

State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 3275

03/24/2014 Authored by Erhardt

The bill was read for the first time and referred to the Committee on Labor, Workplace and Regulated Industries

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.

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

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

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

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