

IOWA DIVISION OF LABOR WAGE FAQs

1. Q. What is the current minimum wage?

A. \$7.25 per hour.

2. Q. I'm a tipped employee. Can my employer pay me less than minimum wage?

A. If you make \$30 per month or more in tips, the employer may pay as little as \$4.35 per hour. If in any work week the wage the employer pays you and the tips you receive do not average at least \$7.25 per hour, the employer is required to pay the difference.

3. Q. Can an employer pay less than minimum wage for the first 90 days of a new hire's employment?

A. Yes. An Iowa employer is allowed to pay an "initial employment wage" of \$6.35 per hour for the first 90 days. Iowa's "initial employment wage" is not the same thing as the federal "training wage" that allows certain employees to be paid less than minimum wage. Information about the federal "training wage" can be obtained by contacting the U.S. Department of Labor's Wage and Hour office at (515) 284-4625 or by visiting their web site at <http://www.dol.gov>.

4. Q. If I pay an Iowa employee the "initial employment wage" for 90 calendar days, the employee quits and I rehire this employee later, can I use the "initial employment wage" again?

A. No. Iowa's "initial employment wage" may only be paid for a total of 90 calendar days of employment with the same employer.

5. Q. Who must comply with the Iowa Minimum Wage Law?

A. Generally employers that gross at least \$300,000 in sales or business per year must comply with the Iowa Minimum Wage Law. In addition, some types of employers or "named enterprises" must comply with the law regardless of business volume.

6. Q. What "named enterprises" must comply with the Iowa Minimum Wage Law regardless of sales or business volume?

A. "Named enterprises" that must comply with the Iowa Minimum Wage Law regardless of business volume include: public agencies; hospitals and residential care facilities for the sick, elderly, mentally or physically

handicapped or gifted children; schools and preschools; public transportation subject to state or local regulation; most daycares; and employers engaged in construction, laundry and dry cleaning. Certain in-home daycares with five or fewer children and with only one employee, or whose only employees are members of that individual's immediate family, are excluded from the minimum wage law. Some types of employers are not required to comply with the Minimum Wage Law, such as certain employers in agriculture, certain summer camps, and others.

7. **Q. Is everyone that is covered by Iowa minimum wage also covered by the federal minimum wage?**
- A. No. An employer must gross at least \$500,000 in sales or business to be covered by the federal minimum wage, but the minimum is \$300,000 for Iowa.
8. **Q. What kind of breaks are required under Iowa law?**
- A. Iowa has no laws mandating breaks for adults. An employer does not have to pay you for a break during which you are completely relieved of your job duties. Your employer can require you to stay on the business premises during your break. Only the following breaks are required:
1. Minors younger than 16 must be given a 30-minute break if they are employed five hours or more in a day.
 2. All employees must be allowed toilet breaks when needed.
 3. Workers covered by union contract who don't receive contract-promised breaks should contact their union representative.
 4. Truck drivers should contact the Iowa Department of Transportation for regulations regarding breaks.
 5. Certain other limited categories of workers, such as airline pilots, may be entitled to mandatory breaks under applicable regulations. Check with the appropriate regulatory agency for such regulations.
9. **Q. What is the maximum number of hours per day my employer can make me work?**
- A. For most employees there is no limit of the number of hours unless there is an employment agreement or contract that says otherwise. Many employers give rest and meal breaks due to health and safety concerns. There are limits on the number of hours children under age 16 can work, and some contracts for employment contain limits. Also federal law makes limitations for certain occupations such as truck drivers.

10. Q. Are Iowa employers required to pay employees for sick time, vacation or holidays?

A. Employers must follow their own policies, practices or contracts regarding benefits. In the absence of such an agreement, these benefits are not required.

11. Q. Are Iowa employers required to give employees pay raises?

A. Not unless there is an employment contract specifying a raise.

12. Q. Can an employer change my hours, job description, and/or work location without notice?

A. Yes. If you are an "employee at will," an employer may change your days and hours of work. They may also change your place of work or job description. No advance notice is required.

