

Basics in Farm Employment Law: Vermont

Minimum Wage: Vermont farm and ranch businesses are obligated to pay a minimum wage for all hours worked in a workweek IF the farm assigns non-agricultural labor at any time during the week. Precisely what minimum wage applies depends on the size of the business. If the business employs 2 or more people in that week, the farm must pay at least the state minimum wage of \$12.55/hour for all hours worked that week. If the business employs only one person, the farm must pay at least the federal minimum wage of \$7.25/hour for all hours worked that week.

Vermont farm and ranch businesses that assign exclusively agricultural labor in a workweek might still be obligated to pay at least the minimum wage rate, depending on the size of the business. If the farm business employed more than 500 man-days in any calendar quarter of the previous year, the business must pay at least the state minimum wage of \$12.55/hour for all hours worked that entire year (regardless of whether the work assigned is agricultural or not). If the farm business employed fewer than 500 man-days in any calendar quarter of the previous year, then the farm business is not obligated to pay a minimum wage (except for a week in which non-agricultural labor was assigned as described above).

A “man day” is any day during which an employee performs agricultural work for at least one hour (e.g., if two workers perform at least one hour of agricultural work in a day, the employer has two-man days).

Overtime: Vermont farm and ranch businesses are not obligated to pay overtime wages to workers so long as the worker performs exclusively agricultural labor. If the worker performs non-agricultural labor, non-agricultural rules apply and the employee is owed overtime pay for all hours worked over 40 in that week. Employees with salary-based pay may qualify for an exemption if they make at least \$684 per week (regardless of time spent working) AND have managerial authority.

Meal and Rest Breaks: Farm businesses in Vermont are required by law to offer employees “reasonable opportunities” to eat and use the toilet during work periods. However, there are no specified intervals or length for such breaks.

Workers’ compensation: Vermont farm and ranch businesses are not obligated to secure workers’ compensation for agricultural workers unless they have a payroll of \$10,000 or more in a calendar year. Farms may still elect to choose coverage.

Unemployment Insurance: Farms and ranches in Vermont must begin paying unemployment insurance tax for agricultural workers through the Federal Unemployment Tax Act (FUTA) and state unemployment program when either of the following occurs: 1) during any calendar quarter of the current or preceding calendar year the farm paid wages of \$20,000 or more, OR 2) the farm employed 10 or more individuals in agricultural labor during at least some part of a day (whether or not at the same time) during any 20 or more different weeks of the current or previous year.

Disclaimer: This is a highly-abbreviated selection of specific agricultural employment laws and is not an encompassing list of obligations or detailed description of rules. It is intended for educational use only and is not to be construed as legal advice. Other obligations and rules may apply, particularly when a worker performs non-agricultural labor or is a sole proprietor, owner, manager, or family member of the farm business. For information, specific to an individual situation, a person must consult a qualified attorney licensed to practice in their state.