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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 2253

03/08/2017 Authored by Hornstein and Dehn, R., The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance

1.1 A bill for an act
1.2 relating to employment; establishing a regional minimum wage; proposing coding
1.3 for new law in Minnesota Statutes, chapter 177.

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

1.5 Section 1. 177.245 REGIONAL MINIMUM WAGE.

1.6 Subdivision 1. Amount. Notwithstanding section 177.24, and except as otherwise
1.7 provided in sections 177.21 to 177.35:

1.8 (1) every large employer, as defined in section 177.24, subdivision 1, must pay each
1.9 employee wages for employment in the region at a rate of at least:

1.10 (i) \$10.50 per hour beginning August 1, 2017;

1.11 (ii) \$12.00 per hour beginning August 1, 2018;

1.12 (iii) \$13.50 per hour beginning August 1, 2019;

1.13 (iv) \$15.00 per hour beginning August 1, 2020; and

1.14 (v) the rate established under section 177.24, subdivision 1, paragraph (f), beginning
1.15 January 1, 2021; and

1.16 (2) every small employer, as defined in section 177.24, subdivision 1, must pay each
1.17 employee wages for employment in the region at a rate of at least:

1.18 (i) \$8.50 per hour beginning August 1, 2017;

1.19 (ii) \$10.00 per hour beginning August 1, 2018;

1.20 (iii) \$11.50 per hour beginning August 1, 2019;

2.1 (iv) \$13.00 per hour beginning August 1, 2020; and

2.2 (v) the rate established under section 177.24, subdivision 1, paragraph (f), beginning
2.3 January 1, 2021.

2.4 Subd. 2. **Definition.** For purposes of this section, "region" means any of the seven
2.5 counties in the metropolitan area as defined in section 473.121, subdivision 2.

2.6 Subd. 3. **Employment in the region.** (a) An employee is covered by this section for
2.7 each hour worked within the geographic boundaries of the region.

2.8 (b) An employee who is typically based outside the region and performs work in the
2.9 region on an occasional basis is covered by this section in a two-week period only if the
2.10 employee performs more than two hours of work for an employer within the region during
2.11 that two-week period. Once an employee performs more than two hours of work within the
2.12 region during a two-week period, payment for all time worked in the region shall be made
2.13 in compliance with this section.

2.14 (c) Time spent in the region solely for the purpose of traveling through the region from
2.15 a point of origin outside the region to a destination outside the region, with no
2.16 employment-related or commercial stops in the region, except for refueling or the employee's
2.17 personal meals or errands, is not covered by this section.

2.18 Subd. 4. **Training wages and minors.** (a) Notwithstanding subdivision 1, the
2.19 commissioner may establish a minimum wage for employees employed in the region that
2.20 are under 20 years of age during the first 90 consecutive days of employment and employees
2.21 employed in the region that are under 18 years of age at no less than the rate provided under
2.22 section 177.24, subdivision 1, paragraphs (c) and (e).

2.23 (b) No employer may take any action to displace an employee, including a partial
2.24 displacement through a reduction in hours, wages, or employment benefits, in order to hire
2.25 an employee at a wage authorized under this subdivision.

2.26 Subd. 5. **Enforcement.** The commissioner of labor and industry shall enforce this section.

2.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.