Engage PEO Client Alert

2022 Minimum Wage Updates

The highlighted states and municipalities will raise the minimum wage in 2022.

STATE OR LOCALITY	MINIMUM WAGE RATE	MAXIMUM TIP CREDIT	MINIMUM TIPPED WAGE	NOTES & FUTURE SCHEDULED INCREASES
FEDERAL MINIMUM	*$7.25*	*$5.12*	*$2.13*	*Tipped employees must regularly earn at least $30 per month in tips.*
FEDERAL CONTRACTORS	*$11.25*	*$3.35*	*$7.90*	
Alabama	*$7.25**	*Federal law applies*	*Federal law applies*	
Alaska	*$10.34*	*Tip credit prohibited*	*Tip credit prohibited*	
Arizona	*$12.80*	*$3.00*	*$9.80*	
Flagstaff	*$15.50*	**	**	
Arkansas	*$11.00*	*$8.37*	*$2.63*	*Tipped employees must regularly earn at least $20 per month in tips.*
California	*$15.00 for businesses with 26 employees or more; $14.00 for businesses with fewer than 26 employees*	*Tip credit prohibited*	*Tip credit prohibited*	
Alameda	*$15.00*	**	**	
Belmont	*$16.20*	**	**	
Berkeley	*$16.32*	**	**	
Burlingame	*$15.60*	**	**	
Cupertino	*$16.40*	**	**	
Daly City	*$15.53*	**	**	
El Cerrito	*$16.37*	**	**	
Emeryville	*$17.13*	**	**	
Fremont	*$15.00 for small employers (25 or fewer employees); $15.25 for large employers (26 or more employees)*	**	**	
Half Moon Bay	*$15.56*	**	**	
Hayward	*$15.56 for businesses with 26 employees or more; $14.52 for businesses with fewer than 26 employees*	**	**	

STATE OR LOCALITY	MINIMUM WAGE RATE	MAXIMUM TIP CREDIT	MINIMUM TIPPED WAGE	NOTES & FUTURE SCHEDULED INCREASES
Long Beach	*$15.00 for businesses with 26 employees or more;* *$14.00 for businesses with fewer than 26 employees.* *$15.69 for hourly hotel workers;* *$15.32 for hourly concessionaire workers*	**	**	.
Los Altos	*$16.40*	**	**	
Los Angeles City and County	*$15.00.* *$17.64 for hourly hotel workers*	**	**	
Malibu	*$15.00*	**	**	
Menlo Park	*$15.75*	**	**	
Milpitas	*$15.65*	**	**	
Mountain View	*$17.10*	**	**	
Novato	*$15.77 for very large business (100+ employees);* *$15.53 for large business (26-99 employees);* *$15.00 for small business (1-25 employees)*	**	**	
Oakland	*$15.06*	**	**	
Palo Alto	*$16.45*	**	**	
Pasadena	*$15.00*	**	**	
Petaluma	*$15.85*	**	**	
Redwood City	*$16.20*	**	**	
Richmond	*$15.54*	**	**	
San Carlos	*$15.77*			
San Diego	*$15.00*	**	**	

STATE OR LOCALITY	MINIMUM WAGE RATE	MAXIMUM TIP CREDIT	MINIMUM TIPPED WAGE	NOTES & FUTURE SCHEDULED INCREASES
San Francisco	*$16.32*	**	**	
San Jose	*$16.20*	**	**	
San Leandro	*$15.00*	**	**	
San Mateo	*$16.20*	**	**	
Santa Clara	*$16.40*	**	**	
Santa Monica	*$15.00;* *$17.64 for hourly hotel workers*	**	**	
Santa Rosa	*$15.85*	**	**	
Sonoma	*$16.00 for businesses with 26 or more employees;* *$15.00 for businesses with 25 or fewer employees*	**	**	
South San Francisco	*$15.80*	**	**	
Sunnyvale	*$17.10*	**	**	
West Hollywood	*$15.50 for businesses with 50 or more employees;* *$15.00 for businesses with 49 or fewer employees*	**	**	
Colorado	*$12.56*	*$3.02*	*$9.54*	*Tipped employees must regularly earn at least $30 per month in tips.*
Denver	*$15.87*	**	**	
Connecticut	*$13.00*	*36.8 percent for hotels and restaurants; 18.5 percent for bartenders*	*$6.38 for hotels and restaurants; $8.23 for bartenders*	*For hotels and restaurants, full-time tipped employees must earn at least $10 weekly in tips; part-time employees must earn at least $2 daily in tips. Tip credit may not be used for pizza delivery drivers.* ***Increasing to $14.00 effective 07/01/22.***

