

Arizona Minimum Wage Now \$7.65 Per Hour

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Effective January 1, 2012, Arizona's minimum wage increased to \$7.65 per hour, an increase of \$0.30 per hour from the previous minimum wage.

In 2006, Arizona voters approved Proposition 202, which set a state minimum wage that is tied to fluctuations in the U.S. Department of Labor's Consumer Price Index. Before Proposition 202, Arizona did not have a state minimum wage, and instead the federal minimum wage - currently \$7.25 per hour - applied to most Arizona employers. Based on the 3.8% increase in the CPI from August 2010 to August 2011, in October 2011, the Arizona Industrial Commission resolved to increase the minimum wage for calendar year 2012 by \$0.30. This increase applies to most Arizona employers. It does not, however, apply to federal or state employees, to persons employed by parents or siblings, to persons performing babysitting services in an employer's home on a casual basis, or to small businesses that have gross revenues of less than \$500,000 per year and which are otherwise exempt from paying the federal minimum wage under the federal Fair Labor Standards Act.

The last increase to Arizona's minimum wage was in 2011, when the Industrial Commission raised the state minimum wage by \$0.10. There was no increase in 2010. The minimum wage for tipped employees in 2012 remains \$3.00 per hour, so long as employers can demonstrate that, with tips, employees earn at least the minimum wage of \$7.65.

A copy of the revised notice to employees that is required to be posted in Arizona workplaces advising of the new minimum wage is [available on the Industrial Commission of Arizona website](#).

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