



**CITY OF BOULDER  
CITY COUNCIL AGENDA ITEM**

**MEETING DATE: October 10, 2024**

**AGENDA TITLE**

Introduction, first reading and consideration of a motion to order published by title only Ordinance 8664 adding a new Chapter 12-6, "Minimum Wage," B.R.C. 1981, setting a local City of Boulder minimum wage to be competitive and responsive to current and future needs of its community; and setting forth related details

**PRESENTERS**

Nuria Rivera-Vandermyde, City Manager  
Teresa Taylor Tate, City Attorney  
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Pam Davis, Assistant City Manager  
Joel Wagner, Finance Deputy Director  
Ryan Hanschen, Community Engagement Manager  
Taylor Reimann, Senior Program Manager Circular Economy  
Meggs Valliere, City Council Program Manager  
Brooks Fordham, Legal Intern

**EXECUTIVE SUMMARY**

The purpose of this item is for City Council to consider an ordinance to create a local City of Boulder minimum wage that is higher than the state's minimum wage. The minimum wage is the lowest amount of money that an employer can legally pay an employee. In the United States it is described as a per hour rate, and defining these wage floors is done through legislation. While the federal minimum wage is \$7.25 per hour, rates vary widely across states and local communities. Minimum wage for the state of Colorado and the city of Boulder is currently \$14.42 per hour.

Several Boulder County communities (Cities of Longmont, Lafayette, Louisville, and the Town of Erie) collectively explored an increase to the local minimum wage in their respective communities, as allowed by state law. A multijurisdictional group of staff from each of the five municipalities as well as representatives from various community groups worked together to conduct a third-party economic analysis and community engagement initiative to assess current economic conditions and understand community sentiment. Following that collective study, the city of Boulder is the only community that has chosen to pursue council consideration of a local minimum wage.

Proposed Ordinance 8664 (**Attachment A**) is included for council consideration. The ordinance follows council direction at the August 22, 2024 study session and subsequent discussion at the September 5, 2024 regular meeting. Council directed staff to prepare an ordinance increasing the minimum wage by an 8% annual increase each year over three years in 2025, 2026 and 2027, and then increasing the minimum wage yearly thereafter in line with the Consumer Price Index for All Urban Consumers (Denver-Aurora-Lakewood). Under this proposal, Boulder’s minimum wage would be \$15.57 in 2025. Additional policy details associated with a local minimum wage, including the option to exclude unemancipated minors, is included for consideration in the proposed ordinance.

## COUNCIL ACTION

### **Suggested Motion Language:**

Staff has provided the following motion for council consideration:

Motion to introduce and order published by title only Ordinance 8664 adding a new Chapter 12-6, “Minimum Wage,” B.R.C. 1981, setting a local City of Boulder minimum wage to be competitive and responsive to current and future needs of its community; and setting forth related details.

## COMMUNITY SUSTAINABILITY ASSESSMENTS AND IMPACTS

- Economic – Instituting a regional minimum wage will have impacts on individuals and households and macroeconomic impacts on the business community and regional economy. These impacts were explored in the economic analysis report and discussed at the [August 22, 2024](#) study session. They include:
  - Macroeconomic indicators such as population growth, unemployment, and inflation, and
  - More-detailed examinations of employment, worker, and household characteristics.
- Social – The social impacts of an increased minimum wage are complex and interdependent with the economic impacts explored above. Feedback from community engagement increased our understanding of the social impacts to individuals and the community at large.

