

Trump Revokes Biden Federal Contractor Minimum Wage Mandate: What to Expect Next

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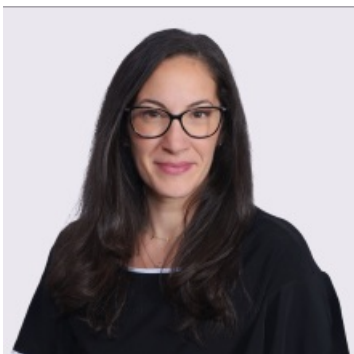
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Takeaways

- President Trump has rescinded President Biden’s 2021 executive order increasing the minimum wage for employees of federal contractors.
- The minimum wage is now \$13.30 per hour for federal contractors covered by President Obama’s 2014 executive order, which remains in effect.
- Trump’s action does *not* formally revoke a Department of Labor rule implementing Biden’s wage mandate. However, there is no longer a basis for enforcing the rule.

Related links

- [Additional Rescissions of Harmful Executive Orders and Actions\(EO\)](#)
- [Increasing the Minimum Wage for Federal Contractors \(EO\)](#)
- [Tenth Circuit Upholds Court’s Refusal to Enjoin Federal Contractor Minimum Wage Hike](#)
- [Circuits Split as Fifth Circuit Upholds Minimum Wage Mandate](#)

Article

President Donald Trump has rescinded President Joe Biden’s executive order (EO) increasing the minimum wage for employees of federal contractors. The rescission was one of numerous Biden EOs revoked by Trump in a second wave of reversals of Biden executive actions. (See EO “[Additional Rescissions of Harmful Executive Orders and Actions](#)”)

A Succession of EOs

[EO 14026](#), issued by Biden in 2021, sharply increased the minimum wage rate in effect for federal contractors and set annual adjustments to account for inflation. The rate in effect for 2025 was \$17.75 per hour.

With the Biden EO rescinded, the minimum wage rate is \$13.30 per hour for contractors covered by EO 13658, President Barack Obama’s 2014 EO. EO 13658 was the first executive action imposing a minimum wage for federal contractors higher than the standard federal minimum.

During his first term, Trump left EO 13658 intact, but he issued EO 13838 in 2018 to exclude from coverage certain outdoor recreational businesses operating on federal lands. Biden’s EO expressly eliminated this carve-out, which sparked one of several ongoing legal challenges to the Biden EO. (See [Tenth Circuit Upholds Court’s Refusal to Enjoin Federal Contractor Minimum Wage Hike](#).)

Rescinding EO 14026 effectively restores the exclusion for recreational services contractors, so the standard federal minimum wage rate (\$7.25 per hour) applies to these

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businesses.

Legal Challenges to EO 14026

EO 14026 and the Department of Labor (DOL) rule implementing the EO have faced several legal challenges. Most recently, the U.S. Court of Appeals for the Fifth Circuit upheld the EO, concluding it was a valid exercise of presidential authority under the Procurement Act. *State of Texas v. Trump*, 2025 U.S. App. LEXIS 2485 (Feb. 4, 2025). The decision set up a circuit split with the Ninth Circuit, which held Biden exceeded his authority when he issued the EO. *State of Nebraska v. Su*, 2024 U.S. App. LEXIS 28010 (Nov. 5, 2024). (See [Circuits Split as Fifth Circuit Upholds Minimum Wage Mandate.](#))

So far, the Trump Administration has continued to defend the EO in these appeals. The Department of Justice (DOJ) urged the Fifth Circuit to deny the states' petition for rehearing. It also submitted the Fifth Circuit's decision as supporting authority in the government's ongoing appeal of the adverse Ninth Circuit ruling and the administration's position that the now-revoked EO nonetheless "falls within the President's statutory power." (The DOJ also urged the Ninth Circuit to take note of the U.S. Supreme Court's denial of the petition for review filed by the outdoor recreation plaintiffs who had sought to reverse the Tenth Circuit's decision.)

The administration may continue to defend these cases not to uphold the rescinded EO but to preserve the president's authority to regulate federal contracting. With the EO now revoked, however, the appeals presumably will be dismissed as moot.

DOL Rule

For now, the DOL rule implementing EO 14026 is still on the books. The underlying authority on which the rule is premised, however, no longer exists. Therefore, there is no basis for enforcing the rule, and the administration obviously does not intend to do so. The DOL may issue a statement of nonenforcement as it begins the rulemaking process to revoke the Biden DOL's rule.

If you have questions about applicable minimum wage requirements for employees working on federal contracts or adjusting wage rates for your workforce, please contact one of our attorneys.

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