STATE OR LOCALITY	MINIMUM WAGE RATE	MAXIMUM TIP CREDIT	MINIMUM TIPPED WAGE	NOTES & FUTURE SCHEDULED INCREASES
Delaware	*$10.50*	*$8.27*	*$2.23*	*Tipped employees must regularly earn at least $30 per month in tips.*
D.C.	*$15.20*	*$10.15*	*$5.05*	
Florida	*$10.00*	*$3.02*	*$6.98*	***Increasing to $11.00 effective 09/30/22.***
Georgia	*$7.25**	*Federal law applies*	*Federal law applies*	
Hawaii	*$10.10*	*$0.75*	*$9.35*	*Employees must regularly earn at least $20 per month in tips; combined wage must be at least $7.00 more than the applicable minimum wage.*
Idaho	*$7.25*	*$3.90*	*$3.35*	*Tipped employees must regularly earn over $30 per month in tips.*
Illinois	*$12.00*	*$4.80*	*$7.20*	*Tipped employees must regularly earn at least $20 per month in tips.*
Chicago	*$15.00 for businesses with 21 or more employees; $14.00 for businesses with 20 or fewer employees*	***	***	
Cook County	*$13.00*	***	***	
Indiana	*$7.25*	*Federal law applies*	*Federal law applies*	*Employees must regularly earn at least $30 per month in tips.*
Iowa	*$7.25*	*$2.90*	*$4.35*	*Employees must regularly earn at least $30 per month in tips.*
Kansas	*$7.25*	*Federal law applies*	*Federal law applies*	*Employees must regularly earn at least $20 per month in tips.*
Kentucky	*$7.25*	*Federal law applies*	*Federal law applies*	*Employees must regularly earn at least $20 per month in tips.*
Louisiana	*$7.25**	*Federal law applies*	*Federal law applies*	

STATE OR LOCALITY	MINIMUM WAGE RATE	MAXIMUM TIP CREDIT	MINIMUM TIPPED WAGE	NOTES & FUTURE SCHEDULED INCREASES
Maine	*$12.75*	*$6.38*	*$6.38*	*Employees must regularly earn at least $30 per month in tips.*
Portland	*$13.00*			
Maryland	*$12.50 for businesses with 15 or more employees; $12.20 for businesses with 14 or fewer employees.*	*$8.87 (Employers with 15 or more employees); $8.57 (Employers with 14 or fewer employees).*	*$3.63*	*Employees must regularly receive at least $30 per month in tips.*
Montgomery County	*$15.00 for businesses with 51 or more employees; $14.00 for businesses with 11-50 employees; $13.50 for businesses with 10 or less employees*	***	***	
Massachusetts	*$14.25*	*$8.10*	*$6.15*	*Employees must receive at least $20 per month in tips.*
Michigan	*$9.87*	*$6.12*	*$3.75*	
Minnesota	*$10.33 large employers (annual gross revenue $500,000 or more); $8.42 small employers (annual gross revenue less than $500,000)*	*Tip credit prohibited*	*Tip credit prohibited*	
Minneapolis	*$14.25 for businesses with more than 100 employees; $12.50 for businesses with 100 or fewer employees*	***	***	***Increasing to $15.00 for businesses with more than 100 employees; $13.50 for businesses with100 or fewer employees effective 07/01/22.***

Saint Paul	*$12.50 for large businesses (101-10,000 employees); $11.00 for small businesses (6-100 employees); $10.00 for micro businesses(5 or fewer employees)*	**	**	***Increasing to $15.00 for large businesses (101-10,000 employees); $13.50 for small businesses(6-100 employees); $10.75 for micro businesses(5 or fewer employees) effective 07/01/22.***

STATE OR LOCALITY	MINIMUM WAGE RATE	MAXIMUM TIP CREDIT	MINIMUM TIPPED WAGE	NOTES & FUTURE SCHEDULED INCREASES
Mississippi	*$7.25**	*Federal law applies*	*Federal law applies*	
Missouri	*$11.15*	*50 percent*	*$5.575*	
Montana	*$9.20*	*Tip credit prohibited*	*Tip credit prohibited*	
Nebraska	*$9.00*	*$6.87*	*$2.13*	
Nevada	*$9.75 without health benefits; $8.75 with health benefits*	*Tip credit prohibited*	*Tip credit prohibited*	***Increasing to $10.50 without health benefits; $9.50 with health benefits effective 07/01/22.***
New Hampshire	*$7.25*	*$3.98*	*45 percent*	*Employees must regularly earn at least $30 per month in tips.*
New Jersey	*$13.00 for employers with more than 5 employees; $11.90 for small (5 or fewer employees) or seasonal employers*	*$7.87*	*$5.13*	
New Mexico	*$11.50*	*$8.70*	*$2.80*	*Employees must regularly earn at least $30 per month in tips.*
Albuquerque	*$11.50 without healthcare benefits; $10.50 with healthcare benefits*	**	**	
Las Cruces	*$11.50*	**	**	
Santa Fe City and County	*$12.32*	**	**	
New York				*See industry wage orders for additional requirements.* ***New York's wage increases go into effect12/31/2021.***
New York City	*$15.00*	*Tipped Service Employees: $2.50* *Tipped Food Service Employees: $5.00*	*Tipped Service Employees: $12.50* *Tipped Food Service Employees: $10.00*	***New York's wage increases go into effect12/31/2021.***

