

U.S. Department of labor: Initiative focuses on helping restaurants in Wisconsin comply with wage laws

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Media Contacts:

Scott Allen, 312-353-6976, allen.scott@dol.gov

Rhonda Burke, 312-353-6976, burke.rhonda@dol.gov

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MILWAUKEE, WI – To ensure compliance with federal wage laws, the U.S. Department of Labor’s Wage and Hour Division (WHD) is conducting an education and enforcement initiative focusing on restaurants in Wisconsin’s Fox Cities region and Milwaukee’s East Side neighborhoods. The initiative includes providing compliance assistance tools and information to employers and industry stakeholders through educational outreach events.

WHD’s outreach efforts include working directly with a wide variety of organizations in the selected areas to identify multiple ways to provide employers with the tools and information needed to comply with the law. WHD is engaged with employer organizations, community organizations, and other government agencies to ensure a wide distribution of information describing requirements under the [Fair Labor Standards Act \(FLSA\)](#).

“This initiative raises awareness among employers, employees, community organizations, and others regarding federal wage and hour laws,” said Wage and Hour District Director David King, in Minneapolis, Minnesota. “Our ultimate goal is to increase industry-wide compliance. With more than 200,000 people employed in

food-service jobs in Wisconsin, the Wage and Hour Division wants to make sure everyone knows and follows the rules.”

The initiative will focus on the cities of Oshkosh, Neenah, Menasha, Appleton, Little Chute, and Kaukauna as well as Milwaukee’s East Side neighborhoods.

WHD hospitality investigations conducted in the last three fiscal years found common violations that include employing servers to work only for tips; paying servers overtime at one-and-a-half times their direct cash wage rather than the full federal minimum wage; pooling tips illegally; misclassifying employees as independent contractors and then failing to pay them minimum wage and overtime; and failing to combine hours employees worked at multiple locations when determining when overtime is due.

The FLSA requires that covered, nonexempt employees be paid at least the federal minimum wage of \$7.25 per hour for all hours worked, plus time-and-one-half their regular rates for hours worked beyond 40 per week. An employer of a tipped employee is required to pay no less than \$2.13 an hour in direct wages, provided that amount plus tips received equals at least the federal minimum wage of \$7.25 per hour. If an employee’s tips – combined with the employer’s direct wages – do not equal the minimum wage, the employer must make up the difference. Employers also are required to provide employees notice of the FLSA tip credit provisions and to maintain accurate time and payroll records.

The Office of Compliance Initiatives (OCI) – housed within the Department’s Office of the Assistant Secretary of Policy – fosters a compliance assistance culture within the Department designed to complement its ongoing enforcement efforts. In August 2018, OCI launched a revamped Worker.gov to provide information about workers’ rights and an all-new Employer.gov to provide information about the responsibilities of job creators toward their workers.

For more information about the FLSA and other federal labor laws, call the division’s toll-free helpline at 866-4US-WAGE (487-9243). Information also is available at <http://www.dol.gov/whd>.