

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

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SENATE BILL DRS15172-LRa-97B

Short Title: Living Wage Guarantee Act.

(Public)

Sponsors: Senators Theodros, Waddell, and Applewhite (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO ESTABLISH A STATE MINIMUM WAGE OF FIFTEEN DOLLARS PER  
3 HOUR, INCORPORATE AUTOMATIC INFLATION ADJUSTMENTS, AND ENSURE  
4 ECONOMIC STABILITY FOR WORKERS IN NORTH CAROLINA.

5 Whereas, the current minimum wage in North Carolina has remained stagnant at  
6 \$7.25 per hour since 2009, failing to keep pace with rising living costs; and

7 Whereas, increasing the minimum wage to \$15 per hour will enhance financial  
8 security for low-income workers, reduce poverty, and boost consumer spending, benefiting the  
9 State's economy; and

10 Whereas, automatic inflation adjustments will prevent wage stagnation and ensure  
11 that earnings maintain their real value over time; and

12 Whereas, Article I, Section 1, of the North Carolina Constitution affirms the right of  
13 all citizens to enjoy the fruits of their labor, which includes fair compensation; Now, therefore,  
14 The General Assembly of North Carolina enacts:

15 **SECTION 1.** This act shall be known and may be cited as the "Living Wage  
16 Guarantee Act."

17 **SECTION 2.(a)** G.S. 95-25.3 reads as rewritten:

18 "**§ 95-25.3. Minimum wage; wages; automatic cost-of-living adjustments.**

19 (a) Every ~~employer~~ employer, except a small business covered under subsection (a1) of  
20 this section, shall pay to each employee who in any workweek performs any work, wages of at  
21 least ~~six dollars and fifteen cents (\$6.15) per hour or the minimum wage~~ the amount set forth in  
22 paragraph 1 of section 6(a) of the Fair Labor Standards Act, 29 U.S.C. 206(a)(1), as that wage  
23 may change from time to time, ~~whichever is higher, except as otherwise provided in this~~  
24 section or wages of at least fifteen dollars (\$15.00) per hour, whichever is higher, effective  
25 January 1, 2026.

26 (a1) A small business shall pay to each employee who in any workweek performs any  
27 work, wages of at least the amount set forth in paragraph 1 of section 6(a) of the Fair Labor  
28 Standards Act, 29 U.S.C. § 206(a)(1), as that wage may change from time to time, or the wage  
29 set forth in this subsection, whichever is higher:

- 30 (1) Effective January 1, 2026, wages of at least twelve dollars (\$12.00) per hour.  
31 (2) Effective January 1, 2027, wages of at least thirteen dollars and fifty cents  
32 (\$13.50) per hour.  
33 (3) Effective January 1, 2028, wages of at least fifteen dollars (\$15.00) per hour.  
34 (4) Effective January 1, 2028, and annually thereafter, the amount determined by  
35 the Commissioner of Labor under subsection (a2) of this section.



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1       For the purposes of this section, a "small business" is defined as a person doing business in  
2 this State having fewer than 10 employees.

3       (a2) Beginning October 1, 2028, and on each October 1 thereafter, the Commissioner of  
4 Labor shall calculate an adjusted minimum wage rate indexed to the percentage increase in the  
5 Consumer Price Index (All 29 Urban Consumers), CPI-U, or its successor index, as calculated  
6 by the U.S. Department of Labor for the 12-month period preceding the previous October 1. Each  
7 adjusted minimum wage rate calculated shall be published on October 1 and take effect on the  
8 following January 1.

9       ...."

10       **SECTION 2.(b)** G.S. 95-25.22 is amended by adding new subsections to read:

11       "(a2) Any employer who violates the provisions of G.S. 95-25.13 or any rule adopted under  
12 that section shall be:

13           (1)   Liable to the employee or employees affected in the amount of their actual  
14               damages, including, but not limited to, back pay and benefits plus interest and  
15               reasonable attorneys' fees and costs.

16           (2)   Subject to fines and other remedies as determined by the North Carolina  
17               Department of Labor.

18       (a3) Employees shall have the right to file complaints with the Department of Labor  
19 regarding noncompliance. Employers shall not retaliate against employees who assert their rights  
20 under this section."

21       **SECTION 3.** Effective July 1, 2025, there is appropriated from the General Fund to  
22 the Department of Labor the sum of ten million dollars (\$10,000,000) to establish a State-funded  
23 Small Business Assistance Program (Program). The Program shall: (i) provide temporary  
24 financial support to small businesses transitioning to the new wage requirements and (ii) engage  
25 in outreach about the new minimum wage law. Federal workforce development funds may also  
26 be used for this purpose. Financial support through the Program shall be made available for  
27 businesses with 20 or fewer employees for a period of up to two years. The Department of Labor  
28 shall develop rules for the administration of the Program.

29       **SECTION 4.** Except as otherwise provided, this act is effective when it becomes  
30 law.