TO:       Local District Commissioners

SUBJECT: Minimum Wage Increase and Its Effect on the Calculation of PWP and CWEP Payment Credits

ATTACHMENTS: SDA Technical Advisory 11-90 - (not available on-line).

Amendments to the United States Fair Labor Standards Act raise the minimum wage to $3.80 an hour effective April 1, 1990, and to $4.25 an hour effective April 1, 1991. New York State has also enacted legislation to effect this increase.

Department regulations 385.10(c)(6) and 385.12(g)(2) require that payment credits for work performed by public assistance recipients under the Community Work Experience Program (CWEP) and Public Work Projects (PWP) shall be made at the State minimum wage or, if higher, at the wage paid to regular employees for comparable work.

Attached is a copy of the Service Delivery Area Technical Advisory 11-90 which addresses the Fair Labor Standards Amendments of 1989. Since public assistance recipients served by various employment and training agencies may be affected by the training wage change described in the Advisory, local district staff should be aware of this feature.

Should you have any questions please contact your Technical Advisor, Bureau of Employment Programs, at 1-800-342-4100, extension 3-8744.

Oscar R. Best, Jr.
Deputy Commissioner
Division of Income Maintenance