

HR COMPLIANCE OVERVIEW



2026 Minimum Wage Rates by State

The minimum wage rate is expected to change in 2026 in the following states:

- Alaska;
- Arizona;
- California;
- Colorado;
- Connecticut;
- District of Columbia;
- Florida;
- Hawaii;
- Maine;
- Michigan;
- Minnesota;
- Missouri;
- Montana;
- Nebraska;
- New Jersey;
- New York;
- Ohio;
- Oregon;
- Rhode Island;
- South Dakota;
- Vermont;
- Virginia; and
- Washington.

Certain areas of states (e.g., cities and counties) may have minimum wage rates higher than the state rate.

Under federal and state laws, employers must compensate their employees with 1.5 times their regular rate of pay for any hours of overtime work. However, under these laws, employees who work in an executive, administrative or professional capacity are exempt from overtime pay if they satisfy, among other things, the salary level requirements for their exemption.

Important Dates

Jan. 1, 2026

A new minimum wage rate is expected in 19 states.

July 1, 2026

A new minimum wage rate is expected in Alaska, the District of Columbia and Oregon.

Sept. 30, 2026

A new minimum wage rate is expected in Florida.

Poster Requirements

New minimum wage rates may require employers to visit individual states' Department of Labor websites to update their wage and hour notices.

LINKS AND RESOURCES

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

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Jurisdiction	2026 Rate	Effective	Tip Rate/Notes
Alabama	\$7.25	Already in effect	No state minimum wage rate. The federal rate applies, including the \$2.13 rate for tipped employees.
Alaska	\$13.00	Already in effect	- Tips do not count toward the minimum wage. - The minimum wage rate is scheduled to increase to \$14 on July 1, 2026, and \$15 on July 1, 2027. Beginning Jan. 1, 2028, the minimum wage rate will be adjusted annually for inflation and will always be at least \$2 above the federal minimum wage rate.
Arizona	\$15.15	Jan. 1, 2026	\$3 per hour below the minimum wage rate for tipped employees. - The state's minimum wage rate is set to increase annually based on the cost of living. - The minimum wage in certain areas of the state may differ.
Arkansas	\$11	Already in effect	\$2.63 per hour for tipped employees. The state rate applies to employers with four or more employees.
California	\$16.90	Jan. 1, 2026	- California does not allow employers to use a tip credit. - The state's minimum wage rate is set to increase annually to account for inflation. - The minimum wage in certain areas of the state may differ. - California law requires certain health care employers to pay a higher minimum wage rate and comply with SB-525. Increases are broken into phases and differ based on health care facility type, number of employees and associations. - Visit the California Department of Industrial Relations website for state wage orders.
Colorado	\$15.16	Jan. 1, 2026	- The rate for tipped employees is \$12.14 per hour (effective Jan. 1, 2026). - The state's minimum wage will be adjusted and set annually under the state's Publication and Yearly Calculation of Adjusted Labor Compensation. - The minimum wage in certain areas of the state may differ.
Connecticut	\$16.94	Jan. 1, 2026	- The rate for tipped workers in the hotel and restaurant industry is \$6.38. - The rate for tipped bartenders is \$8.23. - The state's minimum wage rate is set to adjust annually to account for inflation.
Delaware	\$15	Already in effect	\$2.23 per hour for tipped employees.

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District of Columbia	\$17.95	Already in effect	- On July 1, 2026, the District's minimum wage is set to increase based on inflation. - The base minimum wage rate for tipped employees is also scheduled to increase every two years until it reaches 75% of the base wage. The schedule is as follows: On July 1, 2026, 56% of the regular minimum hourly wage rate; on July 1, 2028, 60% of the regular minimum hourly wage rate; on July 1, 2030, 65% of the regular minimum hourly wage rate; on July 1, 2032, 70% of the regular minimum hourly wage rate; and on July 1, 2034, 75% of the regular minimum hourly wage rate.
Florida	\$14	Already in effect	\$10.98 per hour for tipped employees. - On Sept. 30, 2026, the Florida minimum wage rate is expected to increase to \$15 per hour, and the minimum wage rate for tipped employees is expected to increase to \$11.98 per hour. - Beginning in 2027, the state minimum wage rate will be adjusted annually and take effect on the subsequent Jan. 1.
Georgia	\$7.25	Already in effect	A \$5.15 per hour state minimum wage rate applies only to workers not covered by the Fair Labor Standards Act (FLSA) (very limited application).
Hawaii	\$16	Jan. 1, 2026	\$12.75 per hour for tipped employees. - A new minimum wage rate of \$18 per hour is scheduled to take effect on Jan. 1, 2028. - New minimum wage rates for tipped employees of \$14.75 per hour are scheduled on Jan. 1, 2026, and \$16.50 per hour on Jan. 1, 2028.
Idaho	\$7.25	Already in effect	\$3.35 per hour for tipped employees.
Illinois	\$15	Already in effect	- Tip credit cannot exceed 40% of the applicable minimum wage. \$9 per hour for tipped employees, as the tip credit cannot exceed 40% of the applicable minimum wage. - The minimum wage in certain areas of the state may differ.
Indiana	\$7.25	Already in effect	\$2.13 per hour for tipped employees.
Iowa	\$7.25	Already in effect	\$4.35 per hour for tipped employees.
Kansas	\$7.25	Already in effect	\$2.13 per hour for tipped employees.

