State of Working Ohio 2026
Minimum wage

Less than 90 years ago, after years of effort from workers, unions, civil rights activists, and President Franklin Roosevelt, workers received a guaranteed minimum wage through the Fair Labor Standards Act (FLSA).[1] In a speech to Congress five years preceding the bill,[2] FDR said,

> *No business which depends for existence on paying less than living wages to its workers has any right to continue in this country. By 'business' I mean the whole of commerce as well as the whole of industry; by workers I mean all workers, the white-collar class as well as the men in overalls; and by living wages, I mean more than a bare subsistence level—I mean the wages of decent living.*

The FLSA was a monumental piece of legislation for the workers it covered. In addition to enacting child labor protections, it ensured workers were not being subjected to grueling hours or hazardous conditions, and it restored purchasing power to Americans following the Great Depression.[3]

Today, some of these same polices FDR advocated for, like the minimum wage, are being undercut,[4] reversed,[5] and diminished in value.[6]

Affordability: Ohio's minimum wage is too low to afford the basics

It has been 20 years since Ohio voters amended the state constitution to increase the minimum wage and, for the first time, indexed that wage to inflation so it maintains purchasing power over time.[7] As a result, Ohio's minimum wage is now $11 (as of January 2026).

In 2026, an Ohioan working full-time, year-round, for the minimum wage is paid just $22,880. That is $4,440 below the federal poverty level (FPL) for a family of three,[8] and far below FDR's vision of a "decent living."

The **cost of living**, as determined by the Economic Policy Institute (EPI), represents a modest yet adequate standard of living, accounting for regional costs of housing, food,

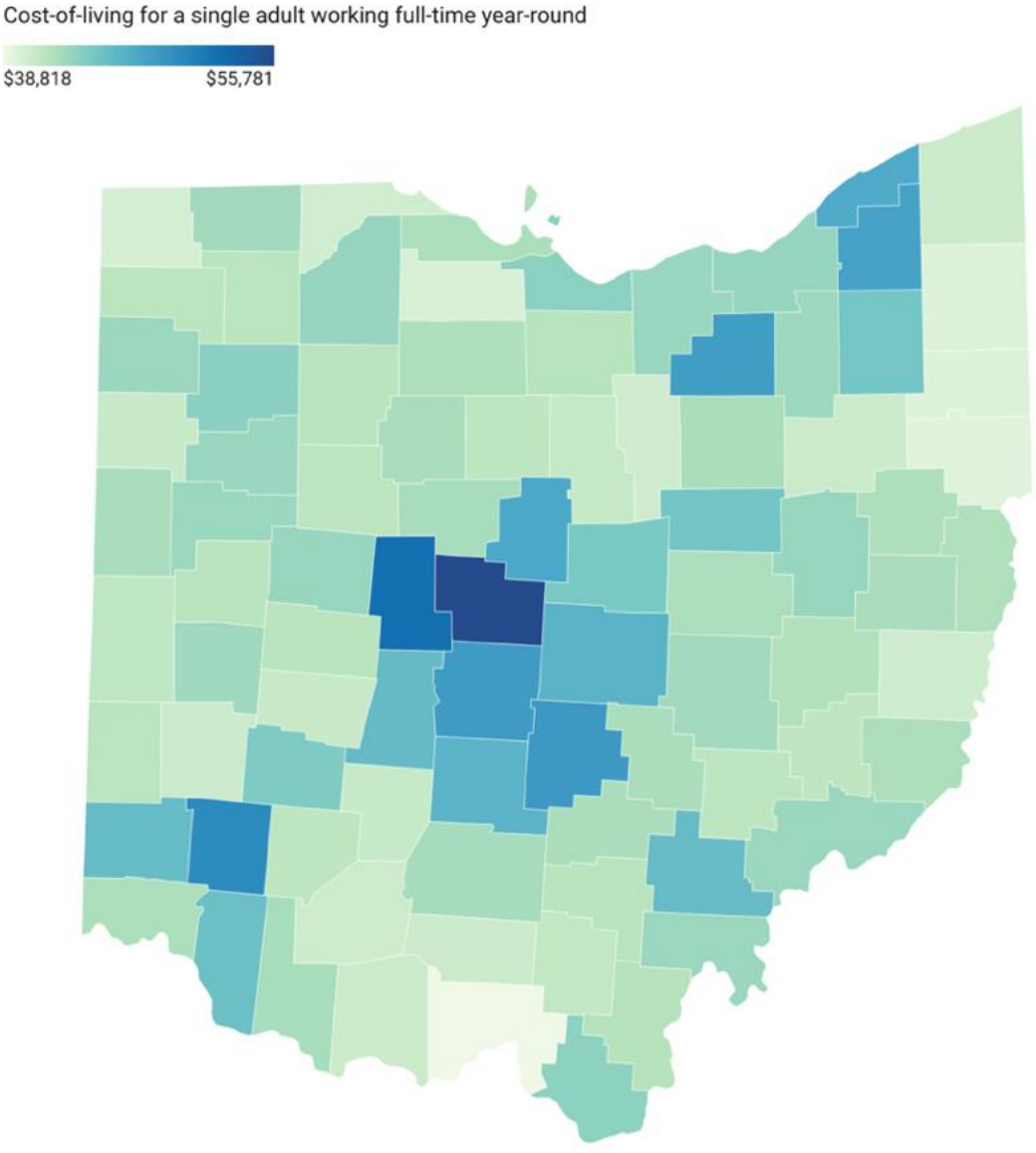
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[1] A history of the federal minimum wage. Jasmine Payne-Patterson & Adewale A. Maye. *Economic Policy Institute.* Aug. 31, 2023. Part 551—Pay Administration Under The FSLA, *Federal Register.* Amended June 30, 2026.
[2] What did FDR Mean by a "Living Wage"? Jackson Grasz. *Pepperdine School of Public Policy.* June 11, 2021.
[3] Handy Reference Guide to the FLSA. *U.S. Dept. of Labor Wage and Hour Division.* Accessed July 2, 2026.
[4] Testimony to the Sen. Workforce Development Comm. on SB 50. Heather Smith. *Policy Matters Ohio.* Feb. 25, 2025.
[5] Trump Labor Dept. appeals ruling that blocked Biden overtime pay rule. Daniel Wiessner. *Reuters.* Feb. 28, 2025.
[6] Holding the line: Minimum wage. David Cooper. *Economic Policy Institute.* July 30, 2025.
[7] Article II, Section 34a | Minimum Wage. *Ohio Constitution.* Effective December 8, 2006.
[8] "Federal Poverty Guidelines for FFY 2026," HHS Poverty Guidelines for 2026. Poverty guideline for a family of three in 2026 is $27,320.

