



FUBA i s s u e s

Florida United Businesses Association

OUR BUSINESS IS SMALL BUSINESS

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STATE MINIMUM WAGE GOING UP IN 2015

On January 1, 2015, the minimum wage that all Florida employees must be paid will increase to \$8.05 an hour, an increase of 12¢ an hour over the current Florida minimum wage of \$7.93 an hour.

Florida employers must pay their employees at least the hourly state minimum wage for all hours worked.

For tipped employees (like food servers), you are allowed to count the tips they receive towards the required hourly minimum wage. However, you are also required by law to pay tipped employees a direct cash wage. As the state minimum wage goes up, the hourly rate you have to pay your tipped employees also goes up.

Starting January 1st, the direct cash wage you must pay your tipped employees will increase to \$5.03 an hour. This cash wage is equal to the minimum wage of \$8.05 minus the tip credit of \$3.02, which equals a direct cash wage of \$5.03 per hour as of January 1, 2015.

Because the minimum wage for Florida is going up for 2015, there will be a new Florida minimum wage poster. As a benefit of your FUBA membership, we will provide you with a new Florida minimum wage poster free of charge with your December newsletter. On January 1st, you will need to replace your current Florida-specific minimum wage poster with the new one for 2015.

Please look for the new Florida minimum wage poster in next month's newsletter. If you have any questions about the minimum wage and how it

affects your business, please call the FUBA offices at 800-262-4483 and ask for Erin, Karen or Lance.

HAVE YOU OR YOUR EMPLOYEES BEEN A VICTIM OF UNEMPLOYMENT COMPENSATION FRAUD?

Florida businesses need to be aware of a new type of scam involving unemployment benefits. Using stolen identities, criminals are filing fake unemployment claims on behalf of innocent victims who are gainfully employed and who are unaware that an unemployment claim has been filed in their name. Once the claim for benefits is accepted by the state Department of Economic Opportunity, the criminal files a change of address so the benefit checks bypass the innocent victim and instead are paid right to the criminal's bank account.

When any claim for unemployment benefits is made (even legitimate ones), the state DEO notifies the claimant's employer that a claim has been filed against their business for reemployment assistance benefits (formerly called unemployment benefits). DEO sends the employer a document called Notice of Unemployment Compensation Claim Filed. Employers have 20 days to review the form, which asks the employer to verify that the claimant actually worked for the business, to verify the wages paid to the claimant, and to verify the reason the claimant is no longer working at the business.

Given the increase in the number of phony unemployment claims, it is more important than ever for business owners to review all communications from the DEO, especially all notices of an unemployment compensation claim being filed. If the state ends up paying a phony claim out of your account, it could increase your unemployment taxes

for the following calendar year.

If you receive notification from the state about an unemployment claim that has been filed on behalf of an employee who is still employed by your business, and you suspect fraud, you can call the FUBA offices at 800-262-4483 and ask for Karen or Lance. We will contact the Department of Economic Opportunity to alert them to the fraud so they can make sure that no benefits are paid out on the phony claim.

A CONTRACTOR'S GUIDE TO WORKERS' COMPENSATION

As a service to our members in the construction industry, FUBA has updated **A Contractor's Guide to Workers' Compensation**, our publication that summarizes a construction contractor's responsibilities under the Florida workers' compensation law.

Topics include:

- What are the workers' comp requirements for a business in the construction industry?
- What's an exemption and how can I get one?
- What are my responsibilities if I hire subcontractors?
- How do I make sure the sub I hire has a valid workers' comp policy or a valid exemption?
- Why is it important that I file my company's Annual Report with the State of Florida each year?

This document is available in both English and Spanish from our website at www.fuba.org under the Small Business Alert tab on the left-hand side of the home page.

HOW DO I HANDLE OVERTIME PAY FOR A WEEK WITH A PAID HOLIDAY?

As we approach the end of the year and the holiday season, we wanted to remind employers about their rights and responsibilities for paying salaried

employees during weeks with paid holidays.

Question: *During a work week that contains a holiday (like Thanksgiving), if I pay my employees for 8 hours on the holiday but they do not work because of the holiday, do those 8 hours count towards their total hours worked and then entitle them to overtime pay if they work over 40 hours the rest of the holiday week?*

Answer: The short answer is "no." Overtime is only calculated on the hours an employee actually works. If an employee is paid but is not actually working (for example, a paid holiday, paid sick leave, etc.), that time is not counted as time at work, and those hours are not counted towards the 40-hour cap. The paid day off when your business is closed due to a holiday (8 hours in the above example) does not count as work, because the employees were given the day off and were not at work. Therefore, in a holiday week, if the employees are paid for the holiday and do not actually work that day, they are allowed to work up to 40 hours on the remaining days in the work week before being eligible to receive overtime pay.

Please remember that the law does **not** require employers to pay their employees on work days that the business is closed, like for a holiday. Employers are only obligated to pay employees for hours they actually work, unless your company's policy manual provides for paid holidays.

If you have a wage and hour question, please call the FUBA offices at 800-262-4483 and ask for Karen or Lance.

THIS NEWSLETTER AVAILABLE VIA EMAIL

This newsletter, ISSUES, is published monthly by the Florida United Businesses Association (FUBA), to educate our members on topics that may affect their business. If you would like to receive it electronically by email each month, in addition to the hard copy you receive in the mail, please send us an email at FUBA@fuba.org with "newsletter" in the subject line and include your FUBA membership number (if you know it), your business name, and the contact person's name and email address. You can provide up to 3 email addresses at your business to receive the newsletter. Also, if you have a suggestion for a topic that you would like to see covered in the newsletter, please let us know.