

Fact Sheet #32: Youth Minimum Wage - Fair Labor Standards Act

The Fair Labor Standards Act (FLSA) establishes minimum wage, [overtime pay](#), [recordkeeping](#) and [youth employment standards](#) affecting full-time and part-time workers in the private sector and in Federal, State, and local governments. The FLSA requires payment of the Federal minimum wage to all covered and nonexempt employees. Overtime pay at a rate of not less than one and one-half times the regular rate of pay is required for all hours worked over 40 in a workweek.

The 1996 Amendments to the FLSA allow employers to pay a youth minimum wage of not less than \$4.25 an hour to employees who are under 20 years of age during the first 90 consecutive calendar days after initial employment. The law contains certain protections for employees that prohibit employers from displacing any employee in order to hire someone at the youth minimum wage. This fact sheet provides general answers to questions that may arise about the youth wage provisions.

What is the youth minimum wage?

The youth minimum wage is authorized by Section 6(g) of the FLSA, as amended by the 1996 FLSA Amendments. The law allows employers to pay employees under 20 years of age a lower wage for a limited period -- 90 calendar days, **not** work days -- after they are first employed. Any wage rate above \$4.25 an hour may be paid to eligible workers during this 90-day period.

Who may be paid the youth minimum wage?

Only employees under 20 years old may be paid the youth minimum wage and only during the first 90 consecutive calendar days after initial employment by their employer.

Which employers may use the youth minimum wage?

All employers covered by the FLSA may pay eligible employees the youth minimum wage, unless prohibited by State or local law. Where a State or local law requires payment of a minimum wage higher than \$4.25 an hour and makes no exception for employees under age 20, the higher State or local minimum wage standard would apply.

When does the 90-day eligibility period start and end?

The eligibility period runs for 90 consecutive calendar days *beginning with the first day of work for an employer*. It does not matter when the job offer was made or accepted (or when the employee was considered "hired"). The 90-day period starts with (and includes) the first day of work for the employer. The 90-day period is counted as consecutive days on the calendar, not days of work. It does not matter how many days during this period the youth actually performs any work.

What happens if an employee reaches 20 years of age before he or she has worked the full 90-day eligibility period for the employer? Can the employee still be paid the youth wage for the full 90-day period?

No. Eligible employees may be paid the youth wage up to the day before their 20th birthday. On and after their 20th birthday, their pay must be raised to no less than the applicable minimum wage.

What impact does a break in service have on counting the first "90 consecutive calendar days" after initial employment by an employer?

A break in service does not affect the calculation of the 90-day period of eligibility. In other words, the 90-calendar-day period continues to run even if the employee comes off the payroll during the 90 days. For example, if a student initially works for an employer over a 60-calendar-day period in the summer and then quits to return to school, the 90-day eligibility period ends for this employee with this employer 30 days after he/she quits (i.e., 90 consecutive calendar days after initial employment). If this student were to return later to work again for this same employer, the period of eligibility for the youth wage will have already expired.

May an employee be paid the youth wage by more than one employer?

Yes. A youth under 20 may be paid the youth wage for up to 90 consecutive calendar days after initial employment with **any** employer, **not** just the **first** employer. While an employee is "initially employed" only **once** by any employer, an employee may be "initially employed" by more than one employer. The fact that an eligible youth may be employed simultaneously by more than one employer (unrelated to each other) does not impact either employer's right to pay the youth wage.

Does an employer have to provide any training to an employee paid at the youth wage?

No. Employers are **not** required to meet any training requirements in order to pay an eligible employee the youth wage.

The FLSA also authorizes other subminimum wage rates for certain categories of workers, such as full-time students, learners, and student-learners. Can these other special minimum wages combine with the youth minimum wage rate to allow a minimum wage lower than \$4.25 an hour for young workers?

No. The special lower minimum wages authorized by Section 14 of the FLSA are based on the regular minimum wage.

Does the youth wage go up when the FLSA minimum wage goes up?

No. An eligible youth may still be paid not less than \$4.25 an hour during the 90 calendar days after initial employment by his/her employer.

May an employer terminate an employee in order to hire someone at the youth wage?

No. The law contains specific protections for employees that make it illegal for employers to terminate employees to hire someone at the youth wage. Employers may not take any action to displace any employee (including partial displacements such as a reduction in hours, wages, or employment benefits) for the purpose of employing someone at the youth wage. Violation of this anti-displacement provision is considered to be a violation of the FLSA's Section 15(a)(3) anti-discrimination provision.

May an employer hire only employees under 20 years of age at the youth wage and employ them only for 90 days each?

No. Such a practice would be illegal. It would be a violation of the anti-displacement provisions if an employer employed individuals at the youth wage for the 90-day eligibility period and then terminated their employment in order to hire other employees at the youth wage.

What does "displacement" mean?

"Displacement" includes discharge, or any reduction in an employee's hours, wages, or employment benefits.

If an employer violates the anti-displacement provision, what are the employer's obligations to employees who are illegally displaced?

Employees who are illegally displaced are entitled to "make whole" relief, such as reinstatement to their previous or an equivalent position of employment, payment of lost wages or benefits, etc. For example, if an employee whose health insurance premium had been paid -- fully or partially -- by the employer is terminated in

order for the employer to hire another employee at the youth wage, and the displaced employee is required to pay the entire health insurance premium after being terminated to avoid a lapse in coverage, the employer could be required to reinstate the employee, compensate the employee for the lost wages, and reimburse the employee for the cost of health insurance premiums paid.

Does a violation of the anti-displacement provision make the employer ineligible to pay the youth wage to employees who are otherwise eligible?

No. A "displacement" violation does not cause an employer to lose eligibility to pay the youth wage to eligible employees.

Does the law provide a termination date for the FLSA's youth wage?

No.

Where to Obtain Additional Information

For additional information, visit our Wage and Hour Division Website: <http://www.wagehour.dol.gov> and/or call our toll-free information and helpline, available 8 a.m. to 5 p.m. in your time zone, 1-866-4USWAGE (1-866-487-9243).

This publication is for general information and is not to be considered in the same light as official statements of position contained in the regulations.

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