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STATE TO RAISE MINIMUM WAGE TO \$7.31 PER HOUR ON JUNE 1ST Florida Judge Orders State to Raise Minimum Wage In Accordance With State Constitutional Provisions

TALLAHASSEE— A Circuit Court judge in Leon County, Florida ruled this week that the State of Florida violated Florida's Constitution by failing to raise the Florida minimum wage on January 1, 2011 to reflect last year's increase in the cost of living, as required by a constitutional amendment approved by Florida voters in 2004. As a result of the judge's ruling the state minimum wage will increase to \$7.31 per hour effective June 1st of this year. The new minimum wage for tipped workers will also rise by 6 cents, from \$4.23 to \$4.29 per hour.

"This ruling is a victory for Florida's working families and for the voters, who decided back in 2004 that the minimum wage needs to keep pace with the rising cost of necessities like groceries and gas," said **Paul Sonn**, an attorney with the National Employment Law Project (NELP) and co-counsel for the plaintiffs. "Approximately 200,000 minimum wage workers in the state will see this modest, but nonetheless welcome, increase in their paychecks."

In 2004, Floridians voted by a 72% to 28% margin to amend the state's Constitution to enact for the first time a state minimum wage. Under the voter-approved amendment, the state minimum wage increases every January to keep pace with any increase in the cost of living during the preceding year, and does not decrease in those rare instances where the cost of living dips.

The suit, Cadet et al. v Fla. Agency for Workforce Innovation, was filed in January by the National Employment Law Project, Florida Legal Services, and Tallahassee lawyer William H. Davis, on behalf of individual minimum wage earners and organizations made up of minimum wage workers, including the Restaurant Opportunities Center of Miami, WeCount! Inc. and the Farmworker Association of Florida. The plaintiffs charged that the State had used an erroneous formula in calculating annual adjustments in the minimum wage, instead of using the method required by the Florida Constitution. The Agency's method resulted in a decrease to Florida's 2010 minimum wage and would have artificially held down subsequent increases, including 2011's, by factoring in a brief dip in the cost of living during 2009.

Circuit Court Judge Terry Lewis agreed with the plaintiffs 'position, ruling that under the Florida Constitution, the minimum wage can never be decreased and that, accordingly, the correct minimum wage this year is \$7.31 – six cents more than the \$7.25 federal minimum wage. Judge Lewis' ruling also requires that the state calculate future annual increases to the minimum wage using the formula laid out in Florida's Constitution. The six cent increase in the minimum wage ordered by Judge Lewis would result in \$28 million more wages for low-income

Floridians during 2011, and more than twice that amount in 2012 and each subsequent year.

"We are gratified by the ruling," said José Javier Rodríguez, an attorney with Florida Legal Services and co-counsel for the plaintiffs. "If the state had been allowed to continue suppressing Florida's minimum wage, the rate would have remained fifteen cents below the correct amount each year from now on. It would have failed to keep pace with the cost of living, and would have failed to live up to the will of the voters when they created a minimum wage annually adjusted for inflation. Now that it has been corrected, Florida's lowest wage earners will have a little bit more to make ends meet and will have some measure of protection from higher prices eroding their earnings."

"Minimum wage workers, especially those in Florida's restaurant industry, contribute to the state's tourism, hospitality and entertainment sectors yet earn some of the lowest wages in the state keeping them in poverty" said Jose Oliva, Policy Coordinator for the Restaurant Opportunities Center, a national restaurant workers' organization whose membership is comprised of restaurant employees across the country. He added "tipped workers, like all minimum wage earners, often survive at the margins and count on every penny earned; this legal victory means that workers will be one step closer out of poverty."

Today's court ruling clears the way for Florida to join the six other states with similar cost of living provisions in their minimum wage laws. These states – Arizona, Montana, Ohio, Oregon, Vermont, Washington – all kept their minimum wages the same from 2009 to 2010 when deflation occurred, and then went ahead with their usual cost of living increase for 2011.

Workforce experts argue that raising the minimum wage is especially important now as the price of gas and food is rising sharply. "The cost of gas and groceries is going through the roof, but wages are flat for most working Floridians," explained NELP's Paul Sonn. "The job growth we're seeing during this weak recovery is concentrated in low-wage industries like restaurants and retail, which makes raising the minimum wage more important than ever." New research published in November 2010 and April 2011 finds that, contrary to opponents' claims, raising the minimum wage does not lead to job loss, even during weak economic periods.

"This is a great result for Florida's working poor, who are struggling especially hard right now with food and gasoline prices. We believe that virtually every penny of this increase will go right back into the state's economy, with the cumulative effect of increasing demand and creating jobs for everyone," said **Bill Davis**, co-counsel for the plaintiffs.

The State's updated notice informing employers of these new minimum wage rates is available at http://www.floridajobs.org/minimumwage/index.htm

The National Employment Law Project is a national policy organization that advocates for raising the minimum wage. Florida Legal Services is a state-wide legal services organization that advocates for low-income Floridians.