

LABOR AND WORKFORCE DEVELOPMENT

DIVISION OF WAGE AND HOUR COMPLIANCE

N.J.A.C. 12:56-3.1, 3.2 and 3.3

Notice of Administrative Changes

Minimum Wage

Take notice that the Department of Labor and Workforce Development has requested, and the Office of Administrative Law (OAL) has agreed to permit, administrative changes to N.J.A.C. 12:56-3.1(a), 12:56-3.2(a), and 12:56-3.3(a).

Pursuant to N.J.A.C. 12: 56-3.1(c), beginning January 1, 2025, on an annual basis, on or about September 30, the Department shall revise the minimum hourly wage rate, “based on any percentage increase during the one-year period of August of the prior year through August of the current year of the consumer price index (CPI) for all urban wage earners and clerical workers (CPI-W, U.S. City Average), as released by the United States Department of Labor, Bureau of Labor Statistics.” N.J.A.C. 12:56-3.1 indicates further that the Department shall annually, (1) through a public notice published in the New Jersey Register, provide the new minimum hourly wage rate, and (2) no later than September 30 of each year, publish the public notice on the Department’s website. The percent increase in the CPI-W, U.S. City Average, for the one-year period, August 2024 through August 2025 is 2.808 percent (rounded only for the purpose of this notice). That is, the CPI-W, U.S. City Average, in August 2024 was 308.640, and in August 2025 it was 317.306. Consequently, the change in the index over the period equaled 8.666 or an

increase of 2.808 percent ($8.666/308.640 \times 100$). Using as a base for the CPI-adjustment the current New Jersey minimum hourly wage rate of \$15.49, a 2.808 percent increase (rounded to the nearest penny) is \$0.43, which would result in a CPI-adjusted minimum hourly wage rate of \$15.92. Therefore, pursuant to Article 1, Paragraph 23, of the New Jersey Constitution, and N.J.A.C. 12:56-3.1(c), the State minimum hourly wage rate, effective January 1, 2026, must be changed from \$15.49 to \$15.92.

Under N.J.S.A. 34:11-56a4(c) and N.J.A.C. 12:56-3.2, for the period from January 1, 2020 through January 1, 2026, the minimum hourly wage rate for employees of small employers and employees who are engaged in seasonal employment is to be adjusted annually so that it is the greater of either an amount based on any percentage increase during the one-year period of August of the prior year through August of the current year of the consumer price index (CPI) for all urban wage earners and clerical workers (CPI-W, U.S. City Average), as released by the United States Department of Labor, Bureau of Labor Statistics, or the following: for January 1, 2020, \$10.30; on January 1 of each year from 2021 to 2025, inclusive, an amount equal to \$0.80 more than the minimum hourly wage rate for employees of small employers and employees who are engaged in seasonal employment from the preceding year; and for January 1, 2026, an amount equal to \$0.70 more than the minimum hourly wage rate for employees of small employers and employees who are engaged in seasonal employment from the preceding year. N.J.A.C. 12:56-3.2 indicates further that the Department shall annually, (1) through a public notice published in the New Jersey Register, provide the new minimum hourly wage rate for employees of small employers and employees who are engaged in seasonal employment, and (2) no later than September 30 of each year, publish the public notice on the Department's website. Using as a base for the CPI-adjustment the current New Jersey minimum hourly wage rate for

employees of small employers and employees who are engaged in seasonal employment of \$14.53, a 2.808 percent increase (rounded to the nearest penny) is \$0.41, which would result in a CPI-adjusted minimum hourly wage rate for employees of small employers and employees who are engaged in seasonal employment of \$14.94. Since \$14.94 is less than the \$15.23 rate established under N.J.S.A. 34:11-56a4(c) for January 1, 2026, the State minimum hourly wage rate for employees of small employers and employees who are engaged in seasonal employment, effective January 1, 2026, must be changed from \$14.53 to \$15.23.

