

NEW JERSEY

New Jersey Adjusts Scheduled Minimum Wage Rate Increase

On Sept. 20, 2022, the New Jersey Department of Labor and Workforce Development (LWD) [announced](#) the state's minimum wage rate will increase to \$14.13 per hour on Jan. 1, 2023.

Scheduled Minimum Wage Rate Increases

In 2019, state law set a schedule to increase the state's minimum wage rate to \$15 per hour by 2024. Under this schedule, New Jersey's minimum wage rate was scheduled to increase to \$14 per hour for most employers on Jan. 1, 2023.

However, state law also allows the LWD to adjust these scheduled increases during times of inflation, as measured by the consumer price index (CPI). As a result of the recent significant CPI increase, the LWD has adjusted the Jan. 1, 2023, increase to \$14.13 per hour for most employers.

Additional Minimum Wage Adjustments

This change in the state's minimum wage rate also affects the rates for additional industries and exempt employees. Specifically, the following rates will also apply on Jan. 1, 2023:

- \$12.93 for seasonal and small employers;
- \$12.10 for employees who work on a farm for an hourly or piece rate;
- \$17.13 for long-term care facility direct care staff; and
- \$5.26 for tipped worker cash wage (employers can claim an \$8.87 tip credit).

Impact on Employers

New Jersey employers will need to adjust their payroll processes and procedures to ensure compliance with the new minimum wage rates by Jan. 1, 2023. Employers should also monitor the LWD's website and update their wage and hour law posters if an updated version is published.

Important Dates

Sept. 20, 2022

The LWD announced updated minimum wage increases for 2023.

Jan. 1, 2023

Effective date for the updated minimum wage rates.

State law allows the LWD to adjust New Jersey's scheduled increases during times of inflation.

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