

HR COMPLIANCE OVERVIEW



2022 State Minimum Wage Rates

The current federal minimum wage rate is \$7.25 per hour. However, several states have adopted minimum wage rates higher than the federal rate. When the state rate and the federal rate are different, employers must pay their employees the higher rate. The following states have announced new minimum wage rates for 2022:

- Arizona
- California
- Colorado
- Connecticut
- Delaware
- Florida
- Illinois
- Maine
- Maryland
- Massachusetts
- Minnesota
- Missouri
- Montana
- Nevada
- New Jersey
- New Mexico
- New York
- Ohio
- Oregon
- Rhode Island
- South Dakota
- Vermont
- Virginia
- Washington

Highlights

- The minimum rate in New York depends on the employer's size, industry and geographic location.
- The minimum rate in California depends on the employer's size.

Important Dates

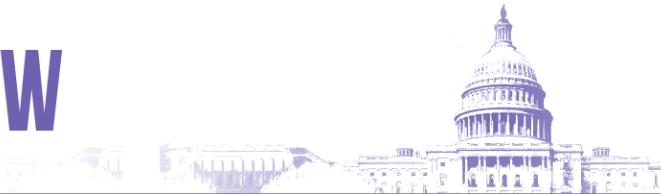
- Dec. 31, 2021:** New minimum wage rate in New York.
- Jan. 1, 2022:** New minimum wage rates in 19 states.
- July 1, 2022:** New minimum wage rates in Connecticut, Nevada and Oregon.
- Sept. 30, 2022:** New minimum wage rate in Florida.

LINKS AND RESOURCES

- U. S. Department of Labor [table of minimum wage by state](#)
- U.S. Department of Labor [federal minimum wage](#) page

Provided to you by **VANTREO Insurance Brokerage**

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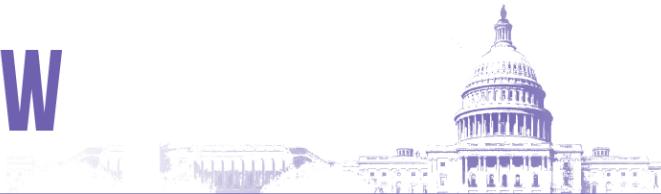


Minimum Wage Rate by State

The table below provides a high-level summary of minimum wage rates by state and important provisions that regulate how these rates apply.

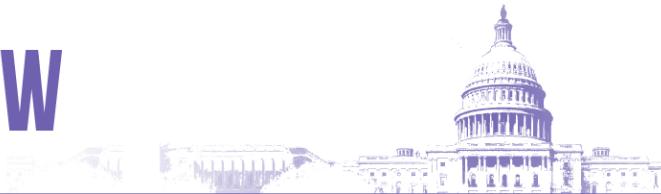
| Jurisdiction | 2022 Rate | Effective | Tip Rate/Notes |
|--------------|-----------|-------------------|--|
| Alabama | \$7.25 | Already in effect | No state minimum wage rate. The federal rate applies. |
| Alaska | \$10.34 | Already in effect | Tips do not count toward the minimum wage. On Oct. 5, 2021, Alaska announced its minimum wage rate will remain unchanged. |
| Arizona | \$12.80 | Jan. 1, 2022 | \$3 below minimum wage rate for tipped employees. |
| Arkansas | \$11 | Already in effect | \$2.63 for tipped employees. The state rate applies to employers with 4 or more employees. |
| California | \$14/\$15 | Jan. 1, 2022 | The minimum wage rate depends on employer size: <ul style="list-style-type: none">• \$14 for employers with 25 or fewer employees• \$15 for employers with 26 or more employees California does not allow employers to use a tip credit. Visit the California Department of Industrial Relations website for state wage orders. |
| Colorado | \$12.56 | Jan. 1, 2022 | \$9.54 for tipped employees. |
| Connecticut | \$14 | July 1, 2022 | |
| D.C. | \$15.20 | Already in effect | \$5.05 for tipped employees. |
| Delaware | \$10.50 | Jan. 1, 2022 | \$2.23 for tipped employees |
| Florida | \$11 | Sept. 30, 2022 | \$6.98 for tipped employees. |
| Georgia | \$7.25 | Already in effect | A \$5.15 state rate applies only to workers not covered by the FLSA (very limited exception). |
| Hawaii | \$10.10 | Already in effect | \$9.35 for tipped employees. |
| Idaho | \$7.25 | Already in effect | \$3.35 for tipped employees. |
| Illinois | \$12 | Jan. 1, 2022 | The state rate applies to employers with 4 or more employees. Tip credit cannot exceed 40 percent of the applicable minimum wage. <ul style="list-style-type: none">• \$7.20 for tipped employees• \$9.25 for youth under the age of 18 working fewer than 650 hours per calendar year |
| Indiana | \$7.25 | Already in effect | \$2.13 for tipped employees. |
| Iowa | \$7.25 | Already in effect | \$4.35 for tipped employees. |

