

COMPLIANCE BULLETIN

2016 Summer Updates to Minimum Wage Rates

HIGHLIGHTS

- Three states and the District of Columbia have adopted higher minimum wage rates.
- Additional changes are expected in other states for 2017.
- Employers should review employee wage rates and required posters to ensure compliance with state laws.

IMPORTANT DATES

July 1, 2016

Washington D.C., Maryland and Oregon increased their minimum wage rates.

August 1, 2016

Minnesota increased its minimum wage rate.

OVERVIEW

The current federal minimum wage rate is \$7.25 per hour. However, many states, as well as the District of Columbia, have adopted minimum wage rates higher than the federal rate. When the state rate and the federal rate are different, employers must pay their employees the higher rate.

During the summer of 2016, the following four jurisdictions adopted minimum wage rates higher than the federal rate.

| Jurisdiction | New Rate | Effective Date |
|-----------------|--|----------------|
| Washington D.C. | \$11.50 | July 1, 2016 |
| Maryland | \$8.75 | July 1, 2016 |
| Oregon | \$9.75 | July 1, 2016 |
| Minnesota | \$9.50 (large employers) \$7.75 (small employers) | Aug. 1, 2016 |

ACTION STEPS

Affected employers should review their employees' pay rates and update their minimum wage poster notices as necessary to ensure their compliance with wage and hour regulations.

Provided By:
Touchstone Consulting Group