

Mass Workforce Issuance

Workforce Issuance No. 07- 47

Policy

☒ **Information**

To: Chief Elected Officials
Workforce Investment Board Chairs
Workforce Investment Board Directors
Title I Administrators
Career Center Directors
Title I Fiscal Officers
DCS Associate Directors
DCS Field Managers

cc: WIA State Partners

From: David W. Mackley, Director
Department of Workforce Development

Date: July 12, 2007

Subject: **New Federal Minimum Wage Poster**

Purpose: To inform Local Workforce Investment Boards, One-Stop Career Center operators and other local workforce investment partners of the availability of a revised Federal minimum wage poster that must be displayed conspicuously by all entities that employ workers subject to the Fair Labor Standard Act's minimum wage provisions.

Background: Effective July 24, 2007, the federal minimum wage for covered non-exempt employees will be raised to \$5.85 per hour (from \$5.15). The federal minimum wage increases to \$6.55 per hour effective July 24, 2008; and \$7.25 per hour effective July 24, 2009.

A revised [Federal minimum wage poster](#), reflecting the recently enacted minimum wage increases, is now available free of charge on the Department of Labor's Web site. Every employer of employees subject to the Fair Labor Standard Act's minimum wage provisions must post, and keep posted, a notice explaining the Act in a conspicuous place in all of their establishments so as to permit employees to readily read it.

The tip credit provisions of the Fair Labor Standard Act (FLSA) remain the same. An employer is still required to pay \$2.13 an hour in direct wages if that amount plus the tips received equals at the least the Federal minimum wage, provided the employer has informed the employee of the tip credit being taken, the employee retains all tips except to the extent he/she participates in a valid tip pooling arrangement, and the employee customarily and regularly receives more than \$30 a month in tips.

The youth minimum wage also remains the same. Employees under 20 years of age may be paid \$4.25 per hour during their first 90 consecutive calendar days of employment with an employer.

IMPORTANT NOTE: The Commonwealth enacted a new minimum wage standard of \$7.50 per hour, effective on January 1, 2007 [[MassWorkforce Issuance No. 06-53, Massachusetts Minimum Wage Increase \(8/11/2006\)](#)]. This will increase to \$8.00 per hour on January 1, 2008. Massachusetts employers *must continue* to observe the higher state minimum wage level for their Massachusetts' employees.

Action

Required: Please assure that all staff are informed of the contents of this issuance. Additionally, please assure that all One-Stop Career Centers acquire and post the revised Federal minimum wage poster in a conspicuous place for employees.

Inquiries: For more information about the availability of posters and compliance assistance materials, call the U.S. Department of Labor's toll-free help line at 1-866-4US-WAGE (487-9243) or visit <http://www.wagehour.dol.gov>.

Questions about federal minimum wage requirements and related services may be e-mailed to: compliancehelp@dol.gov for assistance. Technical questions or problems may be e-mailed to: support@govdelivery.com for assistance.