childcare, healthcare, taxes, and more. This is not a poverty measure: It is far above the FPL and akin to the "decent living" FDR envisioned for U.S. workers.

According to this model, the cost of living for a single person is too high for a worker paid the minimum wage, even if they work full-time, year-round and live in Ohio's lowest-cost county.[9]

Figure 1.1
Minimum wage insufficient for cost-of-living in every county



Economic Policy Institute Family Budget Calculator, © March 2026. Data are in 2025 dollars.
Map: Policy Matters Ohio • Source: Economic Policy Institute • Created with Datawrapper

[9] "Family Budget Calculator." *Economic Policy Institute.* Accessed March 4, 2026.

As shown in Figure 1.1, Scioto County, in southern Ohio along the Ohio River, has the lowest cost of living for a single adult at $38,818 per year — nearly $16,000 more than the annualized minimum wage.[10]

Delaware County has the greatest cost of living in the state for a single adult at $55,781 — more than double the minimum wage for full-time, year-round work.

The minimum wage is too little to cover the cost of rent, utilities, healthcare, and other necessities for a single adult — let alone a family. For a single adult with one child, the statewide cost of living is $73,414.[11] Raising a child at the current wage, while covering all the costs associated with doing so, is unacceptably difficult. Ohio families deserve better.

Rising energy costs make the problem worse. Due in large part to mass data center development[12] and global crises impacting the fuel supply chain,[13] these rising utility costs are more burdensome for low-wage Ohioans[14] who, in addition to having less wiggle room in their budgets, tend to live in more energy-inefficient homes and apartments.

Transportation costs are also rising.[15] For Ohioans living in areas without comprehensive public transit, like much of Appalachia,[16] owning a car may be the only option. Buying a car is out of reach for many because of high up-front costs or unaffordable interest rates, and car insurance prices rose 56% since 2019.[17]

Because Ohioans approved an inflation-adjusted minimum wage, the state minimum catches up with inflation from the previous year every January 1st. However, it remains flat for the next 364 days, leaving workers to face price hikes in real time on a wage that was too low to begin with.

