

Questions and Answers About the Minimum Wage

What is the federal minimum wage?

Under the Fair Labor Standards Act (FLSA), the federal minimum wage for [covered nonexempt](#) employees is \$7.25 per hour effective July 24, 2009. Many [states](#) also have minimum wage laws. Where an employee is subject to both the state and federal minimum wage laws, the employee is entitled to the higher minimum wage rate.

Various minimum wage exceptions apply under specific circumstances to [workers with disabilities](#), [full-time students](#), [youth under age 20](#) in their first 90 consecutive calendar days of employment, [tipped employees](#) and [student-learners](#).

What is the minimum wage for workers who receive tips?

An employer may pay a tipped employee not less than \$2.13 an hour in direct wages if that amount plus the tips received equal at least the federal minimum wage, the employee retains all tips and the employee customarily and regularly receives more than \$30 a month in tips. If an employee's tips combined with the employer's direct wages of at least \$2.13 an hour do not equal the federal minimum hourly wage, the employer must make up the difference.

Some [states](#) have minimum wage laws specific to tipped employees. When an employee is subject to both the federal and state wage laws, the employee is entitled to the provisions of each law which provide the greater benefits.

Must young workers be paid the minimum wage?

A minimum wage of \$4.25 per hour applies to young workers under the age of 20 during their first 90 consecutive calendar days of employment with an

employer, as long as their work does not displace other workers. After 90 consecutive days of employment or the employee reaches 20 years of age, whichever comes first, the employee must receive a minimum wage of \$7.25 per hour effective July 24, 2009.

Other programs that allow for payment of less than the full federal minimum wage apply to [workers with disabilities](#), [full-time students](#), and [student-learners](#) employed pursuant to sub-minimum wage certificates. These programs are not limited to the employment of young workers.

What minimum wage exceptions apply to full-time students?

The Full-time Student Program is for full-time students employed in retail or service stores, agriculture, or colleges and universities. The employer that hires students can obtain a certificate from the Department of Labor which allows the student to be paid not less than 85% of the minimum wage. The certificate also limits the hours that the student may work to 8 hours in a day and no more than 20 hours a week when school is in session and 40 hours when school is out, and requires the employer to follow all child labor laws. Once students graduate or leave school for good, they must be paid \$7.25 per hour effective July 24, 2009.

There are some limitations on the use of the full-time student program. For information on the limitations or to obtain a certificate, contact the Department of Labor's Wage and Hour National Certification Team at 230 S Dearborn St, Room 514, Chicago, IL 60604; telephone: 312-596-7195.

What minimum wage exceptions apply to student learners?

This program is for high school students at least 16 years old who are enrolled in vocational education (shop courses). The employer that hires the student can obtain a certificate from the Department of Labor which allows the student to be paid not less than 75% of the minimum wage, for as long as the student is enrolled in the vocational education program.

Employers interested in applying for a student learner certificate should contact the Department of Labor's Wage and Hour National Certification Team at 230 S Dearborn St, Room 514, Chicago, IL 60604; telephone: 312-596-7195.

Other programs that allow for payment of less than the full federal minimum wage apply to disabled workers and full-time students employed pursuant to sub-minimum wage certificates.

How often does the federal minimum wage increase?

The minimum wage does not increase automatically. Congress must pass a bill which the President signs into law in order for the minimum wage to go up.

Who makes sure workers are paid the minimum wage?

The Wage and Hour Division of the U.S. Department of Labor is responsible for enforcing the minimum wage. Using both enforcement and public education efforts, the Wage and Hour Division strives to ensure that workers are paid the minimum wage.

The Wage and Hour Division has offices throughout the country. The [phone numbers and addresses](#) for these offices may be found on the Internet or in the federal government "blue pages" section of the telephone book under "Labor Department."

To whom does the minimum wage apply?

The minimum wage law (the FLSA) applies to employees of enterprises that have annual gross volume of sales or business done of at least \$500,000. It also applies to employees of smaller firms if the employees are engaged in interstate commerce or in the production of goods for commerce, such as employees who work in transportation or communications or who regularly use the mails or telephones for interstate communications. Other persons, such as guards, janitors, and maintenance employees who perform duties which are closely related and directly essential to such interstate activities are also covered by the FLSA. It also applies to employees of federal, state or local government agencies, hospitals and schools, and it generally applies to domestic workers.

The FLSA contains a number of [exemptions](#) from the minimum wage that may apply to some workers.

The Wage and Hour Division has a [Handy Reference Guide to the Fair Labor Standards Act](#) that explains how the law applies. Call 1-866-4-USWAGE (1-866-487-9243) for a printed copy of the guide.

What happens if state law requires payment of a higher minimum wage than federal law?

Where state law requires a higher minimum wage, that higher standard applies.

Where to Obtain Additional Information

This publication is for general information and is not to be considered in the same light as official statements of position contained in the regulations.

For additional information, visit our Wage-Hour website: www.dol.gov/agencies/whd and/or call our Wage-Hour toll-free information and helpline, available 8 a.m. to 5 p.m. in your time zone, 1-866-4USWAGE (1-866-487-9243).