

EMPLOYMENT LAW SUMMARY

Missouri: Minimum Wage Laws



Federal minimum wage law is governed by the Fair Labor Standards Act (FLSA). The current **federal** minimum wage rate is **\$7.25 per hour** for nonexempt employees. The Missouri Minimum Wage Law (MMWL) complements federal law and, in some cases, prescribes more stringent or additional requirements that employers must follow. Whenever state and federal laws conflict, the law that is more favorable to the employee applies.

The Missouri [Department of Labor and Industrial Relations](#) (DOLIR) enforces and investigates minimum wage violation claims.

MINIMUM WAGE RATE

The minimum wage rate in Missouri is set to reach \$12 per hour by 2023. After these scheduled increases, the DOLIR will adjust the minimum wage rate each year to account for cost of living changes, based on the consumer price index. New rates are effective each year on January 1. Minimum wage rate requirements may also be increased through collective bargaining agreements.

Effective Date	Jan. 1, 2021	Jan. 1, 2022	Jan. 1, 2023
State of Missouri	\$10.30	\$11.15	\$12
Tipped Employees	\$5.15	\$5.575	\$6

When calculating an employee's wage rate, employers may include the fair market value of incidental **goods and services** they provide to the employee if the employee receives them voluntarily for his or her private use and benefit. The following incidental goods and services are considered for the employees' **private use and benefit**:

- Meals;
- Lodging;
- Tuition furnished by a college to its student employees;
- Merchandise furnished at company stores and commissaries;
- Fuel (including coal, kerosene, firewood and lumber slabs);
- Electricity, water and gas furnished for the noncommercial personal use of the employee; and
- Transportation furnished to employees between their homes and work, where the transportation is not necessary to the employment.

The following incidental goods and services are **not** considered for the employees' private use and benefit:

- Tools;
- Equipment;
- Uniforms;

- Laundry or cleaning of uniforms;
- Maintenance of tools, equipment or uniforms;
- Breakage or loss of tools, equipment or uniforms;
- Any item required by the employer to be worn or used by the employee as a condition of employment; and
- Transportation furnished to the employee, where that transportation is an incident of and necessary to the employment (such as travel costs of railroad maintenance-of-way workers).

MINIMUM WAGE RATE EXEMPTIONS

Missouri's minimum wage requirements do not apply to:

- Agricultural workers;
- Bona fide executive, administrative or professional employees;
- Volunteers engaged in activities for educational, charitable, religious or nonprofit organizations;
- Foster parents;
- Individuals who work for less than four months in a resident or day camp for youth;
- Individuals who work for an educational conference center operated by an educational, charitable or nonprofit organization;
- Individuals working for an educational organization who receive tuition, housing and assistance with other educational fees in lieu of payment;
- Domestic employees who occasionally work on or about a private residence for up to six hours on each occasion;
- Disabled individuals working for sheltered workshops that are certified by the Department of Elementary and Secondary Education;
- Casual babysitters;
- Employees subject to Part A (Rail) of Federal Interstate Transportation laws;
- Casual or intermittent golf caddies, newsboys and individuals in similar occupations;
- Government employees;
- Employees working for service or retail businesses with less than \$500,000 in annual gross sales;
- Inmates in correctional facilities; and
- Any individual employed in connection with the publication of any weekly, semiweekly or daily newspaper with a circulation of fewer than 4,000 within the county or counties contiguous to where the paper is published.

SUBMINIMUM WAGE RATE

The MMWL allows employers to pay subminimum wage rates in certain circumstances.

DISABLED WORKERS

A disabled worker can receive subminimum wages at a rate that adequately reflects his or her earning capacity. A **disabled worker** is an individual whose earning capacity or productivity is impaired because of physical or mental deficiency or injury. Employers wishing to receive approval to pay disabled employees a subminimum wage rate must submit a recommendation to the DOLIR.

When considering an employer's proposal, the DOLIR will consider whether approving subminimum wages is necessary to:

- Prevent curtailment of opportunities for employment for disabled individuals;
- Avoid undue hardship; and
- Safeguard the state minimum wage rate.