The annual inflation-adjustment to Ohio's minimum wage provides crucial protection for workers' purchasing power, but the value of the wage itself is too low for Ohioans to afford the basics, regardless of location or family size. Increasing the minimum wage is long overdue.

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[10] Based on Family Budget Calculator data.
[11] Using a weighted average of all Ohio counties. The cost of living for a single adult and one child is $73,414 based on Family Budget Calculator data.
[12] Data Centers in Ohio. *Policy Matters Ohio.* Accessed April 17, 2026.
[13] State of Working America Q1 Economic Briefing. *Economic Policy Institute.* April 9, 2026.
[14] "Low-wage" refers to workers with income between 0-30% of the Area Median Income. Low-income Energy Affordability Data Tool. *U.S. Department of Energy.* Accessed May 13, 2026.
[15] Public transit can be an affordable option for transportation, when it is adequately funded by the state. In Ohio, it isn't. Ohio transit funding update. Molly Bryden. *Policy Matters Ohio.* February 20, 2026.
[16] Public Transportation in Appalachia Inventory & Assessment. *Appalachian Regional Commission.* December 2020.
[17] Up 56.47% between 2019 and 2025. *Bureau of Labor Statistics.* CPI Series CUUR0000SETE.

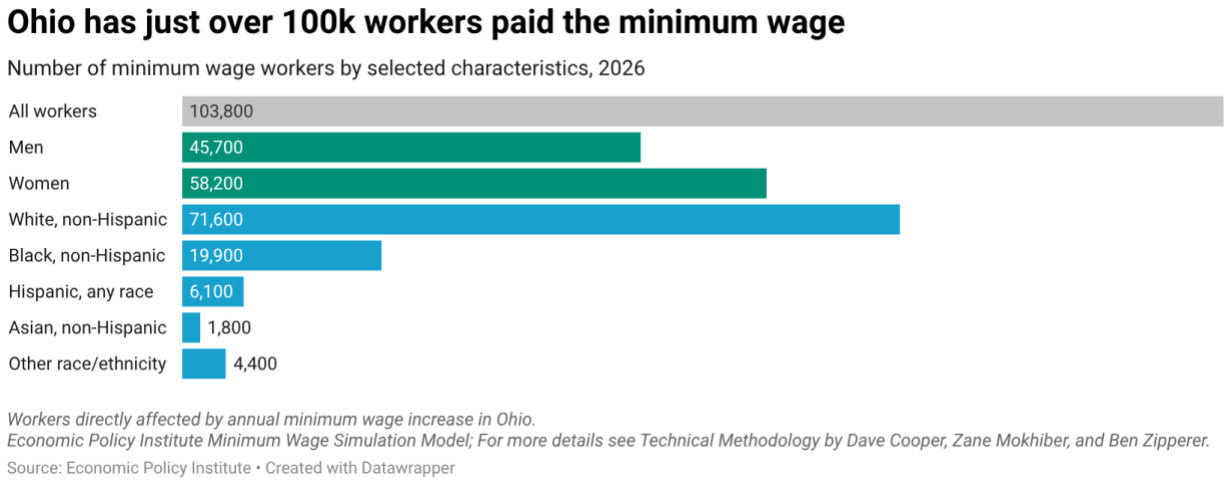
Unequal impact: Employers are most likely to pay low wages to women and workers of color

Employers pay the minimum wage to nearly 104,000 Ohioans, and slightly more to another 169,000.[18] Those paid the minimum wage or just above are disproportionately women, Black, and/or Hispanic, a longstanding trend stemming from the systemic devaluation of these groups' labor.[19]

Women are 49.1% of the workforce in Ohio, but 62.9% of those impacted by the annual minimum wage increase.[20] Black Ohioans make up 11% of the workforce, yet 15.8% of those impacted by the annual increase. Similarly, Hispanic Ohioans make up 3.6% of the workforce and 5.3% of those impacted.

These proportions show well-established disparities, but make no mistake: Large numbers of white workers and men would benefit from a minimum wage increase as well. Figure 1.2 shows how many workers per demographic group are paid the minimum wage.

Figure 1.2



Some Ohio workers can be paid less than minimum wage

The FLSA and Ohio Constitution fail to include all workers in minimum wage protections. Employers are allowed to pay some workers ***sub*minimum wages**: rates set below the established minimum wage that applies to most workers.[21]

Workers with a disability

Employers can receive permits from the Ohio Department of Commerce and U.S.

