CLIENT ALERT: Massachusetts Mandatory Hourly Minimum Wage Rises to \$8.00

Massachusetts' Basic Minimum Wage rose to \$8.00 per hour on January 1, 2008. The minimum wage rate for service employees and agricultural workers will not increase. Service employees are defined as those who receive at least \$30 per month in tips (a federal requirement). Qualified tipped service employees may be paid a minimum service rate of \$2.63 per hour, but their employers must comply with the Massachusetts Tipping Law, M.G.L. c. 148, § 152A, and related regulations. Certain agricultural workers may be paid a special minimum wage of \$1.60 per hour, which rate is unaffected by the minimum wage rate changes.

The minimum wage increases affect all workers employed in an "occupation" in

Massachusetts. Employees engaged in professional service, agricultural and farm work, members of religious orders and those who are being rehabilitated or trained under rehabilitation or training programs in charitable, educational or religious institutions are exempt. Outside sales persons who "regularly sell a product or products away from their employer's place of business and who do not make daily reports or visits to the office or plant of their employer" also are exempt from the state minimum wage law. However, the rate increase will affect certain kinds of trainees who, with prior approval, may be paid 80% of the state minimum wage.

Employers are reminded that they must post a copy of the minimum fair wage law, along with other state and federal postings in a conspicuous place in the workplace. To print a current state minimum wage poster, please visit the Attorney General's web site or click here.

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