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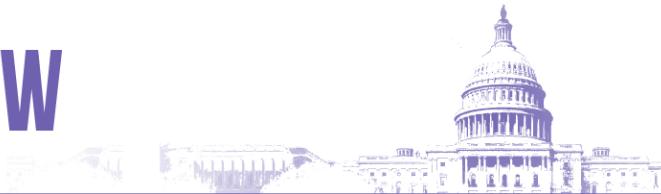
| Jurisdiction | 2022 Rate | Effective | Tip Rate/Notes |
|---------------|------------------|-------------------|---|
| Kansas | \$7.25 | Already in effect | \$2.13 for tipped employees. |
| Kentucky | \$7.25 | Already in effect | \$2.13 for tipped employees. |
| Louisiana | \$7.25 | Already in effect | No state minimum wage rate. The federal rate applies. |
| Maine | \$12.75 | Jan. 1, 2022 | \$6.38 for tipped employees. |
| Maryland | \$12.50 | Jan. 1, 2022 | The state rate applies to employers with 15 or more employees. <ul style="list-style-type: none"> • \$3.63 for tipped employees • \$12.20 for employers with 14 or fewer employees Different rates may apply for Montgomery and Prince George counties. |
| Massachusetts | \$14.25 | Jan. 1, 2022 | \$6.15 for tipped employees. |
| Michigan | \$9.87 | Jan. 1, 2022 | \$3.75 for tipped employees. |
| Minnesota | \$10.33 / \$8.42 | Jan. 1, 2022 | No tip credit allowed. The higher rate applies to large employers (\$500,000 or more in annual gross revenue). The \$8.42 rate applies to: <ul style="list-style-type: none"> • Small employers • Employees under 18 years of age (youth wage) • Employees under 20 years of age, during their first 90 days of work (training wage) |
| Mississippi | \$7.25 | Already in effect | No state minimum wage rate. The federal rate applies. |
| Missouri | \$11.15 | Jan. 1, 2022 | 50% of the current minimum rate for tipped employees. |
| Montana | \$9.20/\$4 | Jan. 1, 2022 | No tip credit, meal credit or training wage is allowed. The lower rate applies to businesses with gross annual sales of \$110,000 or less that are not covered by federal minimum wage law. |
| Nebraska | \$9 | Already in effect | \$2.13 for tipped employees. |
| Nevada | \$10.50/\$9.50 | July 1, 2022 | The higher rate applies to employees without health benefits. No tip credit is allowed. |
| New Hampshire | \$7.25 | Already in effect | Tipped employees must receive 45 percent of the applicable rate. |
| New Jersey | \$13 | Jan. 1, 2022 | The state rate applies to employers with 6 or more employees. Additional rate may apply to: <ul style="list-style-type: none"> • \$10.90 for agricultural employees |

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| Jurisdiction | 2022 Rate | Effective | Tip Rate/Notes |
|----------------|----------------|-------------------|---|
| | | | <ul style="list-style-type: none"> • \$11.90 for seasonal employees and employers with 6 or fewer employees • \$5.13 for tipped employees |
| New Mexico | \$11.50 | Jan. 1, 2022 | \$2.80 for tipped employees. |
| New York | \$15 / \$13.20 | Dec. 31. 2021 | <p>The minimum wage rate in New York varies by location and industry:</p> <ul style="list-style-type: none"> • \$15 for employees in New York City, fast food workers, Long Island and Westchester employees • \$13.20 for the remainder of the state <p>Additional rates may apply under specific industry wage orders. Visit the New York Department of Labor website for more minimum wage rate information.</p> |
| North Carolina | \$7.25 | Already in effect | \$2.13 for tipped employees. |
| North Dakota | \$7.25 | Already in effect | \$4.86 for tipped employees. |
| Ohio | \$9.30 | Jan. 1, 2022 | \$4.65 for tipped employees. Employers that gross less than \$342,000 must pay their employees no less than the current federal minimum wage rate. |
| Oklahoma | \$7.25/\$2 | Already in effect | The higher rate applies to employers with 10 or more full-time employees at any one location and employers with annual gross sales over \$100,000; all other employees not covered by the FLSA are subject to state minimum wage of \$2 per hour. |
| Oregon | \$13.50 | July 1, 2022 | <p>No tip credit allowed. The following minimum wage rates also apply:</p> <ul style="list-style-type: none"> • \$14.75 for the Portland metropolitan area • \$12.50 for non-urban counties |
| Pennsylvania | \$7.25 | Already in effect | \$2.83 for tipped employees. |
| Rhode Island | \$12.25 | Jan. 1, 2022 | \$3.89 for tipped employees. |
| South Carolina | \$7.25 | Already in effect | No state minimum wage rate. The federal rate applies. |
| South Dakota | \$9.95 | Jan. 1, 2022 | \$4.975 for tipped employees. |
| Tennessee | \$7.25 | Already in effect | No state minimum wage rate. The federal rate applies. |
| Texas | \$7.25 | Already in effect | \$2.13 for tipped employees. |
| Utah | \$7.25 | Already in effect | \$2.13 for tipped employees. |
| Vermont | \$12.55 | Jan. 1, 2022 | \$6.28 for tipped employees. |

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| Jurisdiction | 2022 Rate | Effective | Tip Rate/Notes |
|---------------|-----------|-------------------|--|
| Virginia | \$11 | Jan. 1, 2022 | The minimum wage for tipped employees in Virginia is the same as the minimum wage for all other employees. |
| Washington | \$14.59 | Jan. 1, 2022 | No tip credit allowed. Workers who are 14 or 15 years old may be paid 85% of the state minimum wage rate or \$12.32 per hour. |
| West Virginia | \$8.75 | Already in effect | The state rate applies to employers with 6 or more employees. Employers can take a tip credit of up to 70 percent of the state rate. |
| Wisconsin | \$7.25 | Already in effect | \$2.33 for tipped employees. |
| Wyoming | \$5.15 | Already in effect | \$2.13 for tipped employees. The \$7.25 federal rate applies to employers covered by the FLSA. |