



Florida Employers Must Ring In New Year With Minimum Wage Increase

Insights

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Thanks to a constitutional provision that requires Florida to adjust its minimum wage each year to match inflation, employers in the Sunshine State must now pay their employees at least \$8.56 per hour. The 10-cent increase was immediately effective when the clock struck midnight and ushered in 2020. But employers might not want to get too comfortable with the current level. Come November, Florida citizens may be voting on a massive jump that could ultimately increase the minimum wage to \$15.00 per hour.

The Basics: Where Are We Now?

Florida employers have seen a slow and moderate increase in the state minimum wage over the past 16 years since voters approved a constitutional amendment requiring an annual review to determine whether it should be adjusted upward for inflation. At the time, the rate was \$5.15 per hour, but was immediately bumped to \$6.15. The level has steadily climbed each year except for the period between 2009 and 2011 when it remained stable during the economic recession. By 2019, the rate was \$8.46.

On September 30, 2019, the Department of Economic Opportunity announced the 2020 rate after examining the federal Consumer Price Index for the previous 12 months. It called for a 1.12% increase to bump the state minimum wage rate by a dime to \$8.56, effective on January 1, 2020. Florida remains one of 29 states (along with D.C.) that have minimum rates exceeding the federal minimum wage of \$7.25.

The Florida minimum wage for tipped employees has also risen with the new year. As of January 1, you need to pay such workers \$5.54 per hour plus tips.

It pays to comply with Florida's minimum wage law. The statute creating the current systems provides strong enforcement mechanisms that should incentivize you to stay on the right side of the law. If you violate the law, you could face double damages for unpaid wages, attorneys' fees, and government fines. You are also prohibited from retaliating against employees who exercise their wage and hour rights.

The Future: What's In Store?

Don't get too comfortable with the current state of affairs. If you believe the slow and steady minimum wage increase since 2004 has been too steep, you won't be happy to hear that an initiative

will be on the November 2020 ballot that could boost the rate to \$15.00 per hour.

Florida Amendment 2 has been approved to appear on the Election Day ballot as a constitutional amendment that would incrementally increase the state minimum wage over the course of the next six years. If approved, the rate would jump to \$10.00 per hour on September 30, 2021, and then increase by \$1.00 per year until it reaches \$15.00 in September 2026.

For those curious about its chances of success, it's important to note that voters across the country have historically supported such ballot initiatives. According to Ballotpedia, voters have approved 25 of the last 27 state minimum wage increases and haven't rejected any such measures since 1996. The average passage rate of those 25 ballot measures has been 63%.

We'll keep an eye on any developments, so make sure you are signed up for our legal alert system to receive the latest news. For more information, contact your Fisher Phillips attorney or one of the attorneys in any of our Florida offices:

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