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[18] Ohio minimum wage adjusts for inflation to $11.00. Heather Smith. *Policy Matters Ohio.* December 23, 2025.
[19] See: "Women's work" and the gender pay gap. Jessica Schieder and Elise Gould. *Economic Policy Institute.* July 20, 2016. Chasing the dream of equity. Adewale A. Maye. *Economic Policy Institute.* August 1, 2023.
[20] Policy Matters calculations of data from Economic Policy Institute's Minimum Wage Simulation Model. For details see Technical Methodology by Dave Cooper, Zane Mokhiber, and Ben Zipperer.
[21] Subminimum Wage. *U.S. Department of Labor Wage and Hour Division.* Accessed July 2, 2026.

Department of Labor to pay disabled workers a subminimum wage.[22] In 2024, U.S. employers who had permission to do so paid nearly half of their disabled workers less than $3.50 an hour.[23]

Disabled people have higher costs of living related to healthcare, personal care assistance, special diets, accessibility aides, and more. The National Disability Institute found households with a work-disabled adult are estimated to require 28% more income on average to obtain the same standard of living as a comparable household without a disabled member.[24] Numerous states have eliminated subminimum wages for disabled workers with no evidence of negative effects on employment.[25]

Young workers

Ohio exempts employees under the age of 16 from the statewide minimum wage,[26] making the federal minimum wage of $7.25 an hour the effective subminimum wage for Ohio youth under 16.[27] However, teenagers in some specific jobs (like newspaper delivery)[28] are also exempt from the federal minimum wage, meaning there is *no* legal wage floor for Ohio workers in those jobs who are under 16.[29] Although there is some evidence that youth subminimum wages increase employment,[30] allowing employers to pay youth less than adults incentivizes unscrupulous employers to replace adult workers with youth. An over-emphasis on hiring young people threatens the long-term benefits of child development and education.[31]

Tipped workers

Workers who receive tips must be paid at least half the minimum wage in Ohio.[32] Employers of tipped employees can claim "tip credits," allowing them to pay tipped workers the subminimum ($5.50 in 2026), so long as the workers' take-home pay including tips surpasses the full $11.00 minimum wage.[33]

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[22] "Ohio's Sub-Minimum Wage Law Summary," Ohio Department of Commerce.
[23] "Employment of Workers With Disabilities Under Section 14(c) of the Fair Labor Standards Act," U.S. Department of Labor, Wage and Hour Division. *Federal Register.* December 4, 2024.
[24] The Extra Costs of Living with a Disability in the U.S. — Resetting the Policy Table. Nanette Goodman, Michael Morris, Zachary Morris, Stephen McGarity. *National Disability Institute.* October 2020.
[25] "Repeal of Subminimum Wages and Social Determinants of Health Among People With Disabilities," Mihir Kahara, Elizabeth F Bair, and Atheendar S Venkataramani. *JAMA Health Forum.* November 1, 2024.
[26] Article II, Section 34a | Minimum Wage. *Ohio Constitution.* Effective December 8, 2006.
[27] "Youth subminimum wages and why they should be eliminated," Nina Mast. *EPI*. Jan. 8, 2024.
[28] 29 CFR Part 570 Subpart G – Exemptions. *Federal Register.* May 20, 2010.
[29] § 570.103 Comparison with wage and hour provisions. *Federal Register.* May 20, 2010.
[30] "Employment Effects of Minimum and Subminimum Wages: Panel Data on State Minimum Wage Laws," David Neumark and William Wascher. *Industrial and Labor Relations Review*. October 1992.
[31] "Child Labor and Economic Development," Eric V. Edmonds and Caroline Theoharides. *Handbook of Labor, Human Resources and Population Economics*. November 18, 2021.
[32] "2025 Minimum Wage," Ohio Department of Commerce. 2025.
[33] "Raise the Wage," Michael Shields. *Policy Matters Ohio.* April 23, 2024.

In states that have eliminated the tipped subminimum, tipped industries continue to thrive, customers tip at roughly the same rate, and tipped-worker employment has remained strong.[34] Because tipped workers are disproportionately women, people of color, and immigrants, ending the tipped subminimum wage would contribute to a more equitable economy. As a result of discrimination, social barriers against these groups, and tipped-wage theft, tipped jobs are also some of the lowest paid occupations in Ohio.[35]

Incarcerated workers

Incarcerated workers have no protections under the FLSA. In Ohio, pay for incarcerated workers is abysmal. Ohio sets monthly minimums for different categories of incarcerated workers, determined by the type of facility they are in, how many hours per month they are allowed to work, and more.[36] According to the Ohio Laws & Administrative Rules, incarcerated workers' monthly wages range from $0 per month, to minimums of $3 to $12 per month, to $24 per month, with some exceptions.

