



Technical Update

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Colorado's Minimum Wage of \$8.31 per Hour Supersedes Current Federal Minimum Wage Rate

Effective January 1, 2016, Colorado raised its minimum wage rate to \$8.31 per hour.

In accordance with the Colorado Constitution, the Colorado minimum wage is adjusted annually for inflation as measured by the Consumer Price Index used for Colorado. The inflation adjustment is based on the Consumer Price Index for All Urban Consumers (CPI-U).

Since July 24, 2009, the federal minimum wage for covered nonexempt employees is \$7.25 per hour. The federal minimum wage provisions are contained in the Fair Labor Standards Act (FLSA).

The federal minimum wage law supersedes state minimum wage laws only where the federal minimum wage is greater than the state minimum wage. Alternatively, in those states where the state minimum wage is greater than the federal minimum wage, the state minimum wage prevails, and the employee is entitled to the higher minimum wage.

What This Means For Counties

Counties should begin paying the Colorado minimum wage of \$8.31 per hour effective January 1, 2016.

For more information, contact CTSI at 303-861-0507.