If the disabled individual maintains a production level within the limits of work or production required of other employees, he or she is entitled to receive at least the minimum wage rate.

LEARNERS AND APPRENTICES

Employers can request authorization from the DOLIR to pay learners and apprentices a wage rate **90 cents lower** than the applicable minimum wage rate in the state. The employer's request must state the type of employees it desires to be classified as learners or apprentices.

A learner or apprentice is an individual **under 20 years of age** who has not completed the required training for a particular job. Individuals cannot be classified as learners or apprentices for more than **three months**. Two exceptions to this rule exist, which allow employers to:

- Classify individuals who meet the FLSA definition of amusement or recreation business employees as learners or apprentices for up to **90 working days**; or
- Classify individuals as learners or apprentices for up to **six months** if a DOLIR investigation proves that acquiring the skills necessary for a particular job is impossible within three months.

The MMWL prohibits employers from classifying individuals as learners and apprentices solely to evade their minimum wage, overtime pay and other work standard requirements.

TIPPED EMPLOYEES

A tipped employee's wages consist of the **cash wage** plus all tips actually received by the employee for his or her services. In Missouri, employers must pay their tipped employees a cash wage of **at least 50 percent** of the applicable minimum wage rate.

These employers must be able to prove that employee tips account for **at least the other 50 percent** they need to meet the state's minimum wage rate requirements. Employers must subsidize an employee's wages to the extent that the employee's tips are insufficient to enable him or her to receive the equivalent of the minimum wage rate. In addition, employers must count the hourly wage, tips, gratuities, commissions and the fair market value of any incidental goods and services provided to tipped employees in the workweek in which they are earned or used.

NOTICE AND POSTINGS

Employers are required to [post](#) a summary of state employment regulations. The notice must be displayed in a conspicuous place where employees regularly pass by and can see it. In addition, employers must notify their employees of any wage reduction at **least 30 days before** the reduction takes place. The notice must specify the class of employees that will be affected and the amount of the wage reduction.

The notice may also be a written or printed handbill, and may be mailed to each employee. Employers that violate this requirement must pay each affected party **\$50** and the costs of any civil lawsuit associated with the violation.

EMPLOYEE PROTECTIONS

Employers may not pay female employees a wage lower than the wage they pay to male employees that work in the same establishment for the same quantity and quality of work **solely** based on gender. Missouri law allows employers to pay different wages to employees in the same classification of work based on:

- Seniority;
- Length of service;
- Ability;
- Skill;
- Difference in duties or services performed;
- Difference in the shift or time of day worked;
- Hours of work;
- Restrictions or prohibitions on lifting or moving objects heavier than a specified weight; or
- Any other reasonable factors, other than sex, exercised in good faith.

Female employees who are victims of wage gender discrimination are permitted to file a complaint with the DOLIR to recover unpaid wages. Employers and female employees will first be encouraged to mediate for a mutual agreement. However, if mediation does not result in agreement, female employees may bring a civil lawsuit against their employers.

Employers that violate these regulations may be ordered to cover their female employees' **unpaid wages** and the **costs of the lawsuit**, even if the employee had previously entered into an agreement to work for a lower wage rate. Female employees must bring a wage discrimination issue **within six months** of the date of the alleged violation.

PENALTIES

Employers may be charged with a **class C misdemeanor** if they:

- Pay their employees less than the applicable minimum wage rate;
- Hinder the DOLIR in a wage investigation;
- Fail to post a summary of these laws for their employees;
- Retaliate against an employee for submitting a complaint or assisting the DOLIR in a wage investigation; or
- Otherwise violate Missouri's wage laws.

Each day of violation is considered a separate offense. An agreement between an employer and an employee for wages lower than the minimum wage rate does not exempt employers from liability under Missouri law. Employers are only liable for actions that are filed **within two years** of when the violation takes place.

In addition, employees can recover up to **twice the amount** of unpaid wages and **reasonable attorney's fees**, as may be allowed by a jury.

MORE INFORMATION

Contact Marsh McLennan Agency for more information on wage payment and work hour laws in Missouri.

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