Minimum Wage Exceptions for Seasonal Employees and Employees Entering the Workforce

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Issue

This report describes certain minimum wage laws that allow employers to pay a lower minimum wage to certain types of (1) seasonal employees, such as camp counselors, or (2) employees who are relatively new to the workforce, such as students and minors. It focuses on minimum wage requirements in Connecticut and its neighboring states and under federal law.

Summary

Many states, including Connecticut, New York, and Rhode Island, exempt certain types of seasonal employees, such as camp counselors, from coverage under their minimum wage laws. Thus, no state minimum wage requirement applies to these employees, and if they are also exempt from the federal minimal wage law, they may not be covered by any minimum wage requirement at all.

Connecticut and some other states, including Massachusetts and Rhode Island, also allow some employers to pay a reduced minimum wage to certain types of employees who are relatively new to the workforce. Typically, these employees must be certain types of trainees and student workers and their employers may only pay them a reduced minimum wage for a limited period.

Federal law similarly exempts numerous types of employment from federal minimum wage requirements. It also allows employers who receive a certificate from the U.S. Department of Labor (USDOL) to pay certain types of employees a reduced minimum wage.
Below are brief descriptions of the applicable exemptions in Connecticut and its neighboring states and under federal law.

**Connecticut**

**Seasonal Employment Exemptions**

The “employees” covered by Connecticut’s minimum wage law do not include, among others, people who work in (1) camps or resorts that are only open for six or fewer months per year or (2) nonprofit theaters that only operate for seven or fewer months in any calendar year. Since these workers are not covered by the state’s minimum wage requirement, they must be paid at least the federal minimum wage, if applicable. If they are also exempt from the federal law, then no minimum wage requirement would apply. Under state law, a “resort” is an establishment under one management whose principal function is to offer lodging by the day, week, month, or season, or part thereof, to vacationers or those in search of recreation (CGS § 31-58).

**Reduced Minimum Wage for Learners, Beginners, and Minors**

The state’s minimum wage law also allows employers to pay a reduced minimum wage to learners, beginners, and people under age 18. These types of employees must generally be paid at least 85% of the state’s regular minimum wage for the first 200 hours of their employment (CGS § 31-58(i)).

Under the state’s regulations, “learners” are employees enrolled in an established vocational training program that is not “apprenticeable,” but for which training may extend over a considerable length of time. Employers who pay the reduced wage for learners must receive permission from the labor commissioner after meeting certain criteria (Conn. Agencies Regs. § 31-60-7).

“Beginners” are new employees in the mercantile industry (i.e., wholesale or retail stores), regardless of their age. The 200 hour limit is based on their cumulative work experience in the mercantile industry. Beginners over the age of 18 cannot make up more than 5% of an employer’s employees and any employee who has completed a 200 hour learning period in the mercantile trade may not be employed to work at a learner’s rate (Conn. Agencies Regs. §§ 31-62-D2 & 31-62-D6).

“Minors” are employees age 16 or 17. The 200 hour limit is based on the minor’s total aggregate work experience, which can include one or several employers. Once a minor has worked for a total of 200 hours he or she must be paid the regular minimum wage (except for beginners in the mercantile industry, who must have 200 hours of work experience in the industry). Before paying a minor the reduced wage rate, an employer must obtain from the employee a statement of the minor’s previous employment (Conn. Agencies Regs. § 31-60-6).
By law, however, the 200 hour limit does not apply to (1) employees between ages 16 and 18 working for the state or any of its political subdivisions or (2) agricultural employees between ages 14 and 18. Further, agricultural employees between ages 14 and 18 may be paid as little as 70% of the regular minimum wage if their employers did not employ at least eight workers at the same time during the previous calendar year (CGS § 31-58a).

**Neighboring States**

**Massachusetts**

Unlike Connecticut, Massachusetts’ minimum wage law does not categorically exempt seasonal employees. However, under the state’s regulations, seasonal camps may receive a waiver from the state’s Department of Labor Standards that allows them to pay counselors and counselor trainees less than the state minimum wage. To apply for a waiver, a camp must provide the department with information about the camp’s seasonal nature, the sub-minimum wage sought, whether the camp will provide the employees with food and lodging, and the number of counselors who will be covered by the waiver. The waiver cannot apply to employees who work as dish washers, kitchen workers, maintenance workers, life guards, or other jobs that do not entail the direct supervision of campers (Mass. Regs. Code tit. 454 § 27.06).

