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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 323

01/22/2015 Authored by Howe, Hertaus and Simonson

The bill was read for the first time and referred to the Committee on Public Safety and Crime Prevention Policy and Finance

1.1 A bill for an act
1.2 relating to employment; modifying payment of wages and payroll and payroll
1.3 deductions; amending Minnesota Statutes 2014, sections 181.06, subdivision 2;
1.4 181.101.

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

1.6 Section 1. Minnesota Statutes 2014, section 181.06, subdivision 2, is amended to read:

1.7 Subd. 2. **Payroll deductions.** A written contract may be entered into between
1.8 an employer and an employee wherein the employee authorizes the employer to make
1.9 payroll deductions for the purpose of paying union dues, premiums of any life insurance,
1.10 hospitalization and surgical insurance, group accident and health insurance, group term
1.11 life insurance, group annuities or contributions to credit unions or a community chest
1.12 fund, a local arts council, a local science council or a local arts and science council, or
1.13 Minnesota benefit association, a federally or state registered political action committee,
1.14 membership dues of a relief association governed by sections 424A.091 to 424A.096 or
1.15 Laws 2013, chapter 111, article 5, sections 31 to 42 or participation in any employee stock
1.16 purchase plan or savings plan for periods longer than 60 days, including gopher state
1.17 bonds established under section 16A.645.

1.18 **EFFECTIVE DATE.** This section is effective August 1, 2015.

1.19 Sec. 2. Minnesota Statutes 2014, section 181.101, is amended to read:

1.20 **181.101 WAGES; HOW OFTEN PAID.**

1.21 Every employer must pay all wages earned by an employee at least once every 31
1.22 days on a regular payday designated in advance by the employer ~~regardless of whether the~~
1.23 ~~employee requests~~ unless the employer and the employee mutually agree upon payment

2.1 at longer intervals. Unless paid earlier, the wages earned during the first half of the first
2.2 31-day pay period become due on the first regular payday following the first day of work.
2.3 If wages earned are not paid, the commissioner of labor and industry or the commissioner's
2.4 representative may demand payment on behalf of an employee. If payment is not made
2.5 within ten days of demand, the commissioner may charge and collect the wages earned
2.6 and a penalty in the amount of the employee's average daily earnings at the rate agreed
2.7 upon in the contract of employment, not exceeding 15 days in all, for each day beyond the
2.8 ten-day limit following the demand. Money collected by the commissioner must be paid
2.9 to the employee concerned. This section does not prevent an employee from prosecuting a
2.10 claim for wages. This section does not prevent a school district, other public school
2.11 entity, or other school, as defined under section 120A.22, from paying any wages earned
2.12 by its employees during a school year on regular paydays in the manner provided by an
2.13 applicable contract or collective bargaining agreement, or a personnel policy adopted by
2.14 the governing board. For purposes of this section, "employee" includes a person who
2.15 performs agricultural labor as defined in section 181.85, subdivision 2. For purposes of
2.16 this section, wages are earned on the day an employee works.

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