

Client Alert

Employment Law



Contact Information:



Peter J. Moser
pmoser@hrwlawyers.com
617-348-4323

Massachusetts Minimum Wage Increases and an Update on Paid Leave

HRW wishes all of its clients a happy, healthy, and prosperous New Year! The ringing in of the new year also means the ringing of extra change in the bank accounts of hourly and tipped employees as part of Governor Baker's "Grand Bargain" agreement.

Minimum Wage and Sunday Time Rate

Beginning on January 1, 2019, the Massachusetts minimum wage will be raised from \$11.00 to \$12.00, part of a tiered effort that will raise the Commonwealth's minimum wage to \$15.00 by 2023. Similarly, the tipped minimum wage increases from \$3.75 to \$4.35 on January 1 and will likewise continue to increase yearly until it reaches \$6.75 in 2023.

Under the new law, retail employees' Sunday time rate will decrease from time-and-a-half to one and four-tenths the employee's regular rate. The rate will decrease yearly until it is gradually eliminated in 2023.

The Grand Bargain and Paid Leave

Starting July 1, paid leave programs are set to be funded through a new payroll tax of 0.63 percent, with employers and employees each paying a portion of the cost. Most programs, however, will not begin until 2021. Furthermore, in what will hopefully bring additional clarity to the Paid Leave law, the newly created Department of Family and Medical Leave is expected to publish proposed regulations for comment by March 31, 2019. These regulations are expected to be finalized by July 1, 2019.

For More Information

For more information or compliance assistance, please contact Peter J. Moser or any other member of the HRW team.