



e-Alert

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Rhode Island Increases Minimum Wage to \$15 by 2025

Background

Rhode Island has made amendments to its minimum wage law to gradually increase the minimum wage rate to \$15 per hour by January 1, 2025.

Summary

Under the law, employers are required to pay their employees a rate at least equal to the state's minimum wage rate.

Effective Date	Minimum Wage Rate
Current Minimum Wage	\$11.50 per hour
January 1, 2022	\$12.25 per hour
January 1, 2023	\$13.00 per hour
January 1, 2024	\$14.00 per hour
January 1, 2025	\$15.00 per hour

Tipped Employees

Rhode Island allows employers to pay a lower minimum wage rate to tipped employees.

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This rate is known as a “cash wage,” as it assumes that the employee's tips will be sufficient to offset the difference between the cash wage and the state's minimum wage rate. The Rhode Island cash wage for tipped employees is \$3.89 per hour. However, employers must subsidize their tipped employees' wages if the employees' tips are not enough to enable them to earn a wage that is at least equal to the state's minimum wage rate.

Employer Next Steps

- Employers should review and adjust their employee payroll practices to account for these upcoming minimum wage increases.
- If you have further questions regarding this e-Alert, please [email us](#).

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