



Minimum Wage To Increase For Many In 2016

Insights

12.16.15

A number of states and local jurisdictions will raise their minimum wage in 2016; here is the latest information on what to expect in the new year.

Jurisdiction	Current	New	Effective Date	Notes
Alabama – Birmingham only	\$7.25	\$8.50	7/1/16	
Alaska	\$8.75	\$9.75	1/1/16	
Arkansas	\$7.50	\$8.00	1/1/16	
California	\$9.00	\$10.00	1/1/16	
California - Berkeley only	\$11.00	\$12.53	10/1/16	
California - Emeryville only	\$12.25 or \$14.44	\$13.00 or TBD	7/1/16	The minimum wage for employers with 56 or more employees in Emeryville will be set by consumer price indexing, currently estimated to be \$14.82.
California - Los Angeles	\$9.00	\$10.50	7/1/16	Businesses with fewer than 26 employees will not be subject to the new minimum wage until 7/1/17.
California - L.A. County only	\$9.00	\$10.50	7/1/16	Businesses with fewer than 26 employees will not be subject to the new minimum wage until 7/1/17.
California - Mountain View only	\$10.30	\$11.00	1/1/16	
California - Oakland only	\$12.25	\$12.55	1/1/16	Employers also have an obligation to communicate increase to workers by 12/15/15.
California - Palo Alto only	\$9.00	\$11.00	1/1/16	
California - Richmond only	\$9.60	\$11.52	1/1/16	Employers that pay \$1.50 per hour towards health benefits plan may pay \$10.02.
California -	\$12.25	\$13.00	7/1/16	

State/Location	Current Rate	Target Rate	Effective Date	Notes
San Francisco only				
California - Santa Clara only	\$9.00	\$11.00	1/1/16	
California - Sunnyvale only	\$10.30	\$11.00	7/1/16	
Colorado	\$8.23	\$8.31	1/1/16	
Connecticut	\$9.15	\$9.60	1/1/16	
Dist. of Columbia	\$10.50	\$11.50	7/1/16	
Hawaii	\$7.75	\$8.50	1/1/16	
Illinois - Chicago only	\$10.00	\$10.50	7/1/16	
Kentucky - Lexington only	\$7.25	\$8.20	7/1/16	
Kentucky - Louisville only	\$7.75	\$8.25	7/1/16	
Maine - Portland only	\$7.50	\$10.10	1/1/16	
Maryland	\$8.25	\$8.75	7/1/16	
Maryland - Montgomery County only	\$9.55	\$10.75	7/1/16	Certain recreational facilities need only pay 85% of the regular minimum wage.
Maryland - Prince George's County only	\$9.55	\$10.75	10/1/16	Certain recreational facilities need only pay 85% of the regular minimum wage.
Massachusetts	\$9.00	\$10.00	1/1/16	
Michigan	\$8.15	\$8.50	1/1/16	
Minnesota	\$7.25 or \$9.00	\$7.75 or \$9.50	8/1/16	Businesses with an annual sales volume of \$500,000 or more pay the higher rate.
Nebraska	\$8.00	\$9.00	1/1/16	
New York	\$8.75	\$9.00	12/31/15	Fast food workers must be paid \$9.75, or \$10.50 if in NYC.
Rhode Island	\$9.00	\$9.60	1/1/16	

South Dakota	\$8.50	\$8.55	1/1/16
Vermont	\$9.15	\$9.60	1/1/16

Washington - Seattle only	\$11.00	\$10.50 to \$13.00	1/1/16
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Businesses with more than 500 employees pay \$13.00; large employers contributing to health benefits pay \$12.50. Smaller employers that pay \$1.50/hour towards health benefits pay \$10.50, and those that do not pay \$12.00.

Washington - Tacoma only	\$9.47	\$10.35	2/1/16
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West Virginia	\$8.00	\$8.75	12/31/15
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While the federal minimum wage will remain steady at \$7.25 for 2016, **federal contractors** must pay a minimum wage of **\$10.15** to those employees working on contracts entered into on or after January 1, 2016 (an increase from \$10.10).

Note: These wage rates do not include minimum wage rates for tipped employees, which may vary by jurisdiction. Check with your local counsel.

If you have any questions about these developments or how they may affect your business, please contact your Fisher Phillips attorney or visit fisherphillips.com.

This Legal Alert provides an overview of various state and local laws. It is not intended to be, and should not be construed as, legal advice for any particular fact situation. We recommend contacting your employment counsel or researching the law for each jurisdiction in which you conduct business to ensure compliance.

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