

Voters Decide on State Minimum Wages and Other Workplace Issues

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On Election Day 2024, voters in six states weighed in on ballot initiatives that addressed several employment law topics.

Among these were propositions to change state minimum wages and mandate paid sick leave for workers. The outcomes were mixed.

Alaska

In Alaska, voters passed by a narrow margin [Ballot Measure 1](#), which will increase the state's minimum wage from the current rate of \$11.73 per hour to \$13.00 per hour on July 1, 2025. It will subsequently rise to \$14.00 per hour on July 1, 2026, and \$15.00 per hour on July 1, 2027. Increases thereafter will be calculated based on inflation.

Ballot Measure 1 included other provisions affecting workplaces. Its passage means that many employers will need to comply with new paid sick leave requirements. Starting July 1, 2025, eligible employees will accrue a minimum of one hour of paid sick leave for every 30 hours worked and will be allowed to use at least 40 and up to 56 hours of accrued paid sick leave annually, depending on how many employees work for their employer.

A third portion of Ballot Measure 1, also effective July 1, 2025, prohibits so-called "captive audience" meetings. The new law will prohibit employers from retaliating against employees who refuse to attend company meetings about political or religious topics.

Arizona

Arizona voters rejected [Proposition 138](#), which would have amended the state constitution to allow employers to pay tipped employees up to 25% less than the minimum wage. As a result, Arizona's current subminimum wage requirements still stand, meaning that employers can continue paying

tipped workers up to \$3.00 per hour below the minimum wage, as long as their tips bring their hourly wages to the statewide floor of \$14.35.

California

As of this writing (with 87.3% of votes counted), it appears that California's [Proposition 32](#) may be heading for defeat. The measure would have increased the state's minimum wage from the current rate of \$16.00 per hour to \$17.00 per hour for the remainder of this year and up to an hourly rate of \$18.00 starting January 1, 2025.

Massachusetts

Proposed changes to tipped workers' minimum wages were also on the ballot in Massachusetts this year. The [Question 5](#) initiative sought to require a gradual phase-out of the permissible tip credit by annually increasing minimum wages for tipped workers. The proposition scheduled increases from the current hourly service rate of \$6.75 over a four-year period, starting on January 1, 2025 until January 1, 2029, when the rate for tipped workers' minimum wage would match the state's full minimum wage. This measure failed, so Massachusetts will maintain its current minimum wage structure with respect to tipped employees.

Missouri

In Missouri, voters approved [Proposition A](#). Accordingly, the state's current minimum hourly wage of \$12.30 will be raised to \$13.25 on January 1, 2025, and to \$15.00 on January 1, 2026, with increases after January 1, 2027, dependent on inflation.

The measure also includes a new paid sick leave law that will take effect on May 1, 2025. Similar to Alaska, employees in Missouri will accrue one hour of paid sick leave for every 30 hours worked and will be entitled to use up to 40 or 56 hours annually, depending on the size of the employer.

Nebraska

Finally, Nebraska's [Initiative 436](#) passed and will bring paid sick leave to Nebraskans starting on October 1, 2025. Under the new law, employers with fewer than 20 employees will be required to allow employees to accrue and use up to 40 hours of paid sick leave per year, and employees of employers with more than 20 employees will be able to accrue up to 56 hours of paid sick leave per year.

Takeaways for Employers

Voters in Alaska, Massachusetts, Missouri, and Nebraska took clear positions on employment related legislation, whereas Californians were split. Employers should prepare for the minimum wage and paid sick leave adjustments coming in 2025.

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