

Legal Update

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DOL Publishes Guidance on \$15 Minimum Wage for Federal Contractor Employees

On Jan. 13, 2022, the U.S. Department of Labor (DOL) published [Field Assistance Bulletin \(FAB\) 2022-1](#) to help federal contractors understand and implement a \$15 minimum wage rate for their employees by Jan. 30, 2022, as required by [Executive Order \(EO\) 14026](#).

Federal Contractor Employee Minimum Wage

Existing law requires federal contractors to pay at least the established minimum wage rate to workers performing work on or in connection with certain covered federal contracts for construction or services. EO 13658 authorized the DOL to adjust the applicable minimum wage rate annually based on inflation. The Jan. 1, 2022, EO 13658 minimum wage rate is \$11.25 (\$7.90 for tipped workers).

Increase to \$15 per hour

EO 14026 raises the hourly minimum wage for workers performing work on or in connection with certain covered federal contracts for construction or services. EO 14026 establishes an initial minimum wage of \$15 (\$10.50 for tipped workers) as of Jan. 30, 2022. This rate will also be adjusted annually based on inflation. EO 14026 shares many similarities with EO 13658 but has some key differences relating to coverage and applicability. The DOL has published a [final rule](#) to implement the provisions of EO 14026.

FAB 2022-1

Federal contractors can use FAB 2022-1 to learn more about who is covered by EO 14026 and the \$15 minimum wage as well as employee notice, recordkeeping and antiretaliation requirements.

Important Dates

April 27, 2021

President Biden signed EO 14026.

Nov. 22, 2021

DOL published final rule to implement EO 14026.

Jan. 13, 2022

DOL published FAB 2022-1.

Jan. 30, 2022

EO 14026 effective date.

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