- Unique impacts of increased minimum wage on small businesses and specific industries, such as:
  - Small businesses that are likely operating on narrow profit margins prior to minimum wage implementation,
  - Childcare providers that are more likely to employ younger minimum wage workers,
  - Agricultural businesses requiring significant manual labor,
  - Restaurants that are more likely to see increased gaps in earnings between tipped and non-tipped labor, and
  - Nonprofits that may have to increasingly rely on volunteer labor and fundraising to maintain services.
- The legacies of institutional racism and inequity have led to substantial correlations between racial identity, educational and employment opportunities, wealth generation, and earning potential, which may result in differential positive or negative impacts on different groups of people. The demographics of minimum wage workers compared to all workers include disproportionate representations among people under that age of 24, people that identify as female, people in BIPOC communities (especially those that identify as Hispanic and Latino), and college students.
- Concern about the phenomenon known as the “benefit cliff,” wherein increased wages push individuals and families above the income eligibility limits for safety net benefits programs in which they are enrolled, and their additional income is insufficient to backfill and/or exceed the value of their lost benefits. The benefit cliff phenomenon would only impact individuals who are currently enrolled in benefits and whose incomes increase above eligibility guidelines – many individuals who are eligible for benefits are not currently enrolled. Economic analysis, the literature review, and feedback from community engagement received mixed and sometimes contradictory evidence and feedback on this topic. Each households’ income situation is unique and it’s difficult to make any accurate generalizations.
- Balancing the needs of different individuals working in roles that are paid the minimum wage; for example, acknowledging the needs of adults with families vs. unemancipated minors who all earn the same minimum wage, and balancing those needs with the interests and priorities of the business community.

## **OTHER IMPACTS**

- Fiscal – Increasing the minimum wage will have direct fiscal impact to the city’s budget, as some of the city’s employees would have wage changes. Staff revised the forecast of direct effects of an increased minimum wage, as well as the effects of wage compression from what was presented during the August study session to account for the proposal to increase the minimum wage by 8% each of the next three years. The budgetary impact is less significant than study session estimates in the short-term but grows to an estimated \$429,000-\$919,000 ongoing increase by 2030. Providing public notice of a minimum wage raise will also require a

communications campaign, which will have a budget impact depending on the scope of the campaign.

- Staff time – Implementation needs for the proposed minimum wage ordinance will require additional staff time but the impact is not known at this time, and whether it could be addressed through existing staff workloads. Initial implementation actions would require:
  - Notifying the Colorado Department of Labor and Employment, directing community members to state resources for enforcement and complaints, and a public communications campaign
  - Ensuring annual wage increases are reflected in city employee compensation structures and policies.
  - Receiving and processing wage theft claims submitted to the city. The city’s community relations staff do not have any information about whether or not a change in minimum wage would affect the number of claims received in the future, or how many claims would potentially engage the Human Relations Commission in its quasi-judicial role.

## **RESPONSES TO QUESTIONS FROM COUNCIL**

Following the August 22 study session, staff received several council questions:

1. Multiple questions were submitted regarding sales tax exemptions for the restaurant industry as a tool to help offset increased labor costs related to a minimum wage increase. Examples include a rebate of the food service tax and a sales tax exemption for mandatory service charges related to staffing. In general, staff does not recommend sales tax exemptions as a tool to provide business subsidies for the following reasons:

- Sales tax is not an operating cost of businesses. Sales Tax is a tax that is paid by the consumer and is held in trust by businesses for the sole use and benefit of the city, until remitted at month end.
- The 0.15% Food Service Tax is dedicated to promotion of tourism, so refunding or eliminating it would reduce funding for activities that bring visitors to Boulder.
- Mandatory service charges are widely taxed by municipalities, and the administrative burden of documenting and verifying that the charges were passed directly to staff and not diverted for other business purposes would be high for both businesses and the city.
- A blanket sales tax exemption or rebate does not account for different restaurant business models, since sales tax is calculated on net taxable sales. For example, a fast-food chain with high automation could benefit more than a small local sit-down restaurant, despite having lower payroll costs as a percentage of total operating costs.
- Exemptions or rebates like the examples above would only benefit one subset of employers. Other industries that have large number of potentially affected workers such as Educational Services, Health Care, and Social Assistance do not have revenue models that would benefit from a tax rebate or exemption.
- Finally, creating business subsidies through tax exemptions lacks transparency and is difficult to change if economic or business conditions evolve. Once a tax

exemption is enacted, the revenue is lost into the future and is difficult to quantify for the community. A more transparent model would be the creation of a business subsidy program that is approved in the annual budget process.

2. Do we know how many people who live in the City of Boulder are earning minimum wage? Of those people, how many are earning minimum wage and not a student or minor, or otherwise put, relying on minimum wage as their source of income for an extended period of time?

