, 2023. Further, one (1) copy of the Ordinance is now filed in the office of the Clerk and Recorder for the County of Boulder, Colorado, and may be inspected during regular business hours.

Clerk and Recorder