

Hourly Employee

Dear Reader:

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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,

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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.

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