

Minimum Wage Increases In Store For Many In 2017

Insights 12.19.16

While the federal minimum wage has remained steady at \$7.25 for the past seven years, many state and local jurisdictions have set their own minimum rates higher than the federal level. And, of course, when a local jurisdiction mandates a rate higher than the federal rate, you must pay your employees the higher rate.

Here is a listing of all the planned increases currently on tap for 2017. If your state or local jurisdiction is not listed, there is presently no increase in store for you in the new year. Obviously, though, these laws may change at any time, and you should consult with your local employment counsel before acting upon the information contained in this summary.

NOTE: These rates are for non-tipped employees. Check with your Fisher Phillips attorney, or with any attorney in the Fisher Phillips <u>Hospitality Practice Group</u>, for information about minimum wage rates for tipped employees.

The **Alaska** minimum wage will increase from \$9.75 to **\$9.80** on January 1, 2017.

Arizona will see a minimum wage increase from \$8.05 to **\$10.00** on January 1, 2017. Also, the city of **Flagstaff** will see an increase from \$8.05 to **\$10.00** on January 1, 2017, and an additional increase to **\$12.00** on July 1, 2017.

The minimum wage for Arkansas will increase from \$8.00 to **\$8.50** on January 1, 2017.

There will be plenty of activity in **California**. The statewide minimum wage will increase from \$10.00 to **\$10.50** as of January 1, 2017 (although employers with 25 or fewer employees will receive a one-year reprieve and will not face the statewide increase in 2017), but 18 local jurisdictions in the state will also see minimum wage increases this coming year:

- **Berkeley** will see an increase from \$12.53 to **\$13.75** on October 1, 2017.
- There will be an increase in the minimum wage in **Cupertino** from \$10.00 to **\$12.00** on January 1, 2017.

- Smaller employers in Emeryville (55 or fewer workers) will see an increase from \$13.00 to \$14.00 on July 1, 2017, while the increase for larger employers will be announced in 2017 and go into effect on July 1, 2017.
- The minimum wage in **Los Altos** will increase from \$10.00 to **\$12.00** on January 1, 2017.
- Los Angeles will see an increase from \$10.50 to \$12.00 on July 1, 2017.
- Those employers in **Los Angeles County** will also see an increase from \$10.50 to **\$12.00** on July 1, 2017.
- Mountain View employers will face a minimum increase from \$11.00 to \$13.00 on January 1, 2017.
- In **Oakland**, the minimum wage will increase from \$12.55 to **\$12.86** on January 1, 2017.
- There will be a minimum wage increase in **Palo Alto** from \$11.00 to **\$12.00** as of January 1, 2017.
- In **Pasadena**, employers with 25 or fewer employees will face a minimum wage increase to **\$10.50** as of July 1, 2017, while larger employers will face an increase from \$10.50 to **\$12.00** as of the same date.
- Richmond will see an increase in the minimum wage from \$11.52 to \$12.30 on January 1, 2017.
- In **San Diego**, the minimum wage will increase from \$10.50 to **\$11.50** as of January 1, 2017.
- San Francisco's minimum wage will increase from \$13.00 to \$14.00 as of July 1, 2017.
- The San Jose minimum wage will increase from \$10.30 to \$10.50 as of January 1, 2017.
- There will be a minimum wage increase for employers in **San Mateo**, with rates increasing from \$10.00 to **\$12.00** on January 1, 2017.
- Santa Clara will see a minimum wage increase from \$11.00 to \$11.10 as of January 1, 2017.
- In **Santa Monica**, the minimum wage will increase from \$10.50 to **\$12.00** on July 1, 2017.
- Employers in **Sunnyvale** will face a minimum wage increase from \$11.00 to **\$13.00** on January 1, 2017.

The Colorado minimum wage will increase from \$8.31 to \$9.30 on January 1, 2017.

Connecticut will see an increase to the state minimum wage increase from \$9.60 to **\$10.10** as of January 1, 2017.

In the **District of Columbia**, the minimum wage will increase from \$11.50 to **\$12.50** as of July 1, 2017.

The **Florida** minimum wage will increase from \$8.05 to **\$8.10** as of January 1, 2017.

The minimum wage in **Hawaii** will increase from \$8.50 to **\$9.25** on January 1, 2017.

In Illinois, the statewide minimum wage will remain steady in 2017, but employers in Chicago will see an increase from \$10.50 to **\$11.00** on July 1, 2017, and those in **Cook County** will face an increase from \$8.25 to \$10.00 on the same date.

