

**LABOR SERVICES DIVISION[875]**

**Adopted and Filed**

**Rulemaking related to records to be kept by employers**

The Labor Services Division hereby rescinds Chapter 216, “Records to be Kept by Employers,” Iowa Administrative Code, and adopts a new chapter with the same title.

*Legal Authority for Rulemaking*

This rulemaking is adopted under the authority provided in Iowa Code section 91D.1.

*State or Federal Law Implemented*

This rulemaking implements, in whole or in part, Executive Order 10.

*Purpose and Summary*

This rulemaking in accordance with Executive Order 10 adopts a new Chapter 216 that details records that must be maintained by employers to prove compliance with wage law, doing so with 8 rules rather than 33.

*Public Comment and Changes to Rulemaking*

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on October 30, 2024, as **ARC 8268C**. A public hearing was held on the following date(s):

- November 19, 2024
- November 20, 2024

No one attended the public hearings.

A comment asked for original subrule 216.1(3) to be retained. The same commenter made a number of other comments, mostly wanting to retain deleted citations to federal law, but numerous citations to federal law are neither necessary nor consistent with the goals of Executive Order 10, so no changes have been made in response to these comments.

One change from the Notice has been made to add rule 875—216.9(91D) to retain the original language to clarify this chapter’s relationship to other recordkeeping and reporting requirements.

*Adoption of Rulemaking*

This rulemaking was adopted by the Division on December 4, 2024.

*Fiscal Impact*

This rulemaking has no fiscal impact to the State of Iowa.

*Jobs Impact*

After analysis and review of this rulemaking, no impact on jobs has been found.

*Waivers*

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Division for a waiver of the discretionary provisions, if any.

*Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any

individual or group, review this rulemaking at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

*Effective Date*

This rulemaking will become effective on February 12, 2025.

The following rulemaking action is adopted:

ITEM 1. Rescind 875—Chapter 216 and adopt the following **new** chapter in lieu thereof:

CHAPTER 216  
RECORDS TO BE KEPT BY EMPLOYERS

**875—216.1(91D) Employees subject to minimum wage.**

**216.1(1) Items required.** Every employer shall maintain and preserve payroll or other records containing the following information and data with respect to each employee to whom the Act applies:

*a.* Name in full, as used for social security recordkeeping purposes, and on the same record, the employee's identifying symbol or number if such is used in place of name on any time, work, or payroll records;

*b.* Home address, including ZIP code;

*c.* Basis of pay by indicating the monetary amount paid on a per hour, per day, per week, per piece, commission on sales, or other basis;

*d.* Hours worked each workday and total hours worked each workweek (for purposes of this rule, a "workday" is any fixed period of 24 consecutive hours and a "workweek" is any fixed and regularly recurring period of seven consecutive workdays);

*e.* Total additions to or deductions from wages paid each pay period including employee purchase orders or wage assignments. Also, in individual employee records, the dates, amounts, and nature of the items that make up the total additions and deductions;

*f.* Date of payment and the pay period covered by payment.

**216.1(2) Reserved.**

SOURCE: 29 CFR 516.2.

**875—216.2(91D) Exempt employees.** With respect to each exempt employee, employers shall maintain and preserve records containing all the information and data required by subrule 216.1(1), except paragraphs 216.1(1)"*c*" and "*d*," and, in addition, the basis on which wages are paid in sufficient detail to permit calculation for each pay period of the employee's total remuneration for employment, including fringe benefits and perquisites.

SOURCE: 29 CFR 516.3.

**875—216.3(91D) Posting of notices.** Every employer employing any employees subject to the minimum wage provisions of the Iowa minimum wage Act shall post and keep posted a notice explaining the Act, as prescribed by the director, in conspicuous places in every establishment where such employees are employed so as to permit them to readily observe a copy.

SOURCE: 29 CFR 516.4.

**875—216.4(91D) Records to be preserved three years.** Each employer shall preserve payroll records for at least three years from the last date of entry, all payroll or other records containing the employee information and data required under any of the applicable rules.

SOURCE: 29 CFR 516.6.

