



Wage-and-Hour Questions Employers Often Ask

This fact sheet covers these topics:

- *Pay Requirements*
- *Deductions from Pay*
- *Hiring a Teen Worker*
- *Employee Uniforms*
- *Access to Personnel File*

Pay Requirements

How often do I have to pay employees?

Businesses must pay workers on regular established paydays at least once a month.

Can a company make employees sign up for direct deposit?

Yes, as long as there is no cost to the workers.

Do I have to pay overtime after an employee works more than eight hours in a day?

Overtime is based on the number of hours worked in a seven-day work week, not the number of hours worked on any one day during that week. There may be exceptions for Prevailing Wage work. More information is available online at www.PrevalingWage.Lni.wa.gov.

Can I give my worker time off later (comp time) instead of overtime pay?

The general answer is no. Federal law does not allow these types of agreements except for public employers and their employees, so businesses that are covered by federal law cannot enter into comp-time agreements with their employees.

See www.dol.gov/esa/whd/regs/compliance/hrq.htm to determine if your business is covered, or you may call the United States Department of Labor (USDOL) at 206-398-8039 or toll-free at 1 866-487-9243.

If you find that your business is not covered by USDOL regulations, you may be able to offer comp time to your employees. For complete information, please see the Washington State overtime policy at www.Lni.wa.gov/WorkplaceRights/files/policies/esa81.pdf

Do employers have to pay unused sick leave or vacation time to an employee who leaves the company?

Paid vacation, holiday, sick leave and severance pay are considered voluntary benefits that a business may choose to offer workers. State law does not require a business to provide these benefits. However, even though there is no state law requiring an employer to pay these benefits upon termination, if the employer promises the benefits and does not pay them, workers can contact an attorney or file in small claims court for their unpaid benefits.

My worker quit/left/was fired from the business. When do I have to pay the final wages?

Final wages are due to the worker on the next regularly scheduled payday regardless of whether the worker quit or was fired.

Can I withhold the final paycheck if a former employee leaves and does not return keys or uniforms?

No, a business may not withhold a final check. L&I advises workers to turn in keys, uniforms, tools and equipment promptly upon termination in order to avoid disputes or disruptions in pay.

Can I reduce an employee's rate of pay?

Yes. An "agreed wage" can be renegotiated or changed, providing the employer notifies the employee in advance and that the minimum wage requirements, if applicable, aren't violated. There is no requirement that the change in the pay notifications take place within any specific time period, as long as it isn't retroactive for any hours already worked.

Deductions from Pay

What deductions can an employer make from an employee's pay?

Employers may deduct for state and federal payroll taxes and court-ordered garnishments as required by law. Other deductions may be made when they are for the employee's benefit but they must be agreed upon in advance and in writing. Examples of deductions for the employee's benefit include cash advances, personal loans, purchases, health insurance or medical services.

Can an employer deduct losses from an employee's final pay?

The general answer is no. However, deductions for losses may be made under very limited circumstances and from the **final check only, and the deduction can't reduce the employee's wages below minimum wage.** There must be a company policy, preferably written, and the loss must have occurred in the last pay period.

Can an employer deduct the remainder of a cash advance, loan or purchase from an employee's final pay?

Yes. These deductions are generally for the employee's benefit and may reduce the employee's wage below minimum wage at the time of the deduction. L&I advises employers to have the agreement in writing at the time of the loan, advance, or purchase.

For more information on deductions, please see www.WorkplaceRights.Lni.wa.gov and click on "Wage and Hour" and "Pay requirements."

Hiring a Teen Worker

What are the requirements for hiring a teen worker?

- The minimum age for work is generally 14, with different rules for ages 16-17 and for ages 14-15. (Exception: A child younger than 14 can work if you get a court order from a superior court.)
- Employers must get a minor work endorsement on their Master Business License in order to employ teens. This can be done through any Department of Licensing or L&I office or online at www.dol.wa.gov or www.Lni.Teenworkers.Lni.wa.gov.
- A parent must sign the parent/school permission form, and if a teen works during the school year, a school official must sign too.
- Many jobs are prohibited for anyone under the age of 18. Be sure you know the rules for your business.
- Work hours are limited for teens; more restrictions apply during school weeks.
- Teen workers ages 16-17 must be paid the minimum wage. Younger teens, ages 14-15, may be paid 85 percent of the minimum wage.

For complete information, go to www.Teenworkers.Lni.wa.gov or e-mail a question to TeenSafety@Lni.wa.gov or call 1-866-219-7321 or visit any L&I office.

Employee Uniforms

My business requires a uniform. Do I have to buy it for my employees?

If the required clothing is a "uniform," the employer must absorb the full cost. A "uniform" is defined as:

- Clothing clearly identifying the person as an employee of a specific employer.
- Apparel specially marked with the employer's logo.
- Unique apparel to identify historical or ethnic background.
- Formal attire.

If the required apparel fits into one of the above categories, regardless of color, it is a uniform, and the employer is required to furnish it or compensate employees for the cost of the apparel.

If required clothing is of a common color and conforms to a general dress code or style, the employer is not responsible for the cost. Only the following are considered common colors:

- Tops: white, tan, and blue (including light and dark variations of those colors).
- Bottoms: tan, black, blue, and gray (including light and dark variations of those colors).

If the required clothing is any color other than those above, the employer must provide or compensate the employee for the apparel.

The employer may not require deposits or make deductions from employee wages for uniforms.

For complete information on uniforms, please see Administrative Policy ES.C.8.1, Employee Wearing Apparel and Uniforms, online at www.Lni.wa.gov/WorkplaceRights/Files/Policies/ESC81.pdf.

Access to Personnel File

How often can employees inspect their personnel files?

Employees have the right to inspect their personnel file at least once a year, upon request. The employer must make the personnel file available at the employee's place of work or a convenient location within a reasonable length of time. For complete information, please see Administrative Policy ES.C.7, Employee Access to Personnel File, on the web at: www.Lni.wa.gov/WorkplaceRights/Files/Policies/ESC7.pdf.



This fact sheet is provided for informational purposes only and shouldn't be used as legal advice. In addition, a collective bargaining agreement or employee contract could potentially affect some of the information provided in this document.

If you need assistance with a specific situation, please contact the Washington State Department of Labor & Industries, Employment Standards Program, at 1-866-219-7321. More detailed information is available online at www.WorkplaceRights.Lni.wa.gov

Other formats for persons with disabilities are available on request. Call 1-800-547-8367. TDD users, call 360-902-5797. L&I is an equal opportunity employer.