Subminimum wages unfairly disadvantage some workers: Employers are allowed to underpay youth and people with disabilities simply because of their age or disability. Subminimum wages harm people in tipped industries by allowing employers to underpay them based on the often-incorrect assumption that tips will cover the difference. Incarcerated workers are paid pennies for their labor. Ohio should end the subminimum wage and ensure minimum wage protections for all Ohioans.

Lessons from other states: Voters support a higher wage

Many other states have already recognized how insufficient their wage floor is for working families. Twenty-six states and D.C. have a minimum wage greater than Ohio's.[37] Florida, Alaska, Missouri, and Nebraska will all have $15-an-hour minimum wages in the next two years after passing ballot initiatives.[38] Table 1.1 notes recent initiatives.

[34] "Ending the Tipped Minimum Wage Will Reduce Poverty and Inequality," Justin Schweitzer. *Center for American Progress.* March 30, 2021.
[35] "Raise the Wage," Michael Shields. *Policy Matters Ohio.* April 23, 2024.
[36] Rule 5120-3-08 | Inmate compensation for work program assignments and related matters. *Ohio Laws & Administrative Rules.* Effective March 18, 2024.
[37] "Minimum Wage Tracker," Economic Policy Institute. July 1, 2025
[38] Note that the Missouri legislature has passed legislation undoing the cost-of-living adjustment and paid sick leave provisions. "Minimum Wage Tracker," Economic Policy Institute. July 1, 2025. For Alaska, Arkansas, Arizona, and Missouri's ballot campaigns, see: "Our Ballot Measure Campaigns," *The Fairness Project.* Accessed December 19, 2025. For Nebraska's ballot campaign, see: "Minimum wage rising to $12 an hour in Nebraska after voters approved gradual increases a year ago," Paul Hammel. *Nebraska Examiner.* December 20, 2023. For Florida, see: "Raising Florida's Minimum Wage." *Florida Department of State.* Made ballot November 8, 2019.

Table 1.1

Voters across the country see the value of a higher minimum wage

State	Ballot Year	Starting wage	Target year	Target wage	Future changes	Other policies	% in favor
AK	2024	$11.91	2027	$15.00	Cost-of-living adjustment (COLA)	Paid sick leave, banned captive audience meetings	58%
MO	2024	$12.30	2026	$15.00	COLA	Paid sick leave	58%
NE	2022	$9.00	2026	$15.00	COLA		59%
FL	2020	$8.56	2026	$15.00	COLA		61%
AR	2018	$8.50	2021	$11.00	None		68%
MO*	2018	$7.85	2023	$12.00	None		62%
AZ	2016	$8.05	2020	$12.00	COLA	Paid sick leave	58%

**Missouri voters passed a minimum wage increase in 2018 and another in 2024.*

Floridians used a ballot measure to raise the wage with a constitutional amendment in 2020. The measure passed with over 60% of the vote.[39] The policy raised the wage to $10 per hour at the end of September 2021, followed by a $1 increase per year until it reaches $15 in September 2026.[40] Starting in September 2027, the minimum wage will be adjusted for inflation annually. The policy did not increase the wage for tipped employees, but employers will be required to ensure tipped workers' take-home pay meets the state minimum wage after tips.[41]

Over the course of the wage increases, an estimated 2.5 million Floridians will receive a raise – over 26% of the workforce.[42] The last increase of the schedule is due September 2026, so there is no definitive analysis of the impact of the wage increase. What can be said is that with the increase to $15, Floridians paid the least will be making 75% more than they were in 2020 — an extra $13,000 annually.

