



COMMONWEALTH of VIRGINIA
DEPARTMENT OF LABOR AND INDUSTRY

Gary G. Pan
COMMISSIONER

Brookfield Place
6606 West Broad Street, Suite 500
Richmond, Virginia 23230
PHONE (804) 371-2327
FAX (804) 371-6524

July 24, 2025

RE: Minimum Wage Increase – Effective January 1, 2026

Dear Virginia workers, employers, and stakeholders,

In accordance with the Virginia Minimum Wage Act, the Commissioner of Labor and Industry shall establish the adjusted state hourly minimum wage annually. The adjusted rate shall be established by October 1, to be effective during the 12-month period commencing on the following January 1.

Pursuant to the Act, the adjusted minimum wage rate shall be a sum of the current minimum wage rate (\$12.41 per hour) and a percentage of the current minimum wage rate equal to the change in consumer price index for all items, all urban consumers (CPI-U) for the most recent calendar year, as calculated and published by the United States Bureau of Labor Statistics. The U.S. Bureau of Labor Statistics defines the Consumer Price Index as “a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services.”

In December 2024, the U.S. Bureau of Labor Statistics published an annual increase in CPI-U of 2.9%. Effectually, the nondiscretionary formula for adjusting the Virginia minimum wage rate is $\$12.41 + (\$12.41 \times .029)$. This calculation equals \$12.77. This adjusted rate will be in effect from January 1, 2026, until January 1, 2027.

For the period of January 1, 2026, until January 1, 2027, the established adjusted state hourly minimum wage is \$12.77 per hour. Employers must pay all employees covered by the Virginia Minimum Wage Act at a rate not less than the adjusted minimum wage rate.

Annual adjustments to the Virginia minimum wage rate will continue in future years by this same methodology. For questions regarding this calculation or Virginia’s Minimum Wage Act, please contact the Department of Labor and Industry’s Division of Labor and Employment Law at (804) 786-2706 or laborlaw@doli.virginia.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Gary G. Pan', with a stylized flourish at the end.

Gary G. Pan
Commissioner

Virginia Department of Labor and Industry
6606 West Broad Street, Suite 500
Richmond, Virginia 23230