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S.F. No. 4709 – Wage deductions for credit card fees

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Date: March 14, 2024

S.F. 4709 proposes to move a portion of a current rule (being repealed) on payment of tips received by an employee through a credit card or other electronic payment into a new provision within the Minnesota Fair Labor Standards Act in Chapter 177. The bill would require the full amount of a tip included in a credit card or electronic payment to be provided to the employee in the pay period when they are received. Finally, the bill repeals the current rule that allows an employer to deduct from the tip an amount in the same percentage that is deducted from the total bill by a credit card service company, meaning that an employer would no longer be able to deduct that amount from the tip amount to employees.