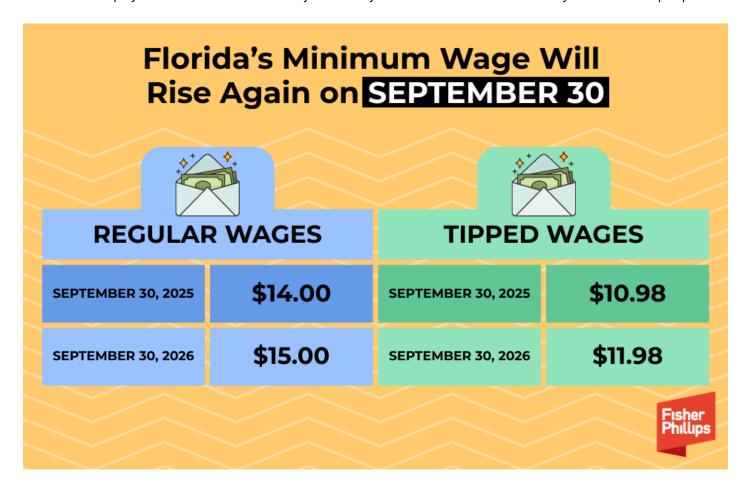


Florida's Minimum Wage Will Rise Again on September 30: What Employers Need to Know and What You Should Do Next

Insights 9.02.25

Florida's minimum wage will rise yet again on September 30, jumping to \$14/hour (and to \$10.98 for tipped workers) as part of a series of scheduled increases approved by voters in 2020. While employers across the Sunshine State face a new wave of possible challenges, this increase doesn't have to disrupt your business. We'll tell you what you need to know and what you can do to prepare.



How We Got Here

In November 2020, Florida voters approved a constitutional amendment that gradually increases the state's minimum wage to \$15 per hour for most non-exempt employees by 2026. As a result, the state's hourly minimum wage increased from \$8.65 to \$10 in 2021 and has been rising since by \$1.00 each year on September 30 (\$11 in 2022 and \$12 in 2023). The next wage hike will soon take effect and continue rising through 2026, as shown in the schedule below:

- \$14.00 on September 30, 2025
- \$15.00 on September 30, 2026

Florida's tipped employees also have received bumps in minimum wages each year since 2021. Just like non-tipped employees, the minimum wage for tipped workers will increase by \$1.00 each year through 2026, as shown in the schedule below:

- \$10.98 on September 30, 2025
- \$11.98 on September 30, 2026

What Should You Do?

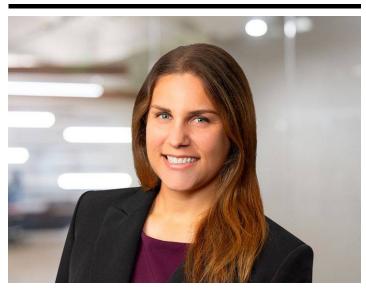
All Florida employers are required to comply with the new minimum wage requirement. If an employee is not paid at the required rate, they could be entitled to recover back wages plus damages and attorneys' fees and costs under the state's wage theft law and the Florida Minimum Wage Act. In addition, employers found liable for intentionally violating minimum wage requirements could be subject to a \$1,000 fine per violation. Here's what you should do to prepare for the new wage hike and stay compliant:

- Make sure that payroll is set up to capture the new minimum wage.
- **Update the required minimum wage poster to reflect the new rate.** As a reminder, all employers are required to post federal and Florida employment law posters where they can be easily seen by employees.
- Be aware of local wage theft ordinances. Several counties around the state have their own
 wage theft ordinances that provide for more relief than the state law. For example, if an employee
 files a wage theft claim in Miami-Dade County through the county's Wage Theft Program,
 employers face paying three times the amount of wages owed to an employee.
- Check compliance with tip credits and tip pools. Employers that take a tip credit must ensure that tipped employees still receive at least the new minimum wage when tips are included. If your payroll system or tip pool does not properly account for the increase, you could inadvertently invalidate the tip credit and violate wage laws (see Fair Labor Standards Act, 29 U.S.C. § 203(m) and Florida Minimum Wage Act, Fla. Stat. § 448.110). Review your pay practices and any tip-sharing arrangements to confirm they remain compliant under the new rate.
- Look out for future wage hikes. While the increases to minimum wage under the current constitutional amendment end in 2026, we expect another amendment will make its way onto the ballot before then and potentially increase the minimum wage further. Employers must be mindful of these increases for both compliance and budgeting purposes.

Conclusion

If you have any questions about Florida's minimum wage laws and how these changes may impact your business, please contact your Fisher Phillips attorney, the author of this Insight, or any <u>attorney in our Florida offices</u>. Make sure you are subscribed to the <u>Fisher Phillips Insight System</u> to get the most up-to-date information.

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