

Subject Wage theft
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Summary

Section	Description
1	Minimum criteria [§ 16C.285, subd. 3] Adds a conviction for criminal wage theft to the list of disqualifying violations from inclusion on the state’s “responsible contractor” list.
2	Authority to investigate [§ 177.27, subd. 1a] Allows the commissioner of labor and industry to enter the places of business of employers, during work hours, to investigate potential violations of chapters 177, 181, 181A, and 184. The investigation authority includes the ability to collect various evidence of potential violations of law. The commissioner has similar, but more limited, power under existing statute (section 177.27, subdivision 1).
3	Submission of records; penalty [§ 177.27, subd. 2] Provides that the commissioner of labor and industry may require submission of employment records in a specific format. Creates a new maximum fine of \$10,000 for repeat violations of Department of Labor and Industry record requests.
4	Subpoenas [§ 177.27, subd. 11] Allows the commissioner of labor and industry to issue subpoenas, seeking testimony or production of documents or other things, in order to carry out enforcement responsibilities.
5	Court orders for entrance and inspection [§ 177.27, subd. 12] Allows the commissioner of labor and industry to obtain a court order to enter the place of business of an employer to exercise the investigation powers under section 177.27, subdivision 1a.
6	State licensing or regulatory power [§ 177.27, subd. 13] Expressly allows the commissioner of labor and industry to provide a copy of an order to comply with employment law under the commissioner’s purview to any entity that licenses or regulates that employer.

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7	<p>Public contracts [§ 177.27, subd. 14]</p> <p>Expressly allows the commissioner of labor and industry to provide a copy of an order to comply with employment law under the commissioner’s purview to a local government or state agency that contracts with the employer.</p>
8	<p>Notice to employees of compliance orders and citations [§ 177.27, subd. 15]</p> <p>Allows the commissioner of labor and industry to require an employer subject to a compliance order or citation to communicate information about relevant violations of law to employees.</p>
9	<p>Keeping records; penalties [§ 177.30]</p> <p>Requires employers to keep additional employment records, including basis of pay (hourly, salary, piece rate, etc.), personnel policies given to employees, and the notice required to be provided to employees under section 10 of this bill. The section also requires that all records be available for inspection and creates a new maximum fine of \$10,000 for repeat violations of Department of Labor and Industry record keeping requirements.</p>
10	<p>Misdemeanors [§ 177.32, subd. 1]</p> <p>Creates a misdemeanor offense for paying, or agreeing to pay, wages at a rate less than the rate described and provided by an employer pursuant to section 181.032. Creates an additional misdemeanor for committing wage theft as described in section 181.03, subdivision 1. A person convicted of a misdemeanor may be sentenced to jail for up to 90 days, a fine of up to \$1,000, or both. States that intent is not an element of a misdemeanor under paragraph (a). Creates a gross misdemeanor offense for intentionally retaliating against an employee for asserting rights or remedies under sections 177.21 to 177.44, or the wage theft provision. A gross misdemeanor is punishable by up to one year in jail, a fine of up to \$3,000, or both.</p>
11	<p>Enforcement; remedies [§ 177.45]</p> <p>Expressly provides joint enforcement authority over chapter 177 to the Attorney General.</p>
12	<p>Prohibited practices [§ 181.03, subd. 1]</p> <p>Expands prohibited practices by employers with regard to wage payments or lack thereof.</p>
13	<p>Enforcement [§ 181.03, subd. 4]</p> <p>Provides that Department of Labor and Industry enforcement of wage theft provisions does not preclude other types of enforcement allowed by law.</p>
14	<p>Citations [§ 181.03, subd. 5]</p> <p>Allows the commissioner of labor and industry to issue citations, requiring employers that have failed to pay wages of up to \$1,000 to pay the employee the wages, along with any</p>

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	other damages owed, within 15 days. If the employer fails to remedy the failure within the 15 days, the commissioner can assess a penalty of up to \$1,000.
15	Administrative review [§ 181.03, subd. 6] Creates a hearing process, using the Office of Administrative Hearings, for citations under section 181.03, subdivision 5 (section 7 of the bill).
16	Effect on other laws [§ 181.03, subd. 7] Provides that section 181.03 should not be construed to limit application of federal or other state laws.
17	Retaliation [§ 181.03, subd. 8] Clarifies the prohibition on retaliation against an employee for asserting rights related to payment of wages. Creates a rebuttable presumption of retaliation when an adverse action happens within 90 days of an employee assertion of rights.
18	Required statement of earnings by employer; notice to employee [§ 181.032] Adds to information required on an employee earnings statement. The new information required includes the basis of pay (hourly, salary, piece rate, etc.), any allowances for meals or lodging, and the address and phone number of the employer. The section also requires an employer to give a written notice to an employee at the start of employment. That notice must include a variety of information about employee pay and the employer, and must be signed by the employee and kept by the employer. Finally, the section requires an employer to provide written notice to an employee whenever anything in the original written notice changes.
19	Wages; how often paid [§ 181.101] Changes the requirement in current law that an employee be paid at least once every 31 days, to a requirement that employees have pay periods of no more than 16 days, with pay for that period required to be paid within ten days of the end of the pay period. The section also reduces the minimum time after a missed paycheck that the commissioner of labor and industry may intercede from ten days to five days.
20	Enforcement; remedies [§ 181.1721] Expressly provides joint enforcement authority over sections 181.01 to 181.172 to the Attorney General.
21	Definitions [§ 609.52, subd. 1] Amends the definition of “value” for use in determining the severity of a wage theft offense by clarifying that value means the difference between wages legally required to be reported or paid and the amount actually reported or paid.

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22	Acts constituting theft [§ 609.52, subd. 2] Adds intentionally authorizing or engaging in wage theft to the list of acts that constitute theft in the criminal statutes.
23	Sentence [§ 609.52, subd. 3] Adds commission of the new offense of intentionally authorizing or engaging in wage theft to the list of actions that may be subject to the most severe penalty for committing theft. If the value of wage theft exceeds \$35,000, a person may be sentenced to prison for up to 20 years, a fine of up to \$100,000, or both. Under current law, the penalty applies to the theft of a firearm, or to thefts of over \$35,000 that involve false representation, swindle, fraudulently diverting corporate property, or fraudulently authorizing or causing a corporate distribution.
24	Appropriation Appropriates unspecified amounts in fiscal years 2020 and 2021 to the commissioner of labor and industry to address wage theft. The section also requires an unspecified percentage of money appropriated to be used for grants to community-based groups for outreach, education, and technical assistance for employees and employers.



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