10/01/13 REVISOR SS/EE 14-3428 as introduced

SENATE STATE OF MINNESOTA EIGHTY-EIGHTH SESSION

S.F. No. 2241

(SENATE AUTHORS: FRANZEN and Newman)

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03/03/2014 5936 Introduction and first reading

Referred to Jobs, Agriculture and Rural Development

1.1 A bill for an act 1.2 relating to employers; regulating payment of wages using a payroll card account; 1.3 amending Minnesota Statutes 2012, section 177.255, subdivision 6.

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

Subd. 6. **Written consent.** (a) The employer may initiate payment of wages to an employee by electronic fund transfer to a payroll card account only after the employee has voluntarily consented in writing to that method of payment. pursuant to this section. Except pursuant to paragraph (b), consent to payment of wages by electronic fund transfer to a payroll card account shall not be a condition of hire or of continued employment. The written consent signed by the employee must include the terms and conditions of the payroll card account option as provided in subdivision 5. A copy of the signed written

consent must be provided to the employee and be retained by the employer.

Section 1. Minnesota Statutes 2012, section 177.255, subdivision 6, is amended to read:

(b) The employer may require employees to receive payment of wages through a payroll card if the employer has provided the employees with a form indicating that failure to return the form within 30 days with the account information necessary to implement direct deposit under section 177.23, subdivision 4, clause (3), will be presumed to indicate consent to receiving wages through a payroll card. If an employee is currently paid by direct deposit or by check on a bank convertible into cash on demand at full face value, the method of payment shall not be changed to payroll card without written consent of the employee under paragraph (a).

Section 1.