

Memorandum



To: HCM Administrators of State Agencies, Boards, Commissions & Elected Officials

From: Jessica Schuster, Administrator
Office of Talent Management 

Date: October 7, 2015

Re: Minimum Wage Rates for 2016

This is to inform all agencies, boards and commissions that Ohio's minimum wage will not increase in 2016. The minimum wage will remain \$8.10 per hour for non-tipped employees and \$4.05 per hour for tipped employees.

Changes to the minimum wage are tied directly to the Consumer Price Index (CPI) as outlined in the constitutional amendment passed in November 2006. The state minimum wage is tied to the CPI for urban wage earners and clerical workers for the 12-month period prior to September. This CPI index declined 0.3 percent from September 1, 2014 to August 31, 2015.

Attachment

cc: file



2016 MINIMUM WAGE

OHIO DEPARTMENT OF COMMERCE
DIVISION OF INDUSTRIAL COMPLIANCE

www.com.ohio.gov

NON-TIPPED EMPLOYEES

A Minimum Wage of

\$8.10 per hour

"Non-Tipped Employees" includes any employee who does not engage in an occupation in which he/she customarily and regularly receives more than thirty dollars (\$30.00) per month in tips.

"Employers" who gross \$297,000 shall pay their employees no less than the current federal minimum wage rate.

"Employees" under the age of 16 shall be paid no less than the current federal minimum wage rate.

"Current Federal Minimum Wage" is \$7.25 per hour.

TIPPED EMPLOYEES

A Minimum Wage of

\$4.05 per hour **PLUS TIPS**

"Tipped Employees" includes any employee who engages in an occupation in which he/she customarily and regularly receives more than thirty dollars (\$30.00) per month in tips. Employers electing to use the tip credit provision must be able to show that tipped employees receive at least the minimum wage when direct or cash wages and the tip credit amount are combined.

OVERTIME

1. An employer shall pay an employee for overtime at a wage rate of one and one-half times the employee's wage rate for hours in excess of forty hours in one work week, except for employers grossing less than \$150,000 per year.

RECORDS TO BE KEPT BY THE EMPLOYER

1. Each employer shall keep records for at least three years, available for copying and inspection by the Director of the Ohio Department of Commerce, showing the following information concerning each employee:
 - A. Name
 - B. Address
 - C. Occupation
 - D. Rate of Pay
 - E. Amount paid each pay period
 - F. Hours worked each day and each work week
2. The records may be opened for inspection or copying at any reasonable time and no employer shall hinder or delay the Director of the Ohio Department of Commerce in the performance of these duties.

HANDICAPPED RATE

To prevent the curtailment of opportunities for employment and avoid undue hardship to individuals whose earning capacity is affected or impaired by physical or mental deficiencies or injuries, a sub-minimum wage may be paid, as provided in the rules and regulations set forth by the Director of the Ohio Department of Commerce.

INDIVIDUALS EXEMPT FROM MINIMUM WAGE

1. Any individual employed by the United States;
2. Any individual employed as a baby-sitter in the employer's home, or a live-in companion to a sick, convalescing, or elderly person whose principal duties do not include housekeeping;
3. Any individual employed as an outside salesman compensated by commissions or in a bona fide executive, administrative, or professional capacity, or computer professionals;
4. Any individual who volunteers to perform services for a public agency which is a State, a political subdivision of a State, or an interstate government agency, if
 - (i) the individual receives no compensation or is paid expenses, reasonable benefits, or a nominal fee to perform the services for which the individual volunteered; and
 - (ii) such services are not the same type of services which the individual is employed to perform for such public agency;
5. Any individual who works or provides personal services of a charitable nature in a hospital or health institution for which compensation is not sought or contemplated;
6. Any individual in the employ of a camp or recreational area for children under eighteen years of age and owned and operated by a non-profit organization or group of organizations.
7. Employees of a solely family owned and operated business who are family members of an owner.

For further information about minimum wage issues, please contact: The Ohio Department of Commerce, Division of Industrial Compliance, 6606 Tussing Road, Reynoldsburg, Ohio 43068. Phone: (614) 644-2239. TTY/TDD: 1-800-750-0750. An Equal Opportunity Employer and Service Provider. (REV. 9/30/15)

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