

Minnesota Department of Labor and Industry Issues Inflation-Adjusted Wage Rates for 2024

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On August 23, 2023, the Minnesota Department of Labor and Industry (DLI) **announced** that minimum wage rates will be adjusted for inflation and increase 2.5 percent on January 1, 2024.

The DLI's announcement of a minimum wage rate adjustment was expected because, pursuant to the relevant statute, Minn. Stat. § 177.24(f), the "commissioner shall determine the percentage increase in the rate of inflation" by "no later than August 31 of each year."

Quick Hits

- ▶ Minnesota's 2024 minimum wage rate for large employers will increase 26 cents to \$10.85 per hour.
- ▶ The 2024 minimum wage rate for small employers will increase 22 cents to \$8.85 per hour.
- ▶ The 2024 training and youth minimum wage rates will be set at \$8.85 per hour.



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The DLI stated that on January 1, 2024, the minimum wage rate will increase from \$10.59 per hour to \$10.85 per hour for large employers (defined as employers "whose annual gross volume of sales made or business done is not less than \$500,000") and from \$8.63 per hour to \$8.85 per hour for small employers (defined as employers "whose annual gross volume of sales made or business done is less than \$500,000"). Other state minimum wage rates (e.g., the training and youth wage rates) will also increase to \$8.85 per hour.

Notably, however, the above wage rates do not apply to employees working in the cities of [Minneapolis and St. Paul](#), which have both passed laws with higher minimum wage rates.

The changes to Minnesota's minimum wage rates are important for employers in two respects:

- ▶ First, the changes trigger an employer's obligation to provide written notice to employees before the date the changes take effect.
- ▶ Second, employers will also have to update their worksite posters. In that regard, the DLI indicated that it will issue updated posters this coming fall. The poster (and other required posters) will be available at the [department's website](#).

State and federal minimum wage information—in addition to other wage and hour information—is also available in the firm's [Client Portal](#), which is available to all Ogletree Deakins clients. *Client Portal subscribers* receive detailed wage and hour law summaries, template forms, state law maps, and other related materials, which are updated as the law changes.

Ogletree Deakins' [Minneapolis](#) office will continue to monitor developments and will provide updates on the [Minnesota](#) and [Wage and Hour](#) blogs as additional information becomes available.

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