

North Carolina Raises the Minimum Wage – 2006

North Carolina's minimum wage will increase from \$5.15 an hour to \$6.15 an hour, effective January 1, 2007. Governor Easley signed the increase into law today. As a result, for the first time in the State's history, North Carolina's minimum wage will be higher than the federal minimum wage. The new law affects all North Carolina employers, regardless of size, and applies to all employees in the State. Thus, part-time workers and people working summer jobs will be covered by the increase as well. North Carolina state officials estimate the increase will affect approximately 139,000 employees statewide.

If your Company is covered by the federal Fair Labor Standards Act, rest assured that the increase applies to your Company too. Although the current law exempts employers covered by the Fair Labor Standards Act from the State's minimum wage requirements, the new law nullifies this exemption. As a result, all North Carolina employers are subject to the new law.

Through the increase, North Carolina joins a growing number of states with a minimum wage higher than the federal standard. Eighteen states and the District of Columbia already have minimum wages above the federal level; however, aside from Florida, North Carolina will become the first state in the Southeast in this category.

Should you have any questions about the minimum wage increase, or should you need assistance with wage and hour compliance issues, please contact [Mark Sampson](#) (336-574-8095 or [email](#)) in our Greensboro office, or contact the Womble Carlyle Labor and Employment attorney with whom you already work.

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