- Limitations in our data prevent a direct and a precise answer, but we have some information to consider related to this question.
  - We can't quantify the number of people earning the minimum wage in Boulder, but about 37% of Boulder's employment is in low-wage industries such as service, retail, and others.
  - An estimated 31% of the City of Boulder's population is currently enrolled in college, and regionally, college students comprise 37% of minimum wage earners versus 16% of the workforce overall. Approximately half of all college students earn the minimum wage across the region. Specifically, working college students earn a median hourly wage of \$15.44.
  - Unemancipated minors represent a small share of the workforce in the region (2%) and emancipated minors comprise less than 1%. About 7% of unemancipated minors are working, and 57% of those earn the minimum wage. Unemancipated minors who earn the minimum wage are most likely to live in households with two adults (60% of all working unemancipated minors).

3. Do we have an idea of the rate of increase in rent for affordable housing?

- One could infer that low-income households living in affordable housing are more likely to be minimum wage earners, than are people in market rate homes. But not everyone who lives in affordable housing, earns minimum wage. Some have no employment income, others earn minimum wage, and still others earn above minimum wage as hourly or salaried employees. We do not have any specific data available.
- Affordable housing rent is based on income levels (by area median income, or AMI), often up to 50-60% AMI, that can be comprised of wages and/or other forms of income. It is likely that most minimum wage-earning households would be safely within that AMI range, and therefore not likely to risk losing housing.
- For context, the 2024 AMI charts for Boulder Housing Partners apartment eligibility is here: [Are you eligible? - Boulder Housing Partners](#)
- An increase in income for minimum wage earners may impact their rent, but so might any other change in employment, including the number of jobs they currently hold or the number of hours worked.
- Rent amounts vary based on the development and landlord. Staff cannot predict how rent amounts may change in future years.

4. If we raise minimum wage and set raises for the years 2 and 3, will those the written to be binding or can future councils overturn them?

- The city council cannot limit the authority of a future city council to amend an ordinance. The minimum wage ordinance could be subject to change if a future city council were to amend the ordinance.

5. Is it possible to describe the increase as 5% plus inflation, maintaining a variable?

- Yes, though we would need to add an upper limit (15% or \$1.75) on the total amount allowed to be increased per year, as this is the highest amount permitted by the state law.

## **BOARD AND COMMISSION FEEDBACK**

The Human Relations Commission received multiple presentations on the minimum wage project along with opportunities to provide feedback on project deliverables.

- At the beginning of the project, Commissioners encouraged studying impacts experienced in neighboring communities that have already raised the minimum wage, such as Denver.
- In July of 2024 Commissioners received a presentation on the draft engagement report. In general, they shared positive feedback on the completeness and quality of the report, and they were particularly interested in ways of mitigating disproportionate impacts on small businesses, as well as unique impacts on industries such as restaurants, agriculture, and health care settings. They also had specific questions on the relative equity impacts of no action versus passing a new policy on BIPOC community members, and what other solutions might be available to address affordability challenges in the community.

## **PUBLIC FEEDBACK**

Detailed community engagement feedback was summarized in the study session memo from [August 22, 2024](#), including full reports listed in the attachments. Since early August several community members have used the council contact form and made testimony at public comment periods to share their opinions on a new minimum wage. The Special Meeting on October 10, 2024 will be the first public hearing opportunity on this item.

## **BACKGROUND**

Following the adoption of state [House Bill 19-1210](#) which lifts the preemption on local minimum wage laws, communities across Colorado began exploring an increase to their local minimum wage. To date, new laws have been adopted in three communities – Denver, Edgewater, and unincorporated Boulder County.

Several Boulder County communities (Cities of Longmont, Lafayette, Louisville, and the Town of Erie) collectively explored an increase to the local minimum wage in their respective communities, as allowed by state law. A multijurisdictional group of staff from each of the five municipalities as well as representatives from various community groups

worked together to conduct a third-party economic analysis and community engagement to assess current economic conditions and understand community sentiment.

Over the last two and a half years, the Boulder City Council has held several discussions and received staff updates on the topic:

- On May 3, 2022, council supported Council Member Folkerts' participation in a Regional Minimum Wage Working Group forming through the Boulder County Consortium of Cities (discussion, no materials).
- On May 25, 2023, council voted to join Regional Minimum Wage Working Group (discussion, no materials).
- On August 24, 2023, council affirmed their participation in the working group (discussion, no materials).
- On [March 21, 2024](#), council received an information item update.
- On [August 22, 2024](#), council held a study session to consider the findings from community engagement and the economic analysis and determine whether to pursue a local ordinance to raise the minimum wage in the city of Boulder in 2025. A summary of that discussion is included in the [September 19, 2024](#), study session summary.

