

DOL Announces Final Rule on Minimum Wage for Federal Contractors

Earlier this week, the U.S. Department of Labor (DOL) announced a [final rule](#) that implements [Executive Order 14026](#) to increase the hourly minimum wage for employees on federal contracts to \$15 per hour beginning Jan. 30, 2022. President Biden signed the order on April 27, 2021.

The rule applies in all 50 states, the District of Columbia, and specified U.S. territories, and does the following:

- Increases the hourly minimum wage for workers performing work on or in connection with covered federal contracts to \$15 beginning Jan. 30, 2022.
- Continues to index the federal contract minimum wage in future years to inflation.
- Eliminates the tipped minimum wage for federal contract employees by 2024.
- Ensures a \$15 minimum wage for workers with disabilities performing work on or in connection with covered contracts.
- Restores minimum wage protections to outfitters and guides operating on federal lands.

The final rule applies to new contracts, and renewals and extensions of existing contracts, beginning Jan. 30, 2022.