



# It's That Time of Year: Minimum Wage on the Rise in 21 States [02 25 19 Update]

Insights

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By: The Editor

We previously summarized the state-level minimum wage increases for 2019. As [reported](#), New Jersey subsequently set another increase from \$8.85 to \$10.00 effective July 1, 2019. We have updated our prior post below, and reference chart, to reflect this addition. More information regarding the Illinois minimum wage increase (effective in 2020) can be found [here](#).

## It's That Time of Year: Minimum Wage on the Rise in 21 States

Dec. 19, 2018 by [Sadé Tidwell](#), [Ebony Hayes](#)

While wage increases can occur any time of the year, January is a common time for employers to increase pay rates whether based on company or industry compensation practices - or to comply with minimum wage increases on the horizon.

### State Minimum Wage Increases

Twenty-one states already are set to increase their minimum wage rates in 2019. Many of those states' minimum wages already far exceed the federal Fair Labor Standards Act's minimum wage. As we have repeatedly [noted](#), the disparities in rates goes to show that a one-size-fits all approach may be inappropriate as the economies and circumstances vary among the states.

Employers should review the [updated] chart linked [here](#) to ensure that they are aware of all applicable state minimum wage increases.

### The Bottom Line

It is important that employers stay abreast of such state law minimum wage increases, throughout the year, and any other increases applicable to their particular circumstances. We would be remiss, however, if we did not remind readers that, when considering wages, deductions, etc. even in these states, federal law is not irrelevant.

- The FLSA's minimum wage is \$7.25 per hour for all FLSA covered employees not meeting a minimum wage exemption (not an exemption from overtime only).
- • The FLSA's minimum wage is \$7.25 per hour for tipped employees; the "tip credit" is limited to \$5.12, unlike other FLSA minimum wage credits.

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- On January 1, 2019, the minimum wage rate for workers performing work on or in connection with federal contracts covered by Executive Order 13658 will increase to \$10.60 per hour while the related "tip credit" will be limited to 3.20 per hour.

## ***Service Focus***

Wage and Hour