## ANALYSIS

During the study session on August 22, 2024 and subsequent council discussion on September 5, 2024, staff received council direction on most elements needed for a new minimum wage, which are reflected in the proposed ordinance in **Attachment A**:

- All council members were supportive of increasing the minimum wage in 2025.
- Council directed staff to develop an ordinance to raise the minimum wage, with an 8% annual increase each year over three years in 2025, 2026 and 2027, and then increase the minimum wage yearly thereafter in line with the Consumer Price Index for All Urban Consumers (Denver-Aurora-Lakewood). Under this proposal, Boulder's minimum wage would be \$15.57 in 2025.
- Additional council direction included majority support for exempting independent contractors; and unanimous support for indexing with the CPI-U (Denver-Aurora-Lakewood) and using state enforcement.
- Council did not reach consensus on exempting unemancipated minors. The proposed ordinance is drafted to exclude unemancipated minors from an increased minimum wage. See the analysis section below for additional details and options.
- Some council members were interested in what direction comes out of other council and trustee meetings across the region.

The following provides an analysis on the exemption option for unemancipated minors, which is relevant to the city's personnel budget impact, as well as updates on the council/trustee direction from other meetings with the city councils of Longmont, Lafayette, Louisville, and the Town of Erie's Board of Trustees.

### Exemption for Unemancipated Minors

The state legislation is silent on local minimum wage ordinances for unemancipated minors, which gives the city flexibility in addressing that dimension of policy.

A person under the age of 18 and still under the legal custody of a parent/guardian is considered an unemancipated minor. The state law requires minimum wage to be paid to adults and emancipated minors but is silent, meaning the law allows local jurisdictions to exempt, unemancipated minors from a higher local minimum wage. CDLE is willing to enforce a minimum wage ordinance that includes unemancipated minors, if that is the direction council provides in the proposed ordinance.

Denver allows a reduction to 85% of the local minimum wage only for city-certified youth employment program work. Edgewater's ordinance is silent on unemancipated minors, which means any employee working four or more hours, including any minors, are subject to the city's local minimum wage. Boulder County includes minors in its local minimum wage, including unemancipated minors. For additional information, **Attachment B** includes a list of state laws regarding minimum wage for minors.

Council has three options related to how to address unemancipated minors:

1. Do not apply the minimum wage to unemancipated minors (how the current ordinance is drafted)
2. Apply the minimum wage to all persons, including unemancipated minors.
3. Apply the minimum wage to all persons, but with a reduction in the minimum wage amount for certain youth employment for unemancipated minors such as how Denver's minimum wage works. Any reduction must not result in pay less than the state minimum wage

### **Subminimum Wage and Tipped Industries**

Local governments do not have the authority to adjust how a new policy would treat tipped workers. In the context of a minimum wage policy, state level action would be needed to adjust or create flexibility regarding tipped workers. Outside of a minimum wage policy, council could consider other business incentives to mitigate impacts on tipped industries. As discussed above, staff does not recommend industry-specific tax rebates or exemptions.

### **Minimum Wage and City Personnel Budget Impact**

As an employer, the City of Boulder would be subject to a change in minimum wage. While the minimum wage applies to all employees, it is most relevant for positions not covered by the city's living wage policy, which provides a higher wage for all standard full time, part time, or temporary employees as well as to city contracts related to custodial, landscaping and emergency service responders. The living wage does not apply to seasonal and varied positions. Examples of the types of positions directly impacted include entry-level positions (lifeguards, junior ranger crews, recreation instructor). The Parks and Recreation and Open Space & Mountain Parks departments predominantly



employ 14–18-year-olds in these roles to help deliver city services and programs. The state minimum wage applies to these positions at \$14.42/hour, not the city’s living wage.

