

## State Minimum Wage Increases Effective 2015

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Employers with multi-state operations must remain abreast of developments in state and local wage and hour legislation, such as increases in state minimum wages. Many state laws provide for annual increases based on the U.S. Consumer Price Index and inflation. The states and localities that have increased minimum wages effective January 1, 2015, (except as noted) appear below. Because hospitality and similar employers also need to be aware of changes to the permissible tip credit that affect the minimum wage they must pay to customarily tipped employees, such increases also appear below. Of course, these changes to minimum wage rates also affect overtime pay calculations.

**Alaska** – General minimum wage increases from \$7.75 to \$8.75 an hour, effective February 24, 2015. (Alaska law does not allow employers to take a tip credit against minimum wage for tipped employees.)

**Arizona** – General minimum wage increases from \$7.90 to \$8.05 an hour. Minimum wage for tipped employees increases from \$4.90 to \$5.05.

**Arkansas** – General minimum wage increases from \$7.25 to \$7.50 an hour. Minimum wage for tipped employees remains \$2.63.

**Colorado** – General minimum wage increases from \$8.00 to \$8.23 an hour. Minimum wage for tipped employees increases from \$4.98 to \$5.21 an hour.

**Connecticut** – General minimum wage increases from \$8.70 to \$9.15 an hour. Minimum wage for tipped bartenders increases from \$7.34 to \$7.46 and minimum wage for hotel and restaurant tipped employees other than bartenders increases from \$5.69 to \$5.78.

**Florida** – General minimum wage increases from \$7.93 to \$8.05 an hour. Minimum wage for tipped employees increases from \$4.91 to \$5.03 an hour.

**Hawaii** – General minimum wage increases from \$7.25 to \$7.75 an hour. Adjusted minimum wage for tipped employees increases from \$7.00 to \$7.25 an hour, provided that when tips are added to the

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wages paid by the employer the total amount is no less than \$14.75 per hour.

**Maryland** – General minimum wage increases from \$7.25 to \$8.00 an hour. Minimum wage for tipped employees remains \$3.63 an hour.

**Massachusetts** – General minimum wage increases from \$8.00 to \$9.00 an hour. Minimum wage for tipped employees increases from \$2.63 to \$3.00 an hour.

**Missouri** – General minimum wage increases from \$7.50 to \$7.65 an hour. Minimum wage for tipped employees increases from \$3.75 to \$3.83 an hour.

**Montana** – General minimum wage increases from \$7.90 to \$8.05 an hour. (Montana law does not allow employers to take a tip credit against minimum wage for tipped employees.)

**Nebraska** – General minimum wage increases from \$7.25 to \$8.00 an hour. Minimum wage for tipped employees remains \$2.13.

**New Jersey** – General minimum wage increases from \$8.25 to \$8.38 an hour. Minimum wage for tipped employees remains \$2.13 an hour by virtue of federal law.

**New York** – General minimum wage increases from \$8.00 to \$8.75 an hour, effective December 31, 2014. Subject to caveats outside the hospitality industry, the minimum wage for tipped employees will remain \$5.00 an hour for food service workers (i.e., servers, runners, and bussers) and \$5.65 an hour for service employees (i.e., delivery persons and coat checks).

**Ohio** – General minimum wage increases from \$7.95 to \$8.10 an hour. Minimum wage for tipped employees increases from \$3.98 to \$4.05 an hour.

**Oregon** – General minimum wage increases from \$9.10 to \$9.25 an hour. (Oregon law does not allow employers to take a tip credit against minimum wage for tipped employees.)

**Rhode Island** – General minimum wage increases from \$8.00 to \$9.00 an hour. Minimum wage for tipped employees remains \$2.89 an hour.

**South Dakota** – General minimum wage increases from \$7.25 to \$8.50 an hour. Minimum wage for tipped employees increases from \$2.13 to \$4.25 an hour.

**Vermont** – General minimum wage increases from \$8.73 to \$9.15 an hour. Minimum wage for tipped employees increases from \$4.23 to \$4.58 an hour.

**Washington** – General minimum wage increases from \$9.32 to \$9.47 an hour. (Washington law does not allow employers to take a tip credit against minimum wage for tipped employees.)

**West Virginia** – General minimum wage increases from \$7.25 to \$8.00 an hour. Minimum wage for tipped employees increases from \$2.13 to \$2.40 an hour.

*Certain localities also have implemented minimum wage legislation.* For example, in San Francisco, California, the minimum wage increased on January 1 from \$10.74 to \$11.05 an hour. San Jose, California, increased its minimum wage from \$10.15 to \$10.30 an hour. (Note that California law does not allow employers to take a tip credit against minimum wage for tipped employees.)

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