

House Research Act Summary

CHAPTER: 166

SESSION: 2014 Regular Session

TOPIC: Minimum wage/Use of donated vacation time

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Date: April 16, 2014

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Section

- 1** **Vacation donation to sick leave account.** Authorizes the use of up to 80 hours of donated time after the death of a spouse or dependent child.
- 2** **Amount.** Conforms state business activity thresholds with those in federal law and provides for a three-phase increase in the minimum wage as follows:

| | Large Employer | Small Employer/Training Wage/Youth Wage | Hotel/Motel/Resort Summer Work-Travel Exchange/J Non-immigrant visa |
|----------------|----------------|---|---|
| August 1, 2014 | \$8.00 | \$6.50 | \$7.25 |
| August 1, 2015 | \$9.00 | \$7.25 | \$7.50 |
| August 1, 2016 | \$9.50 | \$7.75 | \$7.75 |

Indexes future minimum wage increases applicable to all employers beginning on January 1, 2018. The wage is to be adjusted annually each January 1 thereafter.

Provides the method for adjusting the minimum wage in 2018 and thereafter using the Implicit Price Deflator, national data for personal consumption expenditures. The inflation increase is capped at the lesser of the rate of inflation or 2.5 percent.

Wage rates must be rounded to the nearest one cent.

Section

Authorizes the commissioner of labor and industry in consultation with the commissioner of management and budget to issue an order to suspend the inflation increase if leading economic indicators indicate the potential for a substantial economic downturn. Requires a public notice, comment, and hearing process prior to the issuance of an order.

Also authorizes the commissioner in a year subsequent to the suspension, to make a supplemental increase in the wage in addition to the regularly scheduled inflation increase. The supplemental increase may be in an amount up to the full amount of the suspended inflation increase. Additional supplemental increases may be implemented until the full amount of the suspended increase is reflected in the minimum wage rates. The public notice, comment, and hearing requirements apply.

- 3 Severability.** Provides for the severability of provisions in the act.