Since the August 22, 2024 study session, staff has revised the five-year forecast for the fiscal impact of increasing the minimum wage to \$15.57/hour in 2025 and reaching \$19.84 by 2030. Staff modeled the direct effects of an increased minimum wage, as well as the effects of wage compression (which accounts for an increase in pay ranges for titles related to those directly affected by minimum wage). Staff estimates below assume the inclusion of unemancipated minors. If the ordinance is adopted to exclude unemancipated minors it would reduce estimated budget impacts. As reflected in the below tables, the budgetary impact is less significant in the short-term but grows to an estimated \$429,000-\$919,000 in 2030. Staff has built in a minimum wage increase for city personnel into the proposed 2025 budget, if the council chooses to proceed with a minimum wage.

<b>Estimated Fiscal Impact 2025-2030 - Direct Increase</b>						
<b>Services</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
Parks & Recreation	\$9,000	\$42,000	\$136,000	\$193,000	\$263,000	\$335,000
Open Space	\$0	\$26,000	\$55,000	\$67,000	\$79,000	\$91,000
Utilities	\$0	\$0	\$0	\$0	\$2,000	\$3,000
<b>Total</b>	<b>\$9,000</b>	<b>\$68,000</b>	<b>\$191,000</b>	<b>\$260,000</b>	<b>\$344,000</b>	<b>\$429,000</b>

<b>Estimated Fiscal Impact 2025-2030 - Direct Increase + Address Wage Compression</b>						
<b>Services</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
Parks & Recreation	\$113,000	\$322,000	\$547,000	\$638,000	\$732,000	\$825,000
Open Space	\$5,000	\$26,000	\$55,000	\$67,000	\$79,000	\$91,000
Utilities	\$0	\$0	\$0	\$0	\$2,000	\$3,000
<b>Total</b>	<b>\$118,000</b>	<b>\$348,000</b>	<b>\$602,000</b>	<b>\$705,000</b>	<b>\$813,000</b>	<b>\$919,000</b>

### Updates on Actions from Regional Partners

The City Councils of Longmont, Lafayette, Louisville, and the Town of Erie’s Board of Trustees received similar reports on the findings from community engagement and the economic analysis. A summary of that feedback and direction is included below:

- Longmont ([August 27, 2024](#)) – Longmont’s Council did not give direction to move forward with an ordinance for 2025. General comments included the desire for more community engagement, suggesting the issue should be referred to the ballot, and a desire to learn more about the pressures on the business community. No follow up discussions have been scheduled yet.
- Lafayette ([September 3, 2024](#)) – Lafayette’s Council did not give formal direction to move forward with an ordinance for 2025 but council was interested in more engagement and analysis with Lafayette residents and business owners, particularly to determine the “breaking point” for businesses while also providing

- benefit to low-wage workers. No follow up discussions have been scheduled, and future effort would be considered in their 2025 workplan.
- Louisville ([Sept 10, 2024](#)) – Louisville’s City Council did not take action, nor was formal direction given to staff to draft an ordinance related to minimum wage in Louisville. A majority of Council expressed interest in a regional approach. No follow up discussions have been scheduled.
  - Erie ([Sept 17, 2024](#)) – Erie’s Town Council decided they were not interested in pursuing a higher local minimum wage at this time. They were interested in pursuing other avenues for establishing economic equity within the Town.

## **NEXT STEPS**

Second reading of Ordinance 8664 is tentatively scheduled on the regular meeting consent agenda for November 7, 2024.

## **ATTACHMENTS**

A – Proposed Ordinance 8664

B – State Laws Regarding Minimum Wages for Minors

ORDINANCE 8664

AN ORDINANCE ADDING A NEW CHAPTER 12-6, "MINIMUM WAGE," B.R.C. 1981, SETTING A LOCAL CITY OF BOULDER MINIMUM WAGE TO BE COMPETITIVE AND RESPONSIVE TO CURRENT AND FUTURE NEEDS OF ITS COMMUNITY; AND SETTING FORTH RELATED DETAILS

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BOULDER, COLORADO:

Section 1. A new Chapter 12-6, "Minimum Wage," B.R.C. 1981, is hereby added to read as follows:

