



# **The Scoop**

## **Tax Update**

**June 2007**

**Volume 3, Number 2**

### **Minimum Wage Update**

## **Minimum Wage Bill Passed**

The Fair Minimum Wage Act of 2007 increases the federal hourly minimum wage rate to:

- \$5.85, effective July 24th
- \$6.55, effective 12 months after the date of enactment
- \$7.25, effective 24 months after the date of enactment

The bill would also specify an hourly minimum wage rate for the Northern Mariana Islands of \$3.55, effective 60 days after the date of enactment. This rate would be increased by \$0.50 an hour every six months until the federal minimum wage rate is reached.

President Bush signed the Iraq spending bill to which the minimum wage increase was attached.

## **DOL Web Site Now Offers 'FLSA Overtime Calculator Advisor'**

The US Department of Labor has launched a new Web Resource at [www.dol.gov/elasw/otcalculator.htm](http://www.dol.gov/elasw/otcalculator.htm) to help employers understand how to calculate overtime pay under the Fair Labor Standards Act for nonexempt employees.

Compute overtime pay in a sample pay period based on information provided by the user such as the primary method of pay, additional compensation paid in the form of bonuses, commissions and shift differentials, and information relating to the hours employees worked. The calculator totals the hours worked during the sample pay period and, based on the user's input, calculates the overtime due for any overtime hours worked. Because it is an educational tool, the advisor also provides links to definitions and detailed information on overtime pay requirements.

# **Department of Labor Proposes Revised, Updated Child Labor Regulations**

**The US Department of Labor has issued proposed regulation revision and updating the child labor regulation under the Fair Labor Standards Act. These regulations address 25 recommendations made by the National Institute for Occupational Safety and Health in 2002 concerning existing hazardous Occupation Orders and Implement a provision of the DOL Appropriation Act, 2004 that authorizes the employment of minors 14 to 18 who are excused from compulsory school attendance beyond the eighth grade in businesses that use machinery to process wood products.**

## **Proposed Regulatory Revisions:**

### **14 and 15 year olds**

- **Expand the list of jobs that are either permitted or prohibited currently and remove language limiting authorized work to retail, food service, and gasoline service establishments.**
- **Expressly permit 14 and 15 year olds to perform such jobs as computer programmer and computer applications demonstrator for a college, print and runway model, and musical director at a church or school.**
- **Allow schools to apply for approval to operate work-study programs where certain 14 and 15 year olds would be permitted to work during school hours and up to eight hours a day under specified circumstances.**

### **16 and 17 year olds**

- **List occupations that are expressly prohibited**
- **Allow employment to operate lightweight, small capacity, portable counter-top power driven food mixers that are comparable to models intended for household use**
- **All to operate power-driven pizza dough rollers where specified safeguards are present on the machines, are operational, and have not been overridden.**

**Comments are invited on both the proposed regulations and the advance notice of proposed rulemaking. Comments must be received by July 16, 2007. Send to: Wage and Hour Division, Employment Standards Administration, US Department of Labor, Room S-3502, 200 Constitution Avenue, NW, Washington, DC 20210**



WVC APA  
PO Box 2275  
Sun City, AZ 85372

Phone:  
(602) 368-2334

Fax:  
(602) 368-3353

E-mail:  
[cmjordan@bechtel.com](mailto:cmjordan@bechtel.com)

Chapter Website:  
[www.westvalleyapa.org](http://www.westvalleyapa.org)

## News from other states

**Idaho, Indiana, North Dakota, Oklahoma, Texas, and Virginia**



These states will increase the minimum wage rate to \$5.85 per hour on July 24 in conformity with federal rules.

### **Illinois**

Effective 7-1-07, an employer must pay the full state minimum wage (\$7.50 an hour) to: (1) a day or temporary laborer who is 18 years of age or older; and (2) an employee who is 18 years of age or older and whose employment is occasional or irregular and requires not more than 90 days to complete. Under the sub-minimum wage requirement an employer may pay an employee who is age 18 or older a minimum wage that is 50 cents less than the state minimum wage during the employee's first 90 calendar days of employment.

### **Kansas**

As of 6-1-07, the Department of Labor will no longer accept unemployment insurance wage information submitted on any form of magnetic media, including CDs or diskettes. Instead, employers must use the DOL's new file upload system to file quarterly UI wage reports and tax returns. Employers can also upload payment files to the DOL, which are processed as electronic checks.