



**FUBA**  
FLORIDA UNITED BUSINESSES ASSOCIATION

# ISSUES

OUR BUSINESS IS SMALL BUSINESS

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## **STATE MINIMUM WAGE STAYING THE SAME FOR 2016**

For the first time in the history of the Florida minimum wage, there will not be an increase in the Florida minimum wage for calendar year 2016. For 2016, Florida employers can continue paying their minimum-wage employees \$8.05 an hour, and tipped employees must continue to be paid a cash wage of at least \$5.03 an hour.

There are 2 versions of the minimum wage: the federal one and the Florida-specific one. Florida employers must pay their employees whichever minimum wage is higher, which right now is the Florida minimum wage of \$8.05 (the federal minimum wage is \$7.25 an hour). For tipped employees (like food servers), employers can count the tips these employees receive towards the required hourly minimum wage. However, employers are required by law to pay tipped employees a direct cash wage, which for 2015 and 2016 is \$5.03 an hour.

Even though the minimum wage for Florida is staying the same for 2016, there will be a new version of the Florida minimum wage poster. The only change on this poster will be to update the year from "2016" instead of "2015." 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 1<sup>st</sup>, you can simply replace the 8 ½" by 11" 2015 version of the

Florida-specific minimum wage poster with the new 2016 version. [Employers still need to also post the federal version of the minimum wage poster, which is included in the All-in-One poster you received from FUBA when you joined. As long as your federal minimum wage poster says \$7.25, your poster is current.]

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.

## **A CONTRACTOR'S GUIDE TO WORKERS' COMPENSATION**

As a service to our members in the construction industry, FUBA provides at no charge a two-page publication titled A Contractor's Guide to Workers' Compensation, which summarizes a contractor's responsibilities under the Florida workers' compensation law.

In the Guide, we answer questions like:

- 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?
- Why do I have to pay extra premium on my workers' comp policy if I hire a sub that doesn't have workers' comp coverage?
- What am I risking if I hire a sub that has an exemption instead of a workers' comp policy?
- Is there an easy way I can make sure the subs I hire have valid workers' comp coverage?
- Why do I need to 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 **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 the office is closed on 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 does not actually work (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 employers are never required to pay employees on days that the business is closed, like on a holiday. Employers are only obligated to pay employees for hours the employees actually work, unless your company's policy manual specifically provides for paid holidays. This article is only addressing the situation for employers who do voluntarily pay employees when the office is closed.

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

### **WOULD YOU LIKE TO RECEIVE THIS NEWSLETTER VIA EMAIL?**

This newsletter, ISSUES, is published every month 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.