

SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 4709

(SENATE AUTHORS: SEEBERGER and Oumou Verbeten)

DATE	D-PG	OFFICIAL STATUS
03/07/2024	12050	Introduction and first reading Referred to Labor

1.1A bill for an act

1.2relating to wages; modifying wage deductions for credit card charges; amending

1.3Minnesota Statutes 2022, section 177.24, by adding a subdivision; repealing

1.4Minnesota Rules, part 5200.0080, subpart 7.

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

1.6Section 1. Minnesota Statutes 2022, section 177.24, is amended by adding a subdivision

1.7to read:

1.8Subd. 3a. Gratuities; credit cards or charges. (a) Gratuities received by an employee

1.9through a debit, charge, credit card, or electronic payment shall be credited to that pay period

1.10in which they are received by the employee.

1.11(b) Where a gratuity is received by an employee through a debit, charge, credit card, or

1.12electronic payment, the full amount of gratuity indicated in the payment must be distributed

1.13to the employee no later than the next scheduled pay period.

1.14EFFECTIVE DATE. This section is effective August 1, 2024.

1.15Sec. 2. REPEALER.

1.16Minnesota Rules, part 5200.0080, subpart 7, is repealed.

1.17EFFECTIVE DATE. This section is effective August 1, 2024.

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.