Final Phase of NYC Minimum Pay-Rate Increase for App-Based Delivery Workers Is in Effect

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Takeaway

• Beginning 04.01.25, delivery platform companies must pay delivery workers in New York City a \$21.44 per hour minimum pay-rate.

Related links

- <u>New York City's Pay Protections for App-Based Workers Upheld, Allowed to Go</u> <u>into Effect</u>
- <u>New York City App-Based Workers' Minimum Pay-Rate Increases</u>

Article

On April 1, 2025, New York City Mayor Eric Adams and the New York City Department of Consumer and Worker Protection (DCWP) announced that, effective immediately, delivery platform companies must pay delivery workers a minimum rate of at least \$21.44 per hour before tips.

New York City first began implementing a minimum pay-rate for app-based restaurant delivery workers in December 2023. (See our article, <u>New York City's Pay</u> <u>Protections for App-Based Workers Upheld, Allowed to Go into Effect</u>, for more information.) On April 1, 2024, Mayor Adams and the DCWP increased the minimum pay-rate for delivery workers to \$19.56 per hour. (See our article, <u>New York City App-Based Workers' Minimum Pay-Rate Increases</u>, for more information.)

The latest minimum pay-rate increase is part of the final phase of increases for appbased delivery workers and is subject to annual adjustments for inflation. The \$21.44 per hour rate reflects the April 1, 2025, phase-in rate of \$19.96 plus an inflation adjustment of 7.41 percent.

Mayor Adams lauded the pay increase, stating, "We are proud to have not only spearheaded this groundbreaking policy, but to have made life easier for delivery workers and their families all across the five boroughs." Following the announcement of the increase, Deputy Mayor for Housing, Economic Development, and Workforce Adolfo Carrión, Jr., noted that the implementation of a minimum pay-rate for appbased restaurant delivery workers has "already helped [the] app-based delivery worker community secure over \$700 million in additional wages."

The DWCP will continue to monitor whether delivery platform companies are complying with the law. If you have any questions regarding compliance with the new law or any other issues involving worker classification or payment of wages to delivery workers, please contact a Jackson Lewis attorney. Noel P. Tripp Principal (631) 247-4661 Noel.Tripp@jacksonlewis.com



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