

NEW JERSEY EMPLOYERS' GUIDE TO WAGE AND HOUR LAWS



This guide is for informational purposes only. Please visit our website for complete information, forms, and FAQ's on New Jersey labor laws: nj.gov/labor/wageandhour

NOTE: NJ labor laws apply regardless of a worker's immigration status.

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Minimum Wage and Overtime

The minimum wage for most New Jersey workers is \$15.49 per hour as of January 1, 2025. The minimum hourly rate is calculated on a different scale for seasonal, agricultural and tipped workers. For more information on the minimum wage: nj.gov/labor/minwage.

Most workers are owed time-and-a-half (1.5 times their regular hourly wage) for all hours worked over 40 per week. Salaried employees receive a guaranteed wage for a fixed number of hours or for a varying number of hours in a workweek. Salaried workers can be exempt or non-exempt from overtime. Non-exempt salaried employees must be paid overtime for hours worked over 40 per week. Overtime for non-exempt salaried employees is calculated by dividing the employee's gross weekly salary by the number of hours worked in that workweek to determine the hourly wage. Divide the regular hourly wage by 2 to get the half-time rate. Then multiply the half-time rate by the number of hours worked that week over 40 hours.

The result is the overtime due for the week, which must be added to the employee's pay. Certain salaried employees may be exempt from overtime if they meet the definition of executive, administrative, or professional under the Federal Fair Labor Standards Act (FLSA). Learn more about overtime exemptions and the FLSA here: dol.gov/agencies/whd/flsa.

Record Keeping and Wage Payment

Employers must keep accurate records of the exact hours your employees work each day/week. Wage and Hour laws typically require employers to maintain time and payroll records for six years. Employers must pay wages for all hours worked at the state minimum wage or higher. Wages must be paid regularly, at least twice per month. Employees must receive a statement of deductions, and employers are prohibited from withholding wages or making illegal deductions (such as for breakage, spillage, and cash register shortages).

Paid Sick Time

Employers of all sizes are required to provide full-time, part-time, seasonal, and temporary employees with up to 40 hours of paid sick time per year to care for themselves or loved ones, or to attend school-related conferences or events. Earned sick leave is accrued at a rate of one hour of leave time for every 30 hours worked. Employers may frontload sick leave at the start of the year. Employers may choose to pay their



employees for unused earned sick leave hours or allow them to carry over up to 40 hours of unused sick leave at the end of each benefit year. Employers must provide written notice of the right to Earned Sick Leave. Recordkeeping for Earned Sick Leave differs slightly from most Wage and Hour laws because employers are required to maintain Earned Sick Leave records for five years.

Workplace Posters

Employers must display required NJ Department of Labor (NJDOL) posters where workers can easily view them and in their language if available. Download the required posters at nj.gov/labor/posters or email wage.hour@dol.nj.gov for free printed copies.

Young Workers

Child labor laws regulate working hours and conditions for minors. Employers must register online with NJDOL before hiring a minor and minors must obtain working papers before starting work. Please visit myworkingpapers.nj.gov for more information.

Misclassification or Paying in Cash “Off the Books”

Misclassification is the illegal practice of incorrectly classifying employees as independent contractors, thereby denying these workers of their legal benefits, rights and protections. It is also illegal to require an employee to form an LLC or franchise before hiring them. Wage and Hour laws apply even if workers are paid in cash, and employers must provide a statement of deductions to all employees. When workers are paid in cash “off the books,” it may be a method to hide misclassification or other employment-related legal obligations.

Tipped Workers

Employers of tipped workers are permitted to take a “tip credit” toward their obligation to pay the minimum wage by paying a portion in cash to the employees with the balance of the minimum wage made up in earned tips. Tips are the sole property of the employee, and an employer may not take any portion of the workers earned tips for any purpose.

Workers’ Compensation

Employers must carry appropriate Workers’ Compensation insurance.

Retaliation

It is against the law to retaliate against an employee for filing a complaint with NJDOL or informing any other person of their rights under the law.



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