STATE OR LOCALITY	MINIMUM WAGE RATE	MAXIMUM TIP CREDIT	MINIMUM TIPPED WAGE	NOTES & FUTURE SCHEDULED INCREASES
Long Island & Westchester County	*$15.00*	*Tipped Service Employees: $2.50* *Tipped Food Service Employees: $5.00*	*Tipped Service Employees: $12.50* *Tipped Food Service Employees: $10.00*	***New York's wage increases go into effect12/31/2021.***
Remainder of New York State	*$13.20*	*Tipped Service Employees: $2.20* *Tipped Food Service Employees: $4.40*	*Tipped Service Employees: $11.00* *Tipped Food Service Employees: $8.80*	***New York's wage increases go into effect12/31/2021.***
Fast food employees in New York City and outside of New York City (in fast food establishments)	*$15.00*	***	***	*Employers cannot claim a tip credit for fast food employees.*
North Carolina	*$7.25*	*$5.12*	*$2.13*	*Employees must regularly earn at least $20 per month in tips.*
North Dakota	*$7.25*	*33 percent*	*$4.86*	*Employees must regularly earn at least $30 per month in tips.*
Ohio	*$9.30 for employers with gross receipts of $342,000 or more;* *$7.25 for employers with gross receipts under $342,000.*	*$4.65*	*$4.65*	*Tipped employees must regularly earn at least $30 per month in tips.*
Oklahoma	*$7.25*	*50 percent*	*$3.63*	

STATE OR LOCALITY	MINIMUM WAGE RATE	MAXIMUM TIP CREDIT	MINIMUM TIPPED WAGE	NOTES & FUTURE SCHEDULED INCREASES
Oregon	*$14.00 for businesses in Portland metro areas;* *$12.75 for businesses in Urban counties;* *$12.00 for businesses in Rural counties*	*Tip credit prohibited*	*Tip credit prohibited*	*An employer's location affects minimum wage rate.* ***Scheduled increases effective 07/01/21:*** ***Within Portland's urban growth boundary (metro area)*** *including portions of Clackamas, Multnomah, and Washington counties):* ***$14.75 effective 07/01/22.*** ***Areas not in Portland's urban growth boundary or one of the listed nonurban counties (urban counties)*** *(Benton, Clackamas, Clatsop, Columbia, Deschutes, Hood River, Jackson, Josephine, Lane, Lincoln, Linn, Marion, Multnomah, Polk, Tillamook, Wasco, Washington, Yamhill counties):* ***$13.50 effective 07/01/22****.* ***The nonurban counties (rural counties)*** *(Baker, Coos, Crook, Curry, Douglas, Gilliam, Grant, Harney, Jefferson, Klamath, Lake, Malheur, Morrow, Sherman, Umatilla, Union, Wallowa, Wheeler counties):* ***$12.50 effective 07/01/22.***
Pennsylvania	*$7.25*	*$4.42*	*$2.83*	*Employees must regularly earn at least $30 per month in tips.*
Rhode Island	*$12.25*	*$8.36*	*$3.89*	
South Carolina	*$7.25**	*Federal law applies*	*Federal law applies*	

STATE OR LOCALITY	MINIMUM WAGE RATE	MAXIMUM TIP CREDIT	MINIMUM TIPPED WAGE	NOTES & FUTURE SCHEDULED INCREASES
South Dakota	*$9.95*	*$4.97*	*$4.97*	*Employees must regularly earn at least $35 per month in tips and cash wage must be at least one-half of minimum wage.*
Tennessee	*$7.25**	*Federal law applies*	*Federal law applies*	
Texas	*$7.25*	*$5.12*	*$2.13*	*Employees must regularly receive at least $20 per month in tips.*
Utah	*$7.25*	*$5.12*	*$2.13*	*Employees must receive at least $30 per month in tips.*
Vermont	*$12.55*	*$6.27*	*$6.28*	*Employees must regularly receive at least $120 per month in tips.*
Virginia	*$11.00*	*$8.87*	*$2.13*	
Washington	*$14.49*	*Tip credit prohibited*	*Tip credit prohibited*	
Seattle	*Schedule 1 (more than 500 employees in U.S.) $17.27; Schedule 2 (500 or fewer employees in U.S.) $17.27; Schedule 2 (500 or fewer employees in U.S.) with medical benefits or tips $15.75.*	***	***	
SeaTac	*$17.53*	***	***	
West Virginia	*$8.75*	*$6.13*	*$2.62*	
Wisconsin	*$7.25*	*$4.92*	*$2.33*	
Wyoming	*$7.25**	*$5.12*	*$2.13*	*Employees must regularly earn at least $30 per month in tips.*

** Employers in states without minimum wage laws, or with minimum wage rates lower than the federal minimum wage, which is currently $7.25 an hour, must observe the federal minimum wage for all employees covered by the Fair Labor Standards Act. States that permit tip credits require employers to ensure that the employees' tips and the reduced hourly wage rate equal at least the required minimum wage rate and must keep accurate records of employees' tips. Check your local laws to confirm compliance.*

*** Maximum tip credit and minimum tipped wage information are not tracked on this chart for municipalities.*

**** Youth rates and job training participant rates are not tracked on this chart.*