



COLORADO
Department of
Labor and Employment
Division of Labor Standards and Statistics

LOCAL MINIMUM WAGE REPORT **2023**

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I. STATUTORY MANDATE

The Executive Director of the Colorado Department of Labor and Employment (“CDLE”) hereby submits the 2023 Local Minimum Wage Report (“Report”), in accordance with House Bill 19-1210, which gave local governments within Colorado the authority to establish a local minimum wage higher than the Colorado state minimum wage. The Act requires the CDLE Executive Director to report to the General Assembly regarding enacted local minimum wages and other relevant data, as set forth in C.R.S. § 8-6-101:

- (8) (a) By July 1, 2021, the executive director of the department of labor and employment shall issue a written report regarding local minimum wage laws in the state. The report must include the location, nature, and scope of enacted local minimum wage laws. To the extent feasible, the executive director shall also include in the report economic data, including jobs, earnings, and sales tax revenue, in the jurisdiction of any local government that has enacted a local minimum wage law pursuant to this section, as well as data for neighboring jurisdictions, relevant regions, and the state. The report may include recommendations for possible improvements to this section.
- (b) The executive director shall update the report by July 1 each year thereafter if an additional local government enacts a minimum wage law after July 1 of the year prior.
- (c) (I) The executive director shall submit the report required in this subsection (8) to the senate local government committee and the house of representatives transportation and local government committee, or their successor committees.
- (II) Notwithstanding section 24-1-136 (11)(a)(I), the report required in this subsection (8) continues indefinitely.



II. EXECUTIVE SUMMARY

As of the date of this report, only the City and County of Denver (“Denver”) and the City of Edgewater (“Edgewater”) have enacted local minimum wages that are greater than the state minimum wage. Denver passed its minimum wage law on November 25, 2019, and it took effect on January 1, 2020. Edgewater passed an ordinance on May 2, 2023 to raise its minimum wage beginning January 1, 2024. For details, see Section III.

This Report presents unemployment rates, earnings, and sales tax revenue data for the state of Colorado, Denver, and neighboring or otherwise relevant localities. It attempts to isolate the impact of COVID-19, starting in March 2020, on each measure where possible. For details, see Section IV (repeating the analysis from the last version of this report in 2021, with 2019-2020 data and cost-of-living-adjusted wages by county) and V (updating that analysis for this 2023 report, with data through 2022).

Finally, this Report includes the number and percent of local governments (“localities”) that have enacted a local minimum wage, the number and percent of additional local governments that may still do so pursuant to the Act, and other information for local governments considering whether or not to adopt local minimum wages.



III. ENACTED LOCAL MINIMUM WAGES

A. DENVER MINIMUM WAGE

On November 25, 2019, Denver City Council passed an ordinance, [Council Bill 19-1237](#) (the “Denver Ordinance”), making Denver the first local government in the state to enact a local minimum wage (the “Denver Minimum Wage”).¹ The Denver Ordinance increased Denver’s hourly minimum wage to:

- \$12.85 on Jan. 1, 2020
(when the Colorado minimum wage was \$12.00);
- \$14.77 on Jan. 1, 2021
(when Colorado was \$12.32);
- \$15.87 on Jan. 1, 2022
(when Colorado was \$12.56)
- \$17.29 on Jan. 1, 2023
(when Colorado was \$13.65); and
- a wage adjusted annually thereafter based on the Consumer Price Index (“CPI”).²

The Denver Minimum Wage does not apply to work that: **(1)** is not performed physically within the geographic boundaries of the city; **(2)** is performed by an employee working fewer than four hours in any given week for a particular employer within the geographic boundaries of the city; or **(3)** occurs in the city solely for the purpose of traveling through Denver from a point of origin outside of the city to a destination outside of the city, with no employment-related or commercial stops in the city except for refueling or the worker’s personal meals or errands.³ The Denver Minimum Wage may be reduced by 15% for unemancipated minors who work for a youth employment program certified by Denver Economic Development & Opportunity (“DEDO”).⁴

Denver maintains a tip credit of up to \$3.02 per hour for “food and beverage worker[s],”⁵ which is identical in amount to the tip credit against the Colorado minimum wage provided for in Article XVIII, section 15 to the Colorado Constitution. Denver’s tip credit, however, applies to a different subset of employees: while the state tip credit applies to all employees in an occupation in which they customarily and regularly receive more than \$30.00 per month in tips,⁶ Denver’s tip credit applies only to “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.”⁷

¹ Available at <https://denver.legistar.com/LegislationDetail.aspx?ID=4217876&GUID=693CB146-85AE-44D6-9921-690E0652538D&>.

² Denver Council Bill 19-1237 (the “Denver Ordinance”) at Section 2(b)(2), 3:3-8.

³ Denver Ordinance at Section 2(c), 3:27-32.

⁴ Denver Ordinance at Section 2(b)(4), 3:13-19.

⁵ Denver Ordinance at Section 2(b)(3), 3:9-12.

⁶ Colorado Overtime and Minimum Pay Standards (“COMPS”) Order, 7 CCR 1103-1, Rule 1.10.

⁷ Denver Ordinance at Section 4(e), 15:8-10.

For the purposes of adjusting the Denver Minimum Wage after 2022, Denver uses the CPI reported in the U.S. Department of Labor's Index for Urban Wage Earners and Clerical Workers (CPI-W) for the Denver-Aurora-Lakewood Metropolitan Statistical Area ("MSA").⁸ This differs from the state minimum wage, which is adjusted using the more general CPI-U for all urban consumers in the Denver-Aurora-Lakewood MSA.

The Denver Ordinance also creates an enforcement and investigation mechanism through the Denver Auditor, to collect and investigate Denver Minimum Wage complaints,⁹ and to independently investigate suspected violations beginning January 1, 2022.¹⁰ The Denver Auditor may award payment of wages as well as a range of penalties and attorneys' fees payable to the city.¹¹ The Denver Ordinance creates a private right of action for broad legal and equitable remedies, including wages owed, interest, triple liquidated damages, daily penalties, and attorneys' fees and costs.¹²

On January 9, 2023, Denver passed the Civil Wage Theft Ordinance, [Council Bill 22-1614](#), with additional penalties and enforcement provisions for civil wage theft in Denver (in addition to Denver minimum wage enforcement authority), vesting power in the Denver Auditor to implement and enforce rules for compliance.¹³ This ordinance and the ensuing rules¹⁴ allow the Denver Auditor to order payment of unpaid wages, treble damages, and additional fines and remedies, including for retaliation against the exercise of rights. Under this authority, an "upstream" party (e.g., general contractor), may be liable for unpaid wages, interest, and damages, and the Denver Auditor may pursue collection efforts if the direct employer (e.g., subcontractor) fails to pay.¹⁵

8 Denver Ordinance at Section 2(b)(5), 3:20-26.

9 Denver Ordinance at 2(d), 4:1-31; see also, "How Enforcement Works," Denver Auditor, <https://www.denvergov.org/Government/Agencies-Departments-Offices/Agencies-Departments-Offices-Directory/Auditors-Office/Denver-Labor/Citywide-Minimum-Wage/How-Enforcement-Works>.

10 Denver Ordinance at Section 2(f), 5:23-6:9.

11 Denver Ordinance at Section 2[sic](a), 9:16-13:13.

12 Denver Ordinance at Section 2(j), 8:30-9:12.

13 Available at: <https://denver.legistar.com/LegislationDetail.aspx?ID=5949479&GUID=F1E63157-2A9D-46E2-8EF9-D4C8A85160FE&Options=&Search=>.

14 "City and County of Denver Civil Wage Theft Rules" available at: <https://denvergov.org/files/assets/public/auditor/documents/denver-labor/2023/civil-wage-theft-rules.3.14.23.pdf>.

15 "City and County of Denver Civil Wage Theft Rules" at Rule 12.3; see also Rule 1.3 (defining "upstream parties" as "persons, other than direct employers, who are regularly engaged in business or commercial activity and benefit from a worker's labor").

B. EDGEWATER MINIMUM WAGE

On May 2, 2023, Edgewater passed [Ordinance No. 2023-07](#) (the “Edgewater Ordinance”), enacting a local minimum wage effective January 1, 2024,¹⁶ setting annual rates as follows:

- \$15.02 on January 1, 2024;
- \$16.52 on January 1, 2025;
- \$18.17 on January 1, 2026;
- \$19.99 on January 1, 2027;
- \$21.99 on January 1, 2028; and
- after 2029, adjusted annually either **(1)** by Edgewater’s prior year’s minimum wage adjusted for inflation, or **(2)** to match the city of Denver’s minimum wage (whichever is greater).

As provided by statute,¹⁷ Edgewater’s minimum wage **(A)** allows a tip credit of \$3.02 toward the local minimum wage for “food and beverage worker[s]” (the amount of the tip credit provided in the Colorado Constitution),¹⁸ and **(B)** does not apply to work performed outside, or work of less than four hours within, the geographic boundaries of the local government.¹⁹ Along with requiring payment of the minimum wage, the Edgewater Ordinance sets requirements for posting the minimum wage and information about complaint filing, and for maintaining payroll records.²⁰

As to violations of the Edgewater Ordinance:

- An employer that violates Edgewater’s minimum wage may have its business license suspended or revoked.²¹
- It is a violation to “commit, allow, cause, authorize, aid, abet or conceal a violation” of the Edgewater ordinance.
- Those claiming a violation can seek unpaid wages, additional penalties, and other remedies in a lawsuit in court, or in a wage claim with the CDLE Division of Labor Standards and Statistics.²²

¹⁶ Available at <https://envisionedgewaterco.com/edgewater-minimum-wage>.

¹⁷ C.R.S. § 8-6-101(3)(a)(I) (“a local government...shall provide a tip offset...equal to the tip offset provided in Section 15 of Article XVIII of the state constitution.”).

¹⁸ Edgewater Ordinance at 6-18-40(b)(2) (based on Colorado Constitution Article XVIII, Section 15).

¹⁹ C.R.S. § 8-6-101(3)(a)(I).

²⁰ Edgewater Ordinance at 6-18-50(a-b) (requirements to post the minimum wage and complaint-filing rights in a readily accessible location, including in Spanish), and 50(c) (payroll record requirements).

²¹ Edgewater Ordinance at 6-18-60(b).

²² Edgewater Ordinance at 6-18-60(c) (detailing the specific remedies available for violations).



IV. 2021 ECONOMIC DATA

This section is substantively unchanged from the 2021 Report. Based on 2019-2020 data, it details economic data before and after two key events in 2020: the effective date of the Denver Minimum Wage at the start of 2020; and the initial impact of the COVID-19 pandemic in March 2020. Section V then offers updated data through 2021-2022.

A. ADJUSTMENTS FOR EFFECTS OF COVID-19

The Denver Minimum Wage went into effect on January 1, 2020, just over two months before Governor Jared Polis declared a state of disaster emergency due to the COVID-19 pandemic.²³ In the ensuing year, COVID-19 and the resulting state and local public health orders transformed Colorado's economy. These economic effects varied widely between localities depending on population density, demographics, predominant industries,²⁴ and differences among the various local and state public health orders and regulations,²⁵ with greater impacts on urban centers on average.²⁶

Denver had higher COVID-19 infection rates, and came to have stricter public health orders, than most other counties²⁷ — and among large- and mid-sized counties, the unemployment and per capita COVID-19 case data²⁸ confirmed a strong correlation between unemployment and higher COVID-19 infection rates.

A correlation coefficient of 0 indicates that two variables are not at all related (no correlation), while a correlation of ± 1 indicates perfect relationship between the two variables (that is, a change in one always predicts a change in the other). Generally, a correlation coefficient of ± 0.5 to ± 1 is a "high" degree of correlation. The CDLE found a ranked correlation coefficient of 0.82 in its comparison of county COVID-19 infection rates and unemployment rates, indicating a high positive correlation: as COVID-19 rates increased, so did unemployment.²⁹

To isolate the effects of COVID-19 on the economic metrics analyzed, this Section IV presents data for: (1) 2019; (2) all available periods of 2020; and (3) January and February, or the first quarter ("Q1"), of 2020 — the time period entirely or largely before the significant impact of the COVID-19 pandemic on the Colorado economy.

23 See Colo. Exec. Order No. D 2020 003, at 1 (Mar. 11, 2020), <https://www.colorado.gov/governor/2020-executive-orders> [<https://perma.cc/66FD-5MUJ>].

24 See Congressional Research Service, Unemployment Rates During the COVID-19 Pandemic, updated May 20, 2021, at 11, <https://fas.org/sgp/crs/misc/R46554.pdf> (variance in unemployment rates by industry).

25 See Bente Birkeland and Claire Cleveland, *Officials Raise Concerns As State Heads Toward Patchwork of Orders*, Colorado Public Radio (April 24, 2020), <https://www.cpr.org/2020/04/24/officials-raise-concerns-as-state-heads-toward-patchwork-of-orders>.

26 <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7499053/>: "The long-term economic shutdowns due to the COVID-19 pandemic have had very negative impacts on urban economy. The consequences are complex and occur in various ways and on a wide range of scales. Although research on this topic is currently underway, early findings imply that the outbreak has had a significant influence on city tax revenues, citizens' income, tourism and hospitality, small- and medium-sized businesses, urban food supply chain, and migrant workers."

27 As of December 31, 2020, Denver had reported 6,533.52 total COVID-19 cases per 100,000 residents, the thirteenth-highest infection rate among 64 counties. Colorado Department of Public Health and Environment, *covid19_case_summary_2020-12-31.xls*, <https://covid19.colorado.gov/data> (main website), https://drive.google.com/drive/folders/1bBAC7H-pdEDgPxRuU_eR36ghzc0HWNf1?usp=sharing (linked files) (last visited June 14, 2023).

28 Counties with at least 350,000 residents, or "Comparable Counties" as defined in the following Section IV(B) of this Report.

29 Analyzed using the Spearman's ranked correlation coefficient, a test that measures the strength and direction of association between two ranked variables. A ranked correlation is appropriate for "nonparametric" relationships between variables — that is, where we do not expect a linear relationship and are not trying to identify an equation (or "parameter") that will predict one variable based on another. This analysis ranks counties by two variables: (1) 2020 per capita COVID-19 infection rates (cases per 100,000 population, see note 27 above) and (2) change in unemployment rate from 2019 to 2020. These ranks are then compared using the Pearson's correlation coefficient. The statistical significance (p-value) of this correlation was 0.023, exceeding the ≤ 0.05 threshold generally required by social scientists and courts to reject the "null hypothesis" that one variable does not affect the other. A p-value of 0.05 means that the correlation will be observed by chance (that is, that the correlation will be detected even between variables that do not actually have a relationship) one in 20 times; a p-value of 0.023 means that the detected correlation between COVID-19 rates and unemployment would happen by chance fewer than one in 43 times.

B. JURISDICTIONS INCLUDED

This Report analyzes unemployment rates, earnings, and sales tax revenue data, where available, for Colorado, Denver, and the following “neighboring jurisdictions [and] relevant regions” that the Act asks for this Report to analyze (“Comparator Jurisdictions”):

- “Comparable Counties,” defined as counties with at least 350,000 residents, about half of Denver’s population.³⁰ This group includes Arapahoe, Adams, Douglas, El Paso, Jefferson, and Larimer counties.
- “Comparable Cities,” defined as cities with at least 100,000 residents. With more than 700,000 residents, Denver is Colorado’s largest city by a wide margin.³¹ Only two other Colorado cities (Aurora and Colorado Springs) have populations greater than 200,000.³² This Report uses a minimum population of 100,000 to capture Colorado’s many mid-sized cities. This group includes Arvada, Aurora, Boulder, Centennial, Colorado Springs, Fort Collins, Greeley, Lakewood, Pueblo, Thornton, and Westminster. This group excludes smaller cities and towns that are not comparable to Denver, the sole locality with a local minimum wage, and thus the locality that the Act tasks this Report with analyzing via comparisons to other comparable localities.
- “Neighboring Cities,” defined as cities or municipalities that share a border with Denver, or that have a border near (within two miles of) Denver and are likely to share commerce with Denver due to highway access and the nature of the locality that separates Denver and the Neighboring City. For example, Westminster is considered a Neighboring City even though it does not border Denver because (1) its southern border is within two miles of Denver’s border, (2) it is separated from Denver by a small unincorporated community, and (3) it is connected to Denver directly by both an interstate and state highway. This group includes Arvada, Aurora, Centennial, Commerce City, Englewood, Lakewood, Littleton, Westminster, and Wheat Ridge. For sales tax data only, this group also includes Glendale and Greenwood Village.³³
- “Neighboring Counties,” defined as counties that share a border with Denver. This Comparator Jurisdiction is used only when data are not available for the Neighboring Cities. This group includes Adams, Arapahoe, and Jefferson counties.
- “Rural Counties,” defined as those counties classified as only having “rural populations” by the U.S. Census Bureau³⁴ that are included in the Denver-Aurora-Lakewood Metropolitan Statistical Area.³⁵ This group includes Clear Creek, Elbert, Gilpin, and Park counties.

30 Colorado State Demography Office, County Spreadsheets, *County Population 1-year forecasts, 2000 - 2050*. xls, <https://demography.dola.colorado.gov/assets/html/county.html> (last visited June 14, 2023).

31 Colorado State Demography Office, Municipal & Place Spreadsheets, *Municipalities within County Estimates, 2010 to Current Year*. xls, <https://demography.dola.colorado.gov/assets/html/muni.html> (last visited June 14, 2023).

