

Effective January 1, 2014

Minimum Wage Law

The Rhode Island Minimum Wage Law requires all employers to pay wages no less than those indicated in the following schedule. Please note that both Federal and State Laws have been reviewed. Whichever law is best for the employee prevails.

Minimum Wage: **\$8.00 / hour**

Employees that are directly / indirectly tipped by the customer may be paid under the conditions below:

Tipped Employees: **\$2.89 / hour**

Tip Credit: **\$5.11** (difference between minimum wage \$8.00 and tip wage \$2.89)

Overtime: Federal and State Law requires payment of one and one half (1 ½) the regular wage rate for any hours worked in excess of 40 hours in any work week.

For multi-unit operations with similar ownership overtime must be paid for all hours worked over 40 hours, regardless of which location worked.

Overtime Tipped Employees: **\$8.00 x 1.5 =** **\$ 12.00 / hour**
minus tip credit **\$ 5.11 / hour**
\$ 6.89 / hour

Tip Pooling

The requirement that an employee must retain all tips does not preclude tip splitting or pooling arrangements among employers who customarily and regularly receive tips, such as waiters, waitresses, bellhops, counter personnel (who serve customers), busboys/girls and service bartenders. Tipped employees **may not be required to share their tips with** employees who have not customarily and regularly participated in tip pooling arrangements, such as dishwashers, cooks, chefs, and janitors. **Only those tips that are in excess of tips used for the tip credit may be taken for a pool. Tipped employees** cannot be required to contribute a greater percentage of their tips than is customary and reasonable.

Uniforms

Deductions From Wages for Uniforms and Other Facilities Under the Fair Labor Standards Act (FLSA) **Regulation:** §§ 531.3(d)(2), 531.32(c) **Please refer to:** <http://www.dol.gov/whd/regs/compliance/whdfs16.pdf> **for more information.**

The FLSA does not allow uniforms, or other items which are considered to primarily for the benefit or convenience of the employer, to be included as wages. Thus, an employer may not take credit for such items in meeting his/her obligations toward paying the minimum wage or overtime.

Requirements

Uniforms: The FLSA does not require that employees wear uniforms. However, if the wearing of a uniform is required by some other law, the nature of a business, or by an employer, the cost and maintenance of the uniform is considered to be a business expense of the employer.

Other Items: Employers at times require employees to pay or reimburse the employer for other items. The cost of any items which are considered primarily for the benefit or convenience of the employer would have the same restrictions as apply to reimbursement for uniforms. See attached for more information.