

Another State Increasing Its Minimum Wage

May 27, 2014 | Fair Labor Standards Act, Labor And Employment

On May 23, 2014, Hawaii became the third state in the country to enact legislation that will incrementally increase its minimum wage to \$10.10 per hour. Connecticut and Maryland adopted similar legislation. Twenty-one other states and the District of Columbia currently have minimum wage laws that are above the federal minimum wage of \$7.25 per hour. Under the law, Hawaii will incrementally increase the minimum wage from \$7.25 per hour to \$10.10 by January 2018. Employers of tipped workers also will be eligible to receive a tip credit of 50 cents per hour beginning in January 2015, and that credit will increase to 75 cents per hour beginning in January 2016 so long as the combined hourly wage plus tips equals at least \$7 more than the applicable minimum wage. Some view Hawaii's enactment of this new minimum wage as bolstering President Obama's and Congressional Democrats push to increase the federal minimum wage to \$10.10 per hour under the Fair Minimum Wage Act bill that was introduced by Senator Tom Harkin (D-lowa). That bill was met with opposition and failed under a 54-42 vote.

RELATED PRACTICE AREAS

Labor and Employment Wage and Hour

RELATED TOPICS

Minimum Wage