32 See prior footnote.

33 Unemployment and earnings data are not available for these localities.

34 U.S. Census Bureau, *Rural America*, <https://mtgis-portal.geo.census.gov/arcgis/apps/MapSeries/index.html?appid=49cd4bc9c8eb444ab51218c1d5001ef6> (last visited June 14, 2023); see also U.S. Census Bureau, Colorado Urban and Rural Decennial Census Data, [https://data.census.gov/table?q=urban+population&g=0400000US08\\$050000_040XX00US08,08\\$0500000](https://data.census.gov/table?q=urban+population&g=0400000US08$050000_040XX00US08,08$0500000) (last visited June 14, 2023) (showing 0 urban population for Clear Creek, Elbert, Gilpin, and Park counties).

35 U.S. Office of Management and Budget, *OMB Bulletin No. 13-01: Revised Delineations of Metropolitan Statistical Areas, Micropolitan Statistical Areas, and Combined Statistical Areas, and Guidance on Uses of the Delineations of These Areas* (PDF) (February 28, 2013), <https://obamawhitehouse.archives.gov/sites/default/files/omb/bulletins/2013/b13-01.pdf>.

C. UNEMPLOYMENT RATES

This section compares unemployment rates for Denver and Comparator Jurisdictions, as well as the rate for Colorado.³⁶ This comparison uses Colorado's unemployment rate as a baseline, and measures unemployment for Denver and Comparator Jurisdictions from that baseline. A lower-than-Colorado unemployment rate for a jurisdiction indicates higher rates of employment than the state average, while a higher unemployment rate indicates the inverse.

As of July 1, 2021, monthly unemployment data were available for all of 2019 and 2020.³⁷ Accordingly, this 2021 analysis compares annual average unemployment rates for 2019 with average unemployment rates for: (1) all of 2020; and (2) only January and February 2020, the sole months when the Denver Minimum Wage was in effect but COVID-19 had not yet significantly impacted Colorado's economy.

Table 1 shows the average unemployment rate for Colorado, Denver, and each Comparator Jurisdiction³⁸ for (1) 2019 and (2) January and February of 2020. The unemployment rate for Denver and each Comparator Jurisdiction (A) is compared to the Colorado rate (B), to calculate how many percentage points a given locality's unemployment rate is above or below the Colorado rate (C) ("± Colorado"). A positive ± Colorado factor indicates an unemployment rate higher than the state average; a negative factor indicates an unemployment rate lower than the state average. Each locality's 2019 ± Colorado factor is compared to the January-February 2020 ± Colorado factor to determine whether the locality's unemployment rate increased or decreased relative to the state average.

36 Unemployment rates from U.S. Bureau of Labor Statistics, BLS Beta Labs, BLS Data Finder 1.1, <https://beta.bls.gov/dataQuery/find?st=0&r=20&more=0> (last visited June 14, 2023) (reports generated for each county). These data are not seasonally adjusted, as no seasonally-adjusted data were available for all localities.

37 Unemployment data were also available for certain months in early 2021, but this Section IV analyzes only data for 2020, the first full year in which the Denver Minimum Wage was in effect.

38 The population-weighted average for each group of Comparator Jurisdictions is used. Population data are derived from the Colorado State Demography Office, cited above. These data report population estimates or forecasts for each July, using the population for the midpoint of the time period. For 2019 and 2020 full years, this midpoint is July, and the July population estimate is used. For other periods, e.g. January-February of 2020, the population estimate for the preceding July is increased by the average monthly rate of growth or attrition by dividing the annual growth from one July population estimate to the next by 12 (the number of months in a year). This growth rate is then multiplied by the number of months of growth or attrition to the midpoint of the time period. For example, for Q1 of 2020, the 2019 to 2020 population growth/attrition rate is divided by 12, then multiplied by 7 (months August 2019 through February 2020, which is the midpoint of the January-March span of Q1 2020), and this growth is applied to the July 2019 population estimate.

TABLE 1 AVERAGE UNEMPLOYMENT RATE: 2019 VERSUS JAN.-FEB. 2020 (POST-DENVER MINIMUM WAGE, PRE-COVID-19)							
	2019			JAN.-FEB. 2020			Difference 2019 to Jan.-Feb. 2020 (C2-C1)
	(A1) Locality/ies	(B1) Colorado	(C1) Locality +/- Colorado (A1 - B1)	(A2) Locality/ies	(B2) Colorado	(C2) Locality +/- Colorado (A2 - B2)	
Denver	2.59	2.66	-0.067	2.80	2.90	-0.100	-0.033
Comparable Cities	2.81	2.66	0.152	2.99	2.90	0.086	-0.066
Neighboring Cities	2.69	2.66	0.030	2.88	2.90	-0.022	-0.052
Comparable Counties	2.67	2.66	0.014	2.86	2.90	-0.043	-0.057
Rural Counties	2.25	2.66	-0.405	2.42	2.90	-0.483	-0.079

Table 1 shows that comparing 2019 and January-February 2020, Denver’s unemployment rate dropped compared to the state, from 0.067 percentage points lower than the state average to 0.100 percentage points lower. This represents a decrease of 0.033 percentage points compared to the state average. All Comparator Jurisdictions also experienced a decreased unemployment rate compared to state average: Comparable Cities by 0.066 percentage points, Neighboring Cities by 0.052, Comparable Counties by 0.057, and Rural Counties by 0.079. The variance in decreased +/- Colorado factor shown in Table 1 is nominal, with the widest spread only 0.046 percentage points (between Denver and Rural Counties).

Table 1 indicates, after Denver adopted a local minimum wage:

- its unemployment trend remained in line with Comparator Jurisdictions – all saw a rise in unemployment from 2019 to early 2020 that was smaller than the statewide rise; and
- its January-February 2020 unemployment rate remained lower than in all three urban Comparator Jurisdictions (Comparable Cities, Comparable Counties, and Neighboring Cities) with only Rural Counties having lower average unemployment.

Table 2 presents the same analysis as Table 1, but compares the 2019 +/- Colorado factor for each locality to the 2020 factor. Table 2 includes the period of 2020 during which COVID-19 impacted Colorado unemployment rates, with higher COVID-19 infection rates strongly correlated with higher unemployment rates. This correlation is borne out in Denver’s unemployment rate. Compared to Comparable Counties, Denver had the second-highest rate of COVID-19 cases in 2020, Adams County had the highest, and Arapahoe County had the third-highest. These three counties also had the largest increase in unemployment relative to the state average, with Denver increasing 1.00 percentage points, Adams County increasing 0.58, and Arapahoe County increasing 0.60.

TABLE 2 AVERAGE UNEMPLOYMENT RATE: 2019 VERSUS 2020							
	2019			2020			Difference 2019 to Jan.-Feb. 2020 (C3-C1)
	(A1) Locality/ies	(B1) Colorado	(C1) Locality +/- Colorado (A1 - B1)	(A3) Locality/ies	(B3) Colorado	(C3) Locality +/- Colorado (A3 - B3)	
Denver	2.59	2.66	-0.067	8.23	7.30	0.933	1.000
Comparable Cities	2.81	2.66	0.152	7.69	7.30	0.394	0.242
Neighboring Cities	2.69	2.66	0.030	8.05	7.30	0.749	0.719
Comparable Counties	2.67	2.66	0.014	7.23	7.30	-0.071	-0.085
Rural Counties	2.25	2.66	-0.405	6.23	7.30	-1.066	-0.662

Thus, Denver experienced worse unemployment than other localities not after adopting a local minimum wage, but months later after suffering a greater impact from COVID-19 than much of the rest of Colorado.

The preceding tables aggregate unemployment rates for all jurisdictions in each Comparator Jurisdiction group. The following charts present unemployment rates for each individual jurisdiction, with each Comparator Jurisdiction group represented in a separate chart. These charts show, month by month, each jurisdiction’s +/- Colorado factor. That is, in each chart, “0” on the Y-axis is the Colorado unemployment rate (the state baseline), and the lines for each jurisdiction show how much higher or lower its unemployment rate was than the Colorado rate.

CHART 1 UNEMPLOYMENT RATE +/- COLORADO: DENVER AND COMPARABLE CITIES

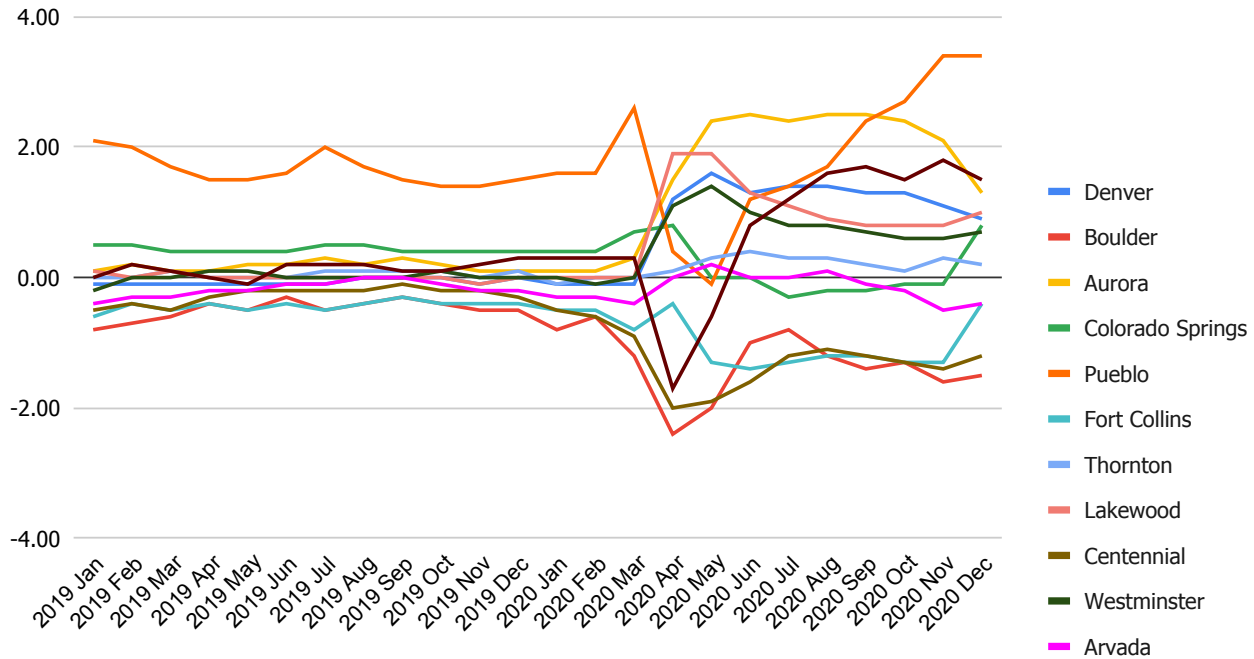


CHART 2 UNEMPLOYMENT RATE +/- COLORADO: DENVER AND NEIGHBORING CITIES

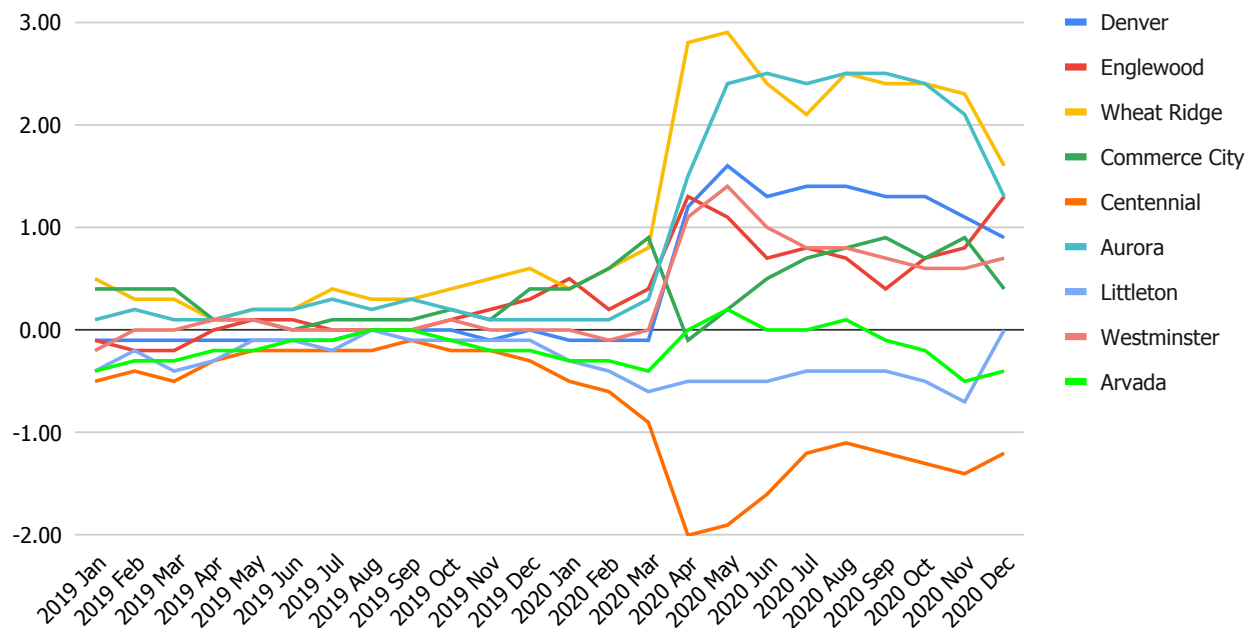


CHART 3 UNEMPLOYMENT RATE +/- COLORADO: DENVER AND COMPARABLE COUNTIES

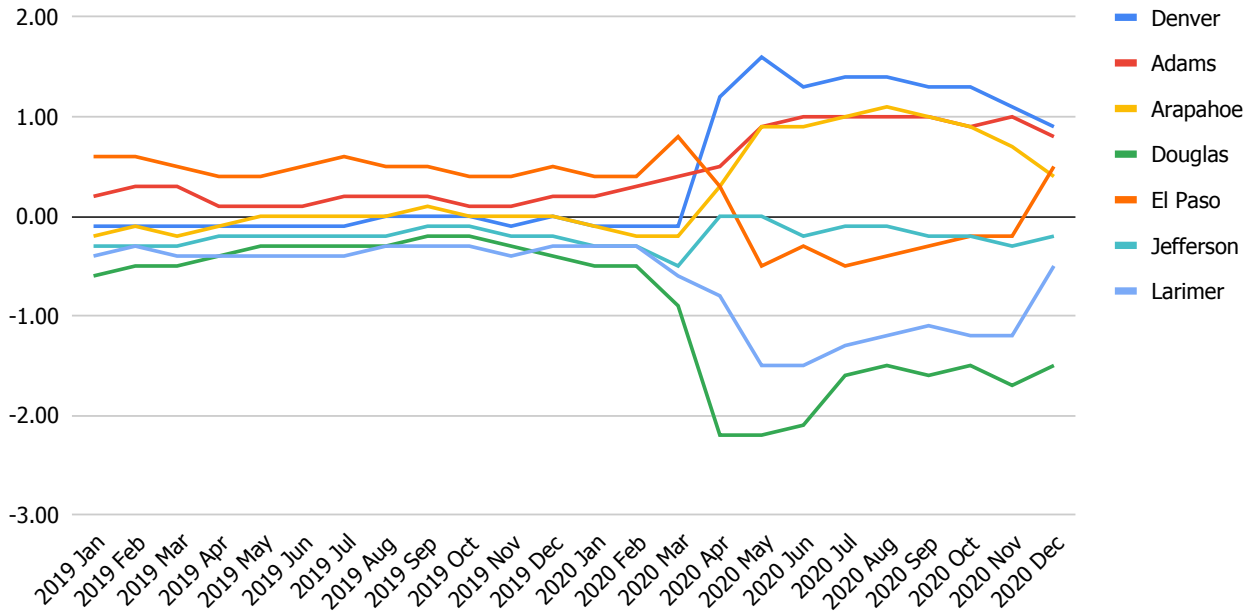
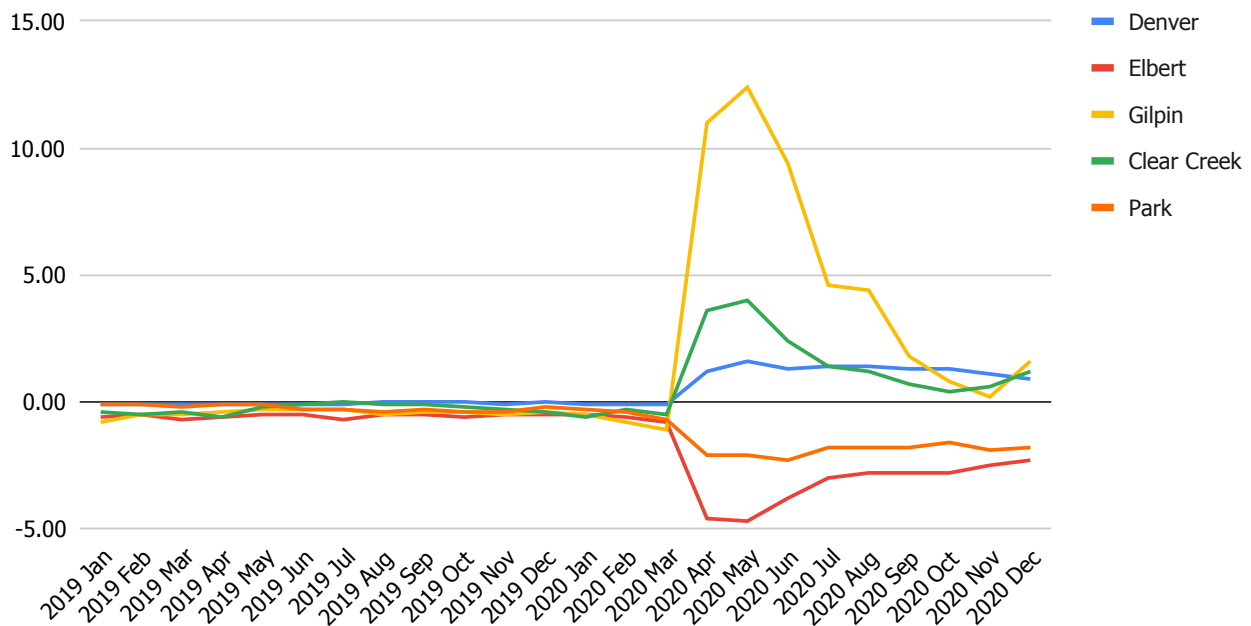


CHART 4 UNEMPLOYMENT RATE +/- COLORADO: DENVER AND RURAL COUNTIES



D. EARNINGS

This section compares average per-worker weekly earnings for Denver, Comparator Jurisdictions, and Colorado as a whole.³⁹ This comparison uses Colorado's weekly average earnings as a baseline, and measures earnings for Denver and Comparator Jurisdictions from that baseline. Higher-than-Colorado earnings for a jurisdiction indicate higher earnings than the state average, while lower earnings indicate the inverse.