**875—216.5(91D) Records to be preserved two years.**

**216.5(1) Supplementary basic records.** Each employer required to maintain records under this chapter shall preserve for a period of at least two years basic employment and earnings records. From the

date of last entry, all basic time and earning cards or sheets on which are entered the daily starting and stopping time of individual employees, or of separate work forces, or the amounts of work accomplished by individual employees on a daily, weekly, or pay-period basis (for example, units produced) when those amounts determine, in whole or in part, the pay-period earnings or wages of those employees.

**216.5(2) Records.** Records of additions to or deductions from wages paid include those records relating to individual employees referred to in paragraph 216.1(1)“e.”

SOURCE: 29 CFR 516.6.

**875—216.6(91D) Tipped employees.**

**216.6(1)** With respect to each tipped employee whose wages are determined pursuant to the definition of “wage” in Iowa Code section 91D.1(1)“c,” the employer shall maintain and preserve payroll or other records containing all the information and data otherwise required and the following:

- a. Weekly or monthly amount reported by the employee, to the employer, of tips received (this may consist of reports made by the employees to the employer on IRS Form 4070);
- b. Amount by which the wages of each tipped employee have been deemed to be increased by tips as determined by the employer (not in excess of 40 percent of the applicable statutory minimum wage);
- c. Hours worked each workday in any occupation in which the employee does not receive tips, and total daily or weekly straight-time payment made by the employer for such hours; and
- d. Hours worked each workday in occupations in which the employee receives tips, and total daily or weekly straight-time earnings for such hours.

SOURCE: 29 CFR 516.28.

**216.6(2)** Federal special minimum wage certificates will be honored at the applicable Iowa minimum wage rate as applied to the certificate.

SOURCE: 29 CFR 516.30.

**875—216.7(91D) Industrial homeworkers.**

**216.7(1) Definitions.**

“*Industrial homework*,” as used in this rule, means the production by any person in or about a home, apartment, tenement, or room in a residential establishment of goods for an employer who suffers or permits production, regardless of the source (whether obtained from an employer or elsewhere) of the materials used by the homeworker in production.

“*Industrial homeworker*” or “*homeworker*,” as used in this rule, means any employee employed or suffered or permitted to perform industrial homework for an employer.

**216.7(2) Items required.** Every employer shall maintain and preserve payroll or other records containing the following information and data with respect to every industrial homeworker employed:

- a. Name in full, and on the same record, the employee’s identifying symbol or number if used in place of name on any time, work, or payroll records. This shall be the same as that used for social security purposes.
- b. House address, including ZIP code.
- c. Date of birth, if under 19.
- d. With respect to each lot of work:
  - (1) Piece rates paid,
  - (2) Hours worked on each lot of work turned in,
  - (3) Wages paid for each lot of work turned in, and
  - (4) Date of wage payment and pay period covered by payment.
- e. With respect to each week:
  - (1) Hours worked each week,
  - (2) Wages earned for each week at regular piece rates,
  - (3) Extra pay due each week for overtime worked, and
  - (4) Total wages earned each week.

SOURCE: 29 CFR 516.31.

**875—216.8(91D) Employees in agriculture.** No records need to be maintained by an employer who did not use more than 500 days of agricultural labor in any quarter of the preceding calendar year unless it can be reasonably anticipated that more than 500 days of agricultural labor will be used in at least one calendar quarter of the current calendar year. The 500-day test includes the work of agricultural workers supplied by crew leaders, or farm labor contractors, if the farmer is an employer of the workers, or a joint employer of the workers with the crew leader or farm labor contractor. However, members of the employer’s immediate family are not included. A “day” is any day during which an employee does agricultural work for one hour or more.

SOURCE: 29 CFR 516.33.

**875—216.9(91D) Relationship to other recordkeeping and reporting requirements.** Nothing in this chapter shall excuse any party from complying with any recordkeeping or reporting requirement imposed by any other federal, state, or local law, ordinance, regulation or rule.

These rules are intended to implement Iowa Code chapter 91D.

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EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 1/8/25.