13. Q. Can my employer fire me without a reason?

A. Yes. Iowa is an "employment-at-will" state, meaning that an employer or employee may terminate the relationship at any time, for any reason, or for no reason at all. You may have grounds for legal action if the employer fires you:

1. based on sex, race, color, national origin, religion, age, pregnancy or physical or mental disability; [Link to Iowa Civil Rights Commission](#).
2. for certain "whistle blower" actions such as filing OSHA complaints.
3. contrary to an applicable employment contract;
4. for attempting to comply with applicable government regulations, such as health codes in restaurants

14. Q. Is my employer required to give me notice when he fires me? Do I have to give notice when I quit?

A. No notice is required by either party based on the "employment-at-will" doctrine. However, notice of quitting may affect fringe benefits like vacation and sick leave.

15. Q. When is my employer required to pay me after I've quit or been fired?

A. If you leave employment for any reason, you are to be paid on the next regularly scheduled payday.

16. Q. Am I entitled to my unused vacation when I am fired or if I quit?

- A. Only if the employer has a contract, policy or procedure to pay vacation to departing employees. An Iowa employer can establish any vacation policy desired.

17. Q. What can be deducted from my wages?

- A. Items on the following list can be deducted from wages. For exceptions see Iowa Code Chapter 91A.5.

1. Taxes
2. Garnishments
3. Deductions for any lawful purpose accruing to the benefit of the employee if the employee has given written authorization for the deduction (for example, insurance, 401K, pensions, bonds and savings programs).

Items on the following list cannot be deducted:

1. Cash shortages in common money till
2. Losses due to breakage, damage, acceptance of bad checks, and default of customer credit except in certain limited cases
3. Lost or stolen property unless certain conditions are met
4. Tips
5. Personal protective equipment in most cases
6. Moving costs except in certain cases

18. Q. Can my employer require me to have direct deposit of my wages?

- A. Your employer may require direct deposit of your wages if:

- You were hired after July 1, 2005
- You are allowed to choose the bank or credit union
- The costs of opening and keeping the account do not drop your pay below minimum wage
- There is no charge to your account for the direct deposit; and
- You are not covered by a union contract that prohibits mandatory direct deposit.

19. Q. Is payment of wages by debit card allowed in Iowa?

- A. Yes, if the following conditions are met:

1. The employee agrees in writing to accept wages through a debit card.

2. The funds are available to the employee on or before each pay day.
3. The employee is allowed access to all wages due without a fee or charge. The number of free transactions required per pay period will vary depending on the amount of pay owed and the card's transaction limit. For example, if the card's transaction limit is greater than the amount of pay owed, only one free transaction per pay period is required; if the card's transaction limit is one-half of the wages owed, two free transactions per pay period are required.

20. Q. Does my employer have to give me a pay stub?

A. Yes. Every regular payday an employer must provide to the employee by mail or at the employee's normal place of work during normal working hours a statement showing:

- the hours the employee worked;
- the wages earned by the employee; and
- the deductions made from that paycheck.

It is acceptable for an employer to provide each employee access to view an electronic statement of the employee's earnings, so long as the employee has free and unrestricted access to a printer to print the statement, if the employee chooses.

An employer is *not* required to provide information on hours worked for an employee who is exempt from overtime by the Fair Labor Standards Act, as long as the employer does not actually pay overtime, a bonus or other payment based on hours worked. If the hours worked affect the pay for such employees, the employer shall provide a statement showing the hours worked or payments made, as applicable.

21. Q. Must an employer include year-to-date information on a paystub?

A. No. Only current information is required.

22. Q. Are penalties possible for employers that violate Iowa's Wage Law?

A. Yes. Under Iowa Code Chapter 91A.12, an employer faces civil penalties of \$500.00 for each violation of the law.

23. Q. What if my checks "bounce" because my employer did not pay me on time?

A. An employer may be held liable for the cost of bounced checks caused by the employer's failure to pay.

24. Q. **May an employer mail a paycheck to an employee without written consent from the employee?**

A. No. An employer must obtain an employee's written consent before a paycheck is sent via the mail. Pay stubs may be mailed without written consent.

25. Q. **If paychecks are normally distributed in person, and an employee is absent from work on the regularly scheduled payday, can an employer mail the paycheck to the absent employee?**

A. No. The paycheck cannot be mailed unless the employer has written authorization from the employee to mail the paycheck. A written request from an employee directing that in the event of absence on payday, the employee's paycheck be mailed, or be given to a specific family member would address this issue and comport with the wage law.