**Chapter 6 – Minimum Wage**

**12-6-1. – Purpose and Legislative Intent.**

- (a) Purpose. The purpose of this chapter is to recognize the importance of addressing living affordability in the city of Boulder; to ensure all workers within the city 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 the city is situated; and to administer a local minimum wage requirement in a manner that respects, serves, and protects the interests of both employers and employees within the city.
- (b) Legislative Intent. The City Council recites the following legislative findings and statements of intent that were taken into consideration in the adoption of this chapter:
  - (1) The City Council of the City of Boulder recognizes that the cost of living in Boulder exceeds the average cost of living in the state of Colorado.
  - (2) Despite the statewide minimum wage increases, the present rate does not adequately provide enough financial support for the health and wellbeing of the city’s working residents.
  - (3) According to a 2024 study conducted by ECONorthwest, twenty-two percent of city residents live below the Federal Poverty Level and approximately thirty-seven percent of employment in the city of Boulder is in low-wage industries, including service and retail industries.

- 1 (4) To address this concern, the City of Boulder seeks to raise the local wage to an  
2 amount that aids working residents within the city to afford basic living necessities.  
3 Doing so will allow for greater prosperity for workers in Boulder and combat  
4 economic and social inequities, as well as racial and gender wage gaps.
- 5 (5) Raising the minimum wage would place the city on par with other local  
6 jurisdictions within the state which have raised their wages to increase affordability.
- 7 (6) The state of Colorado allows local jurisdictions to establish a minimum wage for  
8 individuals performing work while physically within the jurisdiction under Title 29,  
9 Article 1, Part 14 of the Colorado Revised Statutes. Pursuant to this statute, the City  
10 of Boulder has the authority to set a minimum wage exceeding the state minimum  
11 wage as long as the city abides by the state’s qualifications and restrictions on  
12 applicability.
- 13 (7) Enforcement of this chapter shall be through the Colorado Department of Labor and  
14 Employment.
- 15 (8) Addressing the minimum wage for the working residents of the city of Boulder is a  
16 matter of significant local concern.

#### 12-6-2. – Definitions.

13 *Employee or Worker* means an adult or emancipated minor performing, or expected to  
14 perform, four or more hours of work for an employer in any given week within the city. The  
15 terms *employee* or *worker* does not include:

- 16 (1) a person traveling through the city’s jurisdiction from a point of origin outside of  
17 the city to a destination outside of the city, with no employment-related or  
18 commercial stops in the city, except for refueling or the employee’s personal meals  
19 or errands; or
- 20 (2) a person providing volunteer services that are uncompensated except for  
21 reimbursement of expenses such as meals, parking or transportation; or
- 22 (3) an independent contractor, as defined in federal law.

23 *Employer* means an individual, person, partnership, firm, corporation, association,  
24 organization or any other person, group, collective or entity that employs one or more  
25 employees, or any successor thereof.

*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 an optional verifiable sum presented directly and customarily by customers as a  
gratuity in recognition of some service performed for customers by the person receiving the tip.  
Tips include, but are not limited to:

- 1 (1) tips received directly from customers;
- 2 (2) tips received electronically from employers;
- 3 (3) tips received from other employees through tip-sharing arrangements;
- 4 (4) charged tips, like credit and debit card charges, that are distributed to employees by  
employers; and
- 5 (5) noncash forms of tips, including tickets, passes, or other goods or commodities that  
customers give to employees.

6 *Work* means any services performed physically within the geographic boundaries of the  
city on behalf of or for the benefit of an employer whether on an hourly, piecework, commission,  
7 time, task, or other basis.