While the minimum wage in lowa is not scheduled to increase in 2017, three local jurisdictions will see increases:

- **Johnson County** employers will face a minimum wage increase from \$9.15 to **\$10.10** on January 1, 2017.
- For employers in **Polk County**, the minimum wage will increase from \$7.25 to **\$8.75** on April 1, 2017.
- In Wapello County, the minimum wage will increase from \$7.25 to \$8.20 on January 1, 2017.

In Maine, the minimum wage will increase from \$7.50 to \$9.00 as of January 7, 2017. In Portland, the increase to the minimum wage will be from \$10.10 to \$10.68.

Maryland's minimum wage will increase from \$8.75 to \$9.25 on July 1, 2017. Also:

- Montgomery County employers will face a minimum wage increase from \$10.75 to \$11.50 on July 1, 2017.
- For employers in **Prince George's County** the minimum wage increase will be from \$10.75 to **\$11.50** on October 1, 2017.

In Massachusetts, the minimum wage will increase from \$10.00 to \$11.00 on January 1, 2017.

The minimum wage in **Michigan** will increase from \$8.50 to **\$8.90** as of January 1, 2017.

In **Missouri**, the minimum wage will increase from \$7.65 to **\$7.70** as of January 1, 2017. Further:

The Kansas City minimum wage, which was slated to increase to \$9.82 on January 1 2017, is stalled due to pending court challenges. The Misseuri Supreme Court is expected to seen rule on the issue.

• The same holds true for the **St. Louis** minimum wage, which was scheduled to increase to \$10.00 as of January 1, 2017.

Montana's minimum wage will increase from \$8.05 to \$8.15 on January 1, 2017.

New Jersey's minimum wage will increase from \$8.38 to **\$8.44** on January 1, 2017.

While the minimum wage in **New Mexico** is not scheduled to increase in 2017, various local jurisdictions will see increases:

- In **Albuquerque**, the minimum wage will increase from \$8.75 to **\$8.80** on January 1, 2017. However, if the employer provides healthcare and/or childcare benefits to the employee during any pay period and pays an amount for these benefits equal to or in excess of an annualized cost of \$2,500, the minimum wage will increase from \$7.75 to **\$7.80**.
- In **Bernalillo County**, the minimum wage will increase from \$8.65 to **\$8.70** as of January 1, 2017.
- The minimum wage in **Las Cruces** will increase from \$8.40 to **\$9.20** on January 1, 2017.

In **New York**, the minimum wage will increase from \$9.00 to **\$9.70** on December 31, 2016. For fast-food employers outside of New York City, the minimum wage will increase from \$9.75 to **\$10.75** on the same date.

- The **New York City** minimum wage increase will see rates rise for businesses with 11 or more employees from \$9.00 to **\$11.00** on December 31, 2016. For smaller employers, the minimum wage will increase from \$9.00 to **\$10.50**. For fast-food establishments in **New York City**, the minimum wage will increase from \$10.50 to **\$12.00** on the same date.
- In **Nassau**, **Suffolk**, and **Westchester Counties**, the minimum wage will increase from \$9.00 to **\$10.00** on December 31, 2016.

The minimum wage in **Ohio** will increase from \$8.10 to **\$8.15** as of January 1, 2017.

Oregon's minimum wage will increase from \$9.75 to **\$10.25** as of July 1, 2017, unless otherwise described below:

• For employers within the state's Urban Growth Boundary, the minimum wage increase on July 1, 2017 will be from \$9.75 to **\$11.25**.

- For employers in frontier counties, the minimum wage increase on July 1, 2017 will be from \$9.50 to **\$10.00** per hour.
- For more information on this system, please <u>read this summary</u>.

In **South Dakota**, the minimum wage will increase from \$8.55 to **\$8.65** as of January 1, 2017.

The minimum wage in **Vermont** will increase from \$9.60 to **\$10.00** on January 1, 2017.

Washington's minimum wage will increase from \$9.47 to \$11.00 on January 1, 2017. Meanwhile:

- **Seattle** employers with 500 or more employees will see an increase in their minimum wage from \$13.00 to **\$15.00** on January 1, 2017; those with 500 or fewer employees will see an increase from \$12.00 to **\$13.00**.
- The **SeaTac** minimum wage applicable for hospitality and transportation workers will increase from \$15.24 to **\$15.35** as of January 1, 2017.
- In **Tacoma**, the minimum wage will increase from \$10.35 to **\$11.15**.

The minimum wage for **federal contractors** covered by those regulations and Executive Order 13658 (primarily those with Davis-Bacon Act and Service Contract Act contracts) will increase from \$10.15 to **\$10.20** effective January 1, 2017.

For more information, visit our website at <u>www.fisherphillips.com</u>, or contact your regular Fisher Phillips attorney.

This Legal Alert provides an overview of state and local minimum wage increases. It is not intended to be, and should not be construed as, legal advice for any particular fact situation.

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