

**SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION**

S.F. No. 3635

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DATE
03/02/2022

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Introduction and first reading
Referred to Labor and Industry Policy

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to employment; modifying weekly hours worked required for overtime
1.3 compensation; requiring minimum time between employee shifts; amending
1.4 Minnesota Statutes 2020, sections 177.25, subdivisions 1, 5; 177.27, subdivision
1.5 4; proposing coding for new law in Minnesota Statutes, chapter 181.

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

1.7 Section 1. Minnesota Statutes 2020, section 177.25, subdivision 1, is amended to read:

1.8 Subdivision 1. **Compensation required.** (a) No employer may employ an employee
1.9 for a workweek longer than ~~48~~ 40 hours, unless the employee receives compensation for
1.10 employment in excess of ~~48~~ 40 hours in a workweek at a rate of at least 1-1/2 times the
1.11 regular rate at which the employee is employed. The state of Minnesota or a political
1.12 subdivision may grant time off at the rate of 1-1/2 hours for each hour worked in excess of
1.13 ~~48~~ 40 hours in a week in lieu of monetary compensation. An employer does not violate the
1.14 overtime pay provisions of this section by employing any employees for a workweek in
1.15 excess of ~~48~~ 40 hours without paying the compensation for overtime employment prescribed
1.16 (1) if the employee is employed under an agreement meeting the requirement of section
1.17 7(b)(2) of the Fair Labor Standards Act of 1938, as amended, or (2) if the employee is
1.18 employed as a sugar beet hand laborer on a piece rate basis, provided that the regular rate
1.19 of pay received per hour of work exceeds the applicable wage provided in section 177.24,
1.20 subdivision 1 by at least 40 cents.

1.21 (b) An employee must receive compensation for employment at a rate of at least 1-1/2
1.22 times the regular rate of each hour worked on the seventh consecutive day of work in a
1.23 workweek, regardless of whether the employee has worked in excess of 40 hours during
1.24 the workweek.

2.1 Sec. 2. Minnesota Statutes 2020, section 177.25, subdivision 5, is amended to read:

2.2 Subd. 5. **Air carrier employees.** Subdivision 1 does not apply to employees of air
 2.3 carriers subject to the provisions of title II of the Railway Labor Act, when the hours worked
 2.4 by an employee in excess of ~~48~~ 40 in a workweek are not required by the carrier, but are
 2.5 arranged through a voluntary agreement among employees to trade scheduled work hours.

2.6 Sec. 3. Minnesota Statutes 2020, section 177.27, subdivision 4, is amended to read:

2.7 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an
 2.8 employer to comply with sections 177.21 to 177.435, 181.02, 181.03, 181.031, 181.032,
 2.9 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.172, paragraph (a) or (d), 181.275,
 2.10 subdivision 2a, 181.722, 181.79, ~~and~~ 181.939 to 181.943, ~~or~~ 181.99, and with any rule
 2.11 promulgated under section 177.28. The commissioner shall issue an order requiring an
 2.12 employer to comply with sections 177.41 to 177.435 if the violation is repeated. For purposes
 2.13 of this subdivision only, a violation is repeated if at any time during the two years that
 2.14 preceded the date of violation, the commissioner issued an order to the employer for violation
 2.15 of sections 177.41 to 177.435 and the order is final or the commissioner and the employer
 2.16 have entered into a settlement agreement that required the employer to pay back wages that
 2.17 were required by sections 177.41 to 177.435. The department shall serve the order upon the
 2.18 employer or the employer's authorized representative in person or by certified mail at the
 2.19 employer's place of business. An employer who wishes to contest the order must file written
 2.20 notice of objection to the order with the commissioner within 15 calendar days after being
 2.21 served with the order. A contested case proceeding must then be held in accordance with
 2.22 sections 14.57 to 14.69. If, within 15 calendar days after being served with the order, the
 2.23 employer fails to file a written notice of objection with the commissioner, the order becomes
 2.24 a final order of the commissioner.

2.25 Sec. 4. **[181.99] MINIMUM TIME BETWEEN SHIFTS.**

2.26 (a) Unless an employee consents to work such hours in writing, no employer may require
 2.27 an employee to work hours that occur (1) less than 11 hours after the end of the previous
 2.28 shift, or (2) during the 11 hours following the end of a shift that spanned two days. An
 2.29 employer must pay an employee 1-1/2 times the employee's regular rate of pay for any such
 2.30 hours worked by a consenting employee.

2.31 (b) For the purposes of paragraph (a), the terms defined have the following meanings:

2.32 (1) "employee" means an individual employed by an employer;

3.1 (2) "employer" means a person or entity that employs one or more employees. The term
3.2 includes an individual, corporation, partnership, association, nonprofit organization, group
3.3 of persons, state, county, town, city, school district, or other governmental subdivision; and

3.4 (3) "shift" means the consecutive hours an employer requires an employee to work or
3.5 to be on call to work. Breaks totaling two hours or less shall not be considered an interruption
3.6 of consecutive hours.