As of July 1, 2021, quarterly earnings data were available for all of 2019 and Q1-Q3 of 2020. Accordingly, this 2021 analysis compares average weekly earnings for: (1) Q1-Q3 2019 compared to Q1-Q3 2020 – the entire period during which Denver's minimum wage has been in effect for which data are available; and (2) Q1 2019 compared to Q1 2020 – the first quarter during which Denver's minimum wage was in effect but COVID-19 had mostly not yet significantly impacted Colorado's economy. Because earnings fluctuate significantly throughout the year, with higher earnings in Q1, quarters in 2020 must be compared with the same quarters in 2019 to provide a meaningful comparison. Data are only available on the county level, so earnings are analyzed only for Comparable Counties, Neighboring Counties, and Rural Counties.

Table 3 shows the average weekly earnings for Colorado, Denver, and each Comparator Jurisdiction⁴⁰ for (1) Q1 2019 and (2) Q1 2020. The earnings for Denver and each Comparator Jurisdiction (A) are compared to average Colorado earnings (B), to calculate how much higher or lower a given locality's weekly earnings are than the Colorado average (C) ("±/- Colorado"). A positive ±/- Colorado factor indicates earnings higher than the state average; a negative factor indicates earnings lower than the state average. Each locality's Q1 2019 ±/- Colorado factor is compared to the Q1 2020 ±/- Colorado factor to determine whether the locality's earnings increased or decreased relative to the state average.

TABLE 3 AVERAGE WEEKLY EARNINGS: Q1 2019 VERSUS Q1 2020 (POST-DENVER MINIMUM WAGE, MOSTLY PRE-COVID-19)							
	Q1 2019			Q1 2020			Difference Q1 2019 to Q1 2020 (C2-C1)
	(A1) Locality/ies	(B1) Colorado	(C1) Locality +/- Colorado (A1 - B1)	(A2) Locality/ies	(B2) Colorado	(C2) Locality +/- Colorado (A2 - B2)	
Denver	\$1,533.00	\$1,231.00	\$302.00	\$1,622.00	\$1,283.00	\$339.00	\$37.00
Comparable Counties	\$1,199.61	\$1,231.00	-\$31.39	\$1,231.60	\$1,283.00	-\$51.40	-\$20.01
Neighboring Counties	\$1,264.43	\$1,231.00	\$33.43	\$1,306.25	\$1,283.00	\$23.25	-\$10.19
Rural Counties	\$832.04	\$1,231.00	-\$398.96	\$864.16	\$1,283.00	-\$418.84	-\$19.88

39 Earnings data from U.S. Bureau of Labor Statistics Quarterly Census of Employment and Wages, <https://beta.bls.gov/dataQuery/find?st=0&r=20&more=0> (last visited June 14, 2023) (reports generated for all industries and all counties in Colorado).

40 The population-weighted average for each group of Comparator Jurisdictions is used, with population data from the Colorado State Demography Office cited above.

Table 3 shows that comparing Q1 2019 and Q1 2020, Denver's average weekly earnings increased compared to the state, from \$302.00 higher than the state average to \$339.00 higher, a 12.3% increase.

The earnings for all Comparator Jurisdictions fell compared to the state average. Denver's earnings remained significantly higher than the state average.

Table 4 presents the same analysis as Table 3, but compares the Q1-Q3 2019 +/- Colorado factor for each locality to the Q1-Q3 2020 factor. This table shows that Denver's average weekly earnings continued to rise in Q2 and Q3 of 2020, with an increase of \$52.00 compared to the state average between Q1-Q3 2019 and Q1-Q3 2020. During this same period, wages for all comparator jurisdictions fell relative to the state average.

TABLE 4 AVERAGE WEEKLY EARNINGS: Q1-Q3 2019 VERSUS Q1-Q3 2020							
	Q1-Q3 2019			Q1-Q3 2020			Difference Q1-Q3 2019 to Q1-Q3 2020 (C4-C3)
	(A3) Locality/ies	(B3) Colorado	(C1) Locality +/- Colorado (A3 - B3)	(A4) Locality/ies	(B4) Colorado	(C4) Locality +/- Colorado (A4 - B4)	
Denver	\$1,413.67	\$1,176.33	\$237.33	\$1,538.33	\$1,249.00	\$289.33	\$52.00
Comparable Counties	\$1,143.79	\$1,176.33	-\$32.54	\$1,209.76	\$1,249.00	-\$39.24	-\$6.70
Neighboring Counties	\$1,199.85	\$1,176.33	\$23.52	\$1,272.42	\$1,249.00	\$23.42	-\$0.10
Rural Counties	\$830.92	\$1,176.33	-\$345.41	\$886.61	\$1,249.00	-\$362.39	-\$16.98

Tables 3 and 4 show that Denver wages rose, and also rose more than those of all Comparator Jurisdictions and the state, both in early 2020 after adopting a local minimum wage but before the main COVID-19 impact, and later in 2020 after the main impact of COVID-19.

The preceding tables aggregate weekly earnings for all jurisdictions in each Comparator Jurisdiction group. The following charts present average weekly earnings for each individual jurisdiction, with each Comparator Jurisdiction group represented in a separate chart. These charts show, quarter by quarter, each jurisdiction's +/- Colorado factor. That is, in each chart "0" on the Y-axis is the average Colorado weekly earnings (the state baseline), and the lines for each jurisdiction show how much higher or lower that jurisdiction's earnings were than the Colorado average.

CHART 5 AVERAGE WEEKLY EARNINGS +/- COLORADO: DENVER AND COMPARABLE COUNTIES

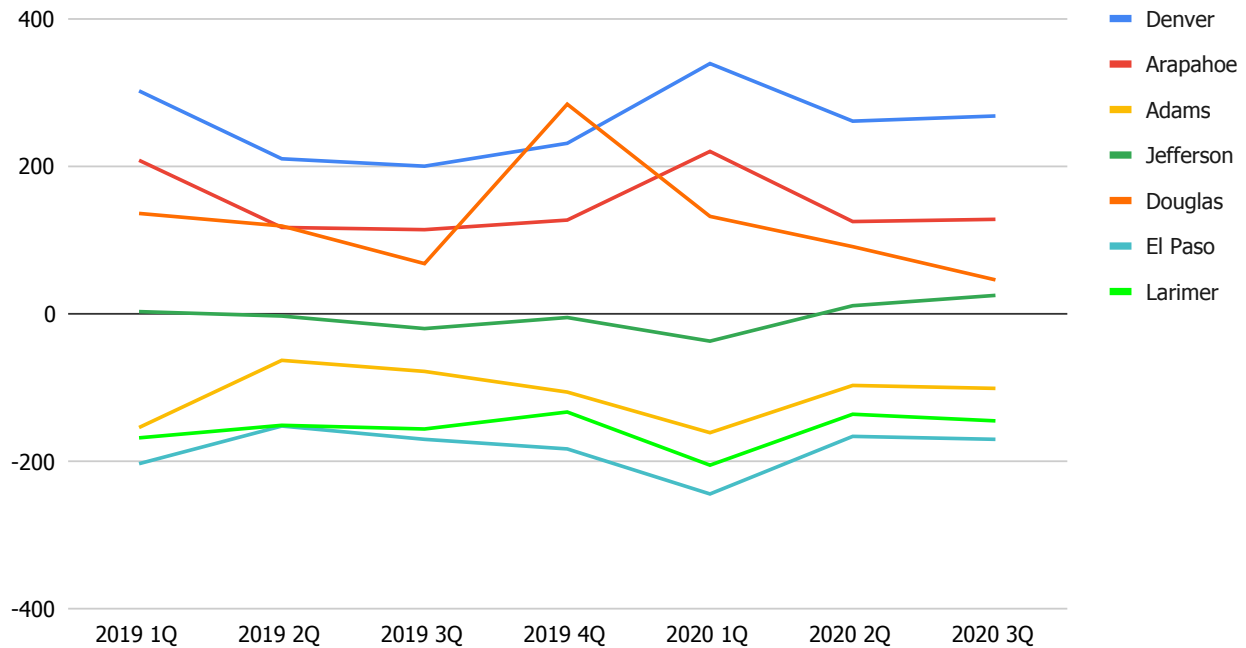


CHART 6 AVERAGE WEEKLY EARNINGS +/- COLORADO: DENVER AND NEIGHBORING COUNTIES

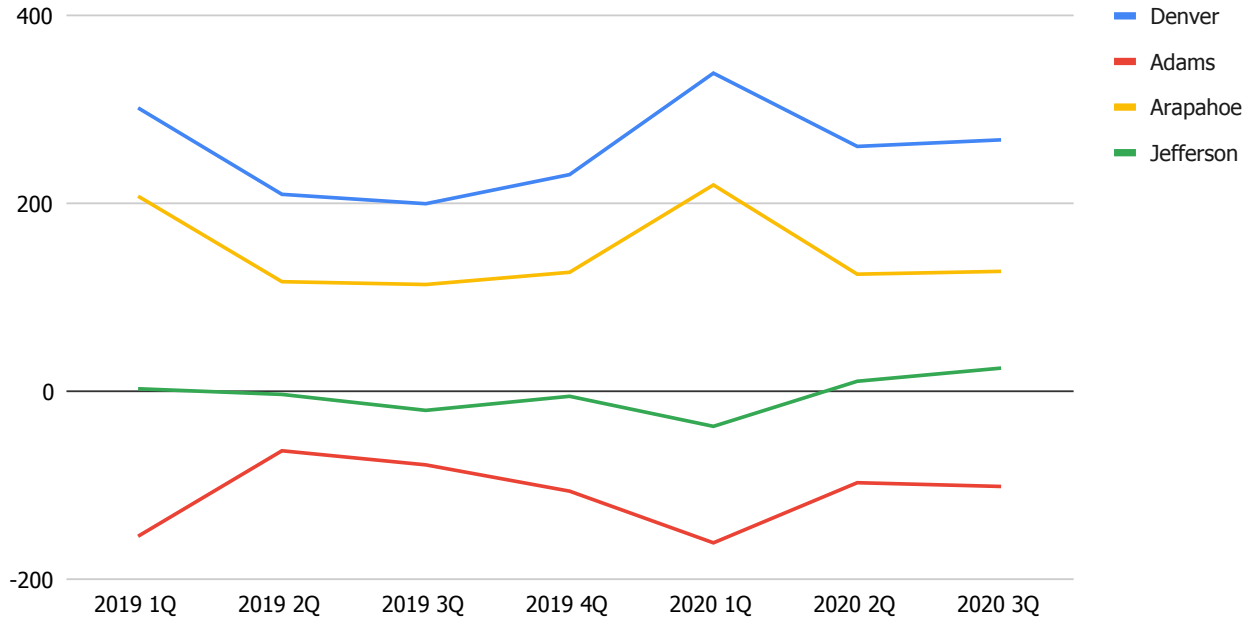
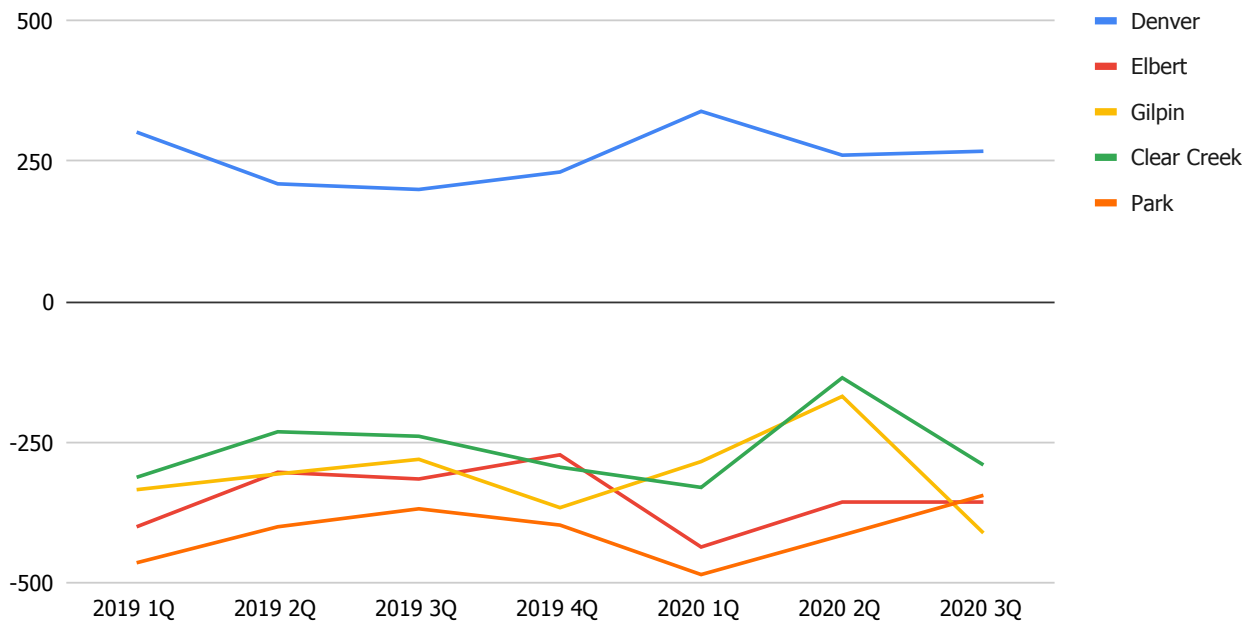


CHART 7 AVERAGE WEEKLY EARNINGS +/- COLORADO: DENVER AND RURAL COUNTIES



E. SALES TAX REVENUE

This section compares per capita monthly state sales tax collected for Denver and Comparator Jurisdictions, as well as per capita sales tax revenues for Colorado.⁴¹ This comparison uses Colorado's per capita sales tax revenues as a baseline, and measures sales tax collected from Denver and Comparator Jurisdictions from this baseline. Higher-than-Colorado sales tax revenues for a jurisdiction indicate higher per capita sales tax revenues than the state average, while lower sales tax revenues indicate the inverse.

As of July 1, 2021, monthly sales tax data were available for all of 2019 and 2020. Accordingly, this analysis compares monthly average sales tax revenues for: **(1)** 2019 compared to 2020, the period during which Denver's minimum wage has been in effect for which data are available; and **(2)** January-February of 2019 compared to January- February of 2020, the months when Denver's minimum wage was in effect but before the significant economic impacts of COVID-19. Because sales tax revenue fluctuates significantly throughout the year, with higher sales tax revenues at the end of the year, January-February of 2020 must be compared with these same months in 2019 to provide a meaningful comparison.

Table 5 shows the average per capita monthly state sales tax revenues for Colorado, Denver, and each Comparator Jurisdiction⁴² for **(1)** January-February 2019 and **(2)** January-February 2020. The sales tax revenues for Denver and each Comparator Jurisdiction **(A)** are compared to Colorado sales tax revenues **(B)**, to calculate how much higher or lower a given locality's sales tax revenues are than the Colorado average **(C)** (" +/- Colorado"). A positive +/- Colorado factor indicates sales tax revenues higher than the state average and a negative one indicates the inverse. Each locality's January-February 2019 +/- Colorado factor is compared to the January-February 2020 +/- Colorado factor to determine whether the locality's sales tax revenues increased or decreased relative to the state average.

41 Sales tax data from the Colorado Department of Revenue Sales Reports, <https://cdor.colorado.gov/retail-sales-reports> (last visited June 14, 2023). For 2019, these reports include sales tax reported by city, county, and the state. For 2020, the reports include only taxable sales, and sales tax revenues are calculated by multiplying taxable sales by the 2.9% Colorado sales tax. Per capita sales tax is derived by dividing total sales tax collected for a given locality by the population for that locality. Population data come from the Colorado State Demography Office cited above.

42 The population-weighted average for each group of Comparator Jurisdictions is used. Population data come from the Colorado State Demography Office cited above.

