

Florida Employers, Get Ready for Double Digits – Minimum Wage Jumps to \$10 at End of Month

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At the end of this month, Florida workers will see a substantial increase to the state's minimum wage - and the increases will only continue for the next five years. Effective September 30, 2021, the hourly minimum wage you will have to pay your workers will rise from \$8.65 to \$10.00. And as part of Constitutional Amendment No. 2 that voters approved in the 2020 general election, the state's minimum wage will continue to increase at this time each year on its way to \$15.00 per hour in the year 2026. The standard applies to both public and private employers, regardless of your size, and you also have new obligations if you employ tipped workers. Besides boosting pay, Florida employers also face posting obligations to reflect the new amounts. What do you need to know to come into compliance?

Hourly Wage Will Increase to \$15 Per Hour by 2026

This amendment means that employers will be required to pay employees a minimum wage of \$10.00 per hour, starting at the end of this month. The minimum wage will then increase by \$1.00 each year through September 30, 2026, as shown in the schedule below.

- \$11.00 on September 30, 2022
- \$12.00 on September 30, 2023 •
- \$13.00 on September 30, 2024
- \$14.00 on September 30, 2025 •
- \$15.00 on September 30, 2026 ۲

This signals a 13.5% increase over the current minimum wage, compared to only a 1% increase that was implemented at the beginning of this calendar year. Commencing in 2027, the minimum wage will be adjusted annually for inflation, returning to the indexing practice that had been utilized since 2004.

Minimum Wage Impacts Tipped Employees

Florida's "tipped" employees (typically those associated with the food service industry) who receive a portion of their income from customer gratuities will also see minimum wage increases. On Santamhar 30 the hourly minimum ware rate for tinned employees will increase to \$6.98 Ac is the

September Su, the noulity minimum waye rate for tipped employees with increase to \$0.70. As is the

case for their non-tipped counterparts, minimum wages for tipped employees will also increase by a dollar per year through 2026 according to the following schedule:

- \$7.98 on September 30, 2022
- \$8.98 on September 30, 2023
- \$9.98 on September 30, 2024
- \$10.98 on September 30, 2025
- \$11.98 on September 30, 2026

Florida and Federal Poster Requirements

According to the Florida Department of Economic Opportunity, "Florida businesses must display federal and State of Florida employment law posters where they can be easily viewed by employees." The federal minimum wage poster is available <u>here</u>, and Florida's minimum wage poster can be found <u>here</u>. Both are available at no charge.

What Should You Do?

We'll continue to monitor applicable state and federal wage-and-hour developments going forward, so please make sure you are signed up for <u>Fisher Phillips Insight System</u> to receive the latest news. For more information, contact your Fisher Phillips attorney, the author of this Insight, or one of the attorneys in any of <u>our Florida offices</u>.

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