

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 198

(SENATE AUTHORS: NEWTON)

DATE
01/19/2017

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OFFICIAL STATUS
Introduction and first reading
Referred to Jobs and Economic Growth Finance and Policy

1.1 A bill for an act
1.2 relating to employment; requiring the payout of earned paid time off at separation
1.3 from employment; amending Minnesota Statutes 2016, section 181.171, by adding
1.4 subdivisions.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2016, section 181.171, is amended by adding a subdivision
1.7 to read:

1.8 Subd. 5. **Paid days off.** This subdivision applies to sections 181.13, 181.14, 181.15,
1.9 181.16, and 181.171. Unless provided otherwise in a valid collective bargaining agreement,
1.10 if an employer provides an employee with accrued or allotted paid vacation days or other
1.11 paid days off, excluding sick days, under an employment contract, policy, or consistent
1.12 practice, "wages" includes the monetary equivalent of all such days off accrued or allotted
1.13 at the employee's rate of pay at separation from employment. Except for a valid collective
1.14 bargaining agreement, any contract or other agreement providing for employee forfeiture
1.15 at separation of any accrued or allotted paid vacation days or other paid days off, excluding
1.16 sick days, is void and unenforceable.

1.17 Sec. 2. Minnesota Statutes 2016, section 181.171, is amended by adding a subdivision to
1.18 read:

1.19 Subd. 6. **Accrued vacation.** Unless provided otherwise in a valid collective bargaining
1.20 agreement, if an employer provides an employee with accrued or allotted paid vacation days
1.21 or other paid days off, excluding sick days, under an employment contract, policy, or
1.22 consistent practice, those paid days off must not cancel, expire, or otherwise become
1.23 unavailable at a certain date or after a certain period of time.