



Hourly Employee

Dear Reader:

The following document was created from the MTAS website ([mtas.tennessee.edu](http://www.mtas.tennessee.edu)). This website is maintained daily by MTAS staff and seeks to represent the most current information regarding issues relative to Tennessee municipal government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with municipal government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other MTAS website material.

Sincerely,

The University of Tennessee
Municipal Technical Advisory Service
1610 University Avenue
Knoxville, TN 37921-6741
865-974-0411 phone
865-974-0423 fax
www.mtas.tennessee.edu

Table of Contents

Hourly Employee.....	3
----------------------	---

Hourly Employee

Reference Number: MTAS-2087

Computing Regular Rate of Pay - Hourly Employee

The regular rate for an hourly employee is the hourly rate plus any other form of compensation received by the employee, such as non-discretionary bonuses, shift premiums, etc. For all hours over 40 worked in a week, the employee must be paid at least one and a half (1½) times the regular rate. 29 C.F.R. § 778.110(a).

Example:

An employee is paid \$8 per hour. The employee would be paid \$12 for each hour worked during the workweek over 40: ($\$8 \times 1.5 = \12). In other words, the employee is entitled to be paid an amount equal to \$8 an hour for 40 hours and \$12 an hour for any hours over 40.

DISCLAIMER: The letters and publications written by the MTAS consultants were written based upon the law at the time and/or a specific sets of facts. The laws referenced in the letters and publications may have changed and/or the technical advice provided may not be applicable to your city or circumstances. Always consult with your city attorney or an MTAS consultant before taking any action based on information contained in this website.

Source URL (retrieved on 10/19/2019 - 1:27am): <http://www.mtas.tennessee.edu/reference/hourly-employee>

