

Reminder: New York Minimum Wage Rates and Salary Thresholds for the Executive and Administrative Exemptions Will Increase on December 31, 2018

Although the minimum wage rate under the Fair Labor Standards Act remains \$7.25 per hour and the U.S. Department of Labor has not issued any new proposed regulations to raise the minimum salary to qualify for a white-collar exemption under federal law, employers in New York will be required to comply with the new state minimum wage rate and the new state salary threshold to qualify for the executive and administrative exemptions, effective December 31, 2018.

The New York minimum wage is scheduled to increase effective December 31, 2018, as follows:

- Employers outside of New York City, Nassau, Suffolk, and Westchester counties: \$11.10 per hour (increase of \$0.70 per hour);
- Employers in Nassau, Suffolk, and Westchester counties: \$12.00 per hour (increase of \$1.00 per hour)
- Employers in New York City with 10 or fewer employees: \$13.50 per hour (increase of \$1.50 per hour)
- Employers in New York City with 11 or more employees: \$15.00 per hour (increase of \$2.00 per hour)

Fast food employees will be entitled to an even higher minimum wage rate effective December 31, 2018, as follows:

- Fast food employees outside of New York City: \$12.75 per hour (increase of \$1.00 per hour)
- Fast food employees in New York City: \$15.00 per hour (increase of \$1.50 per hour)

Employers in New York should keep in mind that any hours worked by non-exempt employees on New Year's Eve must be paid at the new minimum wage rates. It is not sufficient to put these new rates into effect on New Year's Day.

The salary threshold to qualify for the executive and administrative exemptions effective December 31, 2018, will also increase as follows:

- Employers outside of New York City, Nassau, Suffolk, and Westchester counties: \$832.00 per week (increase of \$52.00 per week)
- Employers in Nassau, Suffolk, and Westchester counties: \$900.00 per week (increase of \$75.00 per week)
- Employers in New York City with 10 or fewer employees: \$1,012.50 per week (increase of \$112.50 per week)
- Employers in New York City with 11 or more employees: \$1,125.00 per week (increase of \$150.00 per week)

New York does not set a salary threshold to qualify for the professional exemption, so employees must meet the current federal salary threshold of \$455.00 per week to qualify for the professional exemption. For all of the white-collar exemptions, employees must also meet the applicable duties requirements.

A chart summarizing the minimum wage rates, tip credits, uniform maintenance allowances, meal and lodging credits, and exempt salary thresholds under the Miscellaneous Industries Wage Order can be found [here](#). A chart summarizing this same information under the Hospitality Industry Wage Order can be found [here](#).

If you have any questions about this Information Memo, please contact [Subhash Viswanathan](#), any of the [attorneys](#) in our [Labor and Employment Law Practice](#), or the attorney in the firm with whom you are regularly in contact.



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