

MINNESOTA

Minneapolis Employers Face Wage Theft Ordinance: Are You Ready?

Soon, Minneapolis employers will have additional requirements to abide by according to a new wage theft ordinance that surpasses the rules imposed by a Minnesota statute implemented earlier this year. Excepting independent contractors and government employees, the new law is effective on January 1, 2020, and it applies to all employees who work at least 80 hours per year in Minneapolis and targets the following forms of wage theft:

- Improperly calculating employee wages, including overtime
- Failing to pay employees
- Allowing employees to work “off the clock”
- Taking illegal or unauthorized deductions
- Denying rest or meal breaks
- Failing to pay minimum wage
- Withholding gratuities

New Compliance Elements

- Written notice is a key aspect of the new law, and Minneapolis employers need to be diligent about obtaining signatures from employees before implementing changes in their overtime, gratuity, sick, and safe time policies. New employees must receive written notice of these policies before their start day and also before any changes are implemented.
- Written earnings statements, including accrued and unused sick time, must be provided to employees upon request.
- There are additional recordkeeping requirements and guidelines regarding record retention and employee access.
- Employers must post a notice from the Minneapolis Department of Civil Rights in a prominent location. The notice should be in English as well as any language that is spoken onsite by “at least five percent (5%) of the employees.”
- Violation penalties can be assessed if the Minneapolis Department of Civil Rights determines employers have failed to comply. Penalties range from \$250 to \$3,000, depending on the type of violation and an employer’s history. Discriminating or retaliating against employees who take action is strictly prohibited.

Key Takeaways for Minneapolis Employers

Since the new wage theft ordinance overlaps portions of the Minnesota law, employers are encouraged to seek additional compliance advice from a legal or HR professional. Ensuring employees receive appropriate written notice that complies with both laws will require diligent attention to posting, recordkeeping, and policy implementation.

ePlace Solutions doesn't regularly track and/or update local laws and ordinances. Our online resources may not include or reflect new or changed laws or ordinances at the local level.