

Massachusetts Minimum Wage Increases to \$9.00 per hour Effective January 1, 2015

On June 26, 2014, Massachusetts Governor Deval Patrick enacted a new law that will raise the minimum wage rate for Massachusetts employees from \$8.00 to \$11.00 an hour by 2017. The first of three increases will take effect on January 1, 2015.

Massachusetts non-tipped employees can expect the following wage increases in the next three years:

- January 1, 2015 \$9.00 per hour
- January 1, 2016 \$10.00 per hour
- January 1, 2017 \$11.00 per hour

Massachusetts **tipped** employees can expect the following wage increases in the next three years:

- January 1, 2015 \$3.00 per hour
- January 1, 2016 \$3.35 per hour
- January 1, 2017 \$3.75 per hour

Failure to comply with these increases violates Massachusetts wage laws (Mass. Gen. Laws Ch. 149, § 148), which establish steep penalties for violations, including treble damages (which triples the damage amount) and attorneys' fees, regardless of whether the violations were willful or committed in good faith. In addition to employer exposure to civil liability and criminal penalties, certain individuals within an organization can be held personally liable to pay these damages and penalties.

<u>Click here</u> for more information regarding Massachusetts minimum wage increases.

Step for Employers

- Massachusetts employers should review their employees' wages to ensure they comply with the new law and make the appropriate changes by December 31, 2014, to take effect on January 1, 2015.
- 2. Updated posters have not yet been released by the Department of Labor. As soon as these posters become available, HR Knowledge will send clients an e-alert on how to either download or order a new poster.
- 3. If you are an HR Knowledge payroll client, please send any minimum wage changes to your Client Account Manager via your customized Employee Change Form.

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