Under N.J.S.A. 34:11-56a4(d) and N.J.A.C. 12:56-3.3, for the period from January 1, 2020 through January 1, 2027, the minimum hourly wage rate for employees engaged on a piece-rate or regular hourly rate basis to labor on a farm is to be adjusted annually so that it is the greater of either an amount based on any percentage increase during the one-year period of August of the prior year through August of the current year of the consumer price index (CPI) for all urban wage earners and clerical workers (CPI-W, U.S. City Average), as released by the United States Department of Labor, Bureau of Labor Statistics, or the following: for January 1, 2020, \$10.30; for January 1, 2021, \$10.30; for January 1, 2022, \$10.90; on January 1 of each year from 2023 to 2024, inclusive, an amount equal to \$0.80 more than the minimum hourly wage rate for employees engaged on a piece-rate or regular hourly rate basis to labor on a farm from the preceding year; for January 1, 2025, \$13.40; and on January 1 of each year from 2026 to 2027, inclusive, an amount equal to \$0.80 more than the minimum hourly wage rate for employees engaged on a piece-rate or regular hourly rate basis to labor on a farm from the preceding year. N.J.A.C. 12:56-3.3 indicates further that the Department shall annually, (1) through a public notice published in the New Jersey Register, provide the new minimum hourly wage rate for employees engaged on a piece-rate or regular hourly rate basis to labor on a farm

and (2) no later than September 30 of each year, publish the public notice on the Department's website. Using as a base for the CPI-adjustment the current New Jersey minimum hourly wage rate for employees engaged on a piece-rate or regular hourly rate basis to labor on a farm of \$13.40, a 2.808 percent increase (rounded to the nearest penny) is \$0.38, which would result in a CPI-adjusted minimum hourly wage rate for employees engaged on a piece-rate or regular hourly rate basis to labor on a farm of \$13.78. Since \$13.78 is less than the \$14.20 rate established under N.J.S.A. 34:11-56a4(d) for January 1, 2026, the State minimum hourly wage rate for employees engaged on a piece-rate or regular hourly rate basis to labor on a farm, effective January 1, 2026, must be changed from \$13.40 to \$14.20.

On the basis of the foregoing, and due to an administrative error at the OAL in 2024, the 2025 updates were not updated in the New Jersey Register or the New Jersey Administrative Code. The Department timely filed its annual update with the OAL and, as such, the changes were legally effective. However, as the changes were not published in the New Jersey Administrative Code, the administrative changes published in this notice must update the New Jersey Administrative Code from the 2024 data to the 2026 data. The legal updates are only changing the 2025 data to the 2026 date. The breadth of the changes to the New Jersey Administrative Code are as follows::

(1) To N.J.A.C. 12:56-3.1(a): the date, January 1, 2024, must be replaced by the date, January 1, 2026, and the amount, \$15.13, must be replaced by the amount, \$15.92.

(2) To N.J.A.C. 12:56-3.2(a): the date, January 1, 2024, must be replaced by the date, January 1, 2026, and the amount, \$13.73, must be replaced by the amount, \$15.23.

(3) To N.J.A.C. 12:56-3.3(a): the date, January 1, 2024, must be replaced by the date, January 1, 2026, and the amount, \$12.81, must be replaced by the amount, \$14.20.

Full text of the changed rule follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

12:56-3.1 Statutory minimum wage rates for specific years

(a) Except as provided at N.J.A.C. 12:56-3.2, 3.3, 3.4, 3.5, and 3.7, every employee shall, effective [January 1, 2024] **January 1, 2026**, be paid not less than [\$15.13] **\$15.92** per hour or the minimum wage rate set by section 6(a)(1) of the Federal "Fair Labor Standards Act of 1938" (29 U.S.C. § 206(a)(1), whichever is greater.

(b) – (d) (No change.)

12:56-3.2 Statutory minimum wage rate for specific years; small and seasonal employees

(a) Except as provided at N.J.A.C. 12:56-3.3 and 3.4, every employee of a small employer and every employee who is engaged in seasonal employment shall, effective [January 1, 2024] **January 1, 2026**, be paid not less than [\$13.73] **\$15.23** per hour or the minimum wage rate set by section 6(a)(1) of the Federal Fair Labor Standards Act of 1938, 29 U.S.C. § 206(a)(1), whichever is greater.

(b) – (f) (No change.)

12:56-3.3 Statutory minimum wage rate for specific years; labor on a farm

(a) Every employee engaged on a piece-rate or regular hourly rate basis to labor on a farm shall, effective [January 1, 2024] **January 1, 2026**, be paid not less than [\$12.81] **\$14.20** per hour or the minimum wage rate set by section 6(a)(1) of the Federal Fair Labor Standards Act of 1938, 29 U.S.C. § 206(a)(1), whichever is greater.

(b) – (i) (No change.)