



TO: RAM Membership
FROM: Jon Hurst, *President*, Retailers Association of Massachusetts
DATE: November 2, 2018
SUBJECT: Changes to Massachusetts Wage and Hour Law Effective January 1, 2019

The Grand Bargain legislation passed last spring includes a number of changes to the Massachusetts Wage and Hour Law which will become effective on January 1, 2019. The following table provides a summary of the key changes you should be aware of heading into the new year. Also enclosed please find RAM's 2019 Retail Holiday Schedule which reflects these changes.

Issue: Current Law	Effective January 1, 2019
Minimum Wage: Currently \$11.00 per hour	Increases to \$12.00 per hour
Sunday/Holiday Premium Pay Requirement Currently time and one half (1.5 multiplier) pay required for most retail workers on Sundays and applicable holidays	Sundays - 1.4 multiplier New Year's Day, Columbus Day, Veteran's Day- 1.5 multiplier (until further notice) * Memorial Day, Independence Day, Labor Day- 1.4 multiplier
Tipped Wage: Currently \$3.75 per hour. Tipped employee's hourly wage (\$3.75) plus average hourly tips received <i>for the week</i> must add up to the minimum wage or employer is required to pay additional compensation to make up the difference.	Increases to \$4.35 per hour. Tipped employee's hourly wage (\$4.35) plus average hourly tips received <i>for each shift worked</i> must add up to the minimum wage or employer is required to pay additional compensation to make up the difference.

***For the holidays of New Year's Day, Veteran's Day and Columbus Day, the required premium pay will remain at time and a half (1.5) until further notice.** Due to a drafting error in the Grand Bargain legislation, provisions necessary to phase out the Retail Premium Pay requirement for these holidays were inadvertently omitted from the final law. RAM continues to work with the Legislature to secure the necessary changes prior to the upcoming New Year's Day 2019, but for now the Retail Premium Pay requirement remains unchanged for those three holidays.

RAM strongly urges members to contact their payroll company and/or legal representatives now to explore compliance options. In particular, the reduction of the premium pay requirement and the new tipped wage true up calculation will likely require adjustments to your employment and payroll policies.

For information regarding Grand Bargain changes coming in future years, including additional minimum and tipped wage increases and paid family and medical leave requirements, please visit the RAM website at www.retailersma.org and click on the "Grand Bargain" link on the home page.

RAM members with questions or concerns regarding these upcoming changes may contact the RAM office at 617-523-1900.