Federal landscape: Attacks on wage standards threaten Ohio workers

The federal minimum wage is far lower than Ohio's and has not increased in fifteen years.[43] As Figure 1.3 shows, the stagnant federal minimum wage has lost about 30% of its purchasing power over that time, the equivalent of $3.12 per hour.[44]

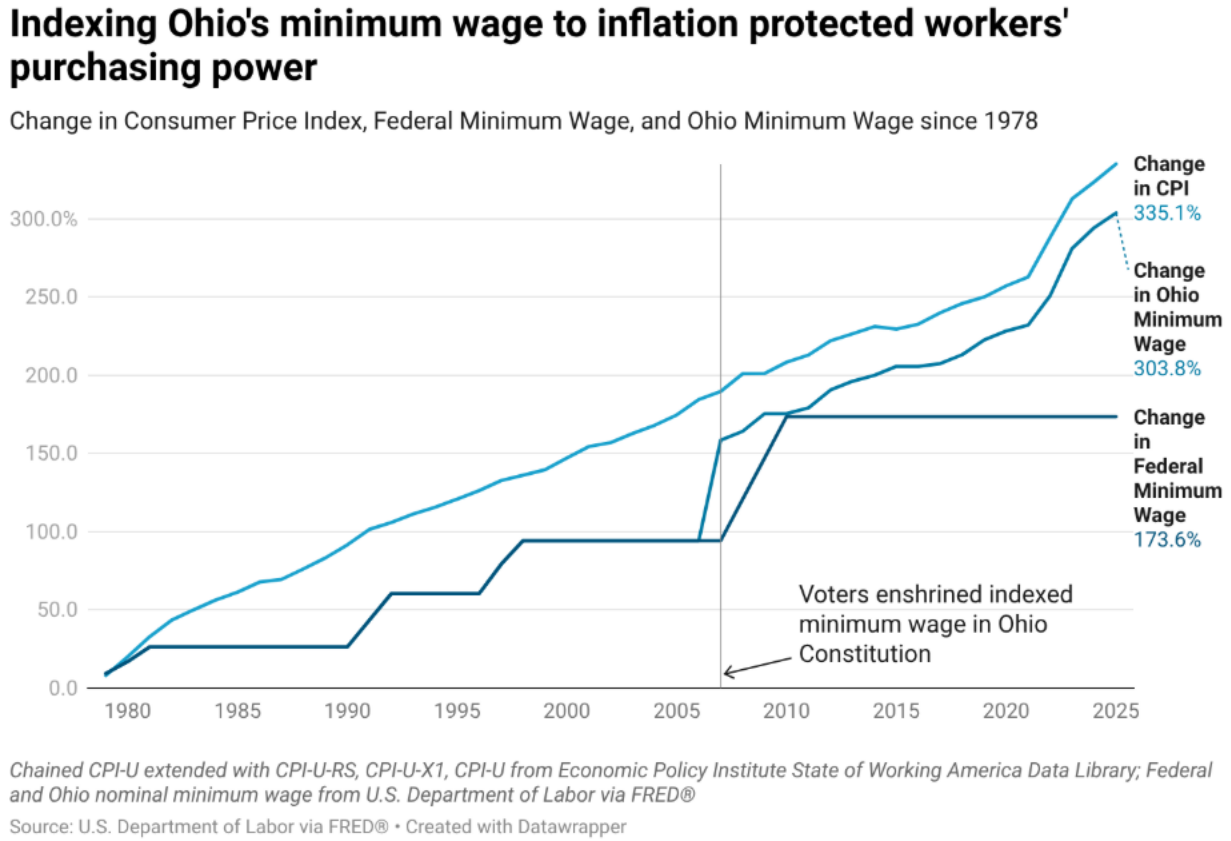
Thanks to voters' foresight, Ohio's minimum wage began tracking inflation in 2007, but the federal minimum wage has stayed the same since 2010. This means that as prices have continued to rise, workers paid only the federal minimum wage have had no relief.

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[39] Voters chose more than just the president. Anu Kumar, David Cooper, Jaimie Worker. *EPI.* November 10, 2023.
[40] Raising Florida's Minimum Wage. *Florida Department of State.* Accessed April 20, 2026.
[41] A Minimum Wage Boost Would Improve Equity for 2.5 Million Floridians and Bolster the State's Post-Pandemic Recovery. Alexis Tsoukalas. *Florida Policy Institute.* September 2020.
[42] Same as above.
[43] "Changes in Basic Minimum Wages in Non-Farm Employment Under State Law: Selected Years 1968 to 2024," *U.S. Department of Labor Wage and Hour Division*. Updated January 2025.
[44] See *Economic Policy Institute*, Holding the Line: Minimum Wage.

Each year that the federal minimum wage has stayed the same, economic stability for minimum wage workers has worsened.