### 8 **12-6-3. – Minimum Wage Required.**

- 9 (a) Every employer must ensure its employees are paid not less than the City of Boulder  
10 Minimum Wage. An increase in the City of Boulder Minimum Wage takes effect on the  
11 same date as a secured increase to the statewide minimum wage required under section 15  
of article XVII of the state constitution.
- 12 (b) The City of Boulder Minimum Wage is as follows, exclusive of fringe benefits and any  
other deductions or credits, except as otherwise described in this chapter:
  - 13 (1) Beginning January 1, 2025: \$15.57 per hour;
  - 14 (2) Beginning January 1, 2026: \$16.82 per hour;
  - 15 (3) Beginning January 1, 2027: \$18.17 per hour;
  - 16 (4) Beginning January 1, 2028, and on January 1 of each subsequent calendar year, the  
17 City of Boulder Minimum Wage shall increase by an amount corresponding to the  
prior year increase, if any, in the Consumer Price Index, for all items, published  
annually for the Denver-Aurora-Lakewood Area.
- 18 (c) Tips regularly and actually received by a food and beverage worker may be applied to an  
19 employer’s obligation to pay the food and beverage worker the City of Boulder Minimum  
Wage. However, no more than \$3.02 per hour in tip income (“Tip Credit”) may be used to  
20 partially offset payment of this wage.
- 21 (d) Nothing in this chapter shall lessen any other obligation applicable to an employer to pay a  
22 minimum wage under any other law, rule, or regulation, including but not limited to federal  
and state minimum wage laws or that arise from or in connection with federal or state  
23 funding. In the event of a conflict with any other applicable wage requirement, the greater  
wage rate must be paid.

1 **12-6-4. – Employer Responsibilities.**

- 2 (a) Employers must post notice with letters no less than one inch high of the currently effective  
3 City of Boulder Minimum Wage in a prominent place that is easily accessible to all  
4 employees. Employers must display the posting in English and Spanish. If the display of a  
5 physical notice is not feasible, including the situation when an employee does not have a  
6 regular workplace or job site, employers must provide the required information on an  
7 individual basis, in an employee’s primary language, in paper or electronic form that is  
8 reasonably conspicuous and accessible. Notice shall include how to contact the Colorado  
9 Department of Labor and employment to file a complaint.
- 7 (b) Employers must make, retain, and make available to the city or to the Colorado Department  
8 of Labor and Employment, upon request, payroll records adequate to determine compliance  
9 with this chapter for a minimum of three years for each record.

10 **12-6-5. – Violations; Enforcement; Penalties.**

- 11 (a) It is unlawful and a violation of this chapter to commit, authorize, allow, aid, abet, or  
12 conceal a violation of this chapter.
- 13 (b) The Colorado Department of Labor and Employment is fully authorized to investigate and  
14 issue orders to remedy violations of this chapter.
- 15 (c) Any person claiming to be aggrieved by a violation of this chapter may file or pursue a  
16 complaint with the Colorado Department of Labor and Enforcement against an employer  
17 alleged to have violated this chapter within two years of any alleged violation, except that  
18 violations under this chapter for a willful violation may be brought within three years after  
19 the date of the violation. Nothing in this chapter shall preclude an individual from pursuing  
20 or participating in any other enforcement action or other remedy available under state of  
21 Colorado law.
- 18 (d) A violation of this chapter shall be considered sufficient “cause” to suspend or revoke a city  
19 business license pursuant to the procedures set forth in Section 4-1-10, “Revocation or  
20 Suspension of Licenses,” of this code.

21 **12-6-6. – City Manager Rules.**

22 The city manager is authorized to adopt rules and regulations necessary to interpret,  
23 further define or implement the provisions of this chapter.

24 Section 2. This Ordinance is necessary to protect the public health, safety, and welfare of  
25 the residents of the City and covers matters of local concern.

1 Section 3. The City Council deems it appropriate that this Ordinance be published by title  
2 only and orders that copies of this Ordinance be made available in the office of the city clerk for  
3 public inspection and acquisition.

4  
5 INTRODUCED, READ ON FIRST READING, AND ORDERED PUBLISHED BY  
6 TITLE ONLY this 10th day of October 2024.

7  
8 \_\_\_\_\_  
9 Aaron Brockett,  
10 Mayor

11 Attest:  
12 \_\_\_\_\_  
13 City Clerk

14 READ ON SECOND READING, PASSED AND ADOPTED this 7th day of November  
15 2024.

16 \_\_\_\_\_  
17 Aaron Brockett,  
18 Mayor

19 Attest:  
20 \_\_\_\_\_  
21 City Clerk

## States Laws Regarding Minimum Wages for Minors

### **Federal Fair Labor Standards Act**

The FLSA allows for limited exceptions to the mandatory federal minimum wage, including exceptions for students and youth.