The regulations also allow the following types of student employees to be paid 80% of the state minimum wage:

1. student workers at a hospital or laboratory, if their employment is part of a formal training program;
2. students enrolled in and employed by a bona fide educational institution; and
3. minors attending secondary school who are (a) employed by a non-profit establishment, (b) working in the non-profits’ hospital ward, school or college dining room, or dormitory, and (c) working where a ratio of one minor to five adults in those areas is maintained.

As with seasonal camps, employers must first receive a Department of Labor Standards waiver, which is valid for a fixed period of time (Mass. Regs. Code tit. 454 § 27.06).

**New York**

New York’s minimum wage law excludes numerous types of employment from its requirements, including employment (1) as a learner, apprentice, or student for certain types of non-profit entities organized and operated exclusively for religious, charitable, or educational purposes, (2) in or for these religious, educational, or charitable entities’ summer camps, for up to three months annually, and (3) as a staff counselor in a children’s camp (N.Y. Lab. Law § 651).
Under the state’s regulations, a “summer camp” is a camp or conference which is open any part of the period from June 2nd to September 21st. A “children’s camp” is any establishment which (1) as a whole or part of its activities, offers children certain recreational programs, supervised play, or organized activities and (2) is operated for a period of 17 or fewer consecutive weeks during the year. A “staff counselor” is someone whose duties primarily relate to guiding, instructing, supervising, and caring for campers in a children’s camp (NY Comp. Codes R. & Regs. tit. 12, § 143.1).

**Rhode Island**

Rhode Island exempts from its minimum wage requirements, among others, any individuals employed (1) between May 1 and October 1 in a resort establishment that regularly serves meals to the general public and is only open for business for six or fewer months per year or (2) by an organized camp that only operates for seven or fewer months in any calendar year (excluding those employed by the camp on an annual, full-time basis). An “organized camp” is any camp, except a trailer camp, that has a structured program, including recreation, education, and religious camps, or any combination of them (R.I. Gen. Laws § 28-12-2).

The state also:

1. **allows** full time students under age 19 to be paid 90% of the regular minimum wage when working for nonprofit religious, educational, librarial, or community service organizations;

2. allows 14- and 15-year-olds to be paid 75% of the regular minimum wage for any week in which they worked 24 or fewer hours (R.I. Gen. Laws § 28-12-3.1); and

3. authorizes its director of labor and training to issue regulations that would allow employers to pay a reduced minimum wage to certain learners and apprentices for up to 90 days (R.I. Gen. Laws § 28-12-10).

**Federal Law**

The federal Fair Labor Standards Act (FLSA) exempts numerous types of employment from federal minimum wage requirements. It also allows employers who receive a certificate from USDOL to pay certain types of employees a reduced minimum wage. In general, when provisions of the FLSA conflict with state wage and hour laws, the law which is more generous to the worker prevails (e.g., employers must pay a state-mandated minimum wage if it is higher than the federal minimum wage).
**Seasonal Employment Exemption**

The FLSA generally exempts from federal minimum wage requirements, among others, any employee of an amusement or recreational establishment, organized camp, or religious or non-profit educational conference center, if it (1) operates for seven or fewer months in any calendar year or (2) has average receipts for any six months in the preceding calendar year that were not more than one-third of the average receipts for the year’s other six months (29 U.S.C. § 213(a)(3)).

**Reduced Minimum Wage**

Under the FLSA, employers in agriculture, higher education, or retail or service establishments may apply to USDOL for a certificate that allows them to pay 85% of the federal minimum wage to employees who are full-time students. Employers may also apply for USDOL certificates that allow them to pay reduced minimum wages to learners, apprentices, messengers, and individuals with disabilities (29 U.S.C. § 214).

The FLSA also allows employers to pay employees who are under age 20 a $4.25 minimum wage for the first 90 consecutive days of their employment (29 U.S.C. § 206(g)).

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