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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 402

01/29/2015 Authored by Davnie, Winkler, Persell, Liebling, Mullery and others

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform

02/26/2015 By motion, recalled and re-referred to the Committee on Job Growth and Energy Affordability Policy and Finance

1.1 A bill for an act
1.2 relating to wages; modifying wage deductions for credit card charges; amending
1.3 Minnesota Statutes 2014, section 177.24, by adding a subdivision; repealing
1.4 Minnesota Rules, part 5200.0080, subpart 7.

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

1.6 Section 1. Minnesota Statutes 2014, section 177.24, is amended by adding a
1.7 subdivision to read:

1.8 Subd. 3a. **Gratuities; credit cards or charges.** (a) Gratuities presented to an
1.9 employee via inclusion on a debit, charge, or credit card shall be credited to that pay
1.10 period in which they are received by the employee and for which they appear on the
1.11 employee's tip statement.

1.12 (b) Where a gratuity is given by a customer through a debit, charge, or credit card,
1.13 the full amount of gratuity must be allowed the employee.

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

1.15 Sec. 2. **REPEALER.**

1.16 Minnesota Rules, part 5200.0080, subpart 7, is repealed.

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

APPENDIX
Repealed Minnesota Rule: 15-0927

5200.0080 GRATUITIES/TIPS CREDITS.

Subp. 7. **Credit cards or charges.** Gratuities presented to a direct service employee via inclusion on a charge or credit card shall be credited to that pay period in which they are received by the direct service employee and for which they appear on the direct service employee's tip statement.

Where a tip is given by a customer through a credit or charge card, the full amount of tip must be allowed the direct service employee minus only the percentage deducted from the tip in the same ratio as the percentage deducted from the total bill by the service company.