
LEGAL ALERT

Ohio Minimum Wage Increases Effective January 1, 2012

Ohio's minimum wage is scheduled to increase on January 1, 2012 to \$7.70 per hour for non-tipped employees and to \$3.85 per hour for tipped employees. Ohio's current minimum wage is \$7.40 per hour for non-tipped employees and \$3.70 for tipped employees. The increased minimum wage will only apply to employers who gross more than \$283,000 per year.

Ohio is required to increase the minimum wage every year due to an amendment to the Ohio Constitution passed in November of 2006. This Constitutional Amendment states that Ohio's minimum wage shall increase on January 1 of each year by the rate of inflation. The inflation rate is tied to the Consumer Price Index (CPI) for urban wage earners and clerical workers for the 12-month period beginning with the prior September.

This past year, the CPI index rose 4.3%, which, when calculated against the former minimum wage of \$7.30 non-tipped employees and tipped employees, represents an increase of \$0.31 and \$0.16, respectively. But the amendment also states that the wage rate shall be rounded to the nearest five cents. Accordingly, this year's increase is \$0.30 for non-tipped employees and \$0.15 for tipped employees.

For employees at smaller companies (grossing less than \$283,000 per year after January 1, 2012) and for 14- and 15-year olds, the state minimum wage remains tied to the federal minimum wage, which is currently \$7.25 per hour.



All companies subject to Ohio Minimum Wage laws are required to post an updated Ohio Wage & Hour poster in a conspicuous place in the workplace. An updated poster is available at http://com.ohio.gov/laws/docs/dico_MinimumWagePoster2012.pdf.

For more information visit our website at www.laborlawyers.com or contact any attorney in the Cleveland office of Fisher & Phillips at 440.838.8800.

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