Broadcast Date: December 9, 2024

Division Of Employment & Rehabilitation Services **All Staff ** Informational Broadcast (IB) 24-022

Increase in Arizona's Minimum Wage for 2025 Effective January 1, 2025

This Informational Broadcast is to remind all Division of Employment and Rehabilitation Service staff, Temporary Assistance for Needy Families (TANF) Jobs Program Contractors, Supplemental Nutrition Assistance Program Career Advancement Network (SNAP CAN) Contractors, Senior Community Service Employment Program (SCSEP) Contractors, Local Workforce Development Boards, staff, service providers, and other interested parties that, in accordance with Arizona's Fair Wages and Healthy Families Act, the State of Arizona's minimum wage will increase to \$14.70 per hour, effective January 1, 2025, through December 31, 2025.

Arizona's Fair Wages and Healthy Families Act applies to all employees, excluding those who are employed:

- By a parent or a sibling;
- Performing babysitting services in the employer's home on a casual basis;
- By the State of Arizona or the United States government; or
- By a small business that grosses less than \$500,000 in annual revenue, if that small business is exempt from having to pay a minimum wage per 29 U.S.C. 206(a).

Note:

- The <u>federal minimum wage</u> remains \$7.25 per hour; however, the Arizona minimum wage applies for all workforce programs, as Arizona law requires a rate that is higher than the federal minimum wage.
- If the minimum wage requirement in a locality is higher than the State minimum wage, the higher wage rate applies.

All requests for clarification regarding implementation should be sent to the Title I Policy team at TitleIPolicy@azdes.gov.