

DATE: June 20, 2007
TO: All Local Workforce Investment Areas
FROM: Dwight A. Johnson, Administrator, Employment and Training
SUBJECT: Federal Minimum Wage Increase

Background

On May 25, President Bush signed a spending bill that, among other things, amended the Fair Labor Standards Act (FLSA) to increase the federal minimum wage in three steps to:

1. \$5.85 per hour effective July 24, 2007;
2. \$6.55 per hour effective July 24, 2008; and
3. \$7.25 per hour effective July 24, 2009.

WIA Work Experience and Internship Activities

The WIA Accounting Management Information System (MIS) will automatically pay the increased federal minimum wage amount for any WIA participant who is actively enrolled in the Work Experience activity on July 24, 2007 and thereafter.

Any WIA participant enrolled in the Internship activity whose hourly wage rate is greater than the increased federal minimum wage amount will continue to be paid the amount specified on the WIA Weekly Time Report (form WIA-50.) Conversely, the WIA Accounting MIS will automatically pay the increased federal minimum wage amount if the participant is actively enrolled in the Internship activity on July 24, 2007 and whose hourly wage rate is at or between the current federal minimum wage and the increased federal minimum wage amount.

Questions

If you have any questions, please contact your regional liaison.