

Increase In Minimum Wage Is On The Way

Insights 10.24.11

The Florida Department of Economic Opportunity announced that the Florida minimum wage will increase to **\$7.67** per hour effective **January 1, 2012**. This is an increase from Florida's current minimum wage of \$7.31 per hour, which became effective June 1, 2011, in response to a Florida Circuit Court decision issued earlier this year. Florida's minimum wage is generally recalculated yearly on September 30, based on the Consumer Price Index.

The Florida minimum wage applies to all employees in the state who are covered by the federal minimum wage. When Florida's minimum wage and the federal minimum wage differ, employers operating within the state are required to comply with whichever standard is higher. Accordingly, with the current increase, Florida's minimum wage exceeds the federal minimum wage and must be applied.

Florida employers of tipped employees who meet eligibility requirements for the tip credit under the Federal Labor Standards Act must pay tipped employees a direct hourly wage of \$4.65 per hour effective January 1, 2012. This is an amount equal to the new Florida minimum of \$7.67 per hour, minus the \$3.02 hourly tip credit permitted under Florida law (assuming that these employees receive enough in tips to generate this credit).

In light of the wage increase, a revised minimum wage notice is now available for download on the <u>Florida Department of Economic Opportunity website</u>. By January 1, 2012, Florida employers will be required to post the revised minimum wage notice in a conspicuous and accessible place in each establishment where these employees work. This is in addition to the federal requirement to post notice of the federal minimum wage; the federal notice is available on the <u>U.S. Department of Labor website</u>.

For more information on this ruling and what it could mean for your business, contact your Fisher Phillips attorney, or any lawyer in one of our Florida offices:

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