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Kentucky	\$7.25	Already in effect	\$2.13 per hour for tipped employees.
Louisiana	\$7.25	Already in effect	No state minimum wage rate. The federal rate applies, including the \$2.13 rate for tipped employees.
Maine	\$15.10	Jan. 1, 2026	\$7.55 per hour for tipped employees (effective Jan. 1, 2026). - The state's minimum wage rate is set to increase annually based on the cost of living. - The minimum wage in certain areas of the state may differ.
Maryland	\$15	Already in effect	\$3.63 per hour for tipped employees. - Different rates may apply for various counties or other areas of Maryland.
Massachusetts	\$15	Already in effect	\$6.75 per hour for tipped employees who make more than \$20 a month in tips.
Michigan	\$13.73	Jan. 1, 2026	- The minimum wage rate is scheduled to increase to \$15 on Jan. 1, 2027. The rate is scheduled to be increased annually to reflect the cost of inflation beginning on Jan. 1, 2028. - The tipped employee rate is scheduled to increase to 40% of the minimum wage rate (\$5.49) on Jan. 1, 2026, and 42% of the minimum wage rate (\$6.30) on Jan. 1, 2027. The proportion of the tipped employee rate will increase by 2% of the minimum wage rate each year until it reaches 50% of the minimum wage rate on Jan. 1, 2031.
Minnesota	\$11.41	Jan. 1, 2026	- No tip credit allowed. - The state's minimum wage rate is set to increase annually to account for inflation. - The minimum wage in certain areas of the state may differ.
Mississippi	\$7.25	Already in effect	No state minimum wage rate. The federal rate applies, including the \$2.13 rate for tipped employees.
Missouri	\$15	Jan. 1, 2026	The tip rate is scheduled to increase to 50% of the minimum wage rate (\$7.50) on Jan. 1, 2026.
Montana	\$10.85	Jan. 1, 2026	- No tip credit, meal credit or training wage is allowed. - The state's minimum wage rate is subject to annual adjustments to account for increases in the cost of living.
Nebraska	\$15	Jan. 1, 2026	\$2.13 per hour for tipped employees. - The rate will be adjusted annually to reflect the cost of inflation beginning on Jan. 1, 2027.

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Nevada	\$12	Already in effect	The \$12 per hour is applicable for all employees, including tipped employees.
New Hampshire	\$7.25	Already in effect	Tipped employees must receive 45% (\$3.27) of the applicable minimum wage rate.
New Jersey	\$15.92	Jan. 1, 2026	- The state rate applies to employers with six or more employees. Additional rates may apply: \$14.23 per hour for small employers with fewer than six employees and seasonal employers (effective Jan. 1, 2026); \$6.05 per hour for tipped workers' cash wage (effective Jan. 1, 2026); \$14.20 per hour for agricultural employees (effective Jan. 1, 2026); and \$18.92 per hour for long-term care facility direct care staff members (effective Jan. 1, 2026). - The state's minimum wage rate is set to increase annually based on inflation.
New Mexico	\$12	Already in effect	\$3 per hour for tipped employees. - The minimum wage in certain areas of the state may differ.
New York	\$17 (New York City, Long Island and Westchester) \$16 (Remainder of the state)	Jan. 1, 2026	- The minimum wage rate in New York varies by location and industry. Visit the New York Department of Labor website for more minimum wage rate information. - The tip rates for service employees are as follows: - In New York City, Long Island and Westchester: \$14.15 for tipped service employees and \$11.35 for tipped food service workers (effective Jan. 1, 2026); and - In the remainder of the state: \$13.30 for tipped service employees and \$10.70 for tipped food service workers. (effective Jan. 1, 2026). - The standard minimum wage is set to increase to \$17 in New York City, Long Island and Westchester and \$16 in the remainder of the state on Jan. 1, 2026. - Beginning Jan. 1, 2027, the minimum wage rates are set to increase annually based on inflation, and an "off-ramp" is available if certain economic or budget conditions arise.
North Carolina	\$7.25	Already in effect	\$2.13 per hour for tipped employees.
North Dakota	\$7.25	Already in effect	\$4.86 per hour for tipped employees.