TABLE 5 AVERAGE MONTHLY SALES TAX REVENUES: JAN.-FEB. 2019 VERSUS JAN.-FEB. 2020 (POST-DENVER MINIMUM WAGE, MOSTLY PRE-COVID-19)							
	JAN.-FEB. 2019			JAN.-FEB. 2020			Difference Jan.-Feb. 2019 to Jan.-Feb. 2020 (C2 - C1)
	(A1) Locality/ies	(B1) Colorado	(C1) Locality +/- Colorado (A1 - B1)	(A2) Locality/ies	(B2) Colorado	(C2) Locality +/- Colorado (A2 - B2)	
Denver	\$49.92	\$37.83	\$12.10	\$51.78	\$43.12	\$8.66	-\$3.44
Comparable Cities	\$35.02	\$37.83	-\$2.81	\$40.54	\$43.12	-\$2.58	\$0.23
Neighboring Cities	\$51.98	\$37.83	\$14.15	\$50.42	\$43.12	\$7.30	-\$6.85
Comparable Counties	\$45.26	\$37.83	\$7.43	\$43.54	\$43.12	\$0.42	-\$7.01
Rural Counties	\$28.30	\$37.83	-\$9.53	\$27.36	\$43.12	-\$15.76	-\$6.23

Table 5 shows that comparing January-February 2019 and January-February 2020, Denver’s average monthly per capita sales tax revenues decreased compared to the state average, from \$12.10 higher than the state average to \$8.66 higher. This represents a decrease of \$3.44 compared to the state average.

Most Comparator Jurisdictions experienced a larger sales tax decrease than Denver in January-February 2020.

Tax revenues for Neighboring Cities, Comparable Counties, and Rural Counties all fell by \$6.23-\$7.01, i.e., by about twice as much as Denver’s sales tax revenues fell. Comparable Cities did not suffer a similar drop, instead rising by \$0.23 compared to the state average, though even with this increase in Comparable Cities’ sales tax revenues, Denver retained higher per capita sales tax revenues than the state average and all Comparator Jurisdictions, including Comparable Cities.

TABLE 6 AVERAGE MONTHLY SALES TAX REVENUES: 2019 VERSUS 2020							
	2019			2020			Difference 2019 to 2020 (C4 - C3)
	(A3) Locality/ies	(B3) Colorado	(C3) Locality +/- Colorado (A3 - B3)	(A4) Locality/ies	(B4) Colorado	(C4) Locality +/- Colorado (A4 - B4)	
Denver	\$57.72	\$45.40	\$12.32	\$48.63	\$45.91	\$2.72	-\$9.60
Comparable Cities	\$43.10	\$45.40	-\$2.30	\$44.22	\$45.91	-\$1.69	\$0.61
Neighboring Cities	\$48.09	\$45.40	\$2.69	\$51.38	\$45.91	\$5.47	\$2.77
Comparable Counties	\$41.42	\$45.40	-\$3.97	\$44.95	\$45.91	-\$0.96	\$3.01
Rural Counties	\$23.90	\$45.40	-\$21.50	\$28.15	\$45.91	-\$17.76	\$3.74

Table 6 presents the same analysis as Table 5, but compares the 2019 +/- Colorado factor for each locality to the 2020 factor.

Table 6 shows a \$9.60 decrease in Denver’s monthly per capita sales tax revenue, as compared to the state average, between 2019 and 2020. Comparator Jurisdictions showed an overall increase in sales tax revenues for this same time period.

Denver’s sales tax revenues did not suffer relative to other parts of the state in the initial months after it adopted its minimum wage; Denver’s sales tax revenues suffered only after the impact of COVID-19.

Some commentators had previously so noted, citing the economic impacts of COVID-19 particularly on Denver bars and restaurants.⁴³ A Common Sense Institute report, noting Denver's greater rate of sales tax revenues decline, provides some possible explanation:⁴⁴

While the evidence that some cities are being hit much harder from a revenues standpoint that [sic] others, there is not enough detail in the reports just yet, to fully understand exactly why. However, it is likely that many factors are at play, including the following.

...

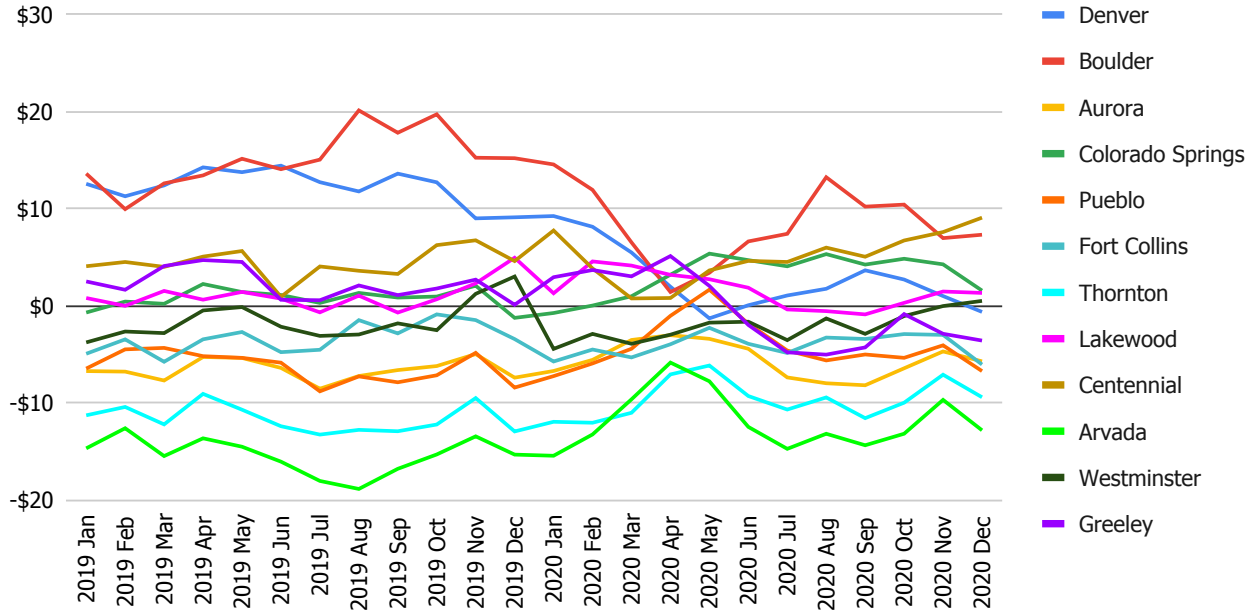
- **City mix of residential vs commercial** – Denver, which typically benefits from large numbers of in-commuters, faces larger revenues losses due to the near elimination of daily commuters, business travelers and evening commuters going to events or dinners. Cities and counties outside the urban core may benefit from local citizens staying in their homes and shopping more locally than usual. They also face less exposure to the drying up of business-related travel.
- **Degree to which businesses have stayed open and consumers have returned to more normal spending patterns** - While the state's executive administration has issued many statewide orders related to public health, including the March and April Safer-at-Home orders, some cities have implemented stricter polices [sic], while others have received exemptions. There is also an observable difference between the way citizens of different counties or cities have chosen to respond to the orders. In some regions, people have continued to shop in retail stores, or frequent restaurants and bars at higher rates than others.

The preceding tables aggregate sales tax revenues for all jurisdictions in each Comparator Jurisdiction group. The following charts present monthly per capita sales tax revenues for each individual jurisdiction, with each Comparator Jurisdiction group represented in a separate chart. These charts show, month by month, each jurisdiction's +/- Colorado factor. Those in each chart "0" on the Y-axis is the Colorado monthly per capita sales tax revenues (the state baseline), and the lines for each jurisdiction show how much higher or lower that jurisdiction's sales tax revenues were than those of Colorado.

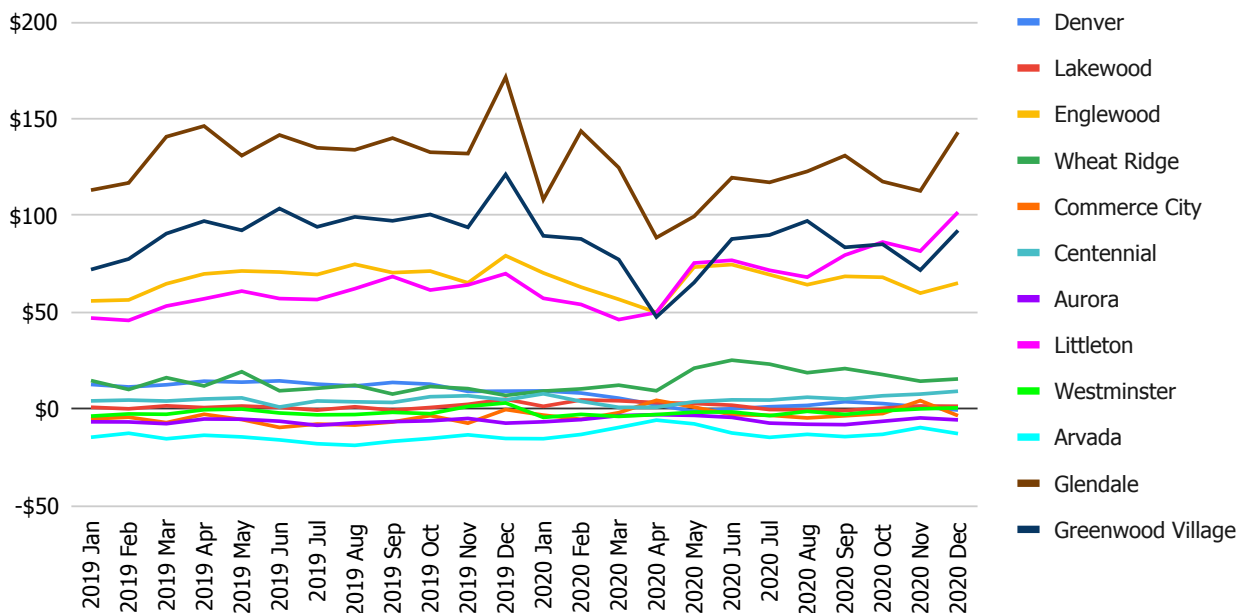
43 Alayna Alvarez, *More revenues loss looms over Denver amid virus surge, city officials predict*, Colorado Politics (Nov. 19, 2020), https://www.coloradopolitics.com/denver/more-revenue-loss-looms-over-denver-amid-virus-surge-city-officials-predict/article_6dab53fa-2a95-11eb-b452-eff61ee77070.html ("The pandemic has decimated consumer spending at restaurants and bars, the single largest contributor to Denver's sales and use tax revenue, the finance department estimates.").

44 Common Sense Institute, *Sales and Use Tax revenues in Colorado Cities Since Start of the Pandemic* (August 2020), <https://commonsenseinstituteco.org/sales-and-use-tax-revenue-in-colorado-cities-since-start-of-the-pandemic/>.

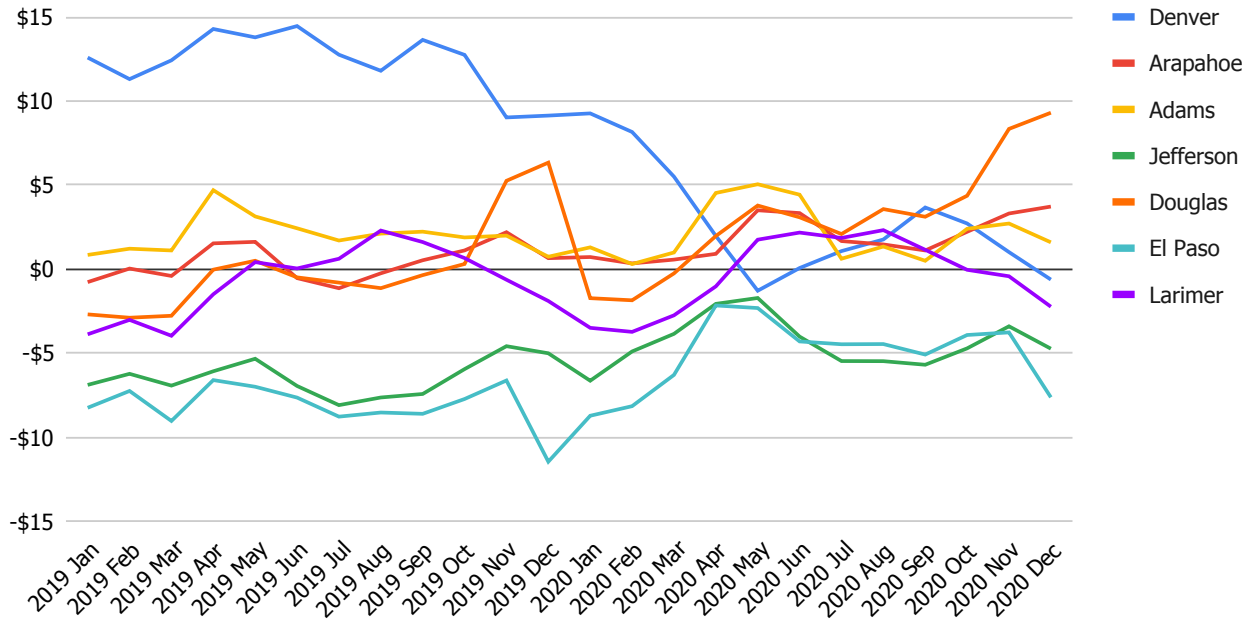
**CHART 8 SALES TAX PER CAPITA +/- COLORADO:
DENVER AND COMPARABLE CITIES**



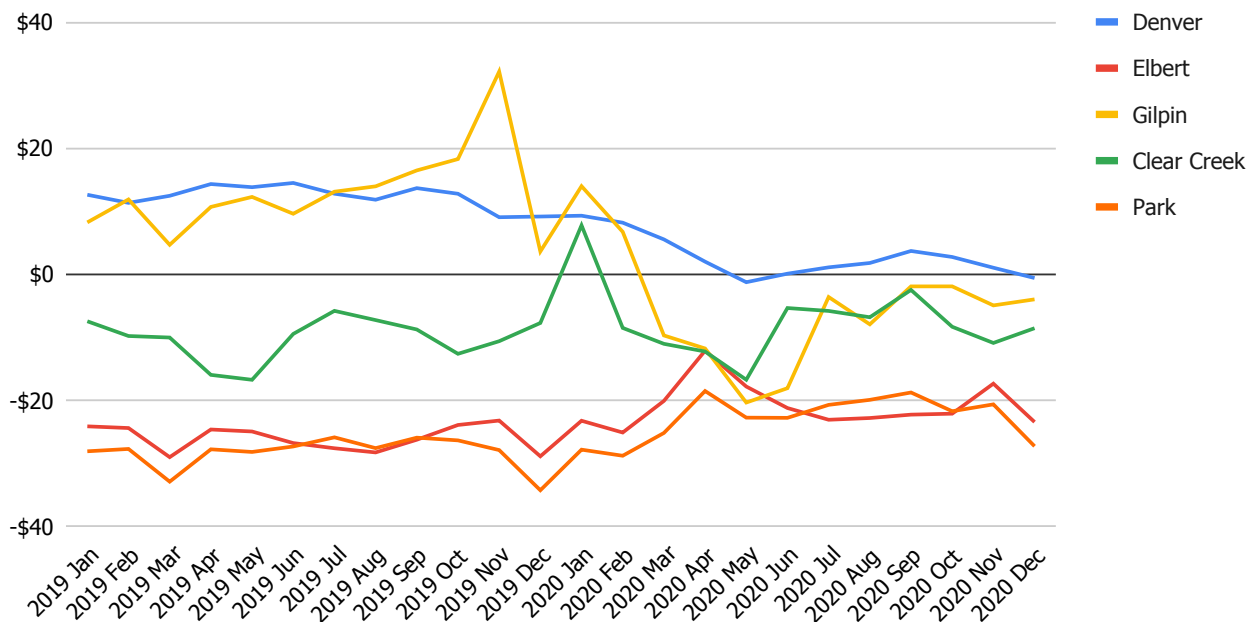
**CHART 9 SALES TAX PER CAPITA +/- COLORADO:
DENVER AND NEIGHBORING JURISDICTIONS**



**CHART 10 SALES TAX PER CAPITA +/- COLORADO:
DENVER AND COMPARABLE COUNTIES**



**CHART 11 SALES TAX PER CAPITA +/- COLORADO:
DENVER AND RURAL COUNTIES**



F. COST-OF-LIVING-ADJUSTED WAGES

In addition to the foregoing unemployment rate, earnings, and sales tax data, this Report compares the cost of living across Colorado counties to the applicable minimum wage for the state and these counties. By Colorado statute, minimum wages are intended to supply a minimum “necessary cost of living.”⁴⁵ Accordingly, this Report’s analysis of local minimum wages includes analyzing the relationship of the minimum wage in each county to that county’s cost of living.

The Colorado annual average cost of living for 2020 was \$57,714.31 based on the cost of living data reported in a relevant and comprehensive study of state variation in cost of living: the Colorado Legislative Council Staff 2019 School District Cost-of-Living Study.⁴⁶ This cost of living establishes a baseline: in a state where the average cost of living is \$57,714.31, the minimum wage set by state law to provide for the “necessary cost of living” was \$12.32. Accordingly, statewide, the minimum wage comes to \$1.00 per hour for every \$4,684.60 in annual cost of living (i.e., $\$57,714.31 \div \$12.32 = \$4,684.60$). For each Colorado county, Table 7 shows what wage would correspond to that statewide ratio of \$1.00 per hour for every \$4,684.60 in annual cost of living.