26. Q. **What should a written authorization for payment by mail include?**

A. The following is offered only as a suggestion. Employers should consult with their own employment experts.

I, _____, voluntarily authorize *[insert employer name]* to forward my paycheck by mail. I understand that without such written authorization, the employer may not forward my paycheck by mail. I further understand that this authorization may be revoked at any time with written notice to the employer.

Name _____ Date _____
Address _____
City _____ State _____ Zip _____

27. Q. **Who is entitled to overtime and when?**

A. Iowa law only requires overtime if overtime is included in the employment agreement or contract between employer and employee. For questions regarding federal overtime requirements contact the U.S. Department of Labor, Division of Wage and Hour. The Iowa telephone numbers are:

Des Moines (515) 284-4625
Cedar Rapids (319) 362-8074
Davenport (309) 757-5720
Sioux City (712) 252-2907

28. Q. My employer hasn't paid me wages I believe I am owed. What can I do?

- A. If you believe you are owed wages, you can file a wage claim with the Iowa Division of Labor. You can download a Wage Claim Form at <http://www.iowaworkforce.org/labor/wage.htm>, or request a form be mailed to you by calling 1-800-562-4692. You also have the right to pursue your claim on your own behalf in court. If your claim has to do with federal minimum wage or overtime you may contact the U.S. Department of Labor, Wage & Hour offices at:

Des Moines (515) 284-4625
Cedar Rapids (319) 362-8074
Davenport (309) 757-5720
Sioux City (712) 252-2907

29. Q. Can an employer require employees to purchase uniforms?

- A. The employer may require employees to buy uniforms. Deducting the purchase price of uniforms from an employee's paycheck is not allowed if the uniform identifies the business through a logo or company colors. Payroll deduction may be allowed if the uniform is generic clothing such as a white blouse or black pants.

30. Q. Do I get paid for being "on-call?"

- A. The most important consideration in determining whether you should get paid for "on call" time is how much your personal activities are restricted. The more they are restricted, the more likely it is that you have a right to pay. For example, if you have to wear a beeper, stay sober, and work only occasionally, you probably are not entitled to pay while not working. You must be paid for actual time worked in any case.

31. Q. Do I have to pay an employee while they are on jury duty?

- A. No. Iowa wage law and the federal Fair Labor Standards Act do not require that an employer pay hourly non-exempt employees for jury service; however, a salaried, exempt employee's wages may not be reduced as a result of absence related to jury service. Many employers do elect to pay an employee's wage while they are on jury duty, and ask that the employee sign over to the employer any payments the employee gets from the court for performing jury service, which is permissible under state or federal law.

Under Iowa law, if an employer has a policy or past practice of paying employees while they are on jury duty, the employer must consistently and uniformly follow its policy or past practice. An employer is not compelled to continue paying if it

communicates clearly and consistently that it has changed its policy or practice.

32. Q. Do I have to give an employee time off to vote?

A. To view the Iowa law on this question, [click here](#) and type 49.109 in the box.

33. Q. What is the youngest age to begin employment in Iowa?

A. Generally, age 14; however children may work in the street trades (like newspaper delivery and candy sales) at age 10 and in migratory labor at age 12. A judge can order the Labor Commissioner to issue a work permit to a person under the age of 14. [Click here](#) for more information on child labor laws.

34. Q. Can my employer make me attend a meeting, lecture, or training without paying me?

A. If any such gathering is required by an employer, or if an employer leads its employees to believe they will receive adverse treatment for not attending, the employer must pay its employees for the time spent in attendance.

35. Q. Who can help me with questions regarding my employer-sponsored pension plan?

A. Most pension plans are regulated by the Employee Benefits Security Administration of the U.S. Department of Labor. To contact this office, visit <http://www.dol.gov/ebsa/> or call (816) 285-1800.

36. Q. Can my employer force me to take a drug test?

A. Information on Iowa's drug testing law can be obtained from the Governor's Office on Drug Control Policy at 515-242- 6391, or from their web site at <http://www.state.ia.us/government/odcp>.