Pennsylvania Moves Closer to \$15 Minimum Wage as Bill Advances to Senate

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June 24, 2025

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Takeaways

- The bill aims to increase the minimum wage to \$15 per hour in the most populous counties starting in 2026, while providing lesser increases in smaller counties.
- The tipped minimum wage would also increase to 60 percent of the new minimum wages.
- Annual adjustments based on the CPI would start in 2029.

Related link

House Bill 1549

Article

A bill to increase the hourly minimum wage from \$7.25 to \$15 in Pennsylvania's most populous counties beginning 2026 has passed the General Assembly. The bill provides other, lesser increases in the state's smaller counties. House Bill 1549 would amend the Pennsylvania Minimum Wage Act of 1968. The governor is expected to sign the bill if it passes the Senate.

In Philadelphia, HB1549 would increase the minimum wage to \$15 beginning Jan. 1, 2026. After three years, the minimum wage would be adjusted for the cost of living each Jan. 1, reflecting increases in the Consumer Price Index (CPI).

For the rest of the Commonwealth, the bill would increase the minimum wage in stages based on county population as follows:

For all counties, the new minimum wage would increase annually in proportion to the CPI beginning Jan. 1, 2029.

The bill would also drastically increase the Commonwealth's tipped minimum wage, from the current \$2.83 per hour to 60% of the new minimum wages described above. For instance, tipped employees in Philadelphia would be entitled to a tipped minimum wage of \$9 per hour (60% of \$15) beginning in 2026.

Jackson Lewis attorneys are available to discuss these recent developments and to assist employers in proactive planning for wage increases.

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