45 The Colorado Minimum Wage Act (“CMWA”) provides that “[i]t is unlawful to employ workers in any occupation within the state of Colorado for wages which are inadequate to supply the *necessary cost of living* and to maintain the health of the workers so employed.” C.R.S. § 8-6-104 (emphasis added). The CMWA also requires the Director of the Division of Labor Standards and Statistics within the CDLE to investigate wages that are “inadequate to supply the *necessary cost of living*” (C.R.S. § 8-6-105) and to “determine the minimum wages *sufficient for living wages*” within the constraints of “section 15 of article XVIII of the state constitution” (C.R.S. § 8-6-106). (Emphases added.)

In addition, in 2016 Colorado voters passed Amendment 70, which amended Section 15 of Article XVIII of the Colorado Constitution to increase the state minimum wage to \$12.00 by January 2020, then annually by inflation. The official Blue Book voter ballot information booklet description of Amendment 70 stated that the increased minimum wage is intended to address wages too low to maintain the “basic standard of living for some workers.” Legislative Council of the Colorado General Assembly, *2016 State Ballot Information Booklet and Recommendations on Retention of Judges*, Research Publication No. 669-6, at 28 (Sept. 12, 2016), <http://leg.colorado.gov/sites/default/files/2015-2016%20101bb.pdf>.

46 Colorado Legislative Council Staff 2019 School District Cost-of-Living Study (Mar. 11, 2020), https://leg.colorado.gov/sites/default/files/images/lcs/2020_cost_of_living_study_memo2.pdf. This study presents cost of living by each school district within each county, except for Broomfield. A cost of living was calculated for each county by multiplying the cost of living for each district by the number of pupils in that district based on the Colorado Department of Education reported pupil membership for 2019-2020, then dividing that number by the total number of pupils in the county. *2019-20 PK-12 Membership by District Ranking High to Low* (XLSX), <https://www.cde.state.co.us/cdereval/2019-2020pupilmembership> (last visited June 14, 2023). Because Broomfield is not included in the cost of living study, the cost of living for Broomfield is calculated by adjusting the weighted average cost of living for all other counties (cost of living multiplied by county population, divided by total population of all other counties) by 1.09, the ratio of Colorado cost of living (121.1% of US average) to Broomfield cost of living (132.2% of US average) as reported by the BestPlaces.net cost of living analysis. https://www.bestplaces.net/cost_of_living/city/colorado/broomfield and https://www.bestplaces.net/cost_of_living/state/colorado (last visited June 14, 2023). Population data used are the estimated 2020 county populations per the Colorado Demography Office, cited above. The state average cost of living is then calculated by multiplying county cost of living by the population for each county, then dividing that number by the total state population. Because the School District Cost-of-Living Study reports 2019 cost of living, cost of living for the state and all counties is increased by 1.92%, the 2019 Consumer Price Index increase for the Denver-Aurora-Lakewood MSA, which is also the benchmark used to adjust the state minimum wage. Colorado Department of Local Affairs, *Inflation - Denver-Aurora-Lakewood Consumer Price Index*, <https://cdola.colorado.gov/inflation-denver-aurora-lakewood-consumer-price-index> (last visited June 14, 2023).

**TABLE 7 WAGES EQUIVALENT TO STATEWIDE MINIMUM WAGE,
BASED ON COUNTY COST OF LIVING**

County	% of CO Population	Cost of Living	Applicable Minimum Wage, CO or Local	Wage That is Equivalent to CO Minimum, Based on County Cost of Living	Actual Min Wage as % of Projected Min Wage
Adams	9.01%	\$57,753.83	\$12.32	\$12.33	99.93%
Alamosa	0.28%	\$52,929.15	\$12.32	\$11.30	109.04%
Arapahoe	11.38%	\$57,793.05	\$12.32	\$12.34	99.86%
Archuleta	0.24%	\$55,438.50	\$12.32	\$11.83	104.11%
Baca	0.06%	\$51,478.14	\$12.32	\$10.99	112.11%
Bent	0.09%	\$50,275.20	\$12.32	\$10.73	114.80%
Boulder	5.64%	\$59,734.12	\$12.32	\$12.75	96.62%
Broomfield	1.24%	\$62,838.74	\$12.32	\$13.41	91.85%
Chaffee	0.35%	\$57,135.31	\$12.32	\$12.20	101.01%
Cheyenne	0.03%	\$52,374.69	\$12.32	\$11.18	110.20%
Clear Creek	0.17%	\$56,036.80	\$12.32	\$11.96	102.99%
Conejos	0.14%	\$51,337.54	\$12.32	\$10.96	112.42%
Costilla	0.07%	\$52,103.51	\$12.32	\$11.12	110.77%
Crowley	0.10%	\$52,019.97	\$12.32	\$11.10	110.95%
Custer	0.09%	\$54,686.30	\$12.32	\$11.67	105.54%
Delta	0.54%	\$52,793.57	\$12.32	\$11.27	109.32%
Denver	12.66%	\$61,509.10	\$14.77	\$13.13	112.49%
Dolores	0.03%	\$55,218.35	\$12.32	\$11.79	104.52%
Douglas	6.14%	\$58,480.93	\$12.32	\$12.48	98.69%
Eagle	0.95%	\$61,686.44	\$12.32	\$13.17	93.56%
El Paso	12.58%	\$55,815.56	\$12.32	\$11.91	103.40%
Elbert	0.47%	\$54,919.46	\$12.32	\$11.72	105.09%
Fremont	0.82%	\$54,007.62	\$12.32	\$11.53	106.86%
Garfield	1.05%	\$61,031.43	\$12.32	\$13.03	94.56%
Gilpin	0.11%	\$54,273.51	\$12.32	\$11.59	106.34%
Grand	0.27%	\$60,092.19	\$12.32	\$12.83	96.04%
Gunnison	0.30%	\$60,613.18	\$12.32	\$12.94	95.22%

**TABLE 7 WAGES EQUIVALENT TO STATEWIDE MINIMUM WAGE,
BASED ON COUNTY COST OF LIVING**

County	% of CO Population	Cost of Living	Applicable Minimum Wage, CO or Local	Wage That is Equivalent to CO Minimum, Based on County Cost of Living	Actual Min Wage as % of Projected Min Wage
Hinsdale	0.01%	\$57,021.38	\$12.32	\$12.17	101.22%
Huerfano	0.12%	\$51,382.56	\$12.32	\$10.97	112.32%
Jackson	0.02%	\$56,598.40	\$12.32	\$12.08	101.97%
Jefferson	10.06%	\$58,278.10	\$12.32	\$12.44	99.03%
Kiowa	0.02%	\$51,920.53	\$12.32	\$11.08	111.16%
Kit Carson	0.12%	\$53,943.68	\$12.32	\$11.52	106.99%
La Plata	0.98%	\$57,271.61	\$12.32	\$12.23	100.77%
Lake	0.14%	\$58,541.07	\$12.32	\$12.50	98.59%
Larimer	6.21%	\$56,608.39	\$12.32	\$12.08	101.95%
Las Animas	0.25%	\$51,861.30	\$12.32	\$11.07	111.29%
Lincoln	0.10%	\$53,880.54	\$12.32	\$11.50	107.12%
Logan	0.38%	\$54,046.88	\$12.32	\$11.54	106.79%
Mesa	2.68%	\$54,698.97	\$12.32	\$11.68	105.51%
Mineral	0.01%	\$53,959.58	\$12.32	\$11.52	106.96%
Moffat	0.23%	\$55,871.68	\$12.32	\$11.93	103.30%
Montezuma	0.45%	\$55,782.26	\$12.32	\$11.91	103.46%
Montrose	0.74%	\$54,577.44	\$12.32	\$11.65	105.75%
Morgan	0.50%	\$54,893.63	\$12.32	\$11.72	105.14%
Otero	0.31%	\$50,310.70	\$12.32	\$10.74	114.72%
Ouray	0.08%	\$56,599.03	\$12.32	\$12.08	101.97%
Park	0.33%	\$57,460.33	\$12.32	\$12.27	100.44%
Phillips	0.07%	\$54,001.24	\$12.32	\$11.53	106.88%
Pitkin	0.30%	\$75,125.12	\$12.32	\$16.04	76.82%
Prowers	0.21%	\$52,466.75	\$12.32	\$11.20	110.00%
Pueblo	2.90%	\$53,237.68	\$12.32	\$11.36	108.41%
Rio Blanco	0.11%	\$54,161.44	\$12.32	\$11.56	106.56%
Rio Grande	0.19%	\$52,362.30	\$12.32	\$11.18	110.22%

TABLE 7 WAGES EQUIVALENT TO STATEWIDE MINIMUM WAGE, BASED ON COUNTY COST OF LIVING					
County	% of CO Population	Cost of Living	Applicable Minimum Wage, CO or Local	Wage That is Equivalent to CO Minimum, Based on County Cost of Living	Actual Min Wage as % of Projected Min Wage
Routt	0.45%	\$62,261.90	\$12.32	\$13.29	92.70%
Saguache	0.12%	\$51,820.86	\$12.32	\$11.06	111.37%
San Juan	0.01%	\$56,943.92	\$12.32	\$12.16	101.35%
San Miguel	0.14%	\$61,470.89	\$12.32	\$13.12	93.89%
Sedgwick	0.04%	\$51,769.01	\$12.32	\$11.05	111.48%
Summit	0.54%	\$65,825.58	\$12.32	\$14.05	87.68%
Teller	0.44%	\$56,730.23	\$12.32	\$12.11	101.73%
Washington	0.08%	\$52,884.09	\$12.32	\$11.29	109.13%
Weld	5.70%	\$54,960.83	\$12.32	\$11.73	105.01%
Yuma	0.17%	\$53,638.39	\$12.32	\$11.45	107.60%

Table 7 shows, by county, (1) the percent of the state population residing in that county, (2) the county average cost of living, (3) the county minimum wage (\$12.32 for all counties except Denver), (4) the wage required to achieve the state ratio between minimum wage and cost of living for the county cost of living, and (5) the county minimum wage as a percentage of the wage required to match the state ratio of minimum wage to cost of living. For example, the average cost of living in Summit County is \$65,825.58, which yields a \$14.05 wage based on the state ratio of cost-of-living to minimum wage ($\$65,825.58 \div \$4,684.60 = \$14.05$). The state minimum wage of \$12.32 is 87.68% of this wage. Overall, Table 7 shows that when the statewide minimum wage is adjusted for county cost of living, then (excluding Denver, where statewide minimum wage is inapplicable because it was replaced by the local minimum wage): 47.6% of Coloradans are in counties where, based on local cost of living, the state minimum wage provides less than the statewide average; while 39.8% are in counties where, based on local cost of living, the state minimum wage provides more than the statewide average.



**V. 2023
ECONOMIC
DATA**

This section updates Section IV (the 2021 analysis) with 2021 and 2022 economic data. It compares unemployment rates, earnings, and sales tax revenue for the jurisdictions described in Section IV(B), then compares sales tax revenue data from the “Food Services and Drinking Places” industry in Denver and in other Colorado cities and counties.⁴⁷

A. UNEMPLOYMENT RATES

This section compares unemployment rates for Denver, for Comparator Jurisdictions, and for Colorado.⁴⁸ As in the 2021 analysis, Colorado’s unemployment rate serves as a baseline for comparing those of Denver and Comparator Jurisdictions.

Table 8 shows the average unemployment rate for Colorado, Denver, and each Comparator Jurisdiction⁴⁹ for 2019 through 2022. The unemployment rate for Denver and each Comparator Jurisdiction (**A**) is compared to the Colorado rate (**B**), to calculate how many percentage points a given locality’s unemployment rate is above or below the Colorado rate (**C**) (“+/- Colorado”). A positive +/- Colorado factor indicates an unemployment rate higher than the state average; a negative factor indicates an unemployment rate lower than the state average. Each locality’s +/- Colorado factor is compared to the prior year’s +/- Colorado factor to determine whether the locality’s unemployment rate increased or decreased relative to the state average.

47 Because the U.S. Bureau of Labor Statistics regularly revises prior published data, some numbers in this report analysis differ from those in the 2021 report, but the revisions overall are small, and do not meaningfully change the 2021 analysis. See Local Area Unemployment Statistics: Important Information, BLS, <https://www.bls.gov/lau/launews1.htm> (last visited June 14, 2023) (describing routine revisions at the substate level from 2018 to 2022).

48 Unemployment rates from U.S. Bureau of Labor Statistics, BLS Beta Labs, BLS Data Finder 1.1, <https://beta.bls.gov/dataQuery/find?st=0&r=20&more=0> (last visited June 14, 2023) (reports generated for each county). These data are not seasonally adjusted, as no seasonally-adjusted data were available for all localities.

49 The population-weighted average for each group of Comparator Jurisdictions is used. Population data are derived from the Colorado State Demography Office, cited above.

TABLE 8 AVERAGE UNEMPLOYMENT RATE: 2019 TO 2022									
	2019				2020			Difference 2019 to 2020 (C2-C1)	
	(A1) Locality/ies	(B1) Colorado	(C1) Locality +/- Colorado (A1 - B1)		(A2) Locality/ies	(B2) Colorado	(C2) Locality +/- Colorado (A2 - B2)		
Denver	2.58	2.67	-0.08		7.64	6.79	0.85	0.93	
Comparable Cities	2.82	2.67	0.16		7.14	6.79	0.35	0.19	
Neighboring Cities	2.70	2.67	0.04		7.46	6.79	0.66	0.63	
Comparable Counties	2.69	2.67	0.02		6.73	6.79	-0.06	-0.08	
Rural Counties	2.26	2.67	-0.41		5.83	6.79	-0.96	-0.55	
	2021				Difference 2020 to 2021 (C3-C2)	2022			Difference 2021 to 2022 (C4-C3)
	(A3) Locality/ies	(B3) Colorado	(C3) Locality +/- Colorado (A3 - B3)	(A4) Locality/ies		(B4) Colorado	(C4) Locality +/- Colorado (A4 - B4)		
Denver	5.90	5.45	0.45	-0.40	3.08	3.04	0.04	-0.41	
Comparable Cities	5.82	5.45	0.37	0.02	3.15	3.04	0.11	-0.26	
Neighboring Cities	5.86	5.45	0.41	-0.25	3.13	3.04	0.08	-0.33	
Comparable Counties	5.41	5.45	-0.04	0.02	3.00	3.04	-0.04	0.01	
Rural Counties	4.45	5.45	-1.00	-0.04	2.57	3.04	-0.47	0.53	

The top half of Table 8 indicates (as the 2021 report had) that in 2019, Denver's average unemployment rate (2.58%) was 0.08 percentage points lower than Colorado's (2.67%), and in 2020, Denver's unemployment rate was 0.85 percentage points higher than Colorado's. As the 2021 analysis showed, that relative increase in Denver's 2020 unemployment occurred when Denver was more economically impacted by COVID-19 than the rest of the state, and not in the two months prior to COVID-19 that Denver's local minimum wage was first in effect.

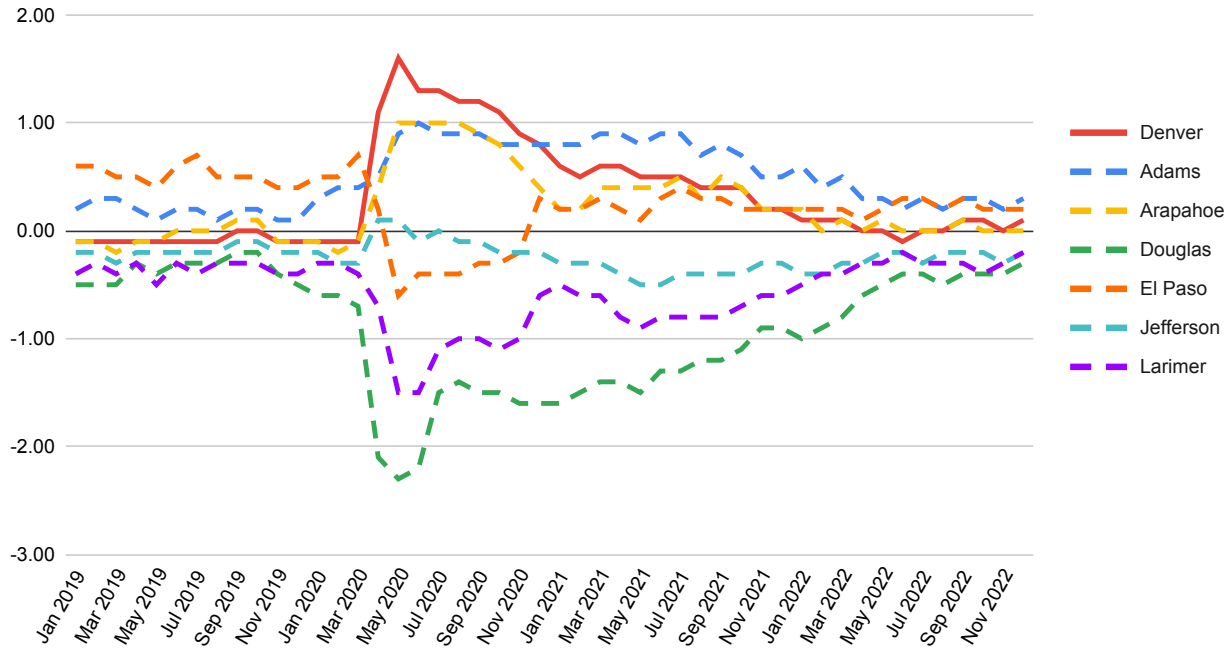
The bottom half of Table 8 presents new 2021 and 2022 data from the same jurisdictions:

- In 2021, Colorado's average unemployment rate dropped to 5.45%, while Denver's unemployment rate dropped to 5.90% -- a greater relative decline in unemployment for Denver (by 0.40%) than for Colorado.
- In 2022, this trend continued: Denver's unemployment rate declined another 0.41 percentage points more than Colorado's did -- dropping Denver's to 3.08%, nearly equal to Colorado's (3.04%), and lower than those of either Comparable Cities (3.15%) or Neighboring Cities (3.13%).

