

Workers Have Important Wage Payment Rights Under Federal and Iowa Laws

- ◆ The federal **Fair Labor Standards Act (FLSA)** requires employers to pay a minimum wage and requires premium pay (time and a half) for all work over 40 hours in a week. It covers private businesses with annual income of at least \$500,000, hospitals, care centers and other institutions, schools, and public agencies.
- ◆ The **Iowa Minimum Wage Law** (Iowa Code Chapter 91D) is similar to the FLSA but it applies to some additional employers—those with annual income of at least \$300,000 and any in laundry or fabric repair, construction, hospital or institution, school or daycare, institution of higher education, or public agency. The Iowa and federal minimum wage are currently the same, but when they are different, the higher of the two prevails for workers covered by both laws.
- ◆ The **Iowa Wage Payment Collection Act** (Iowa Code Chapter 91A) includes comprehensive rules about how and when workers must be paid.

Most workers in Iowa are covered by each of these laws. This brochure contains an introduction to the important rights these laws provide Iowa workers.

Where can I go if I believe my rights have been violated, or for more information?

If you have concerns about your wage payment rights under federal law (such as minimum wage and overtime), contact the U.S. Department of Labor at:
Wage and Hour Division, U.S. Department of Labor
Des Moines District Office
Federal Building, 210 Walnut Street, Room 643
Des Moines, IA 50309-2407
Phone: 515-284-4625
www.dol.gov/whd/

If you have questions or concerns about your wage payment rights under Iowa law (such as minimum wage, timeliness of payment, payroll deductions, or problems with payroll debit cards) contact the Iowa Division of Labor at:

Iowa Division of Labor
1000 East Grand Ave
Des Moines, IA 50319-0209
Phone: 515-725-5619
www.iowadivisionoflabor.gov

If you have questions about this or other laws covering Iowa workers, you can contact the University of Iowa Labor Center at 319-335-4144 or labor-center@uiowa.edu. For more details on this and other laws, see the Iowa Worker Rights Manual available at <https://laborcenter.uiowa.edu>

Iowa Workers: Know Your Basic Wage Payment Rights!

Legal rights regarding wage payment under the Fair Labor Standards Act and Iowa laws



University of Iowa Labor Center
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1. Right to a Paystub

According to Iowa law (Chapter 91A), on each regular payday, employers must provide each employee a statement showing the hours worked, wages earned, and any deductions from the pay. If the statement is only available online, the employer must provide employees free and unrestricted access to a printer to print the statement.

Employers must also provide a written, itemized statement of earnings, deductions, and an explanation of how wages were computed, within 10 working days of any request by an employee.

2. Minimum Wage: at Least \$7.25 for All Hours Worked

The Iowa minimum wage is \$7.25/hour.

Iowa law (Chapter 91D) requires that “tipped workers” be paid at least \$4.35/hour. If their wages + tips do not equal at least \$7.25 for all hours worked, the employer must pay the difference.

Based on federal and Iowa law, newly-hired workers under 20 years old may be paid no less than \$6.35/hour during their first 90 calendar days of employment.

Employees must be paid for all hours worked, including all time the employee is required to be on the premises or on duty and all time the employee is allowed to perform work that benefits the employer.

3. Overtime Pay after 40 Hours

Under federal law (FLSA), most workers must be paid time and a half their regular rate of pay for all hours worked in excess of 40 hours in a week. There are special rules for some administrative, professional, agricultural, seasonal, and other specific jobs.

4. No Unauthorized Deductions

Iowa law (Chapter 91A) prohibits employers from withholding any portion of an employee’s wages unless the deduction is required or permitted by law, by a court order, or by a written authorization from the employee for his/her benefit.

No deductions from employees’ wages are allowed for: cash shortages, property damage, lost or stolen property, tips, cost of personal protective equipment, or costs over \$20 for an employee’s relocation.

5. On-Time, Consistent Paydays

Iowa law (Chapter 91A) requires that employers pay workers in full within 12 days of the end of the payroll period, excluding Sundays and legal holidays. The payroll period must be set in advance, can’t be longer than monthly, and must be at consistent intervals.

A worker’s claim for reimbursement for authorized employer expenses must be paid within 30 days.

An employee who is terminated or suspended must be paid all compensation due at the next regular payday.

6. Method of Payment

Under Iowa law (Chapter 91A), employers must pay workers in cash or check, direct deposit into a bank account of the employee’s choice, or another method agreed to in writing by the employee.

An electronic payroll card may be used if the worker agrees in writing, the funds are available on or before each pay day, and the employee is allowed access to all wages due without a fee or charge.

7. Right to Claim Your Wages

All workers, regardless of immigration status, have the right to speak up to their employer, attorney, co-workers, and government agencies to defend their wage payment rights. It is illegal for employers to fire or discriminate against workers for making a wage claim or for helping a co-worker to make a claim.

Workers who believe their rights have been violated can file a claim with a government agency or file their own case in court. The U.S. Department of Labor is responsible for enforcing federal wage payment law. The Iowa Division of Labor is responsible for enforcing violations of the Iowa minimum wage and wage payment collection law. There is no charge for filing claims with these federal or state agencies. Workers who file a case in court and are represented by private attorneys can request that their legal fees in a successful case be paid by the employer.