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## Reminder: Federal Minimum Wage Increases July 24, 2009

Beginning on Friday, July 24, 2009, employees who are covered by the Fair Labor Standards Act must be paid a minimum of \$7.25 per hour. This increase is the last of the three increases to the Federal minimum wage provided by the Fair Minimum Wage Act of 2007. The Department of Labor has announced that a new poster reflecting this increase will be available on its [website](#).

This increase will have a limited effect on California employers because California's minimum wage remains higher than the Federal minimum wage (at \$8.00). However, for companies with employees in other states, the increase may have implications beyond just the higher minimum hourly rate. Such companies should review their payment practices to ensure that they remain in compliance with the FLSA, including, for example, on issues such as recovering a credit against the minimum wage for meals and lodging or treating commissioned employees in a retail or service establishment as exempt from overtime. Companies should consult their labor counsel as needed.