



JANUARY 28, 2019

New Jersey to Move Gradually Toward a \$15 Dollar Minimum Wage

On January 17, 2019, New Jersey followed the lead of several other states by enacting legislation that will see the state’s minimum wage rise to \$15 dollars an hour over a five-year period. Under the new minimum wage bill, New Jersey’s minimum wage will incrementally increase to \$15 dollars an hour for large employers by 2024 and by 2026 for smaller businesses.

Scheduled Wage Increases for Employees of Large Employers

The following chart sets forth the dates and new minimum wage amounts for employers of five or more employees as follows:

The New Jersey minimum wage will increase for these employees as follows:

Date	Minimum Wage
January 1, 2019	\$8.85
July 1, 2019	\$10.00
January 1, 2020	\$11.00
January 1, 2021	\$12.00
January 1, 2022	\$13.00
January 1, 2023	\$14.00
January 1, 2024	\$15.00

Following January 1, 2024, these employees' wages will be increased on January 1 of each year based on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). In addition, beginning in 2020, employers will be able to pay employees enrolled in training programs "training wages" equal to 90 percent of the minimum wage for their first 120 hours of work.

Scheduled Wage Increases for Seasonal Workers and Employees of Small Businesses

The new minimum wage bill defines a seasonal worker as an employee whose jobs falls only in the window of May 1 to September 30, and a small business is one that employs five or fewer workers.

The New Jersey minimum wage will increase for these employees as follows:

Date	Minimum Wage
January 1, 2019	\$8.85
January 1, 2020	\$10.30
January 1, 2021	\$11.10
January 1, 2022	\$11.90
January 1, 2023	\$12.70
January 1, 2024	\$13.50
January 1, 2025	\$14.30
January 1, 2026	\$15.00

Following January 1, 2026, these employees' wages will be increased on January 1 of each year based on the CPI-W.

Scheduled Wage Increases for Agricultural Workers

The New Jersey minimum wage will increase for these employees as follows:

Date	Minimum Wage
January 1, 2019	\$8.85
January 1, 2020	\$10.30
January 1, 2021	\$10.30
January 1, 2022	\$10.90
January 1, 2023	\$11.70
January 1, 2024	\$12.50

After January 1, 2024, these employees' wages will be increased on January 1 of each year based on the CPI-W.

Takeaway

Employers should review their existing wage rates for nonexempt employees to determine how these workers will be effected by the changes to New Jersey's minimum wage. Employers should also prepare to update their wage posters to reflect the changes to the law.

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We are of course available to assist in drafting and reviewing posters and policies compliant with the new minimum wage requirements.

[PUTNEY, TWOMBLY, HALL & HIRSON LLP](#)