- 29 U.S.C. §206(g); Allows for an employer to pay a person under twenty years old a wage of 4.25 an hour for the first ninety consecutive calendar days. This applies regardless of occupation.
- 29 U.S.C. §214; Allows for certain exceptions for an employer to pay subminimum wages for full-time students in specific occupations and apprentices/learners. This rule also lays out the potential fields that are exempt from the FLSA entirely (such as part-time babysitting, news delivery workers, and workers at camps or recreational facilities that are open part of the year).
  - Importantly, though, this section (§214) does not specify students as minors and is supposed to apply regardless of age. Still, many of these jobs are held by minors and so I thought to include this section as a reference.

**Alaska-** No law regarding wages for unemancipated minors.

- Alaska Statt. §23.10.055(a)(11) provides that an individual under 18 years of age employed on a part-time basis not more than 30 hours in a week may be paid less than the state minimum wage.

**Arizona-** No law regarding wages for unemancipated minors.

- A.R.S. §23-326 allows for special licenses for a lower wage than the state minimum due to age or physical or mental capacity.

**Arkansas-** No law regarding wages for unemancipated minors.

**California-** No law regarding wages for unemancipated minors.

**Connecticut-** No law regarding wages for unemancipated minors.

- Conn. Gen. Stat. § 31-58a allows for minors in limited fields of agriculture and government to be paid lower wages

**Delaware-** No law regarding wages for unemancipated minors.

**D.C.-** No law regarding wages for unemancipated minors.

**Florida-** No law regarding wages for unemancipated minors.

- Allows for same youth exemptions as the federal Fair Labor Standards Act

**Hawaii-** No law regarding wages for unemancipated minors.

- Allows for same youth exemptions as the federal Fair Labor Standards Act

**Illinois-** No law regarding wages for unemancipated minors.



- 820 ILCS 105/4; Makes Minimum wage for minors employed at part-time is \$12/hour.

**Maine**- No law regarding wages for unemancipated minors.

**Maryland**- No law regarding wages for unemancipated minors.

- Md. Labor and Employment Code Ann. § 3-413; Minors paid a minimum of 85% the minimum wage.

**Massachusetts**- No law regarding wages for unemancipated minors.

- 454 CMR 27.06; Allows for student minors to be paid no less than 80% of the state's minimum wage.

**Michigan** – No law regarding wages for unemancipated minors.

- MCLS § 408.934b; Allows for minors under 18 to be paid 85% of the state's minimum wage

**Minnesota** – No law regarding wages for unemancipated minors.

- Minn. Stat. 177.23; Allows for sub-minimum wages to be paid for employed minors in certain fields.

**Missouri** – No law regarding wages for unemancipated minors.

**Montana** – No law regarding wages for unemancipated minors.

- M.C.A. §39-3-406; Limited exceptions or occupations where minors can be paid sub-minimum wages.

**Nebraska** – No law regarding wages for unemancipated minors.

**Nevada** - No law regarding minimum wage for unemancipated minors.

**New Jersey** – No law regarding minimum wage for unemancipated minors.

**New Mexico** – No law regarding minimum wage for unemancipated minors.

**New York** – No law regarding minimum wage for unemancipated minors.

**Ohio** - No law regarding minimum wage for unemancipated minors.

- Oh. Const. Art. II, § 34a; Allows minors under the age of 16 to be paid only the federal minimum wage.

**Oregon** – No law regarding minimum wage for unemancipated minors.

**Rhode Island** – No law regarding minimum wage for unemancipated minors.

- R.I. Gen. Laws § 28-12-3.1; Allows for minors under 16 to be paid sub-minimum wages.

**South Dakota** – No law regarding minimum wage for unemancipated minors.

**Vermont** – No law regarding minimum wage for unemancipated minors.

- 21 V.S.A. § 383; Allows student minors to be paid minimum wages.

**Virginia** – No law regarding minimum wage for unemancipated minors.

- Va. Code Ann. § 40.1-28.9; Minors under 16 are exempt from the state minimum wage.

**Washington** – No law regarding minimum wage for unemancipated minors.

- Wash. Admin. Code § 296-125-043; Allows minors under 16 to be paid sub-minimum wages.

**West Virginia** – No law regarding minimum wage for unemancipated minors.

- W. Va. Code § 21-5C-1; Allows for minors who are students to be paid sub-minimum wages.