

PORT AUTHORITY MINIMUM WAGE POISED TO INCREASE TO A PROPOSED \$25 AN HOUR BY 2032: WHAT NY AND NJ EMPLOYERS NEED TO KNOW

Insights
Nov 25, 2024

The Port Authority of New York and New Jersey is considering a proposal to increase the minimum wage for airport workers at LaGuardia Airport, John F. Kennedy International Airport, and Newark Liberty International Airport. The proposal, which was recently announced by New Jersey Governor Phil Murphy and New York Governor Kathy Hochul and presented to the Port Authority Board on November 14, would gradually increase the airport minimum wage to \$25 per hour by September 2032. What should airport employers do now? **[Ed. Note: The Board approved this wage increase on December 12.]**

Brief Background

Under the federal Fair Labor Standards Act, minimum wage is \$7.25 an hour. However, both New Jersey and New York have higher minimum wages, which are set to increase for most employees in the tri-state area to \$15.49 per hour and \$16.50 per hour, respectively, as of January 1, 2025. See our Insights on those changes [here](#) and [here](#).

Employers that operate at the Port Authority airports have been required to pay a minimum wage to their employees in excess of the state floors, with the intent of enhancing safety, security, and quality of service at the three major airports. Back in November 2018, Port Authority set forth a schedule of annual minimum wage increases for airport workers which increased the airport minimum wage to \$19 per hour as of September 2013.

The Proposed Amendment

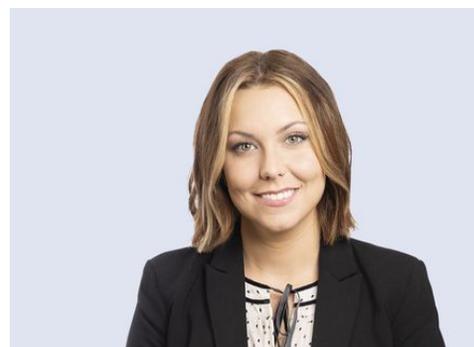
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The current [proposal](#) would increase the \$19 airport minimum wage over the next eight years for workers performing Covered Services or Port District Services, which includes security services, cargo and ramp services, in-terminal and passenger handling services, cleaning services, food and retail services, and airport catering services.

If adopted, the following minimum wages will go into effect:

- January 1, 2025: \$0.75 increase to **\$19.75**
- July 1, 2025: \$0.75 increase to **\$20.50**
- January 21, 2026: \$0.75 increase to **\$21.25**
- January 1, 2027 to January 1, 2032: annual increases up to **\$25.00** per hour (these increases will be tied to the three-year moving average reported by the U.S. Bureau of Labor Statistics in the Consumer Price Index for Urban Wage Earners and Clerical Workers, North East Region).

There is a public comment period through December 12, 2025, after which time the proposal will likely be finalized.

Don't Forget About the Healthy Terminals Act!

With the likely increase to the Port Authority airport minimum wage, it is important for airport employers to consider how the proposed Port Authority minimum wage increases impact their obligations under the [New Jersey](#) or [New York](#) Healthy Terminals Act. Although these laws differ by state, they each set forth specific standards for minimum wage rates which may be greater than the Port Authority minimum wage for certain workers, and require an hourly standard benefits supplemental rate similar to prevailing wage obligations.

Conclusion

Compliance with minimum wage rates is essential for all New Jersey and New York employers, especially those with airport workers that are entitled to enhanced minimum wages and benefits. If you have any questions about these minimum wage laws and how these changes may impact your business, please contact your Fisher Phillips attorney, the authors of this Insight, or any attorney in our [New Jersey](#) or [New York](#) offices. Make sure you are subscribed to the



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