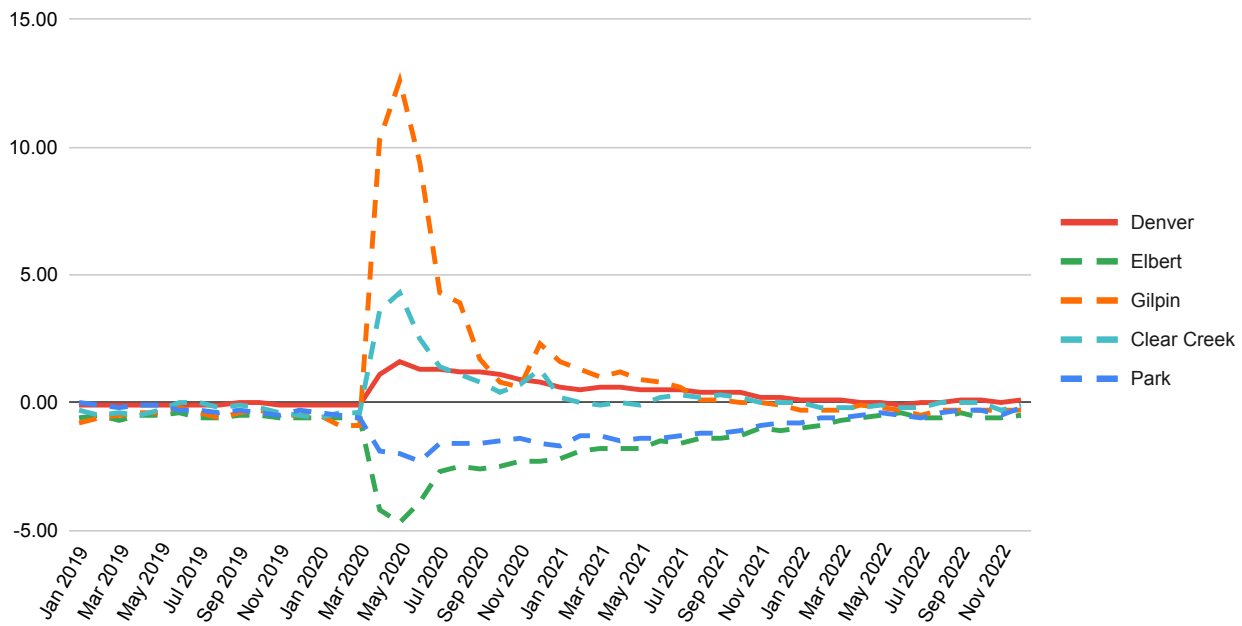
- **Overall, in both 2021 and 2022, as Denver's minimum wage rose significantly, its unemployment rate dropped more than any comparator jurisdiction's.**

The following graphs show Denver's relative change in unemployment from 2019 through 2022. Specifically, they show unemployment rates for each jurisdiction, with each Comparator Jurisdiction group represented in a separate graph. These graphs show, month by month, each jurisdiction's +/- Colorado factor. That is, in each chart, "0" on the Y-axis is the Colorado unemployment rate (the state baseline), and the lines for each jurisdiction show how much higher or lower its unemployment rate was than the Colorado rate.

**CHART 14 UNEMPLOYMENT RATE +/- COLORADO:
DENVER AND COMPARABLE COUNTIES**



**CHART 15 UNEMPLOYMENT RATE +/- COLORADO:
DENVER AND RURAL COUNTIES**



B. EARNINGS

This section compares average weekly earnings for workers in Denver and Comparator Jurisdictions, using Colorado statewide data as a baseline.⁵⁰

As of this report, quarterly earnings data were available from 2019 through the third quarter (Q3) of 2022. Because earnings can fluctuate seasonally or otherwise throughout a year, this report compares earnings in Q1-Q3 of each year, to assure a meaningful comparison between the same time periods each year. Data are available only on the county level, so earnings are analyzed only for Comparable Counties, Neighboring Counties, and Rural Counties.

Table 9 shows average weekly earnings for Colorado, Denver, and each Comparator Jurisdiction⁵¹ for the first three quarters of each year from 2019 through 2022. The earnings for Denver and each Comparator Jurisdiction **(A)** are compared to average Colorado earnings **(B)**, to calculate how much higher or lower a given locality's weekly earnings are than the Colorado average **(C)** (" +/- Colorado"). A positive +/- Colorado factor indicates earnings higher than the state average; a negative factor indicates earnings lower than the state average.

50 Earnings data from U.S. Bureau of Labor Statistics Quarterly Census of Employment and Wages, <https://beta.bls.gov/dataQuery/find?st=0&r=20&more=0> (last visited June 14, 2023) (reports generated for all industries and all counties in Colorado).

51 The population-weighted average for each group of Comparator Jurisdictions is used. Population data from the Colorado State Demography Office, cited above.

TABLE 9 AVERAGE WEEKLY EARNINGS: 2019 TO 2022 (Q1 - Q3 ONLY)								
	2019 (Q1 to Q3)				2020 (Q1 to Q3)			Difference 2019 to 2020 (C2-C1)
	(A1) Locality/ies	(B1) Colorado	(C1) Locality +/- Colorado (A1 - B1)		(A2) Locality/ies	(B2) Colorado	(C2) Locality +/- Colorado (A2 - B2)	
Denver	\$1413.67	\$1176.33	\$237.33		\$1538.33	\$1249.00	\$289.33	\$52.00
Neighboring Counties	\$1199.72	\$1176.33	\$23.39		\$1272.22	\$1249.00	\$23.22	-\$0.18
Comparable Counties	\$1143.49	\$1176.33	-\$32.84		\$1209.53	\$1249.00	-\$39.47	-\$6.63
Rural Counties	\$813.50	\$1176.33	-\$344.83		\$887.18	\$1249.00	-\$361.82	-\$16.99
	2021 (Q1 to Q3)			Difference 2020 to 2021 (C3-C2)	2022 (Q1 to Q3)			Difference 2021 to 2022 (C4-C3)
	(A3) Locality/ies	(B3) Colorado	(C3) Locality +/- Colorado (A3 - B3)		(A4) Locality/ies	(B4) Colorado	(C4) Locality +/- Colorado (A4 - B4)	
Denver	\$1652.00	\$1313.00	\$339.00	\$49.67	\$1779.00	\$1415.33	\$363.67	\$24.67
Neighboring Counties	\$1322.40	\$1313.00	\$9.40	-\$13.82	\$1422.82	\$1415.33	\$7.49	-\$1.91
Comparable Counties	\$1262.05	\$1313.00	-\$50.95	-\$11.47	\$1353.13	\$1415.33	-\$62.20	-\$11.26
Rural Counties	\$955.19	\$1313.00	-\$357.81	\$4.01	\$1029.41	\$1415.33	-\$385.93	-\$28.12

Table 9 shows that Denver's average weekly earnings were \$237.33 above Colorado's in 2019 (the year before Denver's higher minimum wage started), and then (A) in 2020 Denver's earnings advantage over Colorado grew by \$52.00, and (B) during this same period, wages for all comparator jurisdictions fell relative to the state average.

Each of the first three years since its local minimum wage took effect (2020-2022), Denver maintained strong wage growth, and stronger wage growth than Colorado and comparator jurisdictions.

In 2020, 2021, and 2022, while weekly wages in Comparator Jurisdictions remained stagnant or fell relative to statewide wages, Denver's weekly wages grew faster than the statewide growth by \$52.00 in 2020, by \$49.67 in 2021 and by \$24.67 in 2022. Analyses including the fourth quarter bear similar results.⁵²

52 In Q4 of 2019, Denver had average weekly wages of \$1,458 compared to Colorado's average weekly wages of \$1,227. This difference of \$231 is similar to Denver and Colorado's difference across the first three quarters of 2019, reported in Table 9 as \$237.33. The Q4 differences in average weekly wages between Denver and Colorado in 2020 and 2021 are also similar in magnitude and growth to the first three quarters in 2020 and 2021, at \$304 and \$331 respectively.

The following charts present average weekly earnings for each individual jurisdiction, with each Comparator Jurisdiction group represented in a separate chart. These charts show, quarter by quarter, each jurisdiction's +/- Colorado factor. That is, in each chart "0" on the Y-axis is the average Colorado weekly earnings (the state baseline), and the lines for each jurisdiction show how much higher or lower that jurisdiction's earnings were than the Colorado average.

Each chart shows Denver's average weekly wage growth has continued to outpace Colorado's average weekly wage growth. Every year it has had a local minimum wage, Denver has seen weekly earnings increase over Colorado while other jurisdictions have remained stagnant or have fallen further behind Colorado's statewide values.

CHART 16 AVERAGE WEEKLY EARNINGS +/- COLORADO: DENVER AND COMPARABLE COUNTIES

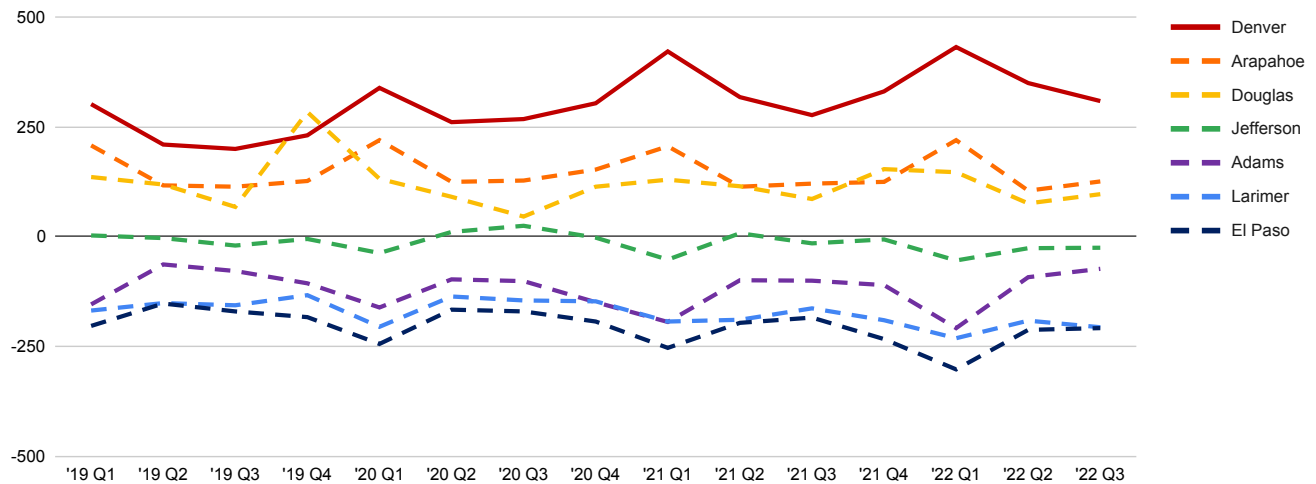


CHART 17 AVERAGE WEEKLY EARNINGS +/- COLORADO: DENVER AND NEIGHBORING COUNTIES

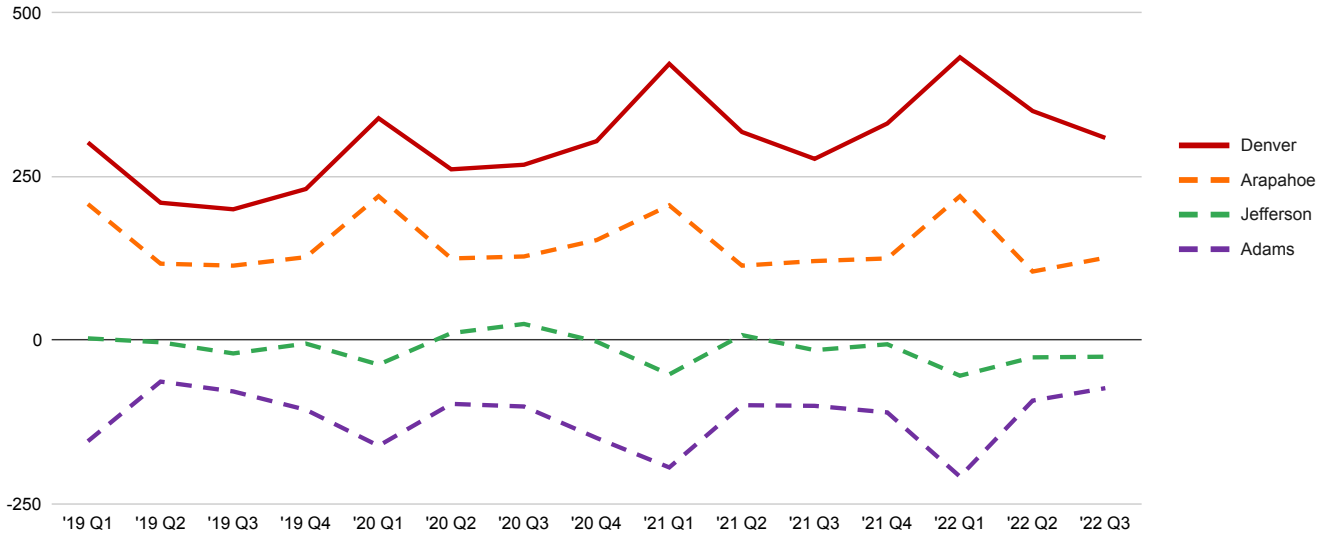
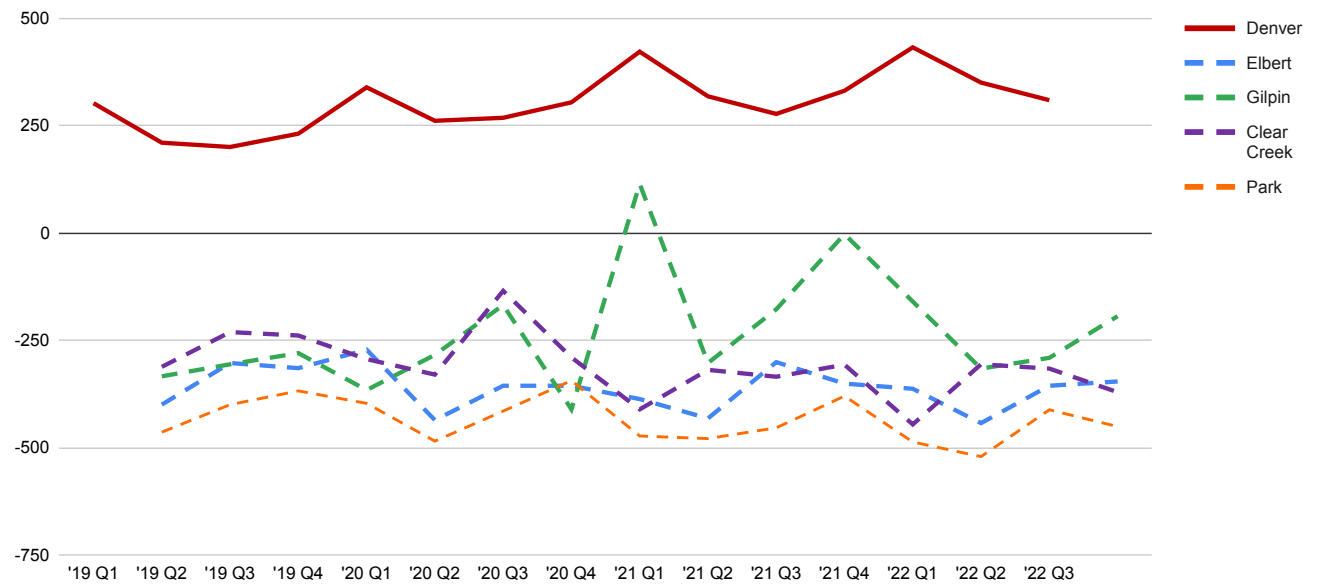


CHART 18 AVERAGE WEEKLY EARNINGS +/- COLORADO: DENVER AND RURAL COUNTIES



C. SALES TAX REVENUE

This section compares per capita monthly state sales tax collected for Denver and Comparator Jurisdictions, as well as per capita sales tax revenues for Colorado.⁵³ This comparison uses Colorado's per capita state sales tax revenues as a baseline, and measures sales tax collected from Denver and Comparator Jurisdictions from this baseline. The values presented here reflect only revenue from the state sales tax of 2.9% and not any local sales tax revenues for purposes of comparisons.

Table 10 shows average per capita monthly state sales tax revenues for Colorado, Denver, and each Comparator Jurisdiction⁵⁴ from 2019 through 2022. Sales tax revenues for Denver and each Comparator Jurisdiction **(A)** are compared to Colorado sales tax revenues **(B)**, to calculate how much higher or lower a given locality's sales tax revenues are than the Colorado average **(C)** ("± Colorado"). A positive ± Colorado factor indicates sales tax revenues higher than the state average and a negative one indicates the inverse. Each locality's ± Colorado factor is compared to the previous year's ± Colorado factor to determine whether the locality's sales tax revenues increased or decreased relative to the state average in a given year.