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Jurisdiction	2026 Rate	Effective	Tip Rate/Notes
Ohio	\$11	Jan. 1, 2026	\$5.50 (50% of standard rate) per hour for tipped employees (effective Jan. 1, 2026). - Employers that gross less than \$405,000 (effective Jan. 1, 2026) must pay their employees no less than the current federal minimum wage rate. - The state's minimum wage rate is set to increase annually based on inflation.
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 to employers with annual gross sales over \$100,000; all other employees not covered by the FLSA are subject to the state minimum wage of \$2 per hour (very limited application). \$2.13 per hour for tipped employees. Credit toward the minimum wage must be given for any tips, gratuities, meals or lodging received by the employee as long as the employer pays a cash wage of not less than the applicable minimum wage under the federal FLSA. If the employee's minimum wage exceeds the current minimum wage under the federal FLSA, credit toward the minimum wage may be given for tips, gratuities, meals or lodging the employee receives.
Oregon	\$15.05 (standard state rate)	Already in effect	- No tip credit allowed. - The rate for the Portland metro area within its urban growth boundary is \$1.25 above the standard state rate (\$16.30). - The rate for nonurban counties is \$1.00 less than the standard state rate (\$14.05). - The standard state rate will be adjusted annually based on the increase, if any, to the U.S. city average Consumer Price Index for All Urban Consumers and will take effect on July 1 each year. Rates for the Portland metro area within its urban growth boundary and nonurban counties will also be adjusted accordingly and take effect on July 1 each year.
Pennsylvania	\$7.25	Already in effect	\$2.83 per hour for tipped employees.
Rhode Island	\$16	Jan. 1, 2026	\$3.89 per hour for tipped employees. - The minimum wage rate in Rhode Island is scheduled to increase to \$17 per hour on Jan. 1, 2027.
South Carolina	\$7.25	Already in effect	No state minimum wage rate. The federal rate applies, including the \$2.13 rate for tipped employees.

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Jurisdiction	2026 Rate	Effective	Tip Rate/Notes
South Dakota	\$11.85	Jan. 1, 2026	\$5.925 (50% of the state minimum wage rate) per hour for tipped employees.
Tennessee	\$7.25	Already in effect	No state minimum wage rate. The federal rate applies, including the \$2.13 rate for tipped employees.
Texas	\$7.25	Already in effect	\$2.13 per hour for tipped employees.
Utah	\$7.25	Already in effect	\$2.13 per hour for tipped employees.
Vermont	\$14.42	Jan. 1, 2026	\$7.21 (50% of the state minimum wage rate) per hour for service or tipped employees who work at a hotel, motel, tourist place or restaurant (effective Jan. 1, 2026). - The state's minimum wage rate is set to adjust annually based on inflation.
Virginia	\$12.77	Jan. 1, 2026	- Virginia honors the "tip credit" provisions established under the FLSA (\$2.13 per hour). However, the combined wage rate plus the tips actually received by the employee must meet the Virginia minimum wage rate, and if not, the employer must pay the remaining difference. - The state's minimum wage rate is set to increase annually based on inflation.
Washington	\$17.13	Jan. 1, 2026	- No tip credit allowed. - The minimum wage in certain areas of the state may differ. - The state's minimum wage rate is set to increase annually based on inflation.
West Virginia	\$8.75	Already in effect	- The state rate applies to employers with six or more nonexempt employees working at any one separate, distinct and permanent work location. - Employers may take up to a 70% credit, or \$6.13 per hour, against the required minimum wage rate for employees who customarily receive tips, resulting in a rate of at least \$2.62 per hour.
Wisconsin	\$7.25	Already in effect	\$2.33 per hour for tipped employees.
Wyoming	\$7.25	Already in effect	\$2.13 per hour for tipped employees. - A \$5.15 per hour state rate applies only to workers not covered by the FLSA (very limited application).