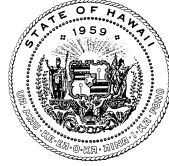


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**NOTICE TO HAWAII BARBER SHOPS AND BEAUTY SHOPS
REGARDING THE USE OF UNPAID APPRENTICES**

It has come to the Department of Labor and Industrial Relations' (DLIR) attention that Hawaii's barber shops and beauty shops may be using unpaid apprentices in their operations. This is to inform you that under Hawaii law, unpaid apprentices working or performing services at a barber shop or beauty shop are considered/deemed to be "employed", and must be paid at least the Hawaii minimum wage, currently \$9.25 an hour, and overtime at a rate of one and one-half their regular rate after forty hours of work in a calendar week. See, Hawaii Revised Statutes (HRS) Sections 387-2 and 387-3.

Under Hawaii's Minimum Wage Law in HRS Chapter 387, the term "employ" is defined as "includes to permit or suffer to work." As an example, apprentices who undergo the same training as new employees, function in the operations of the employer, or are performing productive work (e.g., shampooing clients, sweeping floors, preparing hair solutions, and otherwise assisting the other employees with procedures for clients) are deemed to be "permitted or suffered to work." The fact that the apprentices may be receiving some benefits, in the form of a new skill or improved work habits, or credit towards their licensing, does not exclude them from the minimum wage or overtime requirements of Hawaii's Minimum Wage Law as the employer benefits from the work performed by the apprentice.

If certain conditions exist, there may be situations where unpaid interns and/or apprentices would be acceptable. In general, the more an internship and/or apprenticeship program is structured around a classroom or academic experience, as opposed to the employer's actual operations, the more likely the program will be viewed as an extension of the individual's educational experience (this often occurs where a college or university exercises oversight over the program and provides educational credit). Additional information on interns by the United States Department of Labor can be found at Fact Sheet 71 at <https://www.dol.gov/whd/regs/compliance/whdfs71.htm>

Whether your barber shop or beauty shop is covered by the *Fair Labor Standards Act of 1938* or Hawaii's Minimum Wage Law is a question for your private legal counsel. However, if your business has included unpaid interns and/or apprentices in the past, the DLIR recommends you conduct a self-audit. To bring your business into compliance with Hawaii Law, calculate any unpaid wages due to a former or current intern and/or apprentice who worked over the last six years and pay the back wages to avoid the imposition of any interest charges and/or penalties. For information on prior minimum wage amounts, please visit our website at <http://labor.hawaii.gov/wsd/minimum-wage/>

If you have any questions on the above, you may contact the Wage Standards Division on Oahu at (808) 586-8777; Maui (808) 984-2075; Hawaii Island (808) 322-4808; or Kauai (808) 274-3351.