

## Compliance **Bulletin**

## Minimum Wage Rate to Increase in Some States in Summer of 2014

Provided by The Holmes Organisation

## **Quick Facts**

- The minimum wage rate will increase in five jurisdictions in the summer of 2014.
- Additional increases are expected in other states by Jan. 1, 2015.
- Employers should review employee wage rates and required workplace posters to ensure compliance with state law.

The minimum wage rate will change for four states and the District of Columbia this summer.

Most employers in the United States are subject to the minimum wage provisions of the Federal Labor Standards Act (FLSA). These employers are required to pay their employees a wage rate of at least \$7.25 per hour.

However, many states have adopted minimum wage rates that exceed the federal rate. When federal and state minimum wage rates are different, the one that most benefits the employee prevails.

As of June 1, 2014, four states and the District of Columbia have announced increases in their minimum wage rate that will become effective this summer. These rate increases will require affected employers to pay their employees wage rates higher than the federal rate.

Affected employers should review employee pay rates and update their minimum

wage poster notices as necessary to ensure their compliance with local regulations.

Additional minimum wage rate increases are expected for other states by Jan.1, 2015. The Holmes Organisation will monitor these developments and update you of any changes.

State	New Hourly Rate	Effective Date
DE	\$7.75 per hour	June 1, 2014
CA	\$9.00 per hour	July 1, 2014
DC	\$9.50 per hour	July 1, 2014
MN	\$8.00 / \$6.00* per hour	Aug. 1, 2014
МІ	\$8.15 per hour	Sept. 1, 2014

\*Minnesota's minimum wage rates apply only to employers not covered by the federal wage rate. The higher rate will apply to employers with at least \$500,000 in annual gross sales or business. The lower rate applies to smaller employers.



