

HOUSE RESEARCH

Bill Summary

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Subject: Minimum wage/federal conformity

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Section

- 1** **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
August 1, 2013	\$8.00	\$7.00	\$6.50
August 1, 2014	\$9.00	\$8.00	\$7.50
August 1, 2015	\$9.50	\$8.50	\$8.00

Indexes future minimum wage increases applicable to all employers beginning on January 1, 2016. The wage is to be adjusted annually each January 1 thereafter. Provides the method for adjusting the minimum wage in 2016 and thereafter using the Consumer Price Index for all urban consumers. The wage rates must be rounded to the nearest one cent.

- 2** **Gratuities; credit cards or charges.** Provides for crediting of gratuities by debit, charge, or credit card. Specifies that the full amount of the gratuity must be allocated to the employee.
- 3** **Compensation required.** Conforms state overtime thresholds with existing standards under federal law.
- 4** **Motor vehicle sales people; mechanics.** Strikes language related to commissions and incentives.
- 5** **Air carrier employees.** Conforms to 40 hours per week standard.

Section

- 6** **Agricultural employment.** Maintains 48 hour per week threshold for certain agricultural employees. Requires a report by January 1, 2014.
- 7** **Twelve-week leave; birth or adoption.** Lengthens state leave to 12 weeks.
- 8** **Relationship to other leave.** Aligns to 12-week standard set in section 7.
- 9** **Repealer.** Repeals rule to conform to gratuity changes made in section 2.