

Legal Update Article

New York City App-Based Workers' Minimum Pay-Rate Increases

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Delivery platform companies must pay delivery workers in New York City a minimum rate of at least \$19.56 per hour, Mayor Eric Adams and the New York City Department of Consumer and Worker Protection (DCWP) announced on April 1, 2024. The increase went into effect immediately.

In December 2023, New York City became the first major U.S. city to implement a minimum pay-rate for app-based restaurant delivery workers. This was viewed as a breakthrough for New York City delivery workers as the new pay protections were challenged by delivery platform companies and litigation delayed enforcement. Ultimately, the Appellate Division, First Department court ruled the pay protections could become effective and the DWCP began enforcing the minimum pay rate of at least \$17.96 per hour in December 2023. See our article, [New York City's Pay Protections for App-Based Workers Upheld, Allowed to Go into Effect](#), for more information.

The increase of the minimum pay rate from \$17.96 to \$19.56 per hour is because regulations impose inflation kickers with the increases. The \$19.56 per hour reflects the 2024 phase-in rate of \$18.96 plus an inflation adjustment of 3.15 percent. According to regulations, the rate will increase to \$19.96 per hour plus an adjustment for inflation when fully phased in on April 1, 2025. Annual adjustments will be announced thereafter.

Mayor Adams celebrated the scheduled pay increase, stating, “Our delivery workers have consistently delivered for us — and today the city is delivering for them.” In announcing the new minimum hourly rate, Mayor Adams added that delivery workers have already seen a 165 percent increase in their pay per week.

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.

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