

2025 Texas Minimum Wage Guide

Hospitality Industry Edition

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UNDERSTAND THE BASICS

- Current Texas Minimum Wage (2025): \$7.25 per hour (same since 2009).
- Tipped Wage: \$2.13 per hour, but employers must ensure employees' tips make up the difference to \$7.25/hour.
- Federal vs. State Law: Texas follows the federal minimum wage, which supersedes unless the state raises it.

COMMON WAGE CHALLENGES IN HOSPITALITY

- Labor Costs: Managing wages while controlling costs is vital. High employee turnover, part-time hiring, and balancing front vs. back-of-house wages add complexity.
- Tips: Back-of-house employees may feel pay inequity compared to tip-earning front-of-house workers.

TEXAS VS. NEIGHBORING STATES

- Lowest in the Region: Texas shares the \$7.25 wage with neighboring states like Oklahoma and Kansas.
- Higher Wages in Other States: New Mexico and Arizona have significantly higher minimum wages, while West Coast and Northeast states lead with wages over \$15/hour.

WAGE TYPES AND EMPLOYEE CATEGORIES

- Full-Time & Part-Time Employees: No difference – all must receive at least \$7.25/hour.
- Student and Minor Workers: Employees under 20 can be paid a training wage for their first 90 days, but must earn \$7.25/hour after that.

LOOKING FORWARD

- Legislative Changes: No current plans to raise the minimum wage in Texas, but keep an eye on future federal updates.
- Competitive Pay: Offering more than \$7.25/hour can help your business attract better talent and compete locally.

NEED HELP?

Responsible Training offers training and certification to help hospitality businesses stay compliant with wage and other operational laws.

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