Figure 1.3



Federal policymakers have excluded from minimum-wage policies many industries that predominantly employ Black, Hispanic, and women workers, impacting their lifelong earnings. These industries have included childcare, personal care aides, and agriculture.[45]

The Trump administration and its allies have reversed or are attempting to reverse hard-fought policy wins that decreased pay inequity. For example, a proposed federal rule[46] is being considered that strips minimum wage and overtime protections from domestic workers, who are disproportionately Black and Hispanic women.[47] If this rule is adopted, a 2015 interpretation of the FLSA would revert to its 1975 interpretation, which allows

[45] See: Part 552---Application of the Fair Labor Standards Act to Domestic Service. *Federal Register, Vol. 40, No. 35.* February 20, 1975. Page 7404. Also see EPI's comments on DOL's proposed rule on "Application of the Fair Labor Standards Act to Domestic Service." Heidi Shierholz and Samantha Sanders. *EPI.* September 2, 2025.
[46] Application of the Fair Labor Standards Act to Domestic Service. Proposed rule by the Wage and Hour Division on July 2, 2025. 29 CFR Part 552. RIN 1235-AA51.
[47] Domestic Workers Chartbook 2022. Asha Banerjee, Katherine deCourcy, Kyle K. Moore, and Julia Wolfe. *Economic Policy Institute.* November 22, 2022.

domestic workers offering companionship services[48] to be excluded from the minimum wage and overtime pay.[49] Domestic workers include Home Health and Personal Care Aides, which was the 7th most common occupation in Ohio in 2025.[50] The over 100,000 aides in Ohio providing critical services to Ohio's elderly and disabled residents had a median wage of $16.57 per hour, or an annual wage of a $34,465. An already near-poverty wage is under threat of falling closer to the poverty line if this proposed rule is put into place.

The cost of inaction: Raising the minimum wage would generate more than a billion dollars in additional earnings

Low wages stunt economic growth because low-paid workers cannot fully participate in the economy. Higher wages lead to more spending — a nice dinner out, that lamp you've been eyeing at the local antique store, a visit to family — all unreachable when paid a mere $11 an hour. More spending leads to greater economic activity and prosperity for the state. Each purchase made due to increased income ripples throughout the economy, allowing the server at that local restaurant to buy their child a holiday present or business owner of that antique store to pay off their small business loan. Higher wages are not just about the ability to spend, but also the ability to save for the future and enjoy the security of knowing you will be able to pay rent this month.

In a recent report,[51] Policy Matters analyzed the positive impact a $15 minimum wage would have on workers in Ohio, if implemented incrementally with the final increase in 2030. We found that 616,700 Ohioans would get a raise. That includes 321,500 Ohio workers who would get a direct pay raise; another 295,200 Ohio workers would indirectly benefit[52] from the minimum wage increase, a "ripple effect" resulting from employers raising pay for those workers earning slightly above the minimum wage to maintain morale, retain workers, and compete in hiring.

This policy would increase the annual wages for those Ohioans by $2,300 each, or **$1.42 billion** total. Each one of those Ohioans could use that pay raise to save for college, send their child on the class fieldtrip, or cover an unexpected car repair without falling behind on necessities.

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[48] As used in section 13(a)(15) of the Act, "companionship services" means the provision of fellowship and protection for an elderly person or person with an illness, injury, or disability who requires assistance in caring for himself or herself. See: Part 552—Application of the Fair Labor Standards Act to Domestic Service. Accessed April 14, 2026.

[49] Domestic Service Final Rule Frequently Asked Questions (FAQs). *U.S. Department of Labor Wage and Hour Division.* Accessed April 14, 2026.

[50] Ohio median wages fall short, Heather Smith. *Policy Matters Ohio.* June 29, 2026.

[51] "Time for a higher minimum wage." Heather Smith and Andrew McIlveen. *Policy Matters Ohio*. April 7, 2026.

[52] The "indirectly" affected workers category is a combination of workers earning 15% above the new minimum wage threshold and tipped workers. Modeled Ohio minimum wage policy also includes elimination of the tipped subminimum wage by 2030.

Policy recommendations

Ohio has an opportunity to push back against anti-worker policies and lift working families out of poverty by:

- Raising the regular and tipped minimum wage to at least $15 per hour.
- Eliminating the subminimum wage for youth, disabled workers, and tipped workers.
- Protect the value of the minimum wage by continuing to require annual adjustments for inflation.