53 Sales tax data from the Colorado Department of Revenue Sales Reports, <https://cdor.colorado.gov/retail-sales-reports> (last visited June 14, 2023). For 2019, these reports include sales tax reported by city, county, and the state. For 2020 and later, the reports include only taxable sales, and sales tax revenues are calculated by multiplying taxable sales by the 2.9% Colorado sales tax. Per capita sales tax is derived by dividing total sales tax collected for a given locality by the population for that locality. Population data come from the Colorado State Demography Office, cited above.

54 The population-weighted average for each group of Comparator Jurisdictions is used. Population data come from the Colorado State Demography Office, cited above.

TABLE 10 AVERAGE MONTHLY STATE SALES TAX REVENUES: 2019 TO 2022								
	2019				2020			Difference 2019 to 2020 (C2-C1)
	(A1) Locality/ies	(B1) Colorado	(C1) Locality +/- Colorado (A1 - B1)		(A2) Locality/ies	(B2) Colorado	(C2) Locality +/- Colorado (A2 - B2)	
Denver	\$60.82	\$46.94	\$13.88		\$49.88	\$46.14	\$3.74	(\$10.14)
Comparable Cities	\$44.35	\$46.94	(\$2.59)		\$44.47	\$46.14	(\$1.68)	\$0.92
Neighboring Cities	\$47.78	\$46.94	\$0.84		\$48.95	\$46.14	\$2.81	\$1.98
Comparable Counties	\$44.01	\$46.94	(\$2.93)		\$45.07	\$46.14	(\$1.07)	\$1.86
Rural Counties	\$26.01	\$46.94	(\$20.93)		\$29.76	\$46.14	(\$16.38)	\$4.55
	2021			Difference 2020 to 2021 (C3-C2)	2022			Difference 2021 to 2022 (C4-C3)
	(A3) Locality/ies	(B3) Colorado	(C3) Locality +/- Colorado (A3 - B3)		(A4) Locality/ies	(B4) Colorado	(C4) Locality +/- Colorado (A4 - B4)	
Denver	\$61.90	\$54.51	\$7.39	\$3.65	\$72.52	\$60.72	\$11.80	\$4.41
Comparable Cities	\$51.77	\$54.51	(\$2.74)	(\$1.06)	\$56.52	\$60.72	(\$4.20)	(\$1.47)
Neighboring Cities	\$55.45	\$54.51	\$0.94	(\$1.87)	\$61.11	\$60.72	\$0.39	(\$0.55)
Comparable Counties	\$52.43	\$54.51	(\$2.07)	(\$1.00)	\$57.40	\$60.72	(\$3.32)	(\$1.25)
Rural Counties	\$37.92	\$54.51	(\$16.58)	(\$0.20)	\$42.06	\$60.72	(\$18.66)	(\$2.08)

The top half of Table 10 shows that comparing 2019 and 2020, Denver's average monthly per capita state sales tax revenues decreased compared to the state average, from \$13.88 higher than the state average to \$3.74 higher. This decrease of \$10.14 in monthly per capita state sales tax revenue compared to the state average aligns with the more severe economic impacts of COVID-19 that Denver experienced as discussed in the 2021 analysis.⁵⁵

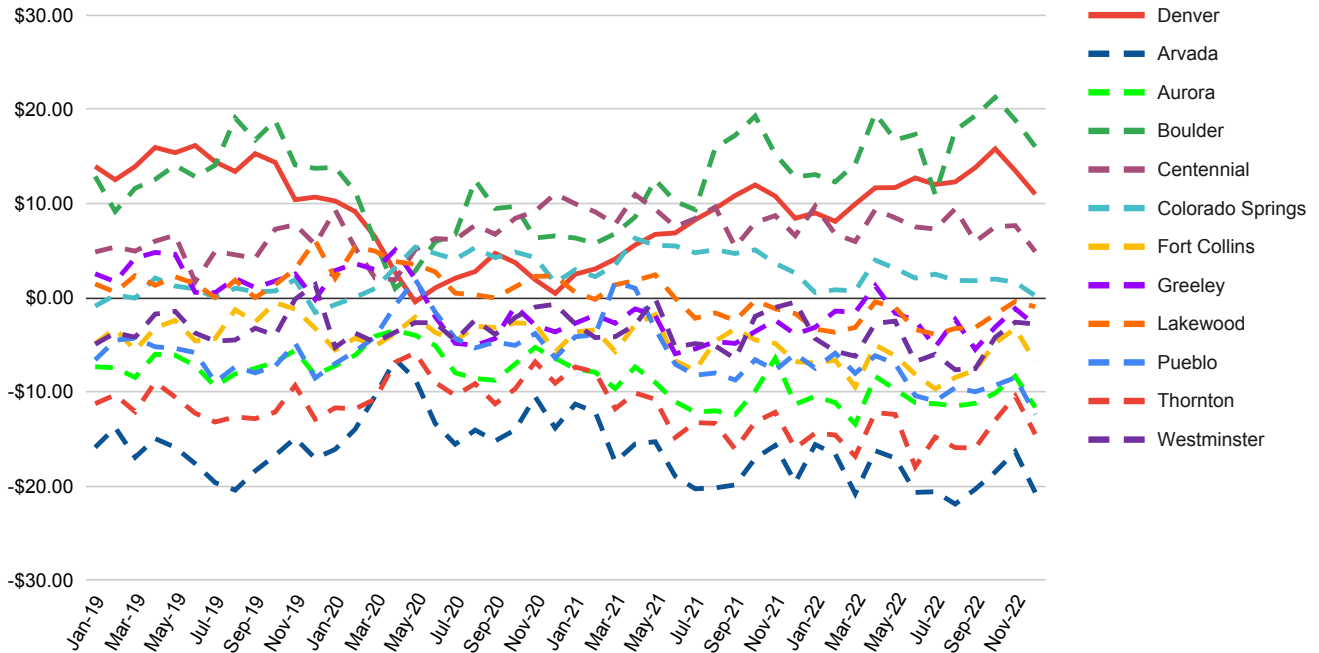
In the bottom half of Table 10, the highlighted columns reflect that only Denver outpaced the state growth in per capita state sales tax revenue—both in 2021 and 2022, by \$3.65 and \$4.41 respectively.

As Denver's local minimum wage grew increasingly higher than the Colorado minimum wage in 2021 and then 2022, its sales tax revenues continued growing more than Colorado's and more than all Comparator Jurisdictions'.

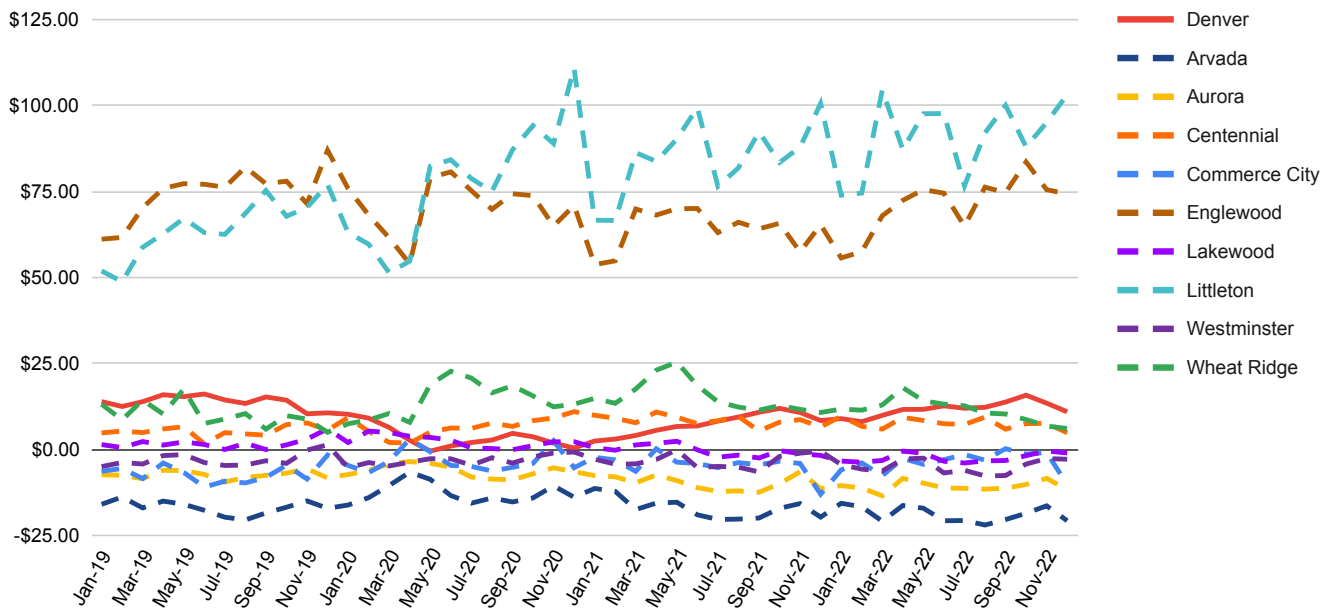
The following charts present monthly per capita sales tax revenues for each individual jurisdiction, with each Comparator Jurisdiction group represented in a separate chart. These charts show, month by month, each jurisdiction's +/- Colorado factor. That is, in each chart "0" on the Y-axis is the Colorado monthly per capita sales tax revenues (the state baseline), and the lines for each jurisdiction show how much higher or lower that jurisdiction's sales tax revenues were than that of Colorado. These charts show state sales tax revenues in Denver, relative to Colorado, rebounding to their 2019-levels by the end of 2022.

⁵⁵ For example, Table 5, in the 2021 analysis above, shows that Denver's monthly per capita sales tax revenue fared better than most other Comparison Jurisdictions in January and February 2020, while Table 6 shows that Denver sales tax revenue experienced greater relative declines only after COVID-19.

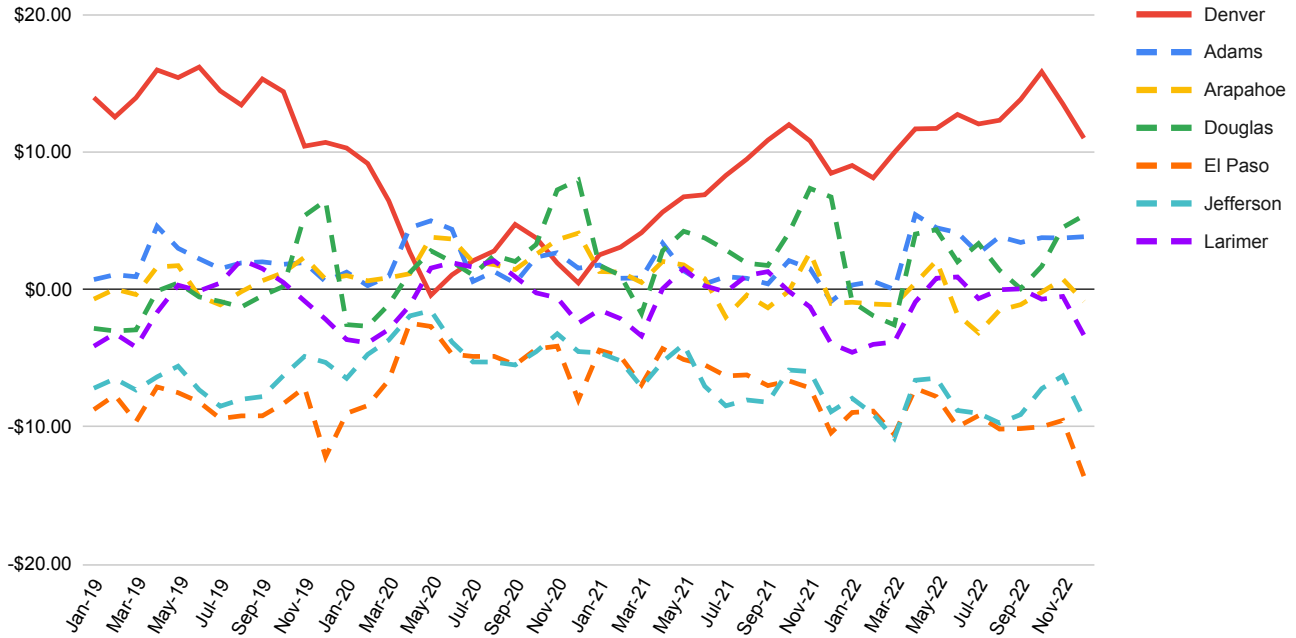
**CHART 19 SALES TAX PER CAPITA +/- COLORADO:
DENVER AND COMPARABLE CITIES**



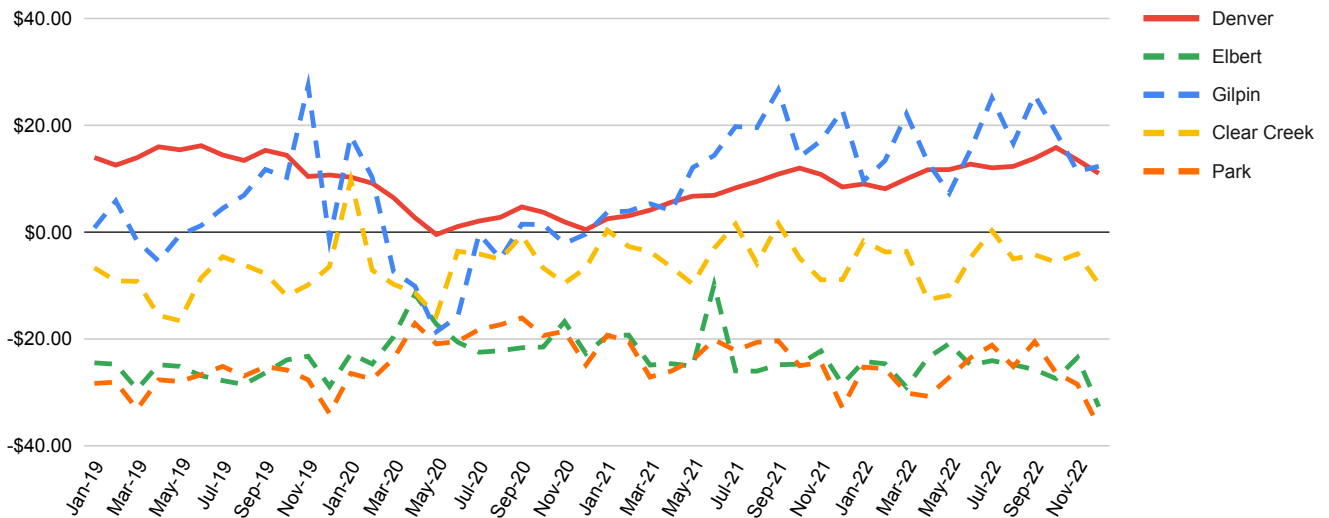
**CHART 20 SALES TAX PER CAPITA +/- COLORADO:
DENVER AND NEIGHBORING JURISDICTIONS**



**CHART 21 SALES TAX PER CAPITA +/- COLORADO:
DENVER AND COMPARABLE COUNTIES**



**CHART 22 SALES TAX PER CAPITA +/- COLORADO:
DENVER AND RURAL COUNTIES**



D. SALES TAX REVENUE FOR FOOD SERVICES AND DRINKING PLACES

Because many restaurants and bars may have more workers at or near minimum wage than employers in other industries, this section considers just the “Food Services and Drinking Places” industry – which comprises bars and restaurants – when analyzing per capita revenue from the state sales tax.⁵⁶ Again, only revenue from the 2.9% state sales tax is included in this analysis for purposes of comparing jurisdictions.⁵⁷

Table 11 shows average monthly per capita revenue from the state sales tax for the Food Services and Drinking Places industry. In 2019, Denver residents spent \$10.99 on average each month paying towards the state sales tax at restaurants and bars, \$5.20 above the statewide average. As with other economic indicators, Denver’s advantage over the statewide value dropped in 2020. But as the state of Colorado rebounded from the impact of COVID-19, Denver has seen state sales tax revenues from restaurants and bars grow beyond 2019 levels, outpacing Comparable Cities and Counties in total 2019 to 2022 increase, and increase relative to the state.

TABLE 11 MONTHLY STATE SALES TAX REVENUES PER CAPITA, FOOD SERVICES AND DRINKING PLACES: 2019 TO 2022								
	2019				2020			Difference 2019 to 2020 (C2-C1)
	(A1) Locality/ies	(B1) Colorado	(C1) Locality +/- Colorado (A1 - B1)		(A2) Locality/ies	(B2) Colorado	(C2) Locality +/- Colorado (A2 - B2)	
Denver	\$10.99	\$5.79	\$5.20		\$6.59	\$4.26	\$2.32	(\$2.87)
Comparable Cities	\$5.84	\$5.79	\$0.05		\$4.78	\$4.26	\$0.52	\$0.46
Comparable Counties	\$5.27	\$5.79	(\$0.52)		\$4.39	\$4.26	\$0.13	\$0.65
	2021			Difference 2020 to 2021 (C3-C2)	2022			Difference 2021 to 2022 (C4-C3)
	(A3) Locality/ies	(B3) Colorado	(C3) Locality +/- Colorado (A3 - B3)		(A4) Locality/ies	(B4) Colorado	(C4) Locality +/- Colorado (A4 - B4)	
Denver	\$9.80	\$5.09	\$4.71	\$2.39	\$12.20	\$6.10	\$6.10	\$1.39
Comparable Cities	\$6.09	\$5.09	\$1.00	\$0.49	\$6.77	\$6.10	\$0.67	(\$0.33)
Comparable Counties	\$5.64	\$5.09	\$0.56	\$0.43	\$6.31	\$6.10	\$0.21	(\$0.35)

56 The U.S. Census Bureau defines the Food Services and Drinking Places industry, under code 722 for the North American Industry Classification System, as, “Industries in the Food Services and Drinking Places subsector prepare meals, snacks, and beverages to customer order for immediate on-premises and off-premises consumption.” U.S. Census Bureau, 2022 NAICS Definition: 722 Food Services and Drinking Places, <https://www.census.gov/naics/?input=722&year=2022&details=722>.

57 The Colorado Department of Revenue provides industry-specific Sales Report data for only major counties and major cities. As such, the only comparators in this section are Comparable Counties and Comparable Cities. The county by industry sales data is used for the Comparable Counties, the city by industry sales data is used for the Comparable Cities, and the industry sales data is used for the state values. See Colorado Department of Revenue, Sales Reports, <https://cdor.colorado.gov/retail-sales-reports>.

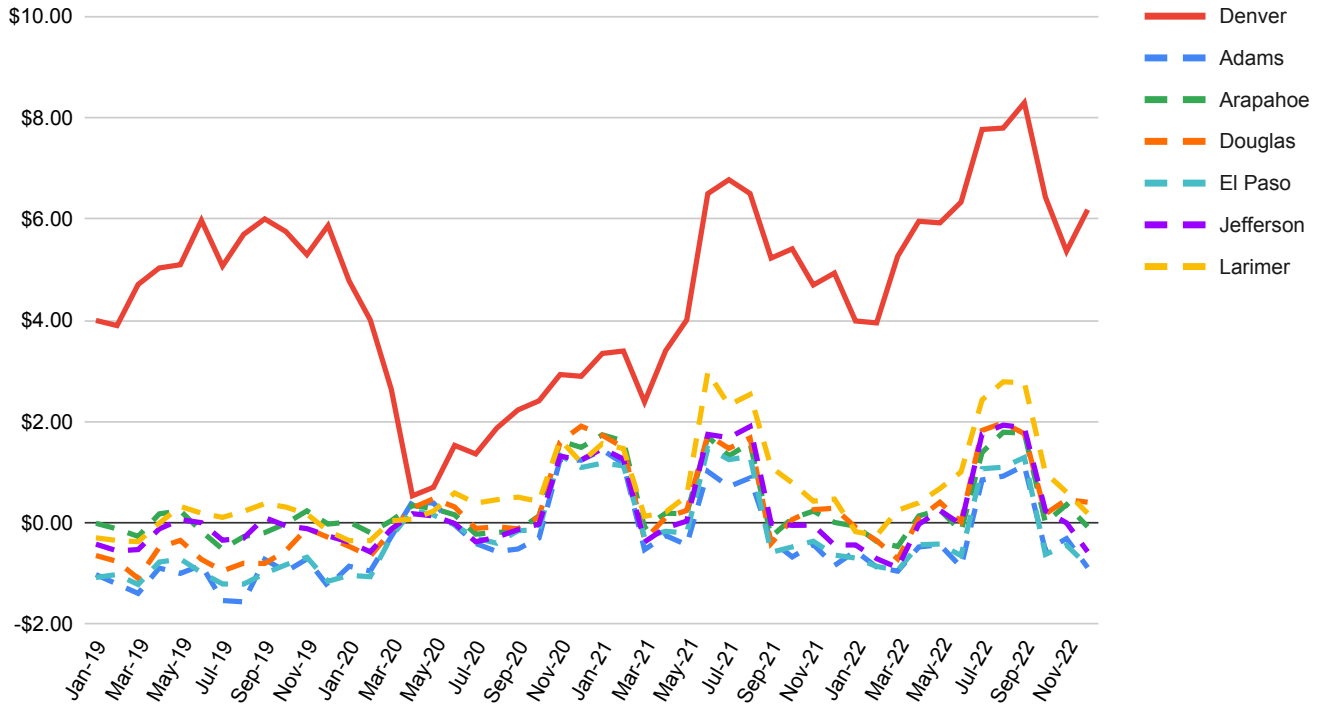
Table 11 shows that Denver's 2021 and 2022 growth in this economic indicator has more than made up for the decline in 2020. Between 2019 and 2022, Denver's per capita bar and restaurant state sales tax revenue increased \$1.21, compared to \$0.31 for the state as a whole, and \$0.93 and \$1.04 for Comparable Cities and Counties, respectively. This is despite suffering a greater impact from COVID-19 in 2020, when Denver's per capita state sales tax revenue for this industry fell by significantly more than Colorado or comparator jurisdictions: \$4.40, a loss of 40% of 2019 revenues, compared to a loss of \$1.53 (26%), \$1.06 (14%), and \$0.88 (17%) for Colorado and Comparable Cities and Counties, respectively. Denver not only recovered from this impact, but far outstripped Colorado and Comparable Cities and Counties in this measure.

As its local minimum wage rose further above the rest of Colorado's from 2020 to 2022, Denver's per capita sales tax revenues at restaurants and bars increased +85% -- double the sales tax increases in Colorado (+43%), Comparable Cities (+42%), and Comparable Counties (+44%).

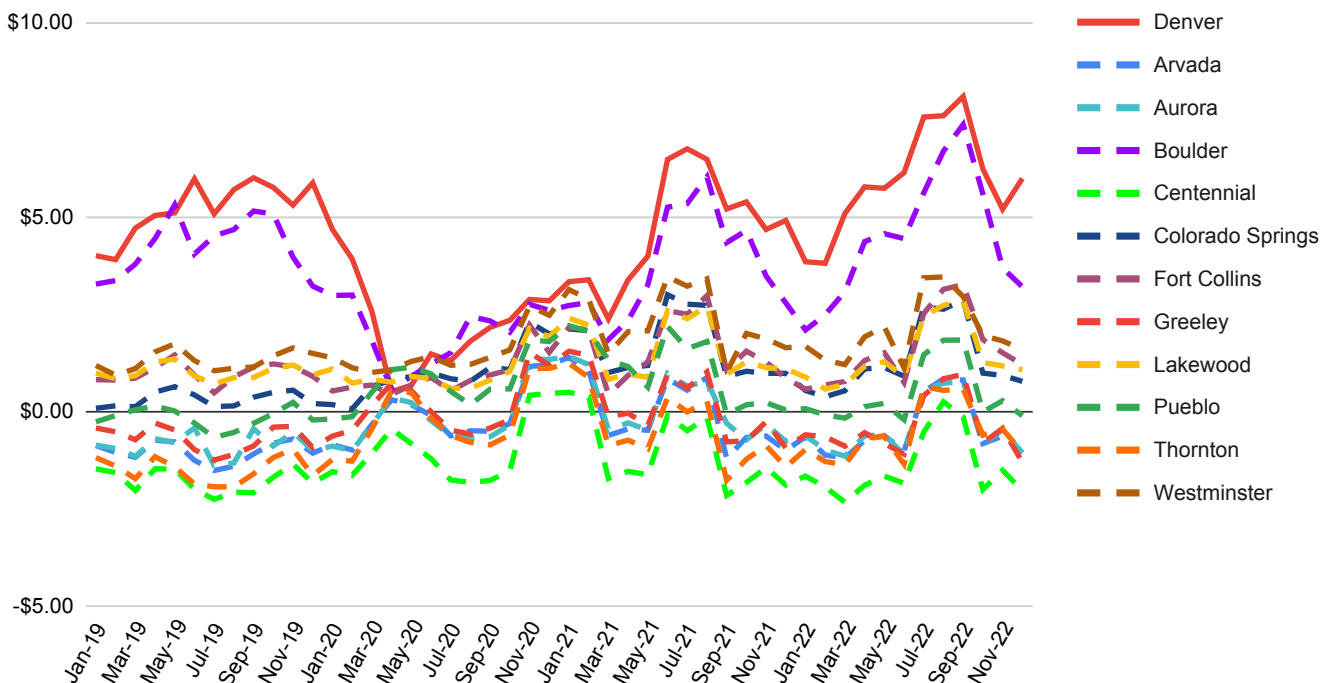
The following charts plot monthly per capita revenue from state sales tax for the Food Services and Drinking Places industry for each individual jurisdiction, separated by Comparable Counties and Comparable Cities. These charts reflect the larger drop in sales tax revenues Denver experienced in 2020, followed by the even larger growth throughout 2021 and 2022. During this same 2021-2022 period, Comparable Counties and Cities, with the exception of Boulder, show only a modest increase.

These data show that per capita spending at Denver restaurants and bars has outpaced per capita spending at these establishments statewide throughout 2021 and 2022. Denver not only recovered from a greater reduction in spending in 2020 due to the impact of COVID-19, but experienced more spending—and more growth in spending—at restaurants and bars than Comparable Cities and Counties and the state as a whole.

**CHART 23 SALES TAX REVENUE PER CAPITA +/- COLORADO:
FOOD SERVICES AND DRINKING PLACES ONLY - DENVER AND COMPARABLE COUNTIES**



**CHART 24 SALES TAX REVENUE PER CAPITA +/- COLORADO:
FOOD SERVICES AND DRINKING PLACES ONLY - DENVER AND COMPARABLE CITIES**





VI. INFORMATION FOR LOCAL GOVERNMENTS

This section provides information for local governments on authority and process for considering adoption of local minimum wages, with more detail in Interpretive Notice and Formal Opinion #19 ("[INFO #19](#)"), published by the CDLE Division of Labor Standards and Statistics (the "Division").⁵⁸

A. ONLY TEN PERCENT OF LOCALITIES MAY ENACT LOCAL MINIMUM WAGES

The Act gives authority to enact a local government minimum wage to every city, home rule city, town, territorial charter city, city and county, county, and home rule county.⁵⁹ The Act caps the number of local governments that may enact a local minimum wage at ten percent per C.R.S. § 8-6-101(10):

- (a) If at any point ten percent of local governments in the state have enacted a local minimum wage law pursuant to this section, a local government that has not previously enacted a local minimum wage law shall not enact a local minimum wage law pursuant to this section until the general assembly has amended this section to authorize additional local governments to enact local minimum wage laws. A local government that enacted a local minimum wage law prior to the point at which ten percent of local governments have enacted a local minimum wage law may continue to amend that law.
- (b) For purposes of determining whether ten percent of local governments in the state have enacted a local minimum wage law pursuant to this section, when a county enacts a local minimum wage law, if a local minimum wage law is enacted by any local government located within that county, only the county's minimum wage law counts toward the calculation of the ten percent. If local governments enter into an intergovernmental agreement on the enforcement or administration of local minimum wage policies, that will only be counted as one local minimum wage for determining the calculation of the ten percent.

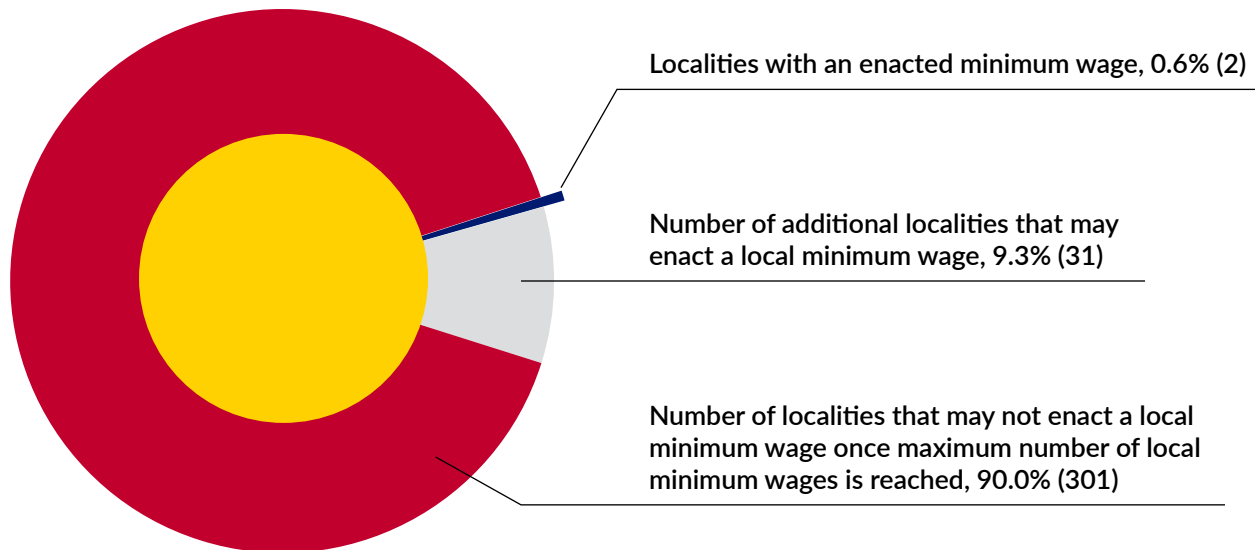
⁵⁸ See [INFO #19](#) (on local government authority to set minimum wages).

⁵⁹ C.R.S. § 29-1-1401.

Based on Colorado Department of Local Affairs (“DOLA”) data, as of the date of this Report there are 334 local governments within the meaning of the Act.⁶⁰ Accordingly, up to 33 local governments (ten percent of 334) may have a local minimum wage.

Currently, only Denver and Edgewater have enacted local minimum wages, allowing for an additional 31 localities to enact local minimum wage laws, as illustrated below:

CHART 25 NUMBER AND PERCENT OF LOCALITIES THAT HAVE AND MAY ENACT LOCAL MINIMUM WAGES



⁶⁰ Data derived from Colorado Department of Local Affairs, Active Colorado Local Governments by Type (last visited June 14, 2023), <https://dola.colorado.gov/lgis/lgType.jsf>. This source reports: 2 “City & Count[ies],” 62 “Counties,” 99 “Home Rule Municipalities,” 11 “Statutory Cities,” 159 “Statutory Towns,” and 1 “Territorial Charter Municipalit[y].” These local government descriptions are not an exact match for the language in the Act, which defines a local government as a “(a) City; (b) Home rule city; (c) Town; (d) Territorial charter city; (e) City and county; (f) County; or (g) Home rule county.” C.R.S. § 29-1-1401. The local governments included from DOLA are the best match for the local governments described in the Act. In addition, the fiscal note for the Act found 332 local governments as of its publication in August of 2019, only two fewer than the CDLE has found in the DOLA data. Final Fiscal Note H.B. 19-1210 (August 28, 2019), https://leg.colorado.gov/sites/default/files/documents/2019A/bills/fn/2019a_hb1210_f1.pdf. The CDLE is unable to verify which included local governments have been created or dissolved since the publication of the fiscal note because the fiscal note does not specify which local governments are included or provide the source for its counts of these local governments.

B. LOCALITIES AREN'T REQUIRED TO ENFORCE LOCAL MINIMUM WAGES

Local governments may simply set local minimum wages without enforcement or remedy provisions: state law already allows filing complaints, at the Division or in court, for any wage violations, including of local minimum wage ordinances.⁶¹ But local governments adopting a local minimum wage *may*, even though they are not *required* to, choose to enforce their local minimum wage in various ways -- such as authorizing local officials to investigate and issue orders to remedy violations, authorizing a private right of action, and/or setting other remedies for violations.⁶² For example:

- Denver has authorized its Auditor's Office to accept complaints and to investigate compliance in the absence of complaints, and created a private right of action for violations of its minimum wage.⁶³
- Edgewater also authorized a private right of action, and makes a violation grounds for suspending or revoking a business license from the city, but does not otherwise have city investigation or enforcement provisions.⁶⁴

C. LOCALITIES SHOULD CONSULT THE CDLE DIVISION OF LABOR STANDARDS AND STATISTICS

Local governments considering implementation of a local minimum wage should communicate with the Division to help ensure the local minimum wage complies with state law and processes,⁶⁵ and so the Division can help answer questions about implementation or provide relevant labor market data. Local governments should also inform the Division whenever a local minimum wage is enacted or amended to assist with tracking and reporting requirements.

- Reach out to the CDLE Division of Labor Standards and Statistics at cdle_labor_standards@state.co.us or 303-318-8441.
- For general Colorado labor law information, visit the Division's [website \(ColoradoLaborLaw.gov\)](https://www.coloradolaborlaw.gov).
- Visit the Division's [Guidance page \(cdle.colorado.gov/INFOs\)](https://cdle.colorado.gov/INFOs) for more on a wide range of labor law -- for example: basic wage rights (INFO #1); wage complaints, investigations, and remedies (INFO #2); wage payment and record-keeping requirements, including for different pay types (tips, bonuses, commissions, vacation, etc.) (INFO #3); meal and rest periods (INFO #4); paid sick leave (INFO #6); deductions from pay (INFO #16); what is and isn't "time worked" that must be paid (INFO #20); and more.

61 See [Wage Protection Rules](#), 7 CCR 1103-7, Rule 3.2 (allowing wage complaint filing in court or with Division); [Colorado Overtime and Minimum Pay Standards \("COMPS"\) Order](#), 7 CCR 1103-1, Rule 3.2 (the Division of Labor Standards and Statistics accepts "state law complaints by employees who claim entitlement to ... local minimum ... wages"); [C.R.S. § 8-4-111](#) (remedies for wage violations, including violations of local minimum wages). See [INFO #2](#) for more on how wage claims are filed, decided, and enforced by the Division.

62 See C.R.S. § 8-6-101(3)(b) and [INFO #19](#) (under "Enforcement").

63 Denver Ordinance at Section 2(f); 2(j).

64 Edgewater Ordinance at 6-18-60.

65 See [INFO #19](#) for more on these processes.