

WORKER RIGHTS UNDER EXECUTIVE ORDER 13658

FEDERAL MINIMUM WAGE FOR CONTRACTORS

\$10.20 PER HOUR

EFFECTIVE JANUARY 1, 2017 – DECEMBER 31, 2017

MINIMUM WAGE

On February 12, 2014, the President signed Executive Order 13658, Establishing a Minimum Wage for Contractors. The Executive Order requires that parties who contract with the Federal Government pay workers performing work on or in connection with covered Federal contracts at least: (1) \$10.10 per hour beginning January 1, 2015; and (2) beginning January 1, 2016, and annually thereafter, an inflation adjusted amount determined by the Secretary of Labor in accordance with the Executive Order and appropriate regulations. The Executive Order hourly minimum wage in effect from January 1, 2017 through December 31, 2017 is \$10.20.

TIPS

Covered tipped employees must be paid a cash wage of at least \$6.80 per hour effective January 1, 2017 – December 31, 2017. If a worker's tips combined with the required cash wage of at least \$6.80 per hour paid by the contractor do not equal the hourly minimum wage for contractors (noted above), the contractor must increase the cash wage paid to make up the difference. Certain other conditions must also be met.

ENFORCEMENT

The U.S. Department of Labor's Wage and Hour Division (WHD) has offices across the country to help. WHD can answer questions, in person or by telephone, about your workplace rights and protections. We can investigate employers, recover wages to which workers may be entitled, and pursue appropriate sanctions against covered contractors, including debarment. All services are free and confidential. The law also prohibits discriminating against or discharging workers who file a complaint or participate in any proceeding under the Executive Order. If you are unable to file a complaint in English, WHD will accept the complaint in any language.

ADDITIONAL INFORMATION

- Executive Order 13658 establishes that the Order applies only to new Federal construction and service contracts, as defined by the Secretary in the regulations.
- Workers with disabilities whose wages are governed by special certificates issued under section 14(c) of the Fair Labor Standards Act must receive no less than the full minimum wage rate as established by the Executive Order.
- Some workers are excluded. For example, some workers who provide support "in connection with" covered contracts for less than 20 percent of their hours worked in a week may not be entitled to the Executive Order minimum wage. Certain full-time students, learners, and apprentices who are employed under subminimum wage certificates are not entitled to the Executive Order minimum wage. Certain occupations are also exempt from the Executive Order minimum wage.
- Some state or local laws may provide greater worker protections. Employers need to comply with both.



WAGE AND HOUR DIVISION
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