FLSA-62

January 11, 1979

This is in further reply to your communication of December 4, 1978, enclosing an inquiry from *** concerning the application of the Fair Labor Standards Act to his lawn maintenance business.

The Fair Labor Standards Act is the Federal minimum wage and overtime pay law. It applies to employees <u>individually</u> engaged in or producing goods for interstate commerce and to employees in certain <u>enterprises</u> having an annual dollar volume of sales or business done of \$250,000, or more, exclusive of specified taxes.

Employees of a lawn maintenance business whose work is done entirely within a State would generally not be <u>individually</u> covered under the law unless they also order, receive, handle or keep records of goods which are moving in interstate commerce, or are performing work on public highways or other similar public works. <u>Enterprise</u> coverage under the Act would apply to all employees of a lawn maintenance business provided it has some employees engaged in commerce or in the production of goods for commerce, or employees handling, selling or otherwise working on goods or materials that have been moved in or produced for commerce by any person, and has an annual dollar volume of sales or business done of at least \$250,000, exclusive of certain excise taxes.

Employees covered on an individual or on an enterprise basis must be paid a minimum wage of a least \$2.90 an hour beginning January 1, 1979, (previously \$2.65 an hour) and overtime premium pay for all hours worked in excess of 40 in a workweek, unless specifically exempt.

Since the provisions of the Act are statutory, any change in its requirements would require Congressional action.

If *** has any additional questions concerning the application of the Fair Labor Standards Act to his situation, you may wish to suggest that he get in touch with our Area Office ***. That office is responsible for the administration of the Act in the State of *** and will be pleased to offer every possible assistance.

Sincerely,

Herbert J. Cohen Assistant Administrator Wage and Hour Division

Xavier M